Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224

Department of the Treasury Internal Revenue Service		► See separate instructions	s.
Part I Reporting	lssuer		
1 Issuer's name		2 Issuer's employer identification number (EIN)	
REDWOOD TRUST, INC.		68-0329422	
3 Name of contact for additional information 4 Telephone No. of contact		5 Email address of contact	
MIKE MCMAHON (415) 384-3805			mike.mcmahon@redwoodtrust.com
MIKE McMAHON (415) 384-3805 6 Number and street (or P.O. box if mail is not delivered to street address) of contact			7 City, town, or post office, state, and Zip code of contact
• (0)			
ONE BELEVEDERE PLAC	E, SUITE 300	MILL VALLEY, CA 94941	
8 Date of action			
03/29/13, 06/28/13, 9/30/13		RETURN OF BASIS DISTRIBUTIO	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
		DWT	
758075402 Part II Organization	nal Action Attach	RWT additional statements if needed.	See back of form for additional questions.
			date against which shareholders' ownership is measured for
			15, 2013, JUNE 14, 2013, SEPTEMBER 13, 2013, AND
			2013, SEPTEMBER 30, 2013, AND DECEMBER 27, 2013
			ISTRIBUTION DATE. A PORTION OF EACH DISTRIBUTION
			BASIS DISTRIBUTION, WHICH REDUCES THE BASIS OF
THE SHARES HELD BY EA		NOT OKTION WAS A RETOKN OF E	Stole Bie Halberteri, Armer Allege Lee Allege
THE SHAKES HEED DI E	AOTI STIARLITOLDER.		
15 Describe the quantita	tive effect of the organi	zational action on the basis of the sec	curity in the hands of a U.S. taxpayer as an adjustment per
			WAS \$0.0299 PER SHARE ON EACH DISTRIBUTION
DATE.			
			culation, such as the market values of securities and the
			D DISTRIBUTED \$92,005,443 IN 2013; THEREFORE, 10.69%
			TO \$0.0299 PER SHARE OF EACH QUARTERLY
DISTRIBUTION BEING A	RETURN OF BASIS DI	STRIBUTION.	

Part I		Organizational Action (continu	ied)		
		applicable Internal Revenue Code sed		ch the tax treatment is bas	ed ▶
		BASIS DISTRIBUTION - IRC SECTION			
TAXABI	LE CA	SH DIVIDEND - IRC SECTION 301(c)(1) AND IRC SECTION 316		
			2000		
18 Ca	an any	resulting loss be recognized? ► NC	LOSS CAN BE RECOGNIZED AS	S A RESULT OF THE CAS	H DISTRIBUTIONS TO THE
COMMC	ON SH	AREHOLDERS.			
19 Pr	rovide	any other information necessary to in	nplement the adjustment, such as t	the reportable tax year $\triangleright \underline{T}$	HE REPORTABLE TAX YEAR
RELATI	ED TO	THE ORGANIZATIONAL ACTIONS	AFFECTING THE BASIS OF SEC	URITIES IS CALENDAR Y	'EAR 2013.
	, _K				
	Linda	r populting of porium. I deplare that I have	evamined this return, including accomi	panying schedules and statem	ents, and to the best of my knowledge and
	belief	f, it is true, correct, and complete. Declarati	on of preparer (other than officer) is bas	ed on all information of which	preparer has any knowledge.
Sign		_ 0 1	1		
Here	Signs	ature > 2 0 A		Date ►	1-28-14
	Gigilia	audio F	*		
	Print	your name ► ERIC B. ANDERSON		Title ► VICE	PRESIDENT - TAX
Deid	1 , 11110	Print/Type preparer's name	Preparer's signature	Date	Check if PTIN
Paid	- ro				self-employed
Prepa Use (Firm's name ▶			Firm's EIN ▶
USE (אוווע	Firm's address ▶			Phone no.
Send Fo	orm 89	937 (including accompanying stateme	nts) to: Department of the Treasury	, Internal Revenue Service	, Ogden, UT 84201-0054