

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

SCHEDULE 13D
UNDER THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. 1)*

REDWOOD TRUST, INC.
(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.01 PER SHARE
(Title of Class of Securities)

758075402
(CUSIP Number)

DAWSON-SAMBERG CAPITAL MANAGEMENT, INC., 354 PEQUOT AVENUE, SOUTHPORT, CT
06490, ATTN: AMIEL M. PERETZ (203) 254-0091
(Name, Address and Telephone Number of Person Authorized to Receive Notices
and Communications)

MARCH 31, 1997

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box .

Check the following box if a fee is being paid with the statement . (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.)

NOTE: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on 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).

SCHEDULE 13D

CUSIP NO. 758075402 PAGE 7 OF 10
PAGES

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Do Not Type In This Cell
DAWSON-SAMBERG CAPITAL MANAGEMENT, INC. 06-1033494
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*^{foot1}SEE INSTRUCTIONS BEFORE FILLING OUT! (a)
INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7 (b)
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION. Do Not Type In This Cell
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS*Do Not Type In This Cell
OO
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) Do Not Type In This Cell
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION Do Not Type In This Cell
CONNECTICUT
- NUMBER OF 7 SOLE VOTING POWER Do Not Type In This Cell
SHARES 58,900
- BENEFICIALLY 8 SHARED VOTING POWER Do Not Type In This Cell
OWNED BY 0
- EACH 9 SOLE DISPOSITIVE POWER Do Not Type In This Cell
REPORTING
PERSON 58,900
- WITH 10 SHARED DISPOSITIVE POWER Do Not Type In This Cell
0
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON Do Not Type In This Cell
58,900
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

Do Not Type In This Cell

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) Do Not Type In This Cell

0.5%

14 TYPE OF REPORTING PERSON* Do Not Type In This Cell
IA

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Do Not Type In This Cell

PEQUOT ENDOWMENT PARTNERS, L.L.C. 06-1383498

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*foot2SEE INSTRUCTIONS BEFORE FILLING OUT! (a)
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6 CITIZENSHIP OR PLACE OF ORGANIZATION Do Not Type In This Cell
DELAWARE

NUMBER OF 7 SOLE VOTING POWER Do Not Type In This Cell
SHARES 182,700

BENEFICIALLY 8 SHARED VOTING POWER Do Not Type In This Cell
OWNED BY 0

EACH 9 SOLE DISPOSITIVE POWER Do Not Type In This Cell
REPORTING

PERSON 182,700
WITH 10 SHARED DISPOSITIVE POWER Do Not Type In This Cell

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON Do Not Type In This Cell

182,700

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* Do Not Type In This Cell

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) Do Not Type In This Cell

1.4%

14 TYPE OF REPORTING PERSON* Do Not Type In This Cell
OO

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Do Not Type In This Cell

DS INTERNATIONAL PARTNERS, L.L.C. 06-1324895

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*foot3SEE INSTRUCTIONS BEFORE FILLING OUT! (a)
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4 SOURCE OF FUNDS*Do Not Type In This Cell
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) Do Not Type In This Cell

6 CITIZENSHIP OR PLACE OF ORGANIZATION Do Not Type In This Cell
DELAWARE

NUMBER OF 7 SOLE VOTING POWER Do Not Type In This Cell
SHARES 139,500

BENEFICIALLY 8 SHARED VOTING POWER Do Not Type In This Cell
OWNED BY

EACH 9 SOLE DISPOSITIVE POWER Do Not Type In This Cell
REPORTING

PERSON 139,500
WITH 10 SHARED DISPOSITIVE POWER Do Not Type In This Cell

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON Do Not Type In This Cell

139,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* Do Not Type In This Cell

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) Do Not Type In This Cell

1.1%

14 TYPE OF REPORTING PERSON* Do Not Type In This Cell
OO

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Do Not Type In This Cell
PEQUOT GENERAL PARTNERS, L.L.C. 06-1321556

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*^{foot4}SEE INSTRUCTIONS BEFORE FILLING OUT! (a)
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6 CITIZENSHIP OR PLACE OF ORGANIZATION Do Not Type In This Cell
DELAWARE

NUMBER OF 7 SOLE VOTING POWER Do Not Type In This Cell
SHARES 148,700

BENEFICIALLY 8 SHARED VOTING POWER Do Not Type In This Cell
OWNED BY

EACH 9 SOLE DISPOSITIVE POWER Do Not Type In This Cell
REPORTING

PERSON 148,700
WITH 10 SHARED DISPOSITIVE POWER Do Not Type In This Cell

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON Do Not Type In This Cell
148,700

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* Do Not Type In This Cell

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) Do Not Type In This Cell
1.1%

14 TYPE OF REPORTING PERSON* Do Not Type In This Cell
OO

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Do Not Type In This Cell
JONATHAN T. DAWSON ###-##-####

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*^{foot5}SEE INSTRUCTIONS BEFORE FILLING OUT! (a)
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6 CITIZENSHIP OR PLACE OF ORGANIZATION Do Not Type In This Cell

NUMBER OF 7 SOLE VOTING POWER Do Not Type In This Cell
SHARES 0

BENEFICIALLY 8 SHARED VOTING POWER Do Not Type In This Cell
OWNED BY 0

EACH 9 SOLE DISPOSITIVE POWER Do Not Type In This Cell
REPORTING

PERSON 0
WITH 10 SHARED DISPOSITIVE POWER Do Not Type In This Cell
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON Do Not Type In This Cell
0

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* Do Not Type In This Cell

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) Do Not Type In This Cell
0.0%

14 TYPE OF REPORTING PERSON* Do Not Type In This Cell
IN

This Amendment No. 1 relates to the Common Stock, \$.01 par value, (the "Common Stock"), of Redwood Trust, Inc., a Maryland corporation (the "Issuer"), and amends the statement on Schedule 13D initially filed by the Reporting Persons with the Securities and Exchange Commission (the "Commission") on January 31, 1997.

ITEM 1. Security and Issuer

No change.

ITEM 2. Identity and Background

This Statement is being filed on behalf of Dawson-Samberg Capital Management, Inc., a Connecticut corporation ("Dawson-Samberg"), Pequot Endowment Partners, L.L.C., a Delaware limited liability company ("Endowment Partners"), DS International Partners, L.L.C., a Delaware limited liability company ("International Partners"), Pequot General Partners, L.L.C., a Delaware limited liability company ("General Partners") and Jonathan T. Dawson ("Dawson"). Dawson-Samberg, Endowment Partners, International Partners, General Partners and Dawson are sometimes referred to herein individually as a "Reporting Person" and collectively as the "Reporting Persons."

As Olympic Equity Partners, L.P. is no longer a managing member of Endowment Partners, the Reporting Persons and Richard L. Chilton, Jr. and his affiliates including, without limitation, any funds or accounts for which Chilton or any affiliate is a general partner, controlling shareholder, managing member, investment manager or investment adviser, and including Olympic Equity Partners L.P., no longer could be deemed to constitute a "group" for purposes of Rule 13d-5(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

ITEM 3. Source and Amount of Funds or Other Consideration

As of the date hereof, the Reporting Persons beneficially own in the aggregate 529,800 Shares. Of the 529,800 Shares, 148,700 shares are owned by Pequot Partners, 58,900 shares are held in managed accounts for which Dawson-Samberg acts as investment adviser, 139,500 shares are owned by Pequot International, and 182,700 shares are owned by Pequot Endowment. The 529,800 shares were purchased in open market transactions at an aggregate cost of \$16,746,949. The funds for the purchase of Shares held by Pequot Partners, Pequot Endowment, and Pequot International were obtained from the contributions of their various partners/shareholders. The funds for the acquisition of the Shares held by the managed accounts came from their own funds.

ITEM 4. Purpose of Transaction

No change.

ITEM 5. Interest in Securities of the Issuer

As of the date hereof, the Reporting Persons beneficially own in the aggregate 529,800 Shares. These Shares represent approximately 4.1% of the 13,005,234 Shares that the Reporting Persons believe to be outstanding. Dawson-Samberg has the sole power to vote, direct the vote, dispose and direct the disposition of the 58,900 Shares held in the managed accounts. General Partners has the sole power to vote, direct the vote, dispose and direct the disposition of the 148,700 Shares owned by Pequot Partners. International Partners has the sole power to vote, direct the vote, dispose and direct the disposition of the 139,500 Shares owned by Pequot International. Endowment Partners has the sole power to vote, direct the vote, dispose and direct the disposition of the 182,700 Shares owned by Pequot Endowment. No transactions were effected during the past 60 days by the Reporting Persons. On March 31, 1997 the Reporting Persons ceased to be the beneficial owner of more than five percent of RWTI.

ITEM 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

No change.

ITEM 7. Material to be Filed as Exhibits

A copy of a written agreement relating to the filing of a joint statement as required by Rule 13d-1(f) under the Securities Exchange Act of 1934 is attached hereto as Exhibit A.

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

Dated: March 31, 1997

DAWSON-SAMBERG CAPITAL MANAGEMENT, INC.

By: /s/ Jonathan T. Dawson

Name: Jonathan t. Dawson

Title: President

PEQUOT ENDOWMENT PARTNERS, L.L.C.

By: /s/ Jonathan T. Dawson

Name: Jonathan T. Dawson

Title: Managing Member

DS INTERNATIONAL PARTNERS, L.L.C.

By: /s/ Jonathan T. Dawson
Name: Jonathan T. Dawson
Title: Managing Member

PEQUOT GENERAL PARTNERS, L.L.C.

By: /s/ Jonathan T. Dawson
Name: Jonathan T. Dawson
Title: Managing Member

JONATHAN T. DAWSON

By: /s/ Jonathan T. Dawson

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Exhibit A

JOINT FILING AGREEMENT

This will confirm the agreement by and among all the undersigned that the Schedule 13D filed on or about this date and any amendments thereto with respect to the beneficial ownership by the undersigned of shares of the Common Stock of Redwood Trust, Inc. is being filed on behalf of each of the undersigned.

Dated: March 31, 1997

DAWSON-SAMBERG CAPITAL MANAGEMENT, INC.

By: /s/ Jonathan T. Dawson
Name: Jonathan T. Dawson
Title: President

PEQUOT ENDOWMENT PARTNERS, L.L.C.

By: /s/ Jonathan T. Dawson
Name: Jonathan T. Dawson
Title: Managing Member

DS INTERNATIONAL PARTNERS, L.L.C

By: /s/ Jonathan T. Dawson
Name: Jonathan T. Dawson
Title: Managing Member

PEQUOT GENERAL PARTNERS, L.L.C.

By: /s/ Jonathan T. Dawson
Name: Jonathan T. Dawson
Title: Managing Member

JONATHAN T. DAWSON

By: /s/ Jonathan T. Dawson