FORM	4
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Check this box if no
longer subject to
Section 16. Form 4 or
Form 5 obligations may
continue. See
Instruction 1(b).

(Print or Type Responses)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL OMB Number: 3235-0287 Estimated average burden hours per response... 0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

^{corm 5 obligations may} Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment istruction 1(b). Company Act of 1940

1. Name and Address of Reporting Person [*] KUBICEK GREG H		2. Issuer Name and Ticker or Trading Symbol REDWOOD TRUST INC [RWT]						5. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner			
(Last) (First) 2601 N.E. 163RD COURT		3. Date of Earliest Transaction (Month/Day/Year) 03/08/2006						Officer (give title below) Othe	er (specify below	v)	
(Street) VANCOUVER, WA 98684	4	4. If Amendment, Date Original Filed(Month/Day/Year)						6. Individual or Joint/Group Filing(Check Applicable Line) _X_Form filed by One Reporting Person Form filed by More than One Reporting Person			
(City) (State)	(Zip)	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned									
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	Execution Date, if	Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) (A) or (A) or (D) Price			Transaction(s) (Instr. 3 and 4)	Ownership Form:	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 SEC 1474 (9-02) 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 (a.g., pute calls warrants options convertible cognities)

(e.g., puts, cans, warrants, options, convertible securities)														
2.	3. Transaction	3A. Deemed	4.		5. Number	of	6. Date Exer	cisable	7. Title and	Amount of	8. Price of	9. Number of	10.	11. Nature
Conversion	Date	Execution Date, if	Transact	ion	Derivative		and Expirati	on Date	Underlying	Securities	Derivative	Derivative	Ownership	of Indirect
or Exercise	(Month/Day/Year)	any	Code		Securities		(Month/Day	/Year)	(Instr. 3 and	4)	Security	Securities	Form of	Beneficial
Price of		(Month/Day/Year)	(Instr. 8))	Acquired (A	A)					(Instr. 5)	Beneficially	Derivative	Ownership
Derivative					or Disposed	lof						Owned	Security:	(Instr. 4)
Security					(D)							Following	Direct (D)	· · · ·
					(Instr. 3, 4,	and						Reported	or Indirect	
					5)							Transaction(s)	(I)	
					-							(Instr. 4)	(Instr. 4)	
							Dete	E				` ´ ´	` ´	
							Date	Expiration	Title	-				
			0.1	* 7			Exercisable	Date						
			Code	V	(A)	(D)				of Shares				
1														
•									Common					
\$ 41.09	03/08/2006		Α		5,873.33		(1)	(2)	Common	5,873.33	\$ 0	5,873.33	D	
1									Stock					
	Conversion or Exercise Price of Derivative Security	Conversion or Exercise Price of Derivative Security Date (Month/Day/Year) n \$ 41.09 03/08/2006	2. 3. Transaction 3A. Deemed Conversion Date Execution Date, if Or Exercise (Month/Day/Year) Month/Day/Year) Price of Derivative Month/Day/Year) Security 03/08/2006 Month/Day/Year)	2. Conversion or Exercise Price of Derivative Security a. Transaction Date (Month/Day/Year) A. Deemed Execution Date, if any (Month/Day/Year) (Month/Day/Year) A. Deemed Execution Date, if (Month/Day/Year) Code (Instr. 8) Code	2. Conversion or Exercise Price of Derivative Security A. Deemed (Month/Day/Year) A. Deemed Execution Date, if any (Month/Day/Year) (Month/Day/Year) Code Code Code V Code V Code V	2. 3. Transaction 3A. Deemed 4. 5. Number Conversion Date Execution Date, if Transaction Code Price of Oprivative (Month/Day/Year) (Month/Day/Year) (Instr. 8) Securities Acquired (<i>u</i> or Disposed (D) (Instr. 3, 4, 5) Code V (A) n \$ 41.09 03/08/2006 A 5 873.33	2. 3. Transaction 3A. Deemed 4. 5. Number of Conversion Date (Month/Day/Year) any Code Code Price of Derivative (Month/Day/Year) (Month/Day/Year) (Month/Day/Year) (Instr. 8) Securities Security Code V (A) (D) (Instr. 3, 4, and 5) n \$ 41.09 03/08/2006 A 5.873.33	2. 3. Transaction Date 3A. Deemed 4. 5. Number of Derivative 6. Date Exer and Expiration Date, if any (Month/Day/Year) Price of Derivative Security (Month/Day/Year) (Month/Day/Year) (Month/Day/Year) (Month/Day/Year) 6. Date Exer and Expiration Code (Instr. 8) 6. Date Exer and Expiration Code (Instr. 8) 6. Date Exer and Expiration (Month/Day) Security Code V (A) 0	2. 3. Transaction Date 3A. Deemed 4. 5. Number of Derivative 6. 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Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
KUBICEK GREG H 2601 N.E. 163RD COURT VANCOUVER, WA 98684	Х						

Signatures

Harold F. Zagunis	03/09/2006	
**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) Units 100% vested at grant
- (2) No expiration.

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.