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

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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): January 22, 2018

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**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)

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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.

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## **Item 2.02. Results of Operations and Financial Condition.**

### **Item 7.01. Regulation FD Disclosure.**

On January 22, 2018, Redwood Trust, Inc. (the “Company”) made available an updated investor relations presentation, which includes certain preliminary full-year 2017 financial results. A link to the presentation materials is available at the Company’s website at [www.redwoodtrust.com](http://www.redwoodtrust.com), in the Newsroom section of the website under “Events and Presentations.” An archive of the presentation materials will be available at the same location for 90 days.

For the year ended December 31, 2017, the Company estimates that net income will be in the range of \$1.57 to \$1.63 per fully diluted share, and 2017 return on average equity will be in the range of 11.6% to 12.1%. The Company estimates that, at December 31, 2017, GAAP book value will be in the range of \$15.79 to \$15.85 per share.

Additionally, the Company provided estimates of operating results for the year ended December 31, 2017 as set forth below:

- The Company purchased \$5.7 billion of residential jumbo loans, including \$1.3 billion of expanded-prime “Redwood Choice” loans, which represented approximately 30% of the Company’s loan purchase volume;
- Residential loan distribution activity totaled \$5.2 billion, including \$1.3 billion of whole loan sales to third parties, \$3.3 billion of loans that were securitized, and \$0.6 billion of loans held for investment and financed by the Company’s FHLB-member subsidiary;
- The Company executed nine separate securitization transactions, including two expanded-prime “Redwood Choice” securitization transactions;
- Margins on mortgage banking activities exceeded the Company’s long-term expectations of 75 to 100 basis points;
- The Company deployed \$511 million of capital, primarily in Sequoia securities, third party residential mortgage backed securities, and credit risk transfer securities issued by Fannie Mae and Freddie Mac, and also including \$37 million of debt repurchases and \$9 million of common stock repurchases; and
- The Company sold \$281 million of portfolio assets, including securities and conforming mortgage servicing rights, freeing up \$167 million of capital for reinvestment after the repayment of associated debt.

The preliminary full-year 2017 financial and operating results represent the most current information available to management. Where the Company has provided ranges, rather than specific amounts, for the preliminary financial results described above, this was done primarily because the closing procedures for the quarter and year ended December 31, 2017 are not yet complete. The Company’s actual results may differ from these preliminary estimates due to the completion of the Company’s financial closing procedures, final adjustments and other developments that may arise between the date of this Form 8-K and the time that financial results for the year ended December 31, 2017 are finalized.

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The information contained in Item 2.02 and Item 7.01 is furnished to and not filed with the Securities and Exchange Commission, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such filing.

Cautionary Statement: Redwood Trust's presentation to investors may contain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve numerous risks and uncertainties. Our actual results may differ from our beliefs, expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and can be identified by words such as "anticipate," "estimate," "will," "should," "expect," "believe," "intend," "seek," "plan" and similar expressions or their negative forms, or by references to strategy, plans, or intentions. These forward-looking statements are subject to risks and uncertainties, including, among other things, those described in our Annual Report on Form 10-K for the year ended December 31, 2016 and our Quarterly Reports on Form 10-Q for the quarters ended June 30, 2017 and September 30, 2017, under the caption "Risk Factors." Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected may be described from time to time in reports we file with the Securities and Exchange Commission (SEC), including reports on Forms 10-Q and 8-K. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Important factors, among others, that may affect our actual results include: the pace at which we redeploy our available capital into new investments; interest rate volatility, changes in credit spreads, and changes in liquidity in the market for real estate securities and loans; changes in the demand from investors for residential mortgages and investments, and our ability to distribute residential mortgages through our whole-loan distribution channel; our ability to finance our investments in securities and our acquisition of residential mortgages with short-term debt; changes in the values of assets we own; general economic trends, the performance of the housing, real estate, mortgage, credit, and broader financial markets, and their effects on the prices of earning assets and the credit status of borrowers; federal and state legislative and regulatory developments, and the actions of governmental authorities, including the new U.S. presidential administration, and in particular those affecting the mortgage industry or our business (including, but not limited to, the Federal Housing Finance Agency's rules relating to FHLB membership requirements and the implications for our captive insurance subsidiary's membership in the FHLB); strategic business and capital deployment decisions we make; developments related to the fixed income and mortgage finance markets and the Federal Reserve's statements regarding its future open market activity and monetary policy; our exposure to credit risk and the timing of credit losses within our portfolio; the concentration of the credit risks we are exposed to, including due to the structure of assets we hold and the geographical concentration of real estate underlying assets we own; our exposure to adjustable-rate mortgage loans; the efficacy and expense of our efforts to manage or hedge credit risk, interest rate risk, and other financial and operational risks; changes in credit ratings on assets we own and changes in the rating agencies' credit rating methodologies; changes in interest rates; changes in mortgage prepayment rates; changes in liquidity in the market for real estate securities and loans; our ability to finance the acquisition of real estate-related assets with short-term debt; the ability of counterparties to satisfy their obligations to us; our involvement in securitization transactions, the profitability of those transactions, and the risks we are exposed to in engaging in securitization transactions; exposure to claims and litigation, including litigation arising from our involvement in securitization transactions; ongoing litigation against various trustees of RMBS transactions; whether we have sufficient liquid assets to meet short-term needs; our ability to successfully compete and retain or attract key personnel; our ability to adapt our business model and strategies to changing circumstances; changes in our investment, financing, and hedging strategies and new risks we may be exposed to if we expand our business activities; our exposure to a disruption or breach of the security of our technology infrastructure and systems; exposure to environmental liabilities; our failure to comply with applicable laws and regulations; our failure to maintain appropriate internal controls over financial reporting and disclosure controls and procedures; the impact on our reputation that could result from our actions or omissions or from those of others; changes in accounting principles and tax rules; our ability to maintain our status as a REIT for tax purposes; limitations imposed on our business due to our REIT status and our status as exempt from registration under the Investment Company Act of 1940; decisions about raising, managing, and distributing capital; and other factors not presently identified.

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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: January 22, 2018

REDWOOD TRUST, INC.

By: /S/ COLLIN L. COCHRANE

Collin L. Cochrane  
Chief Financial Officer

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