Abate Christ Form 4	•									
September 0									PPROVAL	
FORM	UNITED	STATES			AND EXCHA , D.C. 20549	NGE	COMMISSION		3235-0287	
if no longer subject to Section 16. STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES SECURITIES 200 Estimated average burden hours per								urs per		
(Print or Type	Responses)									
1. Name and Address of Reporting Person <u>*</u> Abate Christopher J			2. Issuer Name and Ticker or Trading Symbol REDWOOD TRUST INC [RWT]			-	5. Relationship of Reporting Person(s) to Issuer			
(Last)	(First) (Middle)	3. Date of Earliest Transaction			,, 1]	(Check all applicable)			
ONE BELV 300	EDERE PLACE	, SUITE		Day/Year)			Director X Officer (giv below) Chief		% Owner ner (specify cer	
MILL VAL	(Street) LEY, CA 94941			endment, D onth/Day/Yea	Pate Original ar)		6. Individual or . Applicable Line) _X_ Form filed by Form filed by Person	•	Person	
(City)	(State)	(Zip)	Tal	ole I - Non-	Derivative Secur	rities Ao	cquired, Disposed o	of, or Beneficia	ally Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deem Execution any (Month/Da	Date, if	Code (Instr. 8)	4. Securities onAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5 (A) or Amount (D)) 5)	Securities Beneficially Owned	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

 (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5. Number of	6. Date Exercisable and	7. Title and Amount of	8. Pr
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orDerivative	Expiration Date	Underlying Securities	Deri
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4)	Secu

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(Instr. 3)	Price of Derivative Security	(N	Month/Day/Year)	(Instr.	8)	Acquired (or Dispose (D) (Instr. 3, 4 and 5)	ed of					(Inst
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Deferred Stock Units (1)	\$ 14.49 (2)	09/05/2012		А		17,253		(3)	(4)	Common Stock	17,253	•

Reporting Owners

Reporting Owner Name / Address				
1	Director	10% Owner	Officer	Other
Abate Christopher J ONE BELVEDERE PLACE SUITE 300 MILL VALLEY, CA 94941			Chief Financial Officer	
Clause struces				

Signatures

Christopher	
Abate	09/05/2012
<u>**</u> Signature of Reporting Person	Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This transaction relates to the grant of Deferred Stock Units.
- (2) Represents grant date fair value of the DSUs issued, based on the fair market value of RWT common stock on the transaction date under the 2002 Incentive Plan.
- (3) 25% vests 10/1/2013, 6.25% every quarter thereafter. Fully vested 10/1/2016.
- (4) No expiration date is applicable to deferred stock units.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.