

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 22, 2025

REDWOOD TRUST, INC.  
(Exact name of registrant as specified in its charter)

Maryland  
(State or other jurisdiction  
of incorporation)

001-13759  
(Commission  
File Number)

68-0329422  
(I.R.S. Employer  
Identification No.)

One Belvedere Place  
Suite 300  
Mill Valley, California 94941  
(Address of principal executive offices and Zip Code)

(415) 389-7373  
(Registrant's telephone number, including area code)

Not Applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	RWT	New York Stock Exchange
10% Series A Fixed-Rate Reset Cumulative Redeemable Preferred Stock, par value \$0.01 per share	RWT PRA	New York Stock Exchange
9.125% Senior Notes Due 2029	RWTN	New York Stock Exchange
9.0% Senior Notes Due 2029	RWTO	New York Stock Exchange
9.125% Senior Notes Due 2030	RWTP	New York Stock Exchange

### **Item 2.03. Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant.**

On August 25, 2025, Redwood Trust, Inc. (the “Company”) issued \$50,000,000 aggregate principal amount of the Company’s 7.75% Convertible Senior Notes due 2027 (the “Notes”) pursuant to securities purchase agreements (the “Securities Purchase Agreements”) with the respective investors named therein (the “Offering”). As used herein, the term “Notes” includes the Existing Notes (as defined below), unless the context requires otherwise.

The Notes issued in the Offering were issued as a reopening of, and are part of the same series as, the 7.75% convertible senior notes due 2027 that the Company originally issued in June 2022 (the “Initial Notes”) and the 7.75% convertible senior notes due 2027 that the Company issued in October 2024 (the “Initial Additional Notes”) and, together with the Initial Notes, the “Existing Notes”). Upon completion of the Offering, the aggregate principal amount of outstanding Notes was \$297,170,000.

The Company issued the Notes under an indenture dated as of June 9, 2022 (the “Indenture”) between the Company and Wilmington Trust, National Association, a national banking association, as trustee (the “Trustee”).

The Notes bear interest at a rate of 7.75% per year, payable semi-annually in arrears on June 15 and December 15 of each year, beginning (in the case of Notes issued in the Offering) on December 15, 2025. The Notes are the general unsecured obligations of the Company and rank equal in right of payment with the other existing and future senior unsecured indebtedness of the Company and senior in right of payment to any indebtedness of the Company that is contractually subordinated to the Notes. The Notes, however, are effectively subordinated in right of payment to the existing and future secured indebtedness of the Company to the extent of the value of the collateral securing such indebtedness, and structurally subordinated to the claims of the Company’s subsidiaries’ creditors, including trade creditors.

The Notes will mature on June 15, 2027 (the “Maturity Date”), unless earlier redeemed or repurchased by the Company or converted.

Before March 15, 2027, holders will have the right to convert their Notes only upon the occurrence of certain events. From and after March 15, 2027, holders may convert their Notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date. The Company will have the right to elect to settle conversions either entirely in cash or in a combination of cash and shares of its common stock, \$0.01 par value per share (the “Common Stock”). However, upon conversion of any Notes, the conversion value, which will be determined over an “Observation Period” (as defined in the Indenture) consisting of 25 trading days, will be paid in cash up to at least the principal amount of the Notes being converted. The conversion rate of the Notes is 95.6823 shares of Common Stock per \$1,000 principal amount of Notes, which is equivalent to a conversion price of approximately \$10.45 per share. The conversion price represents a premium of approximately 78.0% over the closing price of the Company’s Common Stock on August 21, 2025. The conversion rate is subject to adjustment in certain circumstances.

Upon the occurrence of a fundamental change (as defined in the Indenture) involving the Company, holders of the Notes may require the Company to repurchase all or a portion of their Notes for cash at a price equal to 100% of the principal amount of the Notes to be purchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The Company will have the right to redeem the Notes, in whole or in part, at its option at any time, and from time to time, prior to maturity, to the extent, and only to the extent, necessary to preserve its status as a real estate investment trust (“REIT”) for U.S. federal income tax purposes. In addition, subject to the partial redemption limitation described below, the Company will have the right to redeem the Notes, in whole or in part, at its option on or after June 16, 2025, but only if the last reported sale price per share of the Company’s Common Stock exceeds 130% of the conversion price for a specified period of time. A redemption pursuant to the provision described in the preceding sentence is referred to as a “Provisional Redemption.” Pursuant to the partial redemption limitation, the Company may not elect to redeem less than all of the outstanding Notes pursuant to a Provisional Redemption unless at least \$100.0 million aggregate principal amount of Notes are outstanding and not subject to Provisional Redemption as of the time the Company sends the related redemption notice. The redemption price for any Note called for redemption will be a cash amount equal to the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any. The Company may at any time and from time to time repurchase Notes by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws.

If an event of default (as defined in the Indenture) occurs and is continuing, the Trustee by notice to the Company, or the holders of at least 25% in aggregate principal amount of the Notes then outstanding by notice to the Company and the Trustee, may, and the Trustee at the request of such holders shall, declare 100% of the principal of and accrued and unpaid interest on all the Notes to be due and payable. In the case of an event of default arising out of certain bankruptcy or insolvency events (as set forth in the Indenture), 100% of the principal of and accrued and unpaid interest on the Notes will automatically become due and payable.

The above description of the Indenture and the Notes is a summary and is not complete. Copies of the Indenture and the form of the certificate representing the Notes, the terms of which are incorporated by reference, are attached as exhibits 4.1 and 4.2, respectively, to the Company’s Current Report on Form 8-K, filed on June 9, 2022, and the above summary is qualified in its entirety by reference to the terms of the Indenture and the Notes set forth in such exhibits.

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**Item 9.01. Financial Statements and Exhibits.**

Exhibits

Exhibit Number	Description
<a href="#">5.1</a>	<a href="#">Opinion of Latham &amp; Watkins LLP</a>
<a href="#">5.2</a>	<a href="#">Opinion of Venable LLP</a>
<a href="#">23.1</a>	<a href="#">Consent of Latham &amp; Watkins LLP (included in Exhibit 5.1)</a>
<a href="#">23.2</a>	<a href="#">Consent of Venable LLP (included in Exhibit 5.2)</a>
104	Cover page interactive data file (embedded within the inline XBRL document).

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 25, 2025

**REDWOOD TRUST, INC.**

By: /S/ Brooke E. Carillo

Name: Brooke E. Carillo

Title: Chief Financial Officer

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 Los Angeles, California 90067  
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 www.lw.com

# LATHAM & WATKINS LLP

August 25, 2025

Redwood Trust, Inc.  
 One Belvedere Place, Suite 300  
 Mill Valley, California 94941

## FIRM / AFFILIATE OFFICES

Austin	Milan
Beijing	Munich
Boston	New York
Brussels	Orange County
Chicago	Paris
Dubai	Riyadh
Düsseldorf	San Diego
Frankfurt	San Francisco
Hamburg	Seoul
Hong Kong	Silicon Valley
Houston	Singapore
London	Tel Aviv
Los Angeles	Tokyo
Madrid	Washington, D.C.

Re: Registration Statement on Form S-3 (Registration No. 333-285506); \$50,000,000 Aggregate Principal Amount of 7.75% Convertible Senior Notes due 2027 of Redwood Trust, Inc.

To the addressee set forth above:

We have acted as special counsel to Redwood Trust, Inc., a Maryland corporation (the “*Company*”), in connection with issuance and sale of \$50,000,000 aggregate principal amount of the Company’s 7.75% Convertible Senior Notes due 2027 (the “*Notes*”), pursuant to a registration statement on Form S-3 under the Securities Act of 1933, as amended (the “*Securities Act*”), initially filed with the Securities and Exchange Commission (the “*Commission*”) on March 3, 2025 (Registration No. 333-285506), as amended by Post-Effective Amendment No. 1 thereto, filed with the Commission on August 22, 2025 (as so filed and as amended, the “*Registration Statement*”), a base prospectus, dated March 3, 2025, included in the Registration Statement at the time it originally became effective under the Securities Act (the “*Base Prospectus*”), a prospectus supplement, dated August 22, 2025, filed with the Commission pursuant to Rule 424(b) under the Securities Act on August 22, 2025 (the “*Prospectus Supplement*”) and, together with the Base Prospectus, the “*Prospectus*”), and Securities Purchase Agreements, dated August 22, 2025, between the Company and the respective investors named therein (the “*Securities Purchase Agreements*”). The Notes are being issued pursuant to an indenture, dated as of June 9, 2022, between the Company and Wilmington Trust, National Association, as trustee (the “*Trustee*”) (such indenture, the “*Indenture*”).

This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or the Prospectus, other than as expressly stated herein with respect to the issue of the Notes.

As such counsel, we have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter. With your consent, we have relied upon oral and written statements and representations of officers and other representatives of the Company and others as to factual matters without having independently verified such factual matters. We have assumed the genuineness of all signatures, including any endorsements, the legal capacity and competency of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as facsimile, electronic, certified or photostatic copies and the authenticity of the originals of such copies.



We are opining herein as to the internal laws of the State of New York, and we express no opinion with respect to the applicability to the opinions expressed herein, or the effect thereon, of the laws of any other jurisdiction, or as to any matters of municipal law or the laws of any local agencies within any state. Various matters pertaining to Maryland law are addressed in the opinion of Venable LLP, separately provided to you. We express no opinion with respect to those matters herein, and, to the extent elements of those opinions are necessary to the conclusions expressed herein, we have, with your consent, assumed such matters.

Subject to the foregoing and the other matters set forth herein, it is our opinion that, as of the date hereof, when the Notes have been executed, issued and authenticated in accordance with the terms of the Indenture and delivered and paid for in accordance with the terms of the Securities Purchase Agreements, the Notes will be legally valid and binding obligations of the Company, enforceable against the Company in accordance with their terms.

Our opinions are subject to:

- (a) the effects of bankruptcy, insolvency, reorganization, preference, fraudulent transfer, moratorium or other similar laws relating to or affecting the rights or remedies of creditors;
- (b) the effects of general principles of equity, whether considered in a proceeding in equity or at law (including the possible unavailability of specific performance or injunctive relief), concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which a proceeding is brought; and
- (c) the invalidity, under certain circumstances under law or court decisions, of provisions for the indemnification or exculpation of, or contribution to, a party with respect to a liability, where such indemnification, exculpation or contribution is contrary to public policy.

We express no opinion with respect to (i) consents to, or restrictions upon, governing law, jurisdiction, venue, service of process, arbitration, remedies or judicial relief; (ii) advance waivers of claims, defenses, rights granted by law, notice or opportunity for hearing, evidentiary requirements, statutes of limitation, trial by jury or at law or other procedural rights; (iii) waivers of rights or defenses contained in Section 3.06 of the Indenture, and waivers of broadly or vaguely stated rights; (iv) covenants not to compete; (v) provisions for exclusivity, election or cumulation of rights or remedies; (vi) provisions authorizing or validating conclusive or discretionary determinations; (vii) grants of setoff rights; (viii) provisions to the effect that a guarantor is liable as a primary obligor, and not as a surety and provisions purporting to waive modifications of any guaranteed obligation to the extent such modification constitutes a novation; (ix) provisions for the payment of attorneys' fees where such payment is contrary to law or public policy; (x) proxies, powers and trusts; (xi) provisions prohibiting, restricting, or requiring consent to assignment or transfer of any agreement, right or property; (xii) provisions for liquidated damages, default interest, late charges, monetary penalties, prepayment or make-whole premiums or other economic remedies to the extent such provisions are deemed to constitute a penalty; (xiii) provisions permitting, upon acceleration of any indebtedness (including the Notes), collection of that portion of the stated principal amount thereof that might be determined to constitute unearned interest thereon; (xiv) any "swap" (as such term is defined in the Commodity Exchange Act of 1936, as amended), including any guarantee thereof, by any party that is not an "eligible contract participant" (as such term is defined in such Act) or any provision of the Indenture or the Notes that purports to share the proceeds of any guarantee or collateral provided by any party that is not an eligible contract participant with the provider of any such swap or the effect of such sharing provisions on the opinions expressed herein; and (xv) the severability, if invalid, of provisions to the foregoing effect.

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With your consent, we have assumed that (a) the Indenture has been duly authorized, executed and delivered by the parties thereto; (b) the Indenture constitutes legally valid and binding obligations of the parties thereto (other than the Company), enforceable against each of them in accordance with their respective terms; and (c) the status of the Indenture and the Notes as legally valid and binding obligations of the parties thereto is not affected by any (i) breaches of, or defaults under, agreements or instruments; (ii) violations of statutes, rules, regulations or court or governmental orders; or (iii) failures to obtain required consents, approvals or authorizations from, or make required registrations, declarations or filings with, governmental authorities.

This opinion is for your benefit in connection with the Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Securities Act. We consent to your filing this opinion as an exhibit to the Company's Current Report on Form 8-K, filed with the Commission on or about August 25, 2025, and to the reference to our firm contained in the Prospectus Supplement under the heading "Legal Matters." In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Sincerely,

/s/ Latham & Watkins LLP

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August 25, 2025

Redwood Trust, Inc.  
One Belvedere Place  
Suite 300  
Mill Valley, California 94941

Re: Registration Statement on Form S-3 (File No. 333-285506)

Ladies and Gentlemen:

We have served as Maryland counsel to Redwood Trust, Inc., a Maryland corporation (the "Company"), in connection with certain matters of Maryland law arising out of the sale and issuance by the Company of \$50,000,000 aggregate principal amount of its 7.75% Convertible Senior Notes due 2027 (the "Notes"), covered by the above-referenced Registration Statement, and all amendments thereto (the "Registration Statement"), filed by the Company with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "1933 Act"). The Notes are to be issued in an offering pursuant to a Prospectus Supplement, dated August 22, 2025 (the "Prospectus Supplement").

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

- Act;
1. The Registration Statement, and the related form of prospectus included therein, in the form filed by the Company with the Commission under the 1933 Act;
  2. The Prospectus Supplement, in the form filed by the Company with the Commission pursuant to Rule 424(b) under the 1933 Act;
  3. The charter of the Company (the "Charter"), certified by the State Department of Assessments and Taxation of Maryland (the "SDAT");
  4. The Bylaws of the Company, certified as of the date hereof by an officer of the Company;
  5. A certificate of the SDAT as to the good standing of the Company, dated as of a recent date;
  6. Resolutions (the "Resolutions") adopted by the Board of Directors of the Company, and a duly authorized pricing committee thereof, relating to the authorization of the issuance of the Notes and the Conversion Shares (as defined herein), certified as of the date hereof by an officer of the Company;
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Redwood Trust, Inc.  
August 25, 2025  
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7. A certificate executed by an officer of the Company, dated as of the date hereof; and

8. Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so.

2. Each individual executing any of the Documents on behalf of a party (other than the Company) is duly authorized to do so.

3. Each of the parties (other than the Company) executing any of the Documents has duly and validly executed and delivered each of the Documents to which such party is a signatory, and such party's obligations set forth therein are legal, valid and binding and are enforceable in accordance with all stated terms.

4. All Documents submitted to us as originals are authentic. The form and content of all Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such Documents as executed and delivered. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all Documents are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Documents are true and complete. There has been no oral or written modification of or amendment to any of the Documents, and there has been no waiver of any provision of any of the Documents, by action or omission of the parties or otherwise.

5. Upon the issuance of any shares of common stock, \$.01 par value per share (the "Common Stock"), of the Company issuable upon conversion of the Notes (the "Conversion Shares"), the total number of shares of Common Stock issued and outstanding will not exceed the total number of shares of Common Stock that the Company is then authorized to issue under the Charter.

6. The Conversion Shares will not be issued or transferred in violation of any restriction or limitation contained in the Charter.

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Redwood Trust, Inc.  
August 25, 2025  
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Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

- SDAT.
1. The Company is a corporation duly incorporated and existing under and by virtue of the laws of the State of Maryland and is in good standing with the
  2. The issuance of the Notes has been duly authorized by the Company.
  3. The issuance of the Conversion Shares has been duly authorized by the Company and, when issued and delivered by the Company upon conversion of the Notes in accordance with the Resolutions and the terms of the Notes, the Conversion Shares will be validly issued, fully paid and nonassessable.

The foregoing opinion is limited to the laws of the State of Maryland and we do not express any opinion herein concerning any other law. We express no opinion as to compliance with any federal or state securities laws, including the securities laws of the State of Maryland, or as to federal or state laws regarding fraudulent transfers. To the extent that any matter as to which our opinion is expressed herein would be governed by the laws of any jurisdiction other than the State of Maryland, we do not express any opinion on such matter.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof.

This opinion is being furnished to you for submission to the Commission as an exhibit to the Company's Current Report on Form 8-K relating to the offering of the Notes (the "Current Report"), which is incorporated by reference in the Registration Statement. We hereby consent to the filing of this opinion as an exhibit to the Current Report and the said incorporation by reference and to the use of the name of our firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the 1933 Act. Latham & Watkins, LLP, counsel to the Company, may rely on this opinion in connection with an opinion to be issued by it of even date herewith relating to the issuance of the Notes.

Very truly yours,

/s/ Venable LLP

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