

	Date Exer-cisable	Expira-tion Date	Title	Amount or Number of Shares			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Explanation of Responses:

1. The reporting persons (the "Reporting Persons") consist of VA Partners, L.L.C. ("VA Partners"), ValueAct Capital Partners, L.P. ("ValueAct Partners"), Jeffrey W. Ubben, George F. Hamel, Jr. and Peter H. Kamin. ValueAct Partners is a Delaware limited partnership, the principal business of which is investing in securities. VA Partners is a Delaware limited liability company, the principal business of which is to render investment management services and to serve as the General Partner of ValueAct Partners. Messrs. Ubben, Hamel and Kamin are each managing members, principal owners and controlling persons of VA Partners. Each Reporting Person disclaims membership in a group with any other person within the meaning of Rule 13d-5(b)(i) and Rule 16a-1(a)(1) under the Exchange Act.

2. These securities are owned by investment advisory accounts of VA Partners or investment pools of which it is the investment adviser or general partner, including ValueAct Partners. Each Reporting Person has only a pro rata interest in the securities with respect to which indirect beneficial ownership is reported and disclaims beneficial ownership in such securities except to the extent of such Reporting Person's pecuniary interest.

3. These securities are owned directly by Mr. Ubben.

Dated: July 20, 2001

ValueAct Capital Partners L.P., by VA Partners, L.L.C.

VA Partners, L.L.C., its General Partner

By: /s/ George F. Hamel, Jr. By: /s/ George F. Hamel, Jr.
Managing Member

Managing Member, VA Partners, L.L.C.

/s/ Jeffrey W. Ubben

/s/ George F. Hamel, Jr.

/s/ Peter H. Kamin

* If the form is filed by more than one reporting person, see Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, See Instruction 76 for procedure.

Joint Filer Information

Name: ValueAct Capital Partners L.P

Address: One Maritime Plaza, Suite 1400, San Francisco, CA 94111

Designated Filer: VA Partners, L.L.C.

Issuer and Ticker Symbol: Redwood Trust, Inc. (RWT)

Statement for Month/Year: July 2001

ValueAct Capital Partners L.P., by

VA Partners, L.L.C., its General Partner

By: /s/ George F. Hamel, Jr.
Managing Member

Name: George F. Hamel, Jr.

Address: One Maritime Plaza, Suite 1400, San Francisco, CA 94111

Designated Filer: VA Partners, L.L.C.

Issuer and Ticker Symbol: Redwood Trust, Inc. (RWT)

Statement for Month/Year: July 2001

Signature: /s/ George F. Hamel, Jr.

Name: Jeffrey W. Ubben

Address: One Maritime Plaza, Suite 1400, San Francisco, CA 94111

Designated Filer: VA Partners, L.L.C.

Issuer and Ticker Symbol: Redwood Trust, Inc. (RWT)

Statement for Month/Year: July 2001

Signature: /s/ Jeffrey W. Ubben

Name: Peter H. Kamin

Address: One Maritime Plaza, Suite 1400, San Francisco, CA 94111

Designated Filer: VA Partners, L.L.C.

Issuer and Ticker Symbol: Redwood Trust, Inc. (RWT)

Statement for Month/Year: July 2001

Signature: /s/ Peter H. Kamin