Abate Christopher J
Form 4
May 24, 2018

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
Abate Christopher J

(Last) (First) (Middle)

1 BELVEDERE PLACE, SUITE 300

(Street)

MILL VALLEY, CA 94941

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
REDWOOD TRUST INC [RWT]

3. Date of Earliest Transaction (Month/Day/Year)
05/22/2018

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Chief Executive Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

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			

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

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

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)							
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Deferred Stock Units	$ 16.62 (1)	05/22/2018	A(2)		15,042		(3)	(4)	Common Stock	15,042
Performance Stock Units (5)	$ 15.2 (6)	05/22/2018	A(2)		16,447 (7)		(8)	(9)	Common Stock	16,447

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Abate Christopher J 1 BELVEDERE PLACE SUITE 300 MILL VALLEY, CA 94941	X		Chief Executive Officer	

Signatures

Attorney-In-Fact: /s/ Andrew P. Stone	05/24/2018
**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) Represents fair market value RWT common stock on transaction date under the 2014 Incentive Award Plan.

(2) This transaction relates to the grant of performance stock units or deferred stock units approved by the Compensation Committee of the Board of Directors to Mr. Abate in connection with his promotion to the role of Chief Executive Officer, effective on May 22, 2018.

(3) 25% vests 7/1/2019, 6.25% every quarter thereafter. Fully vested 5/21/2022.

(4) No expiration date is applicable to deferred stock units.

(5) This transaction relates to the grant of Performance Stock Units ("PSUs"), which are performance-based equity awards. The number of underlying shares of common stock of Redwood Trust, Inc. ("Common Stock") that vest and that the recipient becomes entitled to receive at the time of vesting will generally range from 0% to 200% of a target number of PSUs granted, contingent on the achievement of a pre-established performance metric (with the target number of PSUs granted being adjusted to reflect the value of any dividends on Common Stock declared during the vesting period). Vesting of these PSUs will generally occur at the end of three years (on May 21, 2021) based on three-year total stockholder return. Please refer to Item 5.02(e) of the Current Report on Form 8-K filed on May 23, 2018 by Redwood Trust, Inc. for a description of the terms of these PSUs, which Item 5.02(e) qualifies, in its entirety, the description set forth in this footnote (5) and footnote (6) below.

(6) Represents grant date fair value of the PSUs issued.

(7) Represents the target number of PSUs granted.

(8) Vested shares, if any, will be delivered to the Participant no later than August 31, 2021.

(9) No expiration date is applicable to performance 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.
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