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**REDWOOD MORTGAGE INVESTORS VIII, L.P.**  
**(a California Limited Partnership)**

**QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS**

**with Supplemental Information**

September 30, 2025

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**REDWOOD MORTGAGE INVESTORS VIII, L.P.**

**Consolidated Balance Sheets**  
**September 30, 2025 and December 31, 2024 (unaudited)**  
**(\$ in thousands)**

|  | September 30,<br>2025 | December 31,<br>2024 |
|--|-----------------------|----------------------|
| <u>ASSETS</u>                                |                       |                      |
| Cash, in banks                               | \$ 3,564              | \$ 4,734             |
| Loans secured by deeds of trust              |                       |                      |
| Principal                                    | 16,289                | 25,183               |
| Advances                                     | —                     | 9                    |
| Accrued interest                             | 93                    | 114                  |
| Loan balances secured by deeds of trust      | 16,382                | 25,306               |
| Allowance for credit losses                  | (125)                 | (2,540)              |
| Loan balances secured by deeds of trust, net | 16,257                | 22,766               |
| Mortgage note acquired                       | —                     | 3,656                |
| Real estate owned (REO), net                 | 8,787                 | 14,514               |
| Other assets                                 | 86                    | 61                   |
| Total assets                                 | <u>\$ 28,694</u>      | <u>\$ 45,731</u>     |
| <u>LIABILITIES AND PARTNERS' CAPITAL</u>     |                       |                      |
| Accounts payable                             | \$ 81                 | \$ 78                |
| Payable to manager                           | 28                    | 61                   |
| Accrued liabilities                          | 1,203                 | 1,477                |
| Mortgage payable                             | —                     | 1,263                |
| Total liabilities                            | 1,312                 | 2,879                |
| Commitments and Contingencies                |                       |                      |
| Partners' capital                            |                       |                      |
| Limited partners' capital                    | 29,331                | 45,903               |
| General partners' (deficit)                  | (645)                 | (637)                |
| Total partners' capital                      | 28,686                | 45,266               |
| Receivable from manager (formation loan)     | (1,304)               | (2,414)              |
| Partners' capital, net of formation loan     | 27,382                | 42,852               |
| Total liabilities and partners' capital      | <u>\$ 28,694</u>      | <u>\$ 45,731</u>     |

**REDWOOD MORTGAGE INVESTORS VIII, L.P.**

**Consolidated Statements of Income (Loss)**  
**For the Three and Nine Months Ended September 30, 2025 and 2024 (unaudited)**  
**(\$ in thousands)**

|   | <b>Three Months Ended September 30,</b> |             | <b>Nine Months Ended September 30,</b> |             |
|---|---|-------------|--|-------------|
|   | <b>2025</b>                             | <b>2024</b> | <b>2025</b>                            | <b>2024</b> |
| <b>Revenue</b>                                  |   |             |  |             |
| Interest income                                 | \$ 390                                  | \$ 715      | \$ 1,442                               | \$ 2,253    |
| Interest expense                                |   |             |  |             |
| Line of credit                                  | —                                       | (63)        | —                                      | (324)       |
| Mortgages payable                               | (7)                                     | (13)        | (46)                                   | (40)        |
| Total interest expense                          | (7)                                     | (76)        | (46)                                   | (364)       |
| Net interest income                             | 383                                     | 639         | 1,396                                  | 1,889       |
| Late fees                                       | —                                       | 15          | 3                                      | 19          |
| Total revenue, net                              | 383                                     | 654         | 1,399                                  | 1,908       |
| Provision for (recovery of) credit losses       | (10)                                    | 48          | (1,071)                                | 1,668       |
| <b>Operations expense</b>                       |   |             |  |             |
| Dissolution fee to Redwood Mortgage Corp. (RMC) | 109                                     | —           | 1,110                                  | —           |
| Mortgage servicing fees to RMC                  | 63                                      | 137         | 227                                    | 465         |
| Asset management fees to RMC                    | 29                                      | 50          | 110                                    | 149         |
| Costs from RMC                                  | 79                                      | 111         | 277                                    | 342         |
| Professional services                           | 277                                     | 209         | 931                                    | 929         |
| REO, net  | 137                                     | 594         | 659                                    | 834         |
| Other   | (9)                                     | 3           | (14)                                   | 24          |
| Total operations expense                        | 685                                     | 1,104       | 3,300                                  | 2,743       |
| Net income (loss)                               | \$ (292)                                | \$ (498)    | \$ (830)                               | \$ (2,503)  |
| Limited partners (99%)                          | \$ (289)                                | \$ (493)    | \$ (822)                               | \$ (2,478)  |
| General partners (1%)                           | (3)                                     | (5)         | (8)                                    | (25)        |
| Net (loss)                                      | \$ (292)                                | \$ (498)    | \$ (830)                               | \$ (2,503)  |

**REDWOOD MORTGAGE INVESTORS VIII, L.P.**

**Consolidated Statements of Changes in Partners' Capital**

**For the Three Months Ended September 30, 2025 (unaudited)**  
**(\$ in thousands)**

|                             | <b>Limited<br/>Partners'<br/>Capital</b> | <b>General<br/>Partners'<br/>Capital (Deficit)</b> | <b>Total<br/>Partners'<br/>Capital</b> |
|-----------------------------|--|--|--|
| Balance, June 30, 2025      | \$ 31,070                                | \$ (642)   | \$ 30,428                              |
| Net loss                    | (289)                                    | (3)  | (292)                                  |
| Withdrawals                 | (1,450)                                  | —  | (1,450)                                |
| Balance, September 30, 2025 | <u>\$ 29,331</u>                         | <u>\$ (645)</u>                                    | <u>\$ 28,686</u>                       |

**For the Nine Months Ended September 30, 2025 (unaudited)**  
**(\$ in thousands)**

|                             | <b>Limited<br/>Partners'<br/>Capital</b> | <b>General<br/>Partners'<br/>Capital (Deficit)</b> | <b>Total<br/>Partners'<br/>Capital</b> |
|-----------------------------|--|--|--|
| Balance, December 31, 2024  | \$ 45,903                                | \$ (637)   | \$ 45,266                              |
| Net loss                    | (822)                                    | (8)  | (830)                                  |
| Withdrawals                 | (15,750)                                 | —  | (15,750)                               |
| Balance, September 30, 2025 | <u>\$ 29,331</u>                         | <u>\$ (645)</u>                                    | <u>\$ 28,686</u>                       |

**REDWOOD MORTGAGE INVESTORS VIII, L.P.**

**Consolidated Statements of Cash Flows**  
**For the Nine Months Ended September 30, 2025 and 2024 (unaudited)**  
**(\$ in thousands)**

|   | <b>Nine Months Ended September 30,</b> |                 |
|---|--|-----------------|
|   | <b>2025</b>                            | <b>2024</b>     |
| Operating activities                              |  |                 |
| Interest income received                          | \$ 1,463                               | \$ 2,787        |
| Interest expense                                  | (46)                                   | (405)           |
| Late fees and other loan income                   | 2                                      | 19              |
| Operations expense                                | (3,640)                                | (2,424)         |
| Total cash (used in) operating activities         | (2,221)                                | (23)            |
| Investing activities                              |  |                 |
| Loans   |  |                 |
| Loans funded                                      | (2,000)                                | —               |
| Principal and advances collected                  | 9,559                                  | 8,443           |
| Mortgage note collected                           | 3,656                                  | —               |
| Proceeds from loans sold to non-affiliate, net    | —                                      | 3,430           |
| Promissory note funded to related mortgage fund   | —                                      | (420)           |
| Promissory note repaid by related mortgage fund   | —                                      | 420             |
| Unsecured lending funded to related mortgage fund | —                                      | (1,700)         |
| Unsecured lending repaid by related mortgage fund | —                                      | 1,700           |
| Total – Loans                                     | 11,215                                 | 11,873          |
| REO – sales proceeds, net                         | 5,759                                  | —               |
| Total cash provided by investing activities       | 16,974                                 | 11,873          |
| Financing activities                              |  |                 |
| Partners' capital – withdrawals                   | (15,770)                               | —               |
| Formation loan – repayments from RMC              | 1,110                                  | —               |
| Mortgage payable – repayments                     | (1,263)                                | (40)            |
| Line of credit – repayments                       | —                                      | (7,110)         |
| Promissory note repaid to related mortgage fund   | —                                      | (2,800)         |
| Total cash (used in) financing activities         | (15,923)                               | (9,950)         |
| Net (decrease) increase in cash                   | (1,170)                                | 1,900           |
| Cash, beginning of year                           | 4,734                                  | 397             |
| Cash, end of period                               | <u>\$ 3,564</u>                        | <u>\$ 2,297</u> |

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

## Consolidated Statements of Cash Flows For the Nine Months Ended September 30, 2025 and 2024 (unaudited) (\$ in thousands)

Reconciliation of net (loss) to net cash (used in) provided by operating activities:

|  | Nine Months Ended September 30, |                |
|--|---------------------------------|----------------|
|  | 2025                            | 2024           |
| Cash flows from operating activities   |                                 |                |
| Net (loss)   | \$ (830)                        | \$ (2,503)     |
| Adjustments to reconcile net (loss) to net cash (used in) operating activities       |                                 |                |
| Provision for credit losses  | (1,071)                         | 1,571          |
| REO – (gain) on disposal   | (32)                            | —              |
| REO – decrease (increase) in valuation allowance                                     | —                               | 487            |
| Amortization of debt issuance costs  | —                               | 7              |
| Change in operating assets and liabilities   |                                 |                |
| Accrued interest   | 21                              | 695            |
| Prepaid interest   | —                               | (15)           |
| Receivable from related party  | —                               | 18             |
| Other assets   | (5)                             | (4)            |
| Accounts payable and accrued liabilities   | (271)                           | (260)          |
| Payable to related party   | (33)                            | (19)           |
| Total cash (used in) operating activities  | <u>\$ (2,221)</u>               | <u>\$ (23)</u> |
| Supplemental disclosures of cash flow information                                    |                                 |                |
| Non-cash investing activities  |                                 |                |
| Real estate acquired by foreclosure  | \$ —                            | \$ 2,400       |
| Property taxes, and other liabilities assumed at foreclosure, net                    | —                               | (82)           |
| Settlement of loan and interest receivable net of liabilities assumed at foreclosure | —                               | (2,318)        |

## REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

### Overview

Redwood Mortgage Investors VIII, L.P., a California Limited Partnership (“RMI VIII” or “the partnership”), was formed in 1993 to engage in business as a mortgage lender and investor by making and holding-for-investment mortgage loans secured by California real estate, primarily through first and second deeds of trust. The general partners are Redwood Mortgage Corp. (“RMC” or “the manager”) and Michael R. Burwell, the President, Secretary and Treasurer of RMC and RMC’s principal shareholder.

The partnership is externally managed by RMC.

- RMC is solely responsible for managing the business and affairs of RMI VIII, subject to the voting rights of the limited partners on specified matters. The manager acting alone has the power and authority to act for and bind the partnership.
- RMC provides personnel and services necessary for RMI VIII to conduct its business as the partnership has no employees of its own.
- The mortgage loans the partnership funded and invested in were arranged and generally are serviced by RMC.

The financial statements/information presented were prepared in conformity with accounting principles generally accepted in the USA. The partnership’s consolidated financial statements include the accounts of the partnership and its wholly-owned subsidiaries (consisting of single-member limited liability companies owning a single real property asset). All significant intercompany transactions and balances have been eliminated in consolidation. In the opinion of management of RMC, the accompanying unaudited consolidated financial statements/information contain all adjustments, consisting of normal, recurring adjustments – including any adjustments (and/or disclosures) that would be warranted by events that occurred subsequent to the balance sheet date, necessary to present fairly and accurately the consolidated financial information.

### *Plan of Dissolution (August 2023)*

On August 4, 2023 (the “Dissolution Date”), the general partners of RMI VIII entered into a plan of dissolution (the “Plan” or “Plan of Dissolution”) following the receipt of required consents of the limited partners approving the dissolution of the partnership (the “Dissolution”) and the Plan of Dissolution. Pursuant to the Plan of Dissolution, RMC commenced winding up the affairs of the partnership commencing from the Dissolution Date and is continuing to wind up activities until the complete liquidation of the partnership’s assets and the termination of the partnership in accordance with the Plan of Dissolution, the partnership’s Sixth Amended and Restated Limited Partnership Agreement dated July 28, 2005 (as amended, the “Partnership Agreement”), and the California Uniform Limited Partnership Act of 2008 (the “California Act”). In the event of any inconsistency between a provision of the Partnership Agreement and the Plan, the applicable provision of the Plan is controlling.

Under the Plan of Dissolution: RMI VIII ceased making new loans and only engages in business activities necessary or convenient to wind-up the partnership’s business and distribute partnership assets. As part of the wind-up activities, RMC, in its sole discretion, is to liquidate the partnership’s assets as promptly as is consistent with obtaining the current fair value thereof, which may include: (i) collecting loan payments from borrowers under existing loan terms; (ii) selling loans to third parties; (iii) selling loans to either or both general partners or their affiliates, subject to the limitations set forth in the Partnership Agreement; (iv) enforcing delinquent loans through foreclosure or negotiating settlements with the borrowers and/or any guarantors or other obligors on such loans; (v) selling any “real estate owned” (property acquired by foreclosure) held by the partnership; and (vi) taking any other actions determined by RMC to be consistent with recovering the fair market value of any partnership assets as authorized in the Partnership Agreement and the Plan. RMC may sell all, or substantially all, of the loans in the partnership’s portfolio to one or more unaffiliated third party purchasers, provided RMC determines, in its reasonable judgment, that the applicable portfolio sale is in the interest of the partnership and the limited partners taking into account the value of the loans in the portfolio being sold and the potential cost savings and other economic advantages gained from the sale of several loans in a single transaction rather than on a loan-by-loan basis. Under the Plan, RMC is entitled to a dissolution fee in an amount equal to 7.0% of each capital distribution to be made to the limited partners over the course of the wind-up period (the “Dissolution Fee”). The Dissolution Fee is to be paid to RMC quarterly, on or by the last business day of each calendar quarter based on the expected capital distribution to be paid to the limited partners for such quarter. The Dissolution Fee is treated as an expense of the partnership and included in the allocation of income/losses to limited partners’ capital accounts. RMC will continue to collect loan servicing fees, cost reimbursements, and other fees received as manager of the partnership, in addition to the Dissolution Fee, and the general partners will continue to collect asset management and other fees and be entitled to cost reimbursements.

## REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

Under the Plan of Dissolution: (i) all limited partners, including limited partners who previously elected not to receive periodic distributions of partnership net income under the Partnership Agreement, began receiving quarterly distributions of the partnership's net income (if any); and (ii) all scheduled withdrawals of limited partner capital made pursuant to the Partnership Agreement terminated in favor of quarterly pro rata withdrawals to all limited partners of cash received from the liquidation of partnership assets and available to fund capital distributions in accordance with the distribution provisions set forth in the Plan as described in the paragraph below.

Under the Plan of Dissolution: All assets of the partnership, including cash available from interest and principal payments on partnership loans, proceeds from the sale of real estate owned and partnership loans, and RMC's repayment (primarily from the proceeds of the Dissolution Fee) of the amounts owed on the formation loan and paid pursuant to the restoration obligation of the General Partners' capital deficit (i.e., the deficit restoration obligation or the DRO) are to be applied and distributed in the following order of priority:

- First, to the payment of operations expense, including liabilities to professional services providers and government agencies (principally property and other taxes), fees and cost reimbursements to RMC, asset management fees to the general partners, loan administration and collection costs, and such other general and administrative expenses of the partnership's business and compliance activities and then to the payment and discharge of all of the partnership's then current debts and liabilities to banks (and any other lenders); and
- Thereafter, quarterly, within seven (7) business days after the end of each calendar quarter, to the limited and general partners in proportion to their respective positive capital account balances, after (i) taking into account income and loss allocations for the applicable calendar quarter and (ii) deducting the Dissolution Fee as calculated on the last business day of the quarter. Quarterly net income, if any, is distributed pro rata to all limited partners and by disbursement separate from capital distribution payments.

Under the Plan of Dissolution: (i) RMC may establish and withhold from distributions made to the limited partners any reserves reasonably deemed necessary by RMC in light of known liabilities and liquidating expenses payable by RMI VIII as well as estimated, unknown and potential contingent liabilities and expenses; and (ii) at any time distributions to any limited partner has reduced the limited partner's capital account balance to \$10,000 or less, RMC is authorized to return the entire remaining capital account balance to a limited partner rather than continuing to make diminishing pro rata distributions to the limited partner in accordance with the distribution provisions of the Plan ("Low Balance Distributions"). The Plan permits the Partnership to give priority to Low Balance Distributions among other redemption payments in order to reduce operations expense.

The foregoing is a summary of the Plan of Dissolution and is qualified in its entirety by the terms of the Plan of Dissolution, a copy of which is filed as Exhibit 2.1 to the partnership's Form 8-K filed with the SEC on August 9, 2023.

### *Partnership Agreement – Summary (Prior to the Dissolution Date)*

The following is a summary of certain provisions of the Partnership Agreement and is qualified in its entirety by the terms of the Partnership Agreement itself. Limited partners should refer to the Partnership Agreement for complete disclosure of its provisions.

Net income (losses) are allocated among the limited partners according to their respective capital accounts after one percent (1%) of the net income (losses) are allocated to the general partners. The monthly results are subject to subsequent adjustment as a result of quarterly and year-end accounting and reporting. Investors should not expect the partnership to provide tax benefits of the type commonly associated with limited partnership tax shelter investments.

Federal and state income taxes are the obligation of the partners, other than the annual California franchise tax and the California LLC cash receipts taxes paid by the partnership's subsidiaries. The tax basis in the net assets of the partnership differs from the book basis by the amount of the allowance for credit losses and the amount of the valuation allowance for real estate owned.

### *Formation Loans to Redwood Mortgage Corp.*

Prior to the Dissolution Date: The Partnership Agreement provided that the formation loans made to RMC were repayable:

(i) principally from loan brokerage commissions earned on loans, early withdrawal penalties on partner withdrawals and other fees paid by the partnership; and (ii) in annual installments of approximately \$650 thousand which were payable by RMC either in full on December 31st of each calendar year during the term of the partnership (each, an "Annual Payment Date") or in four equal quarterly installments beginning on the Annual Payment Date.

Effective as of the Dissolution Date: The total amount due from RMC to the Partnership under the formation loans is repayable to the partnership over the course of the Wind-Up Period (as defined in the Plan) from the periodic Dissolution Fees payable to RMC and in accordance with the distribution provisions of the Plan described above under "Plan of Dissolution (August 2023)".



## REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

### *Real estate owned (REO)*

Real estate owned (“REO”) is property acquired in full or partial settlement of loan obligations generally through foreclosure and is recorded at acquisition at the property’s fair value less estimated costs to sell, as are other assets acquired and liabilities assumed (or any senior debt the property is taken subject to). The fair value estimates are derived from information available in the real estate markets, including similar property, and often require the experience and judgment of third parties such as commercial real estate appraisers and brokers. The estimates figure materially in calculating the value of the property at acquisition, the level of charge to the allowance for credit losses and any subsequent valuation reserves. After acquisition, costs incurred relating to the development and improvement of property are capitalized to the extent they do not cause the recorded value to exceed the net realizable value, whereas costs relating to holding and disposition of the property are expensed as incurred and recorded in REO, net on the statement of operations. REO is analyzed periodically for changes in fair values and any subsequent write down is charged to REO, net on the statement of operations. Any recovery in the fair value subsequent to such a write down is recorded, not to exceed the value recorded at acquisition. Recognition of gains on the sale of real estate is dependent upon the transaction meeting certain criteria related to the nature of the property and the terms of the sale including potential seller financing.

### **GENERAL PARTNERS AND OTHER RELATED PARTIES**

Per the Partnership Agreement and continuing after the Dissolution Date, the general partners are entitled to one percent (1%) of profits or losses of the partnership and provides for fees and for reimbursement of qualifying expenses, as compensation to the manager, as detailed below.

### *Dissolution fee*

Under the Plan of Dissolution, RMC is entitled to collect the Dissolution Fee, which is equal to 7.0% of each capital distribution to be made to the limited partners, over the course of the wind-up period. The Dissolution Fee amounts received by RMC are intended to first be remitted back to the partnership in satisfaction of amounts owed by RMC on the formation loan and to restore the general partners’ capital deficit (i.e., the deficit restoration obligation) required by the Partnership Agreement. Any proceeds of the Dissolution Fee remaining after payment of the formation loan and restoration of the general partners’ capital deficit will be retained by RMC. The Dissolution Fee will be treated as an expense of the partnership and included in the allocation of income/losses to limited partners’ capital accounts.

Payments received from RMC (upon the receipt by RMC of the Dissolution Fee triggered by the redemption distributions) as of September 30, 2025 have totaled \$1.1 million.

### *Mortgage servicing fees*

The manager acting as servicing agent with respect to all loans is entitled to receive a servicing fee of up to 1.5% annually of the unpaid principal balance of the loan portfolio. The mortgage servicing fees are accrued monthly on all loans. Remittance to RMC is made monthly unless the loan has been assigned a specific loss reserve, at which point remittance is deferred until the specific loss reserve is no longer required, or the property has been acquired by the partnership.

### *Asset Management Fees*

The general partners are entitled to monthly fees for managing the business and affairs of RMI VIII, including management of the partnership’s loan portfolio and operations, of up to 1/32 of 1% of the “net asset value” of the partnership (3/8 of 1% annually).

### *Costs from RMC*

The manager is entitled to request reimbursement for operations expense incurred on behalf of RMI VIII, including without limitation, RMC’s personnel and non-personnel costs incurred for qualifying business activities, including investor services, accounting, tax and data processing, postage and out-of-pocket general and administration expenses. Qualifying personnel/compensation costs and consulting fees are tracked by business activity, and then costs of qualifying activities are allocated to RMI VIII pro-rata based on the percentage of RMI VIII’s limited partners’ capital to the total capital of all related mortgage funds managed by RMC. Certain other non-personnel, qualifying costs such as postage and out-of-pocket general and administrative expenses can be tracked by RMC as specifically attributable to RMI VIII; other non-personnel, qualifying costs (e.g., RMC’s accounting and audit fees, legal fees and expenses, occupancy, and insurance premiums) are allocated pro-rata based on the percentage of RMI VIII’s partners’ capital to total capital of the related mortgage funds managed by RMC.

## REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

### *Formation loan*

Commissions for sales of limited partnership units paid to broker-dealers (“B/D sales commissions”) were paid by RMC and were not paid directly by the partnership out of offering proceeds. Instead, the partnership advanced to RMC amounts (sufficient up to 7% of offering proceeds) to pay the B/D sales commissions and premiums paid to partners in connection with unsolicited orders. The receivable from the manager arising from these advances is unsecured and non-interest bearing and is referred to as the “formation loan.” Since its inception, these advances totaled \$22.6 million, of which \$1.3 million remained outstanding at September 30, 2025.

### *Limited partners’ capital – redemption distributions*

Redemption distributions made pro rata to all limited partners during the nine months ended September 30, 2025 were \$15.8 million.

### *Other transactions with related mortgage funds and the manager*

#### *- Payable to/receivable from related mortgage funds and the manager*

From time to time, in the normal course of business operations, the partnership may have payables to and/or receivables from related mortgage funds and the manager. At September 30, 2025, the payable to related parties of approximately \$28 thousand consisted of exclusively accounts payable due to the manager. There were no receivables from related mortgage funds or the manager at September 30, 2025.

At December 31, 2024, the payable to related parties of approximately \$61 thousand consisted exclusively of accounts payable and cost reimbursements to the manager. There were no receivables from related mortgage funds or the manager at December 31, 2024.

#### *- Loan transactions with related mortgage funds*

In the ordinary course of business, performing loans may be transferred by executed assignment, in-part or in-full, between the RMC managed mortgage funds at par, which approximates fair value.

In the nine months ended September 30, 2025 and nine months ended September 30, 2024, no loans were transferred to related mortgage funds from RMI VIII.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

## LOANS

Prior to the Dissolution Date, loans were generally funded at a fixed interest rate with a loan term of up to five years and loans acquired between related mortgage funds were generally done so within the first six months of origination and were purchased at par value, which approximated fair value.

The partnership's loans are secured by real estate in coastal California metropolitan areas. The portfolio segments are first and second trust deeds mortgages and the key credit quality indicator is the LTV. First mortgages are predominant, but second lien deeds of trust are not infrequent nor insignificant. First-mortgage loans comprised 92% of the portfolio at September 30, 2025 (72% at December 31, 2024).

### *Secured loans unpaid principal balance (principal)*

Secured loan transactions for the three and nine months ended September 30, 2025 are summarized in the following table (\$ in thousands).

|                                | Three Months Ended September 30, 2025 |                   |                    | Nine Months Ended September 30, 2025 |                   |                    |
|--------------------------------|---------------------------------------|-------------------|--------------------|--------------------------------------|-------------------|--------------------|
|                                | Total                                 | First Trust Deeds | Second Trust Deeds | Total                                | First Trust Deeds | Second Trust Deeds |
| Principal, beginning of period | \$ 14,837                             | \$ 13,602         | \$ 1,235           | \$ 25,183                            | \$ 18,254         | \$ 6,929           |
| Loans funded <sup>(1)</sup>    | 2,000                                 | 2,000             | —                  | 2,000                                | 2,000             | —                  |
| Principal collected            | (548)                                 | (546)             | (2)                | (8,480)                              | (5,198)           | (3,282)            |
| Loan transferred to unsecured  | —                                     | —                 | —                  | (2,414)                              | —                 | (2,414)            |
| Principal, end of period       | <u>\$ 16,289</u>                      | <u>\$ 15,056</u>  | <u>\$ 1,233</u>    | <u>\$ 16,289</u>                     | <u>\$ 15,056</u>  | <u>\$ 1,233</u>    |

- (1) In August 2025, the partnership sold a REO consisting of a single-family residence and facilitated the transaction with financing a \$2.0 million first mortgage note at 6% interest, maturing in August 2026.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

## Loan characteristics

Secured loans had the characteristics presented in the following table (\$ in thousands).

|   | September 30,<br>2025 | December 31,<br>2024 |
|---|-----------------------|----------------------|
| Secured loans   | 5                     | 7                    |
| First trust deeds   | 4                     | 5                    |
| Second trust deeds  | 1                     | 2                    |
| Secured loans – principal   | \$ 16,289             | \$ 25,183            |
| First trust deeds   | \$ 15,056             | \$ 18,254            |
| Second trust deeds  | \$ 1,233              | \$ 6,929             |
| Secured loans – lowest interest rate (fixed)                              | 6.0%                  | 8.0%                 |
| Secured loans – highest interest rate (fixed)                             | 10.8%                 | 11.0%                |
| Average secured loan – principal  | \$ 3,258              | \$ 3,598             |
| Average principal as percent of total principal                           | 20.0%                 | 14.3%                |
| Average principal as percent of partners' capital, net of formation loan  | 11.9%                 | 8.4%                 |
| Average principal as percent of total assets                              | 11.4%                 | 7.9%                 |
| Largest secured loan – principal  | \$ 8,626              | \$ 8,689             |
| Largest principal as percent of total principal                           | 53.0%                 | 34.5%                |
| Largest principal as percent of partners' capital, net of formation loan  | 31.5%                 | 20.3%                |
| Largest principal as percent of total assets                              | 30.1%                 | 19.0%                |
| Smallest secured loan – principal   | \$ 880                | \$ 880               |
| Smallest principal as percent of total principal                          | 5.4%                  | 3.5%                 |
| Smallest principal as percent of partners' capital, net of formation loan | 3.2%                  | 2.1%                 |
| Smallest principal as percent of total assets                             | 3.1%                  | 1.9%                 |
| Number of California counties where security is located                   | 4                     | 6                    |
| Largest percentage of principal in one California county                  | 53.0%                 | 34.5%                |

As of September 30, 2025, 3 secured loans with principal of approximately \$4.9 million provide for monthly payments of interest only, with the principal due at maturity, and 2 loans with principal of approximately \$9.9 million (representing approximately 61% of the aggregate principal of the partnership's loan portfolio) provide for monthly payments of principal and interest, typically calculated on a 30-year amortization, with the remaining principal due at maturity.

As of September 30, 2025, there was 1 secured loan in second lien position with principal of approximately \$1.2 million and the LTV at origination (OLTV) was 65.7%.

As of September 30, 2025, there were 3 secured loans each with principal in excess of 10% of the total outstanding principal. The aggregate principal of these loans was approximately \$14.2 million and the weighted average OLTV is 37.5%. Both loans were in first lien position.

- The partnership's largest loan, with principal of approximately \$8.6 million (OLTV 25.0%), is secured by a commercial building in the City of Santa Clara in Santa Clara County, bears an interest rate of 8.375% per annum and matures on July 1, 2027.
- The second loan, with principal of approximately \$3.6 million (OLTV 59.2%), is secured by a commercial/mixed use building in the City of Fairfield in Solano County bears an interest rate of 7.990% per annum and matures on February 1, 2027.
- The third loan, with principal of approximately \$2.0 million (OLTV 53.2%), was made to facilitate an REO sale and is secured by a single family residential property in the City of Los Angeles in Los Angeles County bears an interest rate of 6.000% per annum and matures on September 1, 2026.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

## Lien position/OLTV

Secured loans had the lien positions presented in the following table (\$ in thousands).

|  | September 30, 2025 |           |         | December 31, 2024 |           |         |
|--|--------------------|-----------|---------|-------------------|-----------|---------|
|  | Loans              | Principal | Percent | Loans             | Principal | Percent |
| First trust deeds                        | 4                  | \$ 15,056 | 92%     | 5                 | \$ 18,254 | 72%     |
| Second trust deeds                       | 1                  | 1,233     | 8       | 2                 | 6,929     | 28      |
| Total principal, secured loans           | 5                  | 16,289    | 100%    | 7                 | 25,183    | 100%    |
| Liens due other lenders at loan closing  |                    | 4,915     |         |                   | 8,051     |         |
| Total debt                               |                    | \$ 21,204 |         |                   | \$ 33,234 |         |
| Appraised property value at loan closing |                    | \$ 55,210 |         |                   | \$ 85,150 |         |
| OLTV (weighted average)                  |                    | 40.6%     |         |                   | 41.9%     |         |

At the time each loan was funded, the LTV was such that the protective equity in the collateral securing the loan was expected to be sufficient to preclude any expected credit losses of the principal of the loan, except where there is a forward period adverse event that is uninsured and/or there are market conditions so adverse (and are other-than-temporary) that the protective equity is reduced to an amount not sufficient to recover the principal owed.

Secured loans, principal by OLTV and lien position at September 30, 2025 are presented in the following table (\$ in thousands).

| OLTV <sup>(2)</sup> | Secured loans, principal |         |       |                    |         |       |                 |         |
|---------------------|--------------------------|---------|-------|--------------------|---------|-------|-----------------|---------|
|                     | First trust deeds        | Percent | Count | Second trust deeds | Percent | Count | Total principal | Percent |
| <40%                | \$ 8,626                 | 53.0%   | 1     | \$ —               | 0.0%    | —     | \$ 8,626        | 53.0%   |
| 40-49%              | —                        | 0.0     | —     | —                  | 0.0     | —     | —               | 0.0     |
| 50-59%              | 6,430                    | 39.4    | 3     | —                  | 0.0     | 0     | 6,430           | 39.4    |
| 60-69%              | —                        | 0.0     | —     | 1,233              | 7.6     | 1     | 1,233           | 7.6     |
| Subtotal            |                          |         |       |                    |         |       |                 |         |
| <70%                | 15,056                   | 92.4    | 4     | 1,233              | 7.6     | 1     | 16,289          | 100.0   |
| ≥70%                | —                        | 0.0     | —     | —                  | 0.0     | —     | —               | 0.0     |
| Total               | \$ 15,056                | 92.4%   | 4     | \$ 1,233           | 7.6%    | 1     | \$ 16,289       | 100.0%  |

(2) LTV classifications in the table above are based on principal, advances and interest unpaid at September 30, 2025.

## Property type

Secured loans summarized by property type are presented in the following table (\$ in thousands).

|                                | September 30, 2025 |           |         | December 31, 2024 |           |         |
|--------------------------------|--------------------|-----------|---------|-------------------|-----------|---------|
|                                | Loans              | Principal | Percent | Loans             | Principal | Percent |
| Single family <sup>(3)</sup>   | 2                  | \$ 3,233  | 20%     | 1                 | \$ 1,238  | 5%      |
| Multi-family                   | —                  | —         | 0       | 1                 | 1,000     | 4       |
| Commercial                     |                    |           |         |                   |           |         |
| Office                         | —                  | —         | 0       | 1                 | 4,135     | 16      |
| Retail                         | 1                  | 880       | 5       | 1                 | 880       | 4       |
| Commercial – Other             | 2                  | 12,176    | 75      | 3                 | 17,930    | 71      |
| Commercial Total               | 3                  | 13,056    | 80      | 5                 | 22,945    | 91      |
| Total principal, secured loans | 5                  | \$ 16,289 | 100%    | 7                 | \$ 25,183 | 100%    |

(3) Single family includes one to four unit residential buildings, condominium units, townhouses and condominium complexes. At September 30, 2025, single family consisted of two loans with aggregate principal of approximately \$3.2 million that was non-owner occupied. At December 31, 2024, single family consisted of one loan with aggregate principal of approximately \$1.2 million that was non-owner occupied.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

## Distribution of secured loans-principal by California counties

The distribution of secured loans within California by counties is presented in the following table (\$ in thousands).

|                                       | September 30, 2025 |               | December 31, 2024 |               |
|---------------------------------------|--------------------|---------------|-------------------|---------------|
|                                       | Principal          | Percent       | Principal         | Percent       |
| San Francisco Bay Area <sup>(4)</sup> |                    |               |                   |               |
| San Francisco                         | \$ —               | 0.0           | \$ 6,691          | 26.6%         |
| Santa Clara                           | 8,626              | 53.0          | 8,689             | 34.5          |
| Solano                                | 3,550              | 21.8          | 3,550             | 14.1          |
| Alameda                               | 1,233              | 7.5           | 1,238             | 4.9           |
| Northern California Total             | 13,409             | 82.3          | 20,168            | 80.1          |
| Southern California Coastal           |                    |               |                   |               |
| Los Angeles                           | 2,880              | 17.7          | 880               | 3.5           |
| Orange                                | —                  | 0.0           | 4,135             | 16.4          |
| Southern California Total             | 2,880              | 17.7          | 5,015             | 19.9          |
| Total principal, secured loans        | <u>\$ 16,289</u>   | <u>100.0%</u> | <u>\$ 25,183</u>  | <u>100.0%</u> |

(4) Includes the Silicon Valley

## Scheduled maturities/Secured loans-principal

Secured loans scheduled to mature after September 30, 2025 are presented in the following table (\$ in thousands).

|                                | Loans    | Principal        | Percent     | First Trust Deeds |                  | Second Trust Deeds |              |
|--------------------------------|----------|------------------|-------------|-------------------|------------------|--------------------|--------------|
|                                |          |                  |             | Loans             | Principal        | Loans              | Principal    |
| 2025                           | 1        | 880              | 5%          | 1                 | 880              | —                  | —            |
| 2026                           | 2        | 3,233            | 20          | 1                 | 2,000            | 1                  | 1,233        |
| 2027                           | 2        | 12,176           | 75          | 2                 | 12,176           | —                  | —            |
| Total principal, secured loans | <u>5</u> | <u>\$ 16,289</u> | <u>100%</u> | <u>4</u>          | <u>\$ 15,056</u> | <u>1</u>           | <u>1,233</u> |

## Delinquency/Secured loans

At September 30, 2025 and December 31, 2024, there were no loan forbearance agreements in effect. At September 30, 2025, there was one loan past due 30 days. The loan matures in October 2025, had an unpaid principal balance of \$880 thousand, was in first lien position and had monthly interest payments in arrears of approximately \$7 thousand at September 30, 2025.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

## *Mortgage note acquired with more-than-insignificant credit impairment since origination*

In December 2024, the partnership acquired a first-lien mortgage note secured by property (a hotel in San Francisco on which the partnership had a second lien) from a lending bank at par (approximately \$3.7 million), as the bank had filed a notice-of-sale, with a foreclosure sale imminent. The acquired loan is presented on the balance sheet as 'Mortgage note acquired'. The principal of the second lien note which the partnership held was approximately \$5.7 million. No allowance for credit losses was recorded at acquisition as the first-lien was deemed well collateralized. In April 2025, the first-lien mortgage note was paid in full from the proceeds from the sale of the hotel, and the second-lien mortgage was paid down to \$2.4 million.

## *Allowance for credit losses/provision (recovery)*

Activity in the allowance for credit losses for the nine months ended September 30 is presented in the following table (\$ in thousands).

|  | 2025          |                 | 2024            |
|--|---------------|-----------------|-----------------|
|  | Secured loans | Unsecured loans | Secured loans   |
| Balance, December 31                             | \$ 2,540      | \$ —            | \$ 160          |
| Reclassification                                 | (2,415)       | 2,415           | —               |
| Recovery of credit losses                        | (122)         | (1,137)         | —               |
| Charge-off                                       | —             | (1,344)         | —               |
| Provision for credit losses                      | 122           | 66              | 1,668           |
| Charge-off – loan sale                           | —             | —               | (48)            |
| Charge-off – loan to REO acquired by foreclosure | —             | —               | (110)           |
| Balance, September 30                            | <u>\$ 125</u> | <u>\$ —</u>     | <u>\$ 1,670</u> |

Each secured loan is reviewed quarterly for its delinquency, LTV adjusted for the most recent valuation of the underlying collateral, remaining term to maturity, borrower's payment history and other factors.

At December 31, 2024, one secured loan (matured April 1, 2023) with an unpaid principal balance of approximately \$5.7 million, which was secured by a second lien on a hotel in San Francisco, was deemed to be collateral dependent. The partnership recorded an estimated credit loss of \$2.4 million on the loan, which represented the difference between the amounts owed to the partnership and the net realizable value of the remaining underlying collateral less amounts owed to the first-lien holder.

In April 2025, the hotel was sold, and the partnership received approximately \$7.3 million, comprised of proceeds from the sale plus cash contributed to the escrow per an agreement with the borrower. The proceeds were applied, as follows: First, approximately \$3.8 million to the payment in full of the acquired (in December 2024) first-lien mortgage note; and second, approximately \$3.5 million to the second-lien mortgage note as follows: approximately \$185 thousand payment in full of interest then owed, approximately \$35 thousand payment in full of advances then owed, and approximately \$3.3 million to pay down principal. The resulting unpaid principal balance approximated \$2.4 million, which was reclassified as an unsecured loan, and for which a provision for credit losses had been recorded in 2024.

In the quarter ended June 30, 2025, a recovery of credit losses of approximately \$1.2 million was recorded when the terms of a sales contract for a cell tower installed at the hotel were completed and the conditions precedent to the sale (and certain contingencies) were expected to be met and/or released. In August 2025, the sale was completed, and the partnership received \$1.1 million from the sale of the future rents. The remaining unpaid principal of approximately \$1.3 million was charged off, as it was deemed uncollectible.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

The number of secured loans and their principal and weighted average OLTV at September 30, 2025 and the projected number of secured loans at year-end in 2025 through 2027 and their projected principal and weighted average OLTV based on contractual maturities (by lien position) are presented in the following table (\$ in thousands).

|                    |       |           |       | First Trust Deeds |           |       | Second Trust Deeds |           |       |
|--------------------|-------|-----------|-------|-------------------|-----------|-------|--------------------|-----------|-------|
|                    | Loans | Principal | OLTV  | Loans             | Principal | OLT V | Loans              | Principal | OLT V |
| September 30, 2025 | 5     | \$ 16,289 | 40.6% | 4                 | \$ 15,056 | 38.6% | 1                  | \$ 1,233  | 65.7% |
| December 31, 2025  | 4     | 15,409    | 39.8  | 3                 | 14,176    | 37.5  | 1                  | 1,233     | 65.7  |
| 2026               | 2     | 12,176    | 35.0  | 2                 | 12,176    | 43.7  | —                  | —         | 0.0   |
| 2027               | —     | —         | 0.0   | —                 | —         | 0.0   | —                  | —         | 0.0   |

## REAL ESTATE OWNED (REO) AND MORTGAGE PAYABLE

REO transactions and valuation adjustments for the three and nine months ended September 30, 2025 and 2024 are summarized in the following tables (\$ in thousands).

|                              | 2025                                  |                     |           | 2025                                 |                     |           |
|------------------------------|---------------------------------------|---------------------|-----------|--------------------------------------|---------------------|-----------|
|                              | Three Months Ended September 30, 2025 |                     |           | Nine Months Ended September 30, 2025 |                     |           |
|                              | REO                                   | Valuation Allowance | REO, net  | REO                                  | Valuation Allowance | REO, net  |
| Balance, beginning of period | \$ 12,782                             | \$ (504)            | \$ 12,278 | \$ 15,018                            | \$ (504)            | \$ 14,514 |
| Dispositions                 | (3,491)                               | —                   | (3,491)   | (5,727)                              | —                   | (5,727)   |
| Balance, September 30, 2025  | \$ 9,291                              | \$ (504)            | \$ 8,787  | \$ 9,291                             | \$ (504)            | \$ 8,787  |

|                                | 2024                                  |                     |           | 2024                                 |                     |           |
|--------------------------------|---------------------------------------|---------------------|-----------|--------------------------------------|---------------------|-----------|
|                                | Three Months Ended September 30, 2024 |                     |           | Nine Months Ended September 30, 2024 |                     |           |
|                                | REO                                   | Valuation Allowance | REO, net  | REO                                  | Valuation Allowance | REO, net  |
| Balance, beginning of period   | \$ 15,182                             | \$ (89)             | \$ 15,093 | \$ 12,782                            | \$ (50)             | \$ 12,732 |
| Acquisitions from foreclosure  | (164)                                 | —                   | (164)     | 2,236                                | —                   | 2,236     |
| Valuation allowance adjustment | —                                     | (448)               | (448)     | —                                    | (487)               | (487)     |
| Balance, September 30, 2024    | \$ 15,018                             | \$ (537)            | \$ 14,481 | \$ 15,018                            | \$ (537)            | \$ 14,481 |

In April 2024 the partnership acquired by foreclosure sale a condominium unit in a San Francisco high rise. The unit had been vacated by the borrower. In June 2025, the unit sold for \$2.4 million and the net proceeds to the partnership approximated the carrying value of \$2.2 million.

In August 2025, one SFR in Los Angeles County was sold for an amount that – net of sales costs – approximated the carrying cost of the REO (\$3.5 million). RMI VIII facilitated the transaction with the financing of a \$2.0 million mortgage note at 6% interest maturing in August 2026 which is secured by a first lien on the property. See “Hollywood Hills SFRs” below.

REO at September 30, 2025 was comprised of three properties with a carrying value of approximately \$8.8 million.

- In Los Angeles County (Hollywood Hills), one single-family residence (SFR)
- In San Francisco, a multi-family building acquired (and possession was taken) in December 2023 by deed in lieu of foreclosure, to be converted and sold to tenants-in-common.
- In San Francisco, a real estate interest comprised of a condominium unit consisting of storage lockers and the signage rights for the exterior façade of the building.



## REDWOOD MORTGAGE INVESTORS VIII, L.P.

September 30, 2025 (unaudited)

### *Hollywood Hills SFRs*

Two Hollywood Hills SFRs were acquired in June 2020 by foreclosure. The borrower contested the foreclosure, including a post-foreclosure eviction proceeding and other related legal actions. The partnership secured possession and control of the SFRs and paid an agreed upon amount of \$127 thousand upon surrender of the properties and compliance with other terms, including a general release of all known and unknown claims.

Both SFRs were listed for sale in May 2025, and in August 2025 the larger of the two SFRs sold for an amount that – net of sales costs – approximated the carrying cost of the REO (\$3.5 million), resulting in a gain of approximately \$32 thousand. RMI VIII facilitated the transaction with the financing of a \$2.0 million mortgage note at 6% interest maturing in August 2026 which is secured by a first lien on the property. The mortgage note payable to a third-party lender secured by a first trust deed on the sold property was paid in full from the proceeds of the sale.

### *San Francisco multi-family*

The multi-family building in San Francisco was acquired (and possession was taken) on December 30, 2023, by a deed in lieu of foreclosure and a corresponding transfer agreement. The building's net realizable value was determined based on the present value of expected cash flows, including sales proceeds (net), conversion cost (to tenants-in-common), repair and upgrade costs and operating costs (net of rental income), discounted at a market rate of return.

### *San Francisco real estate interest*

The storage lockers and the signage rights are being offered for sale.

### *REO, net*

REO, net in operations expense on the consolidated income statements is comprised of the following (\$ in thousands).

|                                    | <u>Three Months Ended September 30,</u> |                 | <u>Nine Months Ended September 30,</u> |                 |
|------------------------------------|---|-----------------|--|-----------------|
|                                    | <u>2025</u>                             | <u>2024</u>     | <u>2025</u>                            | <u>2024</u>     |
| Holding costs, net of other income | \$ (169)                                | \$ (146)        | \$ (691)                               | \$ (347)        |
| Gain on sale                       | 32                                      | —               | 32                                     | —               |
| Valuation allowance adjustments    | —                                       | (448)           | —                                      | (487)           |
| REO, net                           | <u>\$ (137)</u>                         | <u>\$ (594)</u> | <u>\$ (659)</u>                        | <u>\$ (834)</u> |

Holding costs, net of other income includes month-to-month rents received of approximately \$14 thousand and 48 thousand for the three months ended September 30, 2025 and 2024, respectively, and \$88 thousand and \$153 thousand for the nine months ended September 30, 2025 and 2024, respectively, for a multi-family building, unit-storage lockers and signage in San Francisco County.

### **LINE OF CREDIT**

At December 31, 2024, the term note (to which the line of credit had been converted as of March 13, 2024, in conjunction with the Plan of Dissolution) was paid in full. Amortized debt issuance costs included in interest expense approximated \$0 for the three months ended September 30, 2024 and \$7 thousand for the nine months ended September 30, 2024. Debt issuance costs of approximately \$57 thousand from the modification agreement were amortized over the two-year term of the note.

### **SUBSEQUENT EVENTS**

The partnership evaluated subsequent events that have occurred after September 30, 2025 and determined that, except as disclosed in the notes to the financial statements, there were no other events or transactions that require recognition or disclosure in the consolidated financial statements.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

## Supplemental Information

September 30, 2025 (unaudited)

### RESULTS OF OPERATIONS

The following supplemental information should be read in conjunction with the unaudited financial statements and notes thereto as well as the audited financial statements and the notes thereto for the year ended December 31, 2024. The results of operations for the three and nine months ended September 30, 2025 are not necessarily indicative of the results to be expected for the full year.

#### Key performance indicators

Key performance indicators as of and for the nine months ended September 30 are presented in the following table (\$ in thousands).

|   | 2025       | 2024       |
|---|------------|------------|
| Limited partners' capital – end of period                 | \$ 29,331  | \$ 50,168  |
| Limited partners' capital – average balance               | \$ 36,557  | \$ 51,432  |
| Limited partners' capital – withdrawals <sup>(1)</sup>    | \$ 15,750  | \$ —       |
| Secured loans principal – end of period balance           | \$ 16,289  | \$ 33,739  |
| Secured loans principal – average daily balance           | \$ 18,398  | \$ 40,622  |
| First trust deeds   | 4          | 7          |
| Principal – first trust deeds                             | \$ 15,056  | \$ 32,499  |
| Weighted average OLTV – first trust deeds <sup>(2)</sup>  | 38.6%      | 43.9%      |
| Second trust deeds  | 1          | 1          |
| Principal – second trust deeds                            | \$ 1,233   | \$ 1,240   |
| Weighted average OLTV – second trust deeds <sup>(2)</sup> | 65.8%      | 65.8%      |
| Interest income   | \$ 1,442   | \$ 2,253   |
| Portfolio interest rate <sup>(3)</sup>                    | 8.5%       | 8.5%       |
| Effective yield rate <sup>(4)</sup>                       | 10.5%      | 7.4%       |
| Interest expense  |            |            |
| Line of credit  | \$ —       | \$ 324     |
| Mortgages payable   | \$ 46      | \$ 40      |
| Provision for (recovery of) loan losses                   | \$ (1,071) | \$ 1,668   |
| Operations expense  | \$ 3,300   | \$ 2,743   |
| REO   | \$ 8,787   | \$ 14,481  |
| Net income (loss)   | \$ (830)   | \$ (2,503) |
| Percent <sup>(5)(6)</sup>                                 | (3.0%)     | (6.4%)     |

(1) Under the Plan of Dissolution, quarterly pro rata withdrawals to all limited partners of cash received from the liquidation of partnership assets and available to fund capital distributions, net of payments on borrowings.

(2) The LTVs use the appraisals at origination of the loans (OLTV).

(3) Stated note interest rate, weighted daily average (annualized)

(4) Percent secured loans principal – average daily balance (annualized)

(5) Percent of limited partners' capital – average balance (annualized)

(6) Percent based on the net income available to limited partners (excluding 1% of income and losses allocated to general partners)

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

## Supplemental Information

September 30, 2025 (unaudited)

Key performance indicators as of and for the three months ended September 30 are presented in the following table (\$ in thousands).

|   | 2025      | 2024      |
|---|-----------|-----------|
| Limited partners' capital – end of period                 | \$ 29,331 | \$ 50,168 |
| Limited partners' capital – average balance               | \$ 30,201 | \$ 50,415 |
| Limited partners' capital – withdrawals <sup>(1)</sup>    | \$ 1,450  | \$ —      |
| Secured loans principal – end of period balance           | \$ 16,289 | \$ 33,739 |
| Secured loans principal – average daily balance           | \$ 15,398 | \$ 36,263 |
| First trust deeds   | 4         | 7         |
| Principal – first trust deeds                             | \$ 15,056 | \$ 32,499 |
| Weighted average OLTV – first trust deeds <sup>(2)</sup>  | 38.6%     | 43.9%     |
| Second trust deeds  | 1         | 1         |
| Principal – second trust deeds                            | \$ 1,233  | \$ 1,240  |
| Weighted average OLTV – second trust deeds <sup>(2)</sup> | 65.8%     | 65.8%     |
| Interest income   | \$ 390    | \$ 715    |
| Portfolio interest rate <sup>(3)</sup>                    | 8.4%      | 8.2%      |
| Effective yield rate <sup>(4)</sup>                       | 10.1%     | 7.9%      |
| Interest expense  |           |           |
| Line of credit  | \$ —      | \$ 63     |
| Mortgages payable   | \$ 7      | \$ 13     |
| Provision for (recovery of) loan losses                   | \$ (10)   | \$ 48     |
| Operations expense  | \$ 685    | \$ 1,104  |
| REO   | \$ 8,787  | \$ 14,481 |
| Net income (loss)   | \$ (292)  | \$ (498)  |
| Percent <sup>(5)(6)</sup>                                 | (3.8%)    | (3.9%)    |

- (1) Under the Plan of Dissolution, quarterly pro rata withdrawals to all limited partners of cash received from the liquidation of partnership assets and available to fund capital distributions, net of payments on borrowings.
- (2) The LTVs use the appraisals at origination of the loans (OLTV).
- (3) Stated note interest rate, weighted daily average (annualized)
- (4) Percent secured loans principal – average daily balance (annualized)
- (5) Percent of limited partners' capital – average balance (annualized)
- (6) Percent based on the net income available to limited partners (excluding 1% of income and losses allocated to general partners).

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

## Supplemental Information

September 30, 2025 (unaudited)

*Secured loans, principal, advances and interest unpaid, by LTV and lien position*

LTVs presented in the following tables have been updated for changes in fair values of the collateral as indicated by appraisals, broker opinion of value, or other external market evidence received by the manager after the origination of the loan, if any.

Secured loans, principal by LTV and lien position at September 30, 2025 are presented in the following table (\$ in thousands).

| LTV <sup>(1)</sup> | Secured loans, principal |                        |                    |                        |                 |                        |
|--------------------|--------------------------|------------------------|--------------------|------------------------|-----------------|------------------------|
|                    | First trust deeds        | Percent <sup>(2)</sup> | Second trust deeds | Percent <sup>(2)</sup> | Total principal | Percent <sup>(2)</sup> |
| <40%               | \$ 8,626                 | 53.0%                  | \$ —               | 0.0%                   | \$ 8,626        | 53.0%                  |
| 40-49%             | —                        | 0.0                    | —                  | 0.0                    | —               | 0.0                    |
| 50-59%             | 6,430                    | 39.4                   | —                  | 0.0                    | 6,430           | 39.4                   |
| 60-69%             | —                        | 0.0                    | 1,233              | 7.6                    | 1,233           | 7.6                    |
| Subtotal <70%      | 15,056                   | 92.4                   | 1,233              | 7.6                    | 16,289          | 100.0                  |
| ≥70%               | —                        | 0.0                    | —                  | 0.0                    | —               | 0.0                    |
| Total              | \$ 15,056                | 92.4%                  | \$ 1,233           | 7.6%                   | \$ 16,289       | 100.0%                 |

(1) LTV classifications in the table above are based on the sum of principal, advances and interest unpaid at September 30, 2025.

(2) Percent of secured loans principal, end of period balance.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

## Supplemental Information

September 30, 2025 (unaudited)

*Analysis and discussion of income from operations 2025 v. 2024 (nine months ended)*

Significant changes to net income for the nine months ended September 30, 2025 compared to the same period in 2024 are summarized in the following table (\$ in thousands).

|   | Net interest<br>income | Provision for<br>(recovery of)<br>loan losses | Operations<br>expense | Net<br>income   |
|---|------------------------|---|-----------------------|-----------------|
| <u>Nine months ended</u>  |                        |   |                       |                 |
| September 30, 2025  | \$ 1,396               | \$ (1,071)                                    | \$ 3,300              | \$ (830)        |
| September 30, 2024  | 1,889                  | 1,668   | 2,743                 | (2,503)         |
| Change  | <u>\$ (493)</u>        | <u>\$ (2,739)</u>                             | <u>\$ 557</u>         | <u>\$ 1,673</u> |
| Change  |                        |   |                       |                 |
| Decrease secured loans principal – average daily balance                    | (1,427)                | —   | (238)                 | (1,189)         |
| Effective yield rate  | 616                    | —   | —                     | 616             |
| Amortization of debt issuance costs   | 7                      | —   | —                     | 7               |
| Interest on line of credit and promissory note from a related mortgage fund | 317                    | —   | —                     | 317             |
| Interest on mortgage payable assumed at foreclosure                         | (6)                    | —   | —                     | (6)             |
| Decrease in provision year-over-year  | —                      | (1,546)                                       | —                     | 1,546           |
| Increase in recovery year-over-year   | —                      | (1,193)                                       | —                     | 1,193           |
| Dissolution fee   | —                      | —   | 1,110                 | (1,110)         |
| Decrease limited partners' capital – average balance                        | —                      | —   | (95)                  | 95              |
| Decrease in allocable expenses from the manager                             | —                      | —   | (9)                   | 9               |
| Legal, audit and consulting   | —                      | —   | 4                     | (4)             |
| REO sales, net  | —                      | —   | (32)                  | 32              |
| REO foreclosure, net  | —                      | —   | (33)                  | 33              |
| REO holding costs   | —                      | —   | 344                   | (344)           |
| REO valuation adjustments   | —                      | —   | (454)                 | 454             |
| Late fees   | —                      | —   | —                     | (16)            |
| Dissolution activity  | —                      | —   | 1                     | (1)             |
| Other   | —                      | —   | (41)                  | 41              |
| Change  | <u>\$ (493)</u>        | <u>\$ (2,739)</u>                             | <u>\$ 557</u>         | <u>\$ 1,673</u> |

The table above displays only significant changes to net income for the period and is not intended to cross foot.

### Net interest income

Net interest income decreased approximately \$493 thousand (26.1%) for the nine months ended September 30, 2025 compared to the same period in 2024. The decrease in net interest income was due to a decrease in interest income of approximately \$811 million (36.0%), as the partnership is no longer making new loans as a result of the Dissolution and existing loans are being paid off, converted to REO, or moving to non-accrual status. The decrease in interest income was partially offset by a decrease in interest expense of approximately \$318 thousand (87.4%), resulting from the pay-off of the line of credit in 2024, a decrease in interest expenses of approximately \$30 thousand (100%) on a promissory note from a related mortgage fund and a decrease in amortized debt issuance costs of approximately \$7 thousand (100%).

The line of credit – average daily balance decreased approximately \$7.4 million (100.0%) for the nine months ended September 30, 2025 compared to the same period in 2024 due to the pay-off of the term note (to which the outstanding balance under the line of credit was converted) in December 2024, resulting in a decrease of approximately \$287 thousand (100.0%) in interest expense on the line of credit. See Key performance indicators table above for details on the average interest rate on the line of credit.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

## Supplemental Information

September 30, 2025 (unaudited)

### Provision for (recovery of) credit losses

In the nine months ended September 30, 2024, a provision for credit losses of approximately \$1.7 million was recorded, primarily due to one secured loan (matured April 1, 2023 – principal balance of \$8.0 million at funding) which was secured by a first lien on a mixed-use property and a second lien on a hotel, both in the City and County of San Francisco. In December 2024, the principal was reduced to approximately \$5.7 million (and all interest then owing paid) by the proceeds received from the borrower's sale of the mixed-use property.

In the nine months ended September 30, 2025, RMI VIII recorded a recovery of credit losses of approximately \$1.1 million as a result of the sale of a rental contract for a cell-tower installed at the hotel property (see Loans – *Allowance for credit losses/provision (recovery)*).

### Operations expense

Significant changes to operations expense for the nine months ended September 30, 2025 compared to the same period in 2024 are summarized in the following table (\$ in thousands).

|  | Dissolutio<br>n<br>fee | Mortgage<br>servicing<br>fees | Asset<br>managem<br>ent<br>fees | Costs<br>from<br>RMC | Profession<br>al<br>services | REO,<br>net  | Other       | Total         |
|--|------------------------|-------------------------------|---------------------------------|----------------------|------------------------------|--------------|-------------|---------------|
| Nine months ended  |                        |                               |                                 |                      |                              |              |             |               |
| September 30, 2025                                       | \$ 1,110               | 227                           | 110                             | 277                  | 931                          | 659          | (14)        | \$ 3,300      |
| September 30, 2024                                       | —                      | 465                           | 149                             | 342                  | 929                          | 834          | 24          | 2,743         |
| Change   | <u>\$ 1,110</u>        | <u>(238)</u>                  | <u>(39)</u>                     | <u>(65)</u>          | <u>2</u>                     | <u>(175)</u> | <u>(38)</u> | <u>\$ 557</u> |
| Change   |                        |                               |                                 |                      |                              |              |             |               |
| Dissolution fee  | 1,110                  | —                             | —                               | —                    | —                            | —            | —           | 1,110         |
| Decrease secured loans principal – average daily balance | —                      | (238)                         | —                               | —                    | —                            | —            | —           | (238)         |
| Decrease limited partners' capital – average balance     | —                      | —                             | (39)                            | (56)                 | —                            | —            | —           | (95)          |
| Decrease in allocable expenses from the manager          | —                      | —                             | —                               | (9)                  | —                            | —            | —           | (9)           |
| Legal, audit and consulting                              | —                      | —                             | —                               | —                    | 4                            | —            | —           | 4             |
| REO sales, net   | —                      | —                             | —                               | —                    | —                            | (32)         | —           | (32)          |
| REO foreclosure, net                                     | —                      | —                             | —                               | —                    | —                            | (33)         | —           | (33)          |
| REO holding costs  | —                      | —                             | —                               | —                    | —                            | 344          | —           | 344           |
| REO valuation adjustments                                | —                      | —                             | —                               | —                    | —                            | (454)        | —           | (454)         |
| Dissolution activity                                     | —                      | —                             | —                               | —                    | 1                            | —            | —           | 1             |
| Other  | —                      | —                             | —                               | —                    | (3)                          | —            | (38)        | (41)          |
| Change   | <u>\$ 1,110</u>        | <u>(238)</u>                  | <u>(39)</u>                     | <u>(65)</u>          | <u>2</u>                     | <u>(175)</u> | <u>(38)</u> | <u>\$ 557</u> |

### Dissolution fee

Under the Plan of Dissolution, RMC is entitled to collect the Dissolution Fee, which is equal to 7.0% of each capital distribution to be made to the limited partners, over the course of the wind-up period. The Dissolution Fee amounts received by RMC are first remitted back to the partnership in satisfaction of amounts owed by RMC on the formation loan and to restore the general partners' capital deficit (i.e., the deficit restoration obligation) required by the Partnership Agreement. Any proceeds of the Dissolution Fee remaining after payment of the formation loan and restoration of the general partners' capital deficit are retained by RMC. The Dissolution Fee is treated as an expense of the partnership and included in the allocation of income/losses to limited partners' capital accounts.

Payments received from RMC (upon the receipt by RMC of the Dissolution Fee triggered by the redemption distributions of approximately \$15.8 million) in the nine months ended September 30, 2025 totaled approximately \$1.1 million.

## REDWOOD MORTGAGE INVESTORS VIII, L.P.

### Supplemental Information

September 30, 2025 (unaudited)

#### Mortgage servicing fees

The decrease in mortgage servicing fees of approximately \$238 thousand for the nine months ended September 30, 2025 as compared to the same period in 2024 was due to a decrease in the secured loans principal – average daily balance to approximately \$18.4 million from approximately \$40.6 million. The decrease in the secured loans principal – average daily balance was primarily due to loan payoffs received and loans converted to REO. Mortgage servicing fees are expected to continue to decline through the wind-up period.

#### Asset Management Fees

For the management of the partnership's loan portfolio, the general partners are entitled to a monthly Asset Management Fee in an amount up to 1/32 of 1% of the "net asset value" of the partnership (3/8 of 1% annually). The decrease in Asset Management Fees for the nine months ended September 30, 2025 as compared to the same period in 2024 was due to the decrease in limited partners' capital – average balance to approximately \$36.6 million from \$51.4 million. Asset management fees are expected to continue to decline through the wind-up period.

#### Costs from RMC

RMC is entitled to request reimbursement for operations expense incurred on behalf of RMI VIII, including without limitation, RMC's personnel and non-personnel costs incurred for qualifying business activities, including investor services, accounting, tax and data processing, postage and out-of-pocket general and administration expenses. The decrease in costs from RMC of approximately \$65 thousand for the nine months ended September 30, 2025 as compared to the same period in 2024 was due to a decrease in allocable payroll and professional services and a reduction of the partnership's limited partners' capital as a percent of the total capital of the related mortgage funds managed by RMC. Allocable costs are expected to continue to decline through the wind-up period.

#### Professional services

Professional services consist primarily of information technology, legal, audit and tax compliance, and consulting expenses.

Fees of professional services for the nine months ended September 30, 2025 remained approximately the same compared to the same period in 2024.

#### REO acquisitions/sales

The REO balance was approximately \$8.8 million and \$14.5 million at September 30, 2025 and 2024, respectively. In April 2024, the partnership acquired by foreclosure sale a condominium unit in a San Francisco high rise. In June 2025, the unit sold for \$2.4 million and the net proceeds to the partnership approximated the carrying value of \$2.2 million. In August 2025, the partnership sold a SFR for an amount that – net of sales costs – approximated the carrying cost of the REO (\$3.5 million), resulting a gain of approximately \$32 thousand. See previous discussion under "Real Estate Owned (REO) and Mortgage Payable."

#### REO holding costs

The increase in holding costs, net of other income for the nine months ended September 30, 2025 compared to the same period in 2024 was due to an increase in REO operating expenses of approximately \$279 thousand and a decrease in month-to-month rents of approximately \$65 thousand for a multi-family building, unit-storage lockers and signage in San Francisco County. The increase in REO operating expenses was due to an increase in repair costs of the San Francisco multi-family building and the two Hollywood Hills SFRs.

# REDWOOD MORTGAGE INVESTORS VIII, L.P.

## Supplemental Information

September 30, 2025 (unaudited)

*Analysis and discussion of income from operations 2025 v. 2024 (three months ended)*

Significant changes to net income for the three months ended September 30, 2025 compared to the same period in 2024 are summarized in the following table (\$ in thousands).

|   | Net interest<br>income | Provision for<br>(recovery of)<br>credit losses | Operations<br>expense | Net<br>income |
|---|------------------------|---|-----------------------|---------------|
| <u>Three months ended</u>   |                        |   |                       |               |
| September 30, 2025  | \$ 383                 | (10)  | 685                   | \$ (292)      |
| September 30, 2024  | 639                    | 48  | 1,104                 | (498)         |
| Change  | <u>\$ (256)</u>        | <u>(58)</u>                                     | <u>(419)</u>          | <u>\$ 206</u> |
| Change  |                        |   |                       |               |
| Decrease secured loans principal – average daily balance                    | (528)                  | —   | (74)                  | (454)         |
| Effective yield rate  | 203                    | —   | —                     | 203           |
| Amortization of debt issuance costs   | —                      | —   | —                     | —             |
| Interest on line of credit and promissory note from a related mortgage fund | 63                     | —   | —                     | 63            |
| Interest on mortgage payable assumed at foreclosure                         | 6                      | —   | —                     | 6             |
| Decrease in provision year-over-year  | —                      | (48)  | —                     | 48            |
| Increase in recovery year-over-year   | —                      | (10)  | —                     | 10            |
| Dissolution fee   | —                      | —   | 109                   | (109)         |
| Decrease limited partners' capital – average balance                        | —                      | —   | (50)                  | 50            |
| Decrease in allocable expenses from the manager                             | —                      | —   | (3)                   | 3             |
| Legal, audit and consulting   | —                      | —   | 61                    | (61)          |
| REO sales, net  | —                      | —   | (32)                  | 32            |
| REO holding costs   | —                      | —   | 23                    | (23)          |
| REO valuation adjustments   | —                      | —   | (448)                 | 448           |
| Late fees   | —                      | —   | —                     | (15)          |
| Other   | —                      | —   | (5)                   | 5             |
| Change  | <u>\$ (256)</u>        | <u>(58)</u>                                     | <u>(419)</u>          | <u>\$ 206</u> |

The table above displays only significant changes to net income for the period and is not intended to cross foot.

### Net interest income

Net interest income decreased approximately \$256 thousand (40.1%) for the three months ended September 30, 2025 compared to the same period in 2024. The decrease in net interest income was due to a decrease in interest income of approximately \$325 thousand (45.5%), as the partnership is no longer making new loans as a result of the Dissolution and existing loans are being paid off, converted to REO, or moving to non-accrual status. The decrease in interest income was partially offset by a decrease in interest expense of approximately \$69 thousand (90.8%) primarily resulting from the pay-off of the line of credit.

The line of credit – average daily balance decreased approximately \$2.9 million (100.0%) for the three months ended September 30, 2025 compared to the same period in 2024 as a result of pay-off of the term note (to which the outstanding balance under the line of credit was converted) in December 2024, resulting in a decrease of approximately \$63 thousand (100.0%) in interest expenses on the line of credit. See Key performance indicators table above for details on the average interest rate on the line of credit.

### Provision for (recovery of) credit losses

In the three months ended September 30, 2025, RMI VIII recorded a recovery of credit losses of approximately \$10 thousand when the terms of a sales contract (the proceeds of which are to be remitted to the partnership) were completed and the conditions precedent to the sale (and certain contingencies) were met and/or released. The sale was completed in August 2025 (see Loans – Allowance for credit losses/provision (recovery)).



# REDWOOD MORTGAGE INVESTORS VIII, L.P.

## Supplemental Information

September 30, 2025 (unaudited)

In the three months ended September 30, 2024, there was a \$48 thousand provision for credit losses for a loan sold at less than the carrying value.

### Operations expense

Significant changes to operations expense for the three months ended September 30, 2025 compared to the same period in 2024 are summarized in the following table (\$ in thousands).

|  | Dissoluti<br>on<br>fee | Mortgage<br>servicing<br>fees | Asset<br>manageme<br>nt<br>fees | Costs<br>from<br>RMC | Professiona<br>l<br>services | REO,<br>net  | Other       | Total           |
|--|------------------------|-------------------------------|---------------------------------|----------------------|------------------------------|--------------|-------------|-----------------|
| <u>Three months ended</u>                                |                        |                               |                                 |                      |                              |              |             |                 |
| September 30, 2025                                       | \$ 109                 | 63                            | 29                              | 79                   | 277                          | 137          | (9)         | \$ 685          |
| September 30, 2024                                       | —                      | 137                           | 50                              | 111                  | 209                          | 594          | 3           | 1,104           |
| Change   | <u>\$ 109</u>          | <u>(74)</u>                   | <u>(21)</u>                     | <u>(32)</u>          | <u>68</u>                    | <u>(457)</u> | <u>(12)</u> | <u>\$ (419)</u> |
| <u>Change</u>  |                        |                               |                                 |                      |                              |              |             |                 |
| Dissolution fee  | 109                    | —                             | —                               | —                    | —                            | —            | —           | 109             |
| Decrease secured loans principal – average daily balance | —                      | (74)                          | —                               | —                    | —                            | —            | —           | (74)            |
| Decrease limited partners' capital – average balance     | —                      | —                             | (21)                            | (29)                 | —                            | —            | —           | (50)            |
| Decrease in allocable expenses from the manager          | —                      | —                             | —                               | (3)                  | —                            | —            | —           | (3)             |
| Legal, audit and consulting                              | —                      | —                             | —                               | —                    | 61                           | —            | —           | 61              |
| REO sales, net   | —                      | —                             | —                               | —                    | —                            | (32)         | —           | (32)            |
| REO holding costs  | —                      | —                             | —                               | —                    | —                            | 23           | —           | 23              |
| REO valuation adjustments                                | —                      | —                             | —                               | —                    | —                            | (448)        | —           | (448)           |
| Dissolution activity                                     | —                      | —                             | —                               | —                    | —                            | —            | —           | —               |
| Other  | —                      | —                             | —                               | —                    | 7                            | —            | (12)        | (5)             |
| Change   | <u>\$ 109</u>          | <u>(74)</u>                   | <u>(21)</u>                     | <u>(32)</u>          | <u>68</u>                    | <u>(457)</u> | <u>(12)</u> | <u>\$ (419)</u> |

### Dissolution fee

Payments received from RMC (upon the receipt by RMC of the Dissolution Fee triggered by the redemption distributions of approximately \$15.8 million) in the three months ended September 30, 2025 totaled approximately \$109 thousand.

### Mortgage servicing fees

The decrease in mortgage servicing fees of approximately \$74 thousand for the three months ended September 30, 2025 as compared to the same period in 2024 was due to a decrease in the secured loans principal – average daily balance to approximately \$15.4 million from approximately \$36.3 million. The decrease in the secured loans principal – average daily balance was primarily due to loan payoffs received and loans converted to REO. Mortgage servicing fees are expected to continue to decline through the wind-up period.

### Asset Management Fees

The decrease in Asset Management Fees for the three months ended September 30, 2025 as compared to the same period in 2024 was due to the decrease in limited partners' capital – average balance to approximately \$30.2 million from \$50.4 million. Asset management fees are expected to continue to decline through the wind-up period.

## REDWOOD MORTGAGE INVESTORS VIII, L.P.

### Supplemental Information

September 30, 2025 (unaudited)

#### Costs from RMC

The decrease in costs from RMC of approximately \$32 thousand for the three months ended September 30, 2025 as compared to the same period in 2024 was due to a decrease in allocable payroll and professional services and a reduction of the partnership's limited partners' capital as a percent of the total capital of the related mortgaged funds managed by RMC. Allocable costs are expected to continue to decline through the wind-up period.

#### Professional services

The increase in professional services of approximately \$68 thousand for the three months ended September 30, 2025 compared to the same period in 2024 was due to an increase in legal, audit and consulting fees.

#### REO sales

The REO balance was approximately \$8.8 million and \$14.8 million at September 30, 2025 and 2024, respectively. In August 2025, the partnership sold a SFR for an amount that – net of sales costs – approximated the carrying cost of the REO (\$3.5 million), resulting a gain of approximately \$32 thousand.

#### REO holding costs

The increase in holding costs, net of other income for the three months ended September 30, 2025 compared to the three months ended September 30, 2024 was due to a decrease in month-to-month rents of approximately \$34 thousand, partially offset by a decrease in REO operating expenses of approximately \$10 thousand due to the sale of a condominium unit in a San Francisco high rise in June 2025 and the sale of a Hollywood Hills SFR in August 2025.

#### **Cash flows and liquidity**

Under the Plan of Dissolution, all assets of the partnership, including cash available from interest and principal payments on partnership loans, proceeds from the sale of real estate owned and partnership loans, and RMC's repayment (primarily from the proceeds of the Dissolution Fee) of the amounts owed on the formation loan and of the general partners' capital deficit (i.e., the deficit restoration obligation), are applied and distributed in the following order of priority:

- First, to the payment of operations expense, including liabilities to professional services providers and government agencies (principally property and other taxes), fees and cost reimbursements to RMC, Asset Management Fees to the general partners, loan administration and collection costs, and such other general and administrative expenses of the partnership's business and compliance activities and then to the payment and discharge of all of the partnership's then current debts and liabilities to banks (and any other lenders); and
- Thereafter, quarterly, within seven (7) business days after the end of each calendar quarter, to the limited and general partners in proportion to their respective capital account balances, after (i) taking into account income and loss allocations for the applicable calendar quarter and (ii) deducting the Dissolution Fee as calculated on the last business day of the quarter. Quarterly net income, if any, will be distributed pro rata to all limited partners and by disbursement separate from capital distribution payments.

**REDWOOD MORTGAGE INVESTORS VIII, L.P.**

**Supplemental Information**

**September 30, 2025 (unaudited)**

Cash flows – by business activity – are presented in the following table (\$ in thousands).

|  | <b>Nine Months Ended September 30,</b> |                 |
|--|--|-----------------|
|  | <b>2025</b>                            | <b>2024</b>     |
| Limited partners' capital – withdrawals                | \$ (15,770)                            | \$ —            |
| <b>Borrowings</b>                                      |  |                 |
| Line of credit advances, net                           | —                                      | (7,110)         |
| Interest paid  | (46)                                   | (405)           |
| Mortgages repaid                                       | (1,263)                                | (40)            |
| Promissory note repaid to related party                | —                                      | (2,800)         |
| Cash (used in) borrowings                              | (1,309)                                | (10,355)        |
| <b>Loan earnings and payments</b>                      |  |                 |
| Interest received, net                                 | 1,463                                  | 2,787           |
| Late fees and other loan income                        | 2                                      | 19              |
| Loans funded, net                                      | (2,000)                                | —               |
| Principal collected                                    | 9,550                                  | 8,361           |
| Mortgage note collected                                | 3,656                                  | —               |
| Loans sold to non-affiliate, net                       | —                                      | 3,430           |
| Promissory note funded to related mortgage fund        | —                                      | (420)           |
| Promissory note repaid by related mortgage fund        | —                                      | 420             |
| Unsecured lending funded to related mortgage fund      | —                                      | (1,700)         |
| Unsecured lending repaid by related mortgage fund      | —                                      | 1,700           |
| Advances received from loans                           | 9                                      | 82              |
| Cash provided by loan production                       | 12,680                                 | 14,679          |
| <b>REO</b>   |  |                 |
| Sale proceeds, net                                     | 5,759                                  | —               |
| Holding costs  | (725)                                  | (757)           |
| Cash provided by (used in) REO operations and sales    | 5,034                                  | (757)           |
| <b>RMC payments – formation loan</b>                   | 1,110                                  | —               |
| <b>Operations expense, excluding REO holding costs</b> | (2,915)                                | (1,667)         |
| <b>Net (decrease) increase in cash</b>                 | <u>\$ (1,170)</u>                      | <u>\$ 1,900</u> |
| <b>Cash, end of period</b>                             | <u>\$ 3,564</u>                        | <u>\$ 2,297</u> |