

REDWOOD MORTGAGE INVESTORS X, LLC

Up to \$50,000,000 of Membership Interest Units ("Units") at \$1.00 per Unit⁽¹⁾

Minimum Subscription Amounts:

New Members - 25,000 Units (\$25,000); Existing Members – 10,000 Units (\$10,000)

The information set forth in this Supplement No. 2 (the "Supplement") is provided to supplement the information set forth in the Private Placement Memorandum of Redwood Mortgage Investors X, LLC (the "Fund") dated November 15, 2019 (the "Memorandum"). Capitalized terms not otherwise defined herein have the meanings given in the Memorandum. This Supplement provides updated and additional information to the information previously set forth in Supplement No. 1 to the Memorandum dated March 16, 2020 ("Supplement No. 1"). Supplement No. 1 is terminated and superseded by this Supplement in its entirety as of the date hereof.

COVID-19 (Coronavirus)

COVID-19 or Coronavirus ("COVID-19") is a strain of the novel coronavirus that causes illness ranging from the common cold to more severe symptoms including fever, cough, breathing difficulties, and in more severe cases, pneumonia, acute respiratory syndrome, kidney failure and death. In March 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a pandemic. In response, the State of California, has instituted emergency restrictions that have substantially limited the operation of non-essential businesses and the activities of individuals. The COVID-19 pandemic and these restrictions have had a significant adverse effect on the global, US, and California economies and have caused significant disruption to the financial and real estate markets. Restrictions and economic conditions caused by COVID-19 have also caused record unemployment nationwide as well as a significant number of layoffs and furloughs in the regions and communities in which the Fund intends to lend.

Potential issues and risks resulting from the COVID-19 pandemic include:

- Should key personnel of the manager become incapacitated by the COVID-19 virus, or be required (voluntarily or involuntarily) to terminate active involvement with the manager due to the effects of the virus, the business of the Fund's Manager could be adversely impacted.
- Adverse economic conditions may affect the ability of the Manager to raise capital for the Fund, to obtain a line or credit for the Fund or the availability of loans that meet the Fund's lending criteria.
- The ability to enforce loan terms through foreclosure may be delayed and adversely effected by current or future limitations or moratoriums on foreclosures enacted by state or local authorities to address the impacts of COVID-19.
- Loans secured by rental properties may be adversely impacted by restrictions or moratoriums on evictions enacted by federal, state or local authorities to address the impacts of COVID-19.
- Partial or complete closures of county recording offices may affect the ability of the company to record deeds of trust and other documents and may affect the cost or ability of the company to obtain adequate title insurance for its loans.
- The uncertainty of the effects of COVID-19 on borrowers, properties, and the economy generally may result in inaccuracy or delays in the recognition of loan losses or impairments by the Fund.
- Maintenance of low interest rates by the Federal Reserve to stimulate the economy in light of COVID-19, may negatively affect the rates of interest the Fund is able to charge on its loans, negatively impacting interest income and earnings.

Investors with questions regarding this Supplement may contact the Manager at:

REDWOOD MORTGAGE CORP.
177 Bovet Road, Suite 520
San Mateo, CA 94402
Phone: (650) 365-5341

The date of this Supplement is July 20, 2020

The ultimate effect of COVID-19 on the California real estate markets and broader economy is not known nor is the ultimate length of time California and other regions will be subject to the restrictions described and their accompanying effects. In recent months, some states and regions began to ease prior restrictions in an attempt to improve economic and market conditions; however, the easing of these restrictions and other factors resulted in significant increases in COVID-19 cases and hospitalizations in many states, including

California. The recent increase in COVID-19 cases has caused California and many cities and counties where the Fund intends to lend to delay previously announced schedules for easing COVID-19 restrictions and, in some cases, to reinstate stricter restrictions previously in place. As long as COVID-19 cases, hospitalizations and deaths continue to increase and significant state and local restrictions remain in place, COVID-19 may have a significant adverse effect on the ability of the Fund to meet some or all of the Fund objectives as stated in the Memorandum.

THE INFORMATION PROVIDED HEREIN SHOULD BE READ IN CONJUNCTION WITH THE MEMORANDUM. ALL INFORMATION IN THE MEMORANDUM REMAINS CURRENT THROUGH NOVEMBER 15, 2019 ,ONLY, AND ONLY THE TOPICS AND INFORMATION EXPRESSLY DISCUSSED IN THIS SUPPLEMENT ARE CURRENT AS OF THE DATE HEREOF. UNITS ARE RESTRICTED SECURITIES AND AN INVESTMENT IN UNITS INVOLVES SIGNIFICANT RISKS. POTENTIAL PURCHASERS OF UNITS SHOULD READ AND UNDERSTAND THE MEMORANDUM AND THIS SUPPLEMENT IN THEIR ENTIRETY PRIOR TO INVESTING IN UNITS.