SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

SCHEDULE 13G

(Rule 13d-102)

INFORMATION STATEMENT	PURSUANT	TO	RULES	13d-1	AND	13d-2
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	Under the S	Securities Exch (Amendment N	-	34			
	REDWOOD TRUST INC						
		(Name of Iss	uer)				
		Common Sto	ck				
(Title of Class of Securities)							
758075402							
		(CUSIP Numb	er)				
		December 31,	2005				
(Date	Of Event whi	ch Requires Fi	ling of this St	tatement)			
Check the following	ng box if a f	ee is being pa	id with this st	tatement [].		
*The remainder of initial filing on for any subsequent disclosures provid	this form with a mendment of the decimal and t	th respect to containing info	the subject cla rmation which w	ass of sec would alte	curities, and er the		
The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).							
CUSIP No. 758075402 13G Page 2 of 6 Pages							
1. NAME OF REE S.S. OR I.F		ON(S) CCATION NO. OF	ABOVE PERSON(S))			
Morgan Star IRS # 36-3							
2. CHECK THE A	APPROPRIATE E	BOX IF A MEMBER	OF A GROUP*	(a) [(b) []		
3. SEC USE ONI	.Y						
4. CITIZENSHIE	OR PLACE OF	ORGANIZATION					
The state o	of organizati	on is Delaware					
NUMBER OF SHARES BENEFICIALLY	5. SOLE VO 1,313,5						
OWNED BY EACH	6. SHARED 60	VOTING POWER					
REPORTING PERSON WITH		SPOSITIVE POWE					
		DISPOSITIVE PO					
9. AGGREGATE <i>I</i>		CIALLY OWNED B	Y EACH REPORTIN	NG PERSON			

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11. PER	CENT O	CLASS REPRESENTED BY AMOUNT IN ROW (9)					
5.3	응**						
12. TYP	E OF RI	PORTING PERSON*					
IA,	CO, H						
		*SEE INSTRUCTIONS BEFORE FILLING OUT!					
shares r Stanley	eported is not	gan Stanley disclaims beneficial ownership of a portion of the , which are owned indirectly through a client vehicle. Morgan the custodian or administrator of the vehicle, and it is not an Stanley has voting or investment power over these shares.					
CUSIP No.	7580754	02 13G Page 3 of 6 Pages					
Item 1.	(a)	Name of Issuer: REDWOOD TRUST INC					
	(b)	Address of Issuer's Principal Executive Offices: 591 REDWOOD HWY STE 3100 MILL VALLEY, CA 94941					
Item 2.	(a)	Name of Person Filing:					
rcem Z.	(a)	Name of Person Filing: Morgan Stanley					
	(b)	Address of Principal Business Office, or if None, Residence: 1585 Broadway New York, NY 10036					
	(c)	Citizenship: Incorporated by reference to Item 4 of the cover page pertaining to each reporting person.					
	(d)	Title of Class of Securities: Common Stock					
	(e)	CUSIP Number: 758075402					
Item 3.		Morgan Stanley is a parent holding company.					
CUSIP No.	7580754	02 13-G Page 4 of 6 Pages					
Item 4.	Owne	ship.					
		porated by reference to Items (5) - (9) and (11) of the page.					
	(organ Stanley is filing solely in its capacity as the parent ompany of, and indirect beneficial owner of securities held y, one of its business units.					
Item 5.	Owne	ship of Five Percent or Less of a Class.					
	Inapp	licable					
Item 6.	Owner	ship of More Than Five Percent on Behalf of Another Person.					
	Inapp	Inapplicable					
Item 7.		Identification and Classification of the Subsidiary which Acquired the Security Being Reported on By the Parent Holding Company.					
Item 8.	Ident	Identification and Classification of Members of the Group.					
Item 9.	Notio	Notice of Dissolution of Group.					
Item 10.	Cert	fication.					
	belie ordin of an conti	gning below I certify that, to the best of my knowledge and f, the securities referred to above were acquired in the ary course of business and were not acquired for the purpose d do not have the effect of changing or influencing the ol of the issuer of such securities and were not acquired in ction with or as a participant in any transaction having					

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Signature.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 15, 2006

Signature: /s/ Dennine Bullard

Name/Title Dennine Bullard/Executive Director, Morgan Stanley & Co.

Incorporated

MORGAN STANLEY

INDEX TO EXHIBITS

PAGE

EXHIBIT 1 Secretary's Certificate Authorizing Dennine Bullard to Sign on behalf of Morgan Stanley

* Attention. Intentional misstatements or omissions of fact constitute federal criminal violations (see 18 U.S.C. 1001).

EX-99.b SECRETARY'S CERTIFICATE

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EXHIBIT 1

MORGAN STANLEY

SECRETARY'S CERTIFICATE

- I, Charlene R. Herzer, a duly elected and acting Assistant Secretary of Morgan Stanley, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), certify as follows:
 - (1) Donald G. Kempf, Jr. served as the duly elected Executive Vice President, Chief Legal Officer and Secretary of the Corporation from December 1, 1999 to August 26, 2005;
 - (2) Pursuant to Section 7.01 of the Bylaws of the Corporation and resolutions approved by the Board of Directors of the Corporation on September 25, 1998, the Chief Legal Officer is authorized to enter into agreements and other instruments on behalf of the Corporation and may delegate such powers to others under his jurisdiction; and
 - (3) Donald G. Kempf signed a Delegation of Authority as of February 23, 2000, which authorized Dennine Bullard to sign reports to be filed under Section 13 and 16 of the Securities Exchange Act of 1934 on behalf of the Corporation. Such authorization is in full force and effect as of this date.

IN WITNESS WHEREOF, I have hereunto set my name and affixed the seal of the Corporation as of the 23rd day of January, 2006.