

FORM 4

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

OMB APPROVAL	
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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).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person - Abate Christopher J		2. Issuer Name and Ticker or Trading Symbol REDWOOD TRUST INC [RWT]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> Officer (give title below) Chief Executive Officer		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 12/19/2018		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person	
ONE BELVEDERE PLACE		(Street)		MILL VALLEY, CA 94941		
(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)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	12/19/2018		M	(1)	57,027	A	\$ 15.21 (2)	96,183	D	

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. SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Performance Stock Units	\$ 9.46 (3)	12/19/2018		M	(1)	45,112	(4)	(5)	Common Stock	45,112	\$ 0 (1)	50,161	D		
Performance Stock Units	\$ 9.46 (3)	12/19/2018		F	(6)	50,161	(4)	(5)	Common Stock	50,161	\$ 0 (1)	0 (2)	D		
Deferred Stock Units	\$ 19.87 (3)	12/19/2018		M	(1)	11,915	(4)	(5)	Common Stock	11,915	\$ 0 (1)	13,248	D		
Deferred Stock Units	\$ 19.87 (3)	12/19/2018		F	(6)	13,248	(4)	(5)	Common Stock	13,248	\$ 0 (1)	0 (2)	D		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Abate Christopher J ONE BELVEDERE PLACE MILL VALLEY, CA 94941	X		Chief Executive Officer	

Signatures

Attorney-In-Fact: Andrew P. Stone For: Christopher J. Abate	12/19/2018
<small>Signature of Reporting Person</small>	<small>Date</small>

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 distribution and/or conversion of Performance Stock Units and Deferred Stock Units to common stock under the Executive Deferred Compensation Plan.
- (2) Represents the value (per stock unit or share of common stock) of the distribution and/or conversion of Performance Stock Units and Deferred Stock Units to common stock under the Executive Deferred Compensation Plan, based on the fair market value of Redwood Trust, Inc. comm
- (3) Represents fair value per stock unit of Performance Stock Units or Deferred Stock Units, based on the original grant date fair value determined at such time in accordance with FASB Accounting Standards Codification Topic 718.
- (4) Performance Stock Units and Deferred Stock Units were subject to a mandatory holding period and conversion and/or distribution to the Reporting Person is at the time provided in the applicable deferral election form, in accordance with the terms and conditions of the Executive Defe
- (5) No expiration date is applicable to Performance Stock Units and Deferred Stock Units.
- (6) This disposition transaction represents a Compensation Committee approved withholding of securities incident to the payment of income tax liability relating to the distribution and/or conversion of Performance Stock Units and/or Deferred Stock Units under the Executive Deferred C
- (7) Following these reported transactions, no other Performance Stock Units and/or Deferred Stock Units with the same original grant date are beneficially owned.

Remarks:

This Form 4 is being filed in connection with the distribution and/or conversion of Performance Stock Units and Deferred Stock Units to common stock under the Redwood Trust, Inc. Executive Deferred Compensation Plan. The Perform based vesting formula, after a three-year performance-based vesting period. Please refer to Item 5.02(e) on Form 8-K filed on December 17, 2015 by Redwood Trust, Inc. for the description of the terms of these PSUs.

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.