SEC 1473	Potential persons who are to respond to the collection of information contained in this form are not required to
(7-97)	respond unless the form displays a currently valid OMB control number

	UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549							
Form 3	INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES						OMB APPROVAL	
						OMB N	<u>OMB Number: 3235-0104</u>	
	Filed pursuant to Section 16(a) of the Securities Exchange act of 1934,					Expires	Expires: October 31, 2001	
	Section 17(a) of the Public Utility Holding Company Act of 1935 or					Estimat	Estimated average burden	
	Section 30(f) of the Investment Company Act of 1940					hours p	hours per response 0.5	
(Print or Type Responses)								
1 .Name and Address of 2. Reporting Person*		. Date of Event	4. Issuer Name and Ticker or Trading Symbol					
VA Partners, L.L.C	~.	R	equiring Statement	Redwood Trust, Inc. (RWT)				
(See Note 1)			Month/Day/Year) uly 10, 2001					
(Last) (First) (Middle	e)	-	. IRS Identification Number of Reporting		5. Relationship of Reporting Person(s) to Issuer		6. If Amendment, Date of Original (month/Day/Year)	
One Maritime Plaz	a, Suite 1400	Р	erson, if an entity voluntary)	(Check all applicable) Director XX 10% Owner		Original		
				Officer (giveOthe	r (specify			
(Street)				title below) below)			 Individual or Joint/Group Filing (Check Applicable Line) 	
San Francisco, Cali	ifornia 94111						Form filed by One Reporting Person	
					XXForm		rm filed by More than One Reporting	
(City) (State) (Zip)								
			Table I Non-Der	ivative Securities Beneficially Owned			1	
1. Title of Security (Instr. 4)		2. Amount of Securities Beneficially Owned (Instr. 4)		3. Ownership Form: Direct			4. Nature of Indirect Beneficial Ownership	
					(D) or Indirect (I) (Instr. 5)			(Instr. 5)
Common Stock			983,300		I			See Note 2
Common Stock			20,000		D		See Note 3	

1. Title of Derivative Security (Instr. 4)	2. Date Exer- cisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Inst. 4)	4. Conver- sion or Exercise Price of Deri- vative Security	5. Owner- ship Form of Deriv- ative Securities: Direct (D) or Indirect (I) (Inst. 5)	6. Nature of Indirect Beneficial Ownership (Instr.5)

Date Exer- cisable	Expira- tion Date	Title	Amount or Number of Shares		

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

Explanation of Responses:

1. The reporting persons (the "Reporting Persons") consist of VA Partners, L.L.C. ("VA Partners"), ValueAct Capital Partners, L.P. ("ValueAct Partners"), Jeffrey W. Ubben, George F. Hamel, Jr. and Peter H. Kamin. ValueAct Partners is a Delaware limited partnership, the principal business of which is investing in securities. VA Partners is a Delaware limited liability company, the principal business of which is to render investment management services and to serve as the General Partner of ValueAct Partners. Messers. Ubben, Hamel and Kamin are each managing members, principal owners and controlling persons of VA Partners. Each Reporting Person disclaims membership in a group with any other person within the meaning of Rule 13d-5(b)(i) and Rule 16a-1(a)(1) under the Exchange Act.

2. These securities are owned by investment advisory accounts of VA Partners or investment pools of which it is the investment adviser or general partner, including ValueAct Partners. Each Reporting Person has only a pro rata interest in the securities with respect to which indirect beneficial ownership is reported and disclaims beneficial ownership in such securities except to the extent of such Reporting Person's pecuniary interest.

3. These securities are owned directly by Mr. Ubben.

Dated: July 20, 2001

ValueAct Capital Partners L.P., by

VA Partners, L.L.C.

VA Partners, L.L.C., its General Partner

By: /s/ George F. Hamel, Jr.

By: /s/ George F. Hamel, Jr. Managing Member

Managing Member, VA Partners, L.L.C.

/s/ Jeffrey W. Ubben

/s/ George F. Hamel, Jr.

/s/ Peter H. Kamin

* If the form is filed by more than one reporting person, see Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, See Instruction 76 for procedure.

Joint Filer Information

Name: ValueAct Capital Partners L.P

Address: One Maritime Plaza, Suite 1400, San Francisco, CA 94111

Designated Filer: VA Partners, L.L.C.

Issuer and Ticker Symbol: Redwood Trust, Inc. (RWT)

Statement for Month/Year: July 2001

ValueAct Capital Partners L.P., by

VA Partners, L.L.C., its General Partner

By: /s/ George F. Hamel, Jr. Managing Member

> Name: George F. Hamel, Jr. Address: One Maritime Plaza, Suite 1400, San Francisco, CA 94111 Designated Filer: VA Partners, L.L.C.

Issuer and Ticker Symbol: Redwood Trust, Inc. (RWT)

Statement for Month/Year: July 2001

Signature: /s/ George F. Hamel, Jr.

Name: Jeffrey W. Ubben Address: One Maritime Plaza, Suite 1400, San Francisco, CA 94111 Designated Filer: VA Partners, L.L.C. Issuer and Ticker Symbol: Redwood Trust, Inc. (RWT) Statement for Month/Year: July 2001

Signature: /s/ Jeffrey W. Ubben

Name: Peter H. Kamin Address: One Maritime Plaza, Suite 1400, San Francisco, CA 94111 Designated Filer: VA Partners, L.L.C. Issuer and Ticker Symbol: Redwood Trust, Inc. (RWT) Statement for Month/Year: July 2001

Signature: /s/ Peter H. Kamin