

Redwood Mortgage Investors VIII Liquidation Change Form

Investor Name _____

RMI Partner # _____

To: Redwood Mortgage Investors VIII

This letter is to inform the general partners of my desire to change the liquidation option previously scheduled for my Redwood Mortgage Investors VIII asset. I would like to change the liquidation schedule as follows:

At this time I wish to discontinue liquidation payments. I will notify the general partners in writing if I wish to resume liquidation payments at a later date.

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5-year or longer - Up to 5% of the capital account balance at the time my request is received paid quarterly until the asset is fully liquidated (5-years or longer). Subject to available cash flow, payments will be scheduled to begin the end of the quarter following the quarter my instructions are received.

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Accelerated - Up to 25% of the capital account balance at the time my request is received, **less a 10% penalty**, paid quarterly until the asset is fully liquidated. Subject to available cash flow, payments will be scheduled to begin the end of the quarter following the quarter my instructions are received.

_____ **By checking the box above, I understand that I am choosing the Accelerated**
(Initial) Liquidation option, that there will be a 10% penalty assessed on each payment and
that payments are subject to the priority of those requesting the 5-year or longer
option.

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Death Provision - Up to 25% of the capital account balance at the time my request is received paid quarterly until the asset is fully liquidated. Subject to available cash flow, payments will be scheduled to begin the end of the quarter following the quarter my instructions are received.

\_\_\_\_\_ **By checking the box above, I understand that I am choosing the Death Provision**  
**(Initial) liquidation option, and that payments are subject to the priority of those requesting**  
**the 5-year or longer option and the Accelerated Liquidation option.**

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_____ **I understand that under the Redwood Mortgage Investors VIII Partnership Agreement,**
(Initial) liquidation payments are always subject to the availability of sufficient cash flow generated in
the ordinary course of the Partnership's business, the Partnership is not required to sell loans
to meet the withdrawal requests of Limited Partners and no reserve is established to fund
liquidation payments.

Investor Signature

Date