

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): March 4, 2020

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
(IRS Employer Identification Number)

**One Belvedere Place
Suite 300
Mill Valley, California 94941**
(Address of principal executive offices, including 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:

- 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 |

Item 1.01 Entry Into a Material Definitive Agreement

In connection with the commencement by Redwood Trust, Inc. (the "Company") of its "continuous equity offering," pursuant to which the Company may sell up to an aggregate of \$150,000,000 of the Company's common stock, par value \$0.01 per share (the "Shares") from time to time in "at the market" offerings (the "Offering"), on November 14, 2018, the Company previously entered into a distribution agreement (as amended, the "Original Agreement") by and between the Company and Wells Fargo Securities, LLC, J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and JMP Securities LLC, as agents and/or principals, for the offer and sale of the Shares (together, the "Initial Agents").

On March 4, 2020, the Company entered into an amendment (the "Second Amendment") to the Original Agreement with the Initial Agents and Nomura Securities International, Inc. to increase the aggregate amount of the Offering from \$150,000,000 to \$175,000,000 and to permit Nomura Securities International, Inc. to join the program as an additional agent and/or principal.

Under the Original Agreement, the Company has offered and sold \$62,372,565.84 of the Company's common stock through the date hereof.

On March 4, 2020, the Company also filed a prospectus supplement, dated March 4, 2020 (the "Prospectus Supplement"), in connection with the offer and sale of the Shares. The Shares will be issued pursuant to the Prospectus Supplement and the Company's shelf registration statement on Form S-3 (File No. 333-231338), which was filed with the SEC, and originally became effective on, May 9, 2019.

This Current Report on Form 8-K shall not constitute an offer to sell or the solicitation of an offer to buy any security nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

A copy of the Amendment is filed as Exhibit 1.1 to this Current Report. The description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the Amendment filed as an exhibit to this Current Report and incorporated herein by reference.

The company is filing the opinion of its Maryland counsel, Venable LLP, regarding the legality of the Shares that may be issued pursuant to the Amendment. The opinion is filed as Exhibit 5.1 to this Current Report.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| <u>1.1</u> | <u>Amendment No. 2 to Distribution Agreement, dated March 4, 2020, by and among Redwood Trust, Inc., Wells Fargo Securities, LLC, J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC, JMP Securities LLC and Nomura Securities International, Inc.</u> |
| <u>5.1</u> | <u>Opinion of Venable LLP.</u> |
| <u>23.1</u> | <u>Consent of Venable LLP (included in Exhibit 5.1).</u> |
| <u>23.2</u> | <u>Consent of Ernst & Young LLP</u> |

SIGNATURES

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

Date: March 6, 2020

REDWOOD TRUST, INC.

By: /s/ Andrew P. Stone

Name: Andrew P. Stone

Title: Executive Vice President, General Counsel, and Secretary

REDWOOD TRUST, INC.

Amendment No. 2 to the Distribution Agreement

March 4, 2020

Wells Fargo Securities, LLC
500 West 33rd Street, 14th Floor
New York, New York 10001

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010

Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

JMP Securities LLC
600 Montgomery Street, Suite 1100
San Francisco, California 94111

Nomura Securities International, Inc.
Worldwide Plaza
309 West 49th Street
New York, New York 10019

Ladies and Gentlemen:

Reference is made to the Distribution Agreement, dated November 14, 2018, as amended by Amendment No.1 thereto on May 9, 2019 (the “**Agreement**”), among Redwood Trust, Inc., a Maryland corporation (the “**Company**”), and Wells Fargo Securities, LLC, J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and JMP Securities LLC, as an agent and/or principal under any Terms Agreement (each, an “**Agent**” or collectively, the “**Agents**”), with respect to the issuance and sale from time to time by the Company of shares of Common Stock, par value, \$0.01 per share of the Company having an aggregate Gross Sales Price of up to \$150,000,000 on the terms set forth in the Agreement.

In connection with the foregoing, the Company and the Agents wish to amend the Agreement pursuant to Section 18 thereof through this Amendment No. 2 to the Agreement (this “**Amendment**”) to permit Nomura Securities International, Inc. (“**Nomura**”) to join the side letter as an additional Agent, to increase the program's aggregate Gross Sales Price to a maximum amount of \$175,000,000, and to make certain related changes to the Agreement with effect on and after the date hereof (the “**Effective Date**”).

SECTION 1. Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the respective meanings assigned thereto in the Agreement.

SECTION 2. Joinder. Nomura hereby joins and becomes a party to the Agreement (as amended by this Amendment) as an agent and/or principal under any Terms Agreement (as defined in Section 1(a) of the Agreement) with respect to the issuance and sale from time to time by the Company, in the manner and subject to the terms and conditions described in the Agreement (as amended by this Amendment), and acknowledges and agrees to be hereby bound by and be subject to, and shall continue to be bound by and subject to, the terms and provisions of the Agreement (as amended by this Amendment). Nomura acknowledges that it has received a copy of the Agreement.

SECTION 3. Amendments.

(a) *Addressees*:

- (i) The addressees on page 1 of the Agreement is amended to add the following after the address of JMP Securities LLC and before "Ladies and Gentleman":

Nomura Securities International, Inc.
Worldwide Plaza
309 West 49th Street
New York, New York 10019

- (ii) The address of Wells Fargo Securities, LLC on page 1 of the Agreement is amended and restated as follows:

Wells Fargo Securities, LLC
500 West 33rd Street, 14th Floor
New York, New York 10001

(b) *Introductory Paragraph*:

- (i) The definitions of "**Agent**" and "**Agents**" in the introductory paragraph on page 1 of the Agreement is amended to add "and Nomura Securities International, Inc." after "JMP Securities LLC" and to replace "and" before "JMP Securities LLC" with a comma.
- (ii) The definition of "**Maximum Amount**" in the introductory paragraph on page 1 of the Agreement is amended to replace "\$150,000,000" with "\$175,000,000".

(c) *Exhibits*:

- (i) Each of the introductory paragraphs in Exhibits A, B and D of the Agreement is hereby amended to add "and Nomura Securities International, Inc." after "JMP Securities LLC" and to replace "and" before "JMP Securities LLC" in each case with a comma.
- (ii) Each of the introductory paragraphs in Exhibits A, B and D of the Agreement is hereby amended to add "as amended," immediately after the open parenthesis and immediately before the phrase "the "**Distribution Agreement**")" in each case.
-

(d) *Section 3 (Representations, Warranties and Agreements of the Company):*

- (i) The second to last sentence of Section 3(r) of the Agreement is hereby amended and restated as follows (additions are indicated in bold type and underlined):

"Except as otherwise disclosed in the Registration Statement, the Preliminary Prospectus, if any, or the Prospectus, and except for "real estate owned" properties owned by the Company as a result of foreclosures on delinquent loans, if any, the Company and its subsidiaries do not own any **material** real property."

- (ii) The second sentence of Section 3(ww) of the Agreement is hereby amended and restated as follows (additions are indicated in bold type and underlined):

"The Company and its subsidiaries have implemented and maintained commercially reasonable controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data (including all personal, personally identifiable, sensitive, confidential or regulated data ("**Personal Data**")) used in connection with the business of the Company and its subsidiaries as currently conducted, and, to the knowledge of the Company, there have been no material breaches, violations, outages or unauthorized uses of or accesses to same, except **as otherwise disclosed in the Registration Statement, the Preliminary Prospectus, if any, or the Prospectus or** for those that have been remedied without material cost or liability or the duty to notify **a material number of persons or any governmental authority**, nor any **material** incidents under internal review or investigations relating to the same."

(e) *Section 15 (Notices):*

- (i) Section 15 of the Agreement is hereby amended as follows:

- (A) to delete the "and" immediately before the beginning of clause (v), to replace the period at the end of clause (v) with a semi-colon, and to add a new clause (vi) immediately following the such semi-colon as follows:

"(vi) Nomura Securities International, Inc., Worldwide Plaza, 309 West 49th Street New York, New York 10019, Attention: Equity Capital Markets, Americas, email: NomuraATMExecution@nomura.com, fax: 646-587-9562 with a copy to the Head of IBD Legal, fax: 646-587-9548);"; and

(B) to amend and restate the address in clause (i) as follows:

"(i) Wells Fargo Securities, LLC, 500 West 33rd Street, New York, New York 10001, Attention: Equity Syndicate Department (fax: (212) 214-5918);".

SECTION 4. No Further Amendment. The Agreement, as amended by this Amendment, is in all respects ratified and confirmed and all the terms, conditions, and provisions thereof shall remain in full force and effect. This Amendment is limited precisely as written and shall not be deemed to be an amendment to any other term or condition of the Agreement or any of the documents referred to therein.

SECTION 5. Governing Law. This Amendment and any claim, counterclaim, controversy or dispute of any kind or nature whatsoever arising out of or in any way relating to this Amendment, directly or indirectly, shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 6. Counterparts. This Amendment may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

SECTION 7. Headings. The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Amendment.

If the foregoing correctly sets forth the understanding between the Company, each of the Agents and Nomura, please so indicate in the space provided below for that purpose, whereupon this Amendment and your acceptance shall constitute a binding agreement among the Company, each of the Agents and Nomura.

Very truly yours,

REDWOOD TRUST, INC.

By: /s/ Collin L. Cochrane

Name: Collin L. Cochrane

Title: Chief Financial Officer

Accepted and agreed as of the date first above written:

WELLS FARGO SECURITIES, LLC

By: /s/ Elizabeth Alvarez
Name: Elizabeth Alvarez
Title: Managing Director

J.P. MORGAN SECURITIES LLC

By: /s/ Jamie Lee
Name: Jamie Lee
Title: Executive Director

CREDIT SUISSE SECURITIES (USA) LLC

By: /s/ Renos Savvides
Name: Renos Savvides
Title: Director

GOLDMAN SACHS & CO. LLC

By: /s/ Daniel Young
Name: Daniel Young
Title: Managing Director

JMP SECURITIES LLC

By: /s/ Jay Magee
Name: Jay Magee
Title: Managing Director

NOMURA SECURITIES INTERNATIONAL, INC.

By: /s/ Conor O'Callaghan
Name: Conor O'Callaghan
Title: Managing Director

March 4, 2020

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

Re: Registration Statement on Form S-3 (File No. 333-231338)

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 from time to time of shares of Common Stock, \$0.01 par value per share (the “Common Stock”), of the Company having an aggregate offering price of up to \$175,000,000, of which shares of Common Stock having an aggregate offering price of \$112,627,434.16 (the “Shares”) remain available for offer and sale pursuant to the Distribution Agreement (as defined below). The Shares are covered by the above-referenced Registration Statement, and all amendments related 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 Shares may be issued from time to time in an at-the-market public offering (the “Offering”) pursuant to a Distribution Agreement, dated as of November 14, 2018, as amended through the date hereof (as amended, the “Distribution Agreement”), by and among the Company, Wells Fargo Securities, LLC, J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC, JMP Securities LLC and Nomura Securities International, Inc.

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”):

1. The Registration Statement and the Prospectus included therein;
 2. The Prospectus Supplement, dated March 4, 2020 (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 Amended and Restated Bylaws of the Company, as amended, 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 adopted by the Board of Directors of the Company, and a duly authorized committee thereof (the "Resolutions"), relating to, among other things, the authorization of (a) the registration, sale and issuance of the Shares, (b) the execution, delivery and performance by the Company of the Distribution Agreement and (c) the delegation to designated officers of the Company of the power to determine the number and price of the Shares and certain other matters in connection with the registration, sale and issuance of the Shares, subject to the Resolutions, certified as of the date hereof by an officer of the Company;

7. The Distribution Agreement;

8. A certificate executed by an officer of the Company, dated as of the date hereof; and

9. 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. The Shares will not be issued or transferred in violation of the restrictions on transfer and ownership of shares of stock of the Company set forth in Article XI of the Charter.

6. Upon the issuance of any of the 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.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

1. The Company is a corporation duly incorporated and existing under the laws of the State of Maryland and is in good standing with the SDAT.
2. The issuance of the Shares has been duly authorized and, when and if issued and delivered against payment therefor in accordance with the Distribution Agreement, the Resolutions, the Registration Statement and the Prospectus Supplement, the 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 the applicability or effect of 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 (the "Current Report"). We hereby consent to the filing of this opinion as an exhibit to the Current Report 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.

Very truly yours,

/s/ Venable LLP

Consent of Independent Auditors

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-3 No. 333-231388) and related Prospectus of Redwood Trust, Inc. for the registration of up to \$175,000,000 in shares of its common stock and to the incorporation by reference therein of our report dated April 30, 2019 (except for Notes 9, 12 and 13 as to which the date is December 23, 2019), with respect to the consolidated financial statements of CF CoreVest Holdings I LLC and our report dated December 23, 2019, with respect to the consolidated financial statements of CF CoreVest Holdings II LLC, all included in Redwood Trust, Inc.'s Current Report on Form 8-K/A dated December 26, 2019, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Los Angeles, California
March 4, 2020
