

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

JUNE 30, 1998
Date of Report (Date of earliest event reported)

REDWOOD TRUST, INC.
(Exact Name of Registrant as Specified in Charter)

Maryland ----- (State or Other Jurisdiction (of Incorporation)	1-13759 ----- (Commission File Number)	68-0329422 ----- (I.R.S. Employer Identification No.)
591 Redwood Highway, Suite 3100 Mill Valley, California ----- (Address of Principal Executive Offices)		94941 ----- (Zip Code)

(415) 389-7373

(Registrant's Telephone Number,
Including Area Code)

INFORMATION TO BE INCLUDED IN THE REPORT

Item 5. OTHER EVENTS

Redwood Trust, Inc. (the "Company") has amended its Charter to include in Article XI a revised Section 3, "Prevention of Transfer," and a revised definition of "Beneficial Ownership" in Section 1. The Certificate of Amendment was certified by the State Department of Assessments and Taxation on June 30, 1998. A copy of the certified Certificate of Amendment of the Company's Charter is included herewith as Exhibit 3.1.1, and the related Press Release is included herewith as Exhibit 99.

Item 7(c). Exhibit

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3.1.1	Certified Certificate of Amendment of the Redwood Trust, Inc. Charter.
99	Press Release, dated July 16, 1998

</TABLE>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 16, 1998

REDWOOD TRUST, INC.

By: /s/ VICKIE L. RATH

Vickie L. Rath
Vice President, Secretary, Treasurer
and Controller

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REDWOOD TRUST, INC.

CERTIFICATE OF AMENDMENT

REDWOOD TRUST, INC., a Maryland corporation (which is hereinafter called the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: The Charter of the Corporation is hereby amended as follows:

(a) Section 3 of Article XI of this Corporation's Charter is amended to read in its entirety as follows:

Section 3. PREVENTION OF TRANSFER. If the Board of Directors or its designee shall at any time determine in good faith that a purported Transfer has taken place in violation of Section 2 of this Article XI or that a Person intends to acquire or Transfer or has attempted to acquire or Transfer Beneficial Ownership of Capital Stock of the Corporation in violation of Section 2, the Board of Directors or its designee shall take such action as it deems advisable to refuse to give effect to or prevent such Transfer, including, but not limited to, refusing to give effect to such Transfer on the books of the Corporation or instituting proceedings to enjoin such Transfer; PROVIDED HOWEVER, that any purported Transfers in violation of this Article XI shall automatically result in the designation and treatment described in this Article XI, irrespective of any actions (or non-action) by the Board of Directors.

(b) the definition of "Beneficial Ownership" contained in Section 1 of Article XI of this Corporation's Charter is amended to read as follows:

BENEFICIAL OWNERSHIP. "Beneficial Ownership" shall mean beneficial ownership as determined under Rule 13d-3, as amended from time to time, adopted pursuant to the Securities Exchange Act of 1934, as amended, of Capital Stock by a Person, either directly or constructively, including through the application of Section 544 of the Code, as modified by Sections 856(h)(1)(B) and 856(h)(3)(A) of the Code and determined without respect to whether such ownership has the effect of meeting the stock ownership requirement of Section 542(a)(2) of the Code. The terms "Beneficial Owner," "Beneficially Owning," "Beneficially Own" and "Beneficially Owned" shall have the correlative meanings.

SECOND: The amendment does not increase the authorized stock of the Corporation.

THIRD: The foregoing amendment to the Charter of the Corporation has been advised by the Board of Directors and approved by the stockholders of the Corporation.

WITNESS: REDWOOD TRUST, INC.

By /s/ Vickie L. Rath

Vickie L. Rath, Secretary

By /s/ Douglas B. Hansen

Douglas B. Hansen, President

THE UNDERSIGNED, President of Redwood Trust, Inc., who executed on behalf of the Corporation the foregoing Articles of Amendment of which this certificate is made a part, hereby acknowledges in the name and on behalf of said Corporation the foregoing Articles of Amendment to be the corporate act of said Corporation and hereby certifies that to the best of his knowledge, information and belief the matters and facts set forth therein with respect to the authorization and approval thereof are true in all material respects under the penalties of perjury.

/s/ Douglas B. Hansen

Douglas B. Hansen, President

STATE OF MARYLAND

643508

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION
301 West Preston Street Baltimore, Maryland 21201

DATE: JUNE 30, 1998

THIS IS TO ADVISE YOU THAT THE ARTICLES OF AMENDMENT FOR REDWOOD TRUST,
INC. WERE RECEIVED AND APPROVED FOR RECORD ON JUNE 30, 1998 AT 10:19 AM.

FEE PAID: 50.00

[SEAL]

WILLIAM B. MARKER
CHARTER SPECIALIST

CONTACT:
Doug Hansen/George Bull
Redwood Trust, Inc.
(415) 389-7373

REDWOOD TRUST, INC. ANNOUNCES THE EFFECTIVENESS OF AMENDMENTS
TO ITS CHARTER WHICH WERE APPROVED AT ITS ANNUAL MEETING

MILL VALLEY, CA JULY 16, 1998 - Redwood Trust, Inc. (NYSE:RWT), a Maryland corporation, announced today that two amendments to the Company's charter, previously approved by shareholders at the annual shareholder meeting, have become effective.

First, certain technical amendments relating to stock transfers have been effected as requested by the New York Stock Exchange in connection with the Company's listing of its outstanding securities on the NYSE.

Second, the Company amended and clarified the definition of the term "Beneficial Ownership" in the provisions of the Charter limiting the ownership of any investor in the capital stock of the corporation. The definition of such ownership now conforms to Rule 13d-3 of the Securities Exchange Act of 1934, as amended.

The principal ownership limitation of the Charter is the requirement that no person, corporation, partnership, estate or trust shall own in excess of 9.8% of any class of capital stock of the Company unless, prior to such accumulation, a waiver from this limitation was granted by the Company's Board of Directors.

The Charter amendment may limit opportunities for stockholders to receive a premium for their securities that might otherwise exist if any person were to attempt to assemble a block of shares in excess of the number of shares permitted under the Charter. The forfeiture and other enforcement provisions of the Charter operate automatically to any acquisition of shares in excess of the limitation.

Thus, investors are cautioned to insure that their beneficial ownership of such shares (as now defined in the Charter) does not exceed the 9.8% limitation or the terms of any previously

granted Board waiver. The amendment will not affect the validity or transferability of stock certificates currently outstanding, nor will it change the capital structure of the Company.

Redwood Trust, Inc. is a financial institution specializing in mortgages. From its portfolio operations, the Company earns net income to the extent that the interest income earned from its mortgage loan and security portfolio exceeds the cost of borrowed funds, hedging, credit loss expenses and operating expenses. The Company also operates mortgage-related, fee-generating businesses through its taxable affiliate, RWT Holdings, Inc. The Company is a real estate investment trust (REIT). Currently the Company has outstanding 13,796,333 shares of common stock (New York Stock Exchange, Symbol "RWT") and 909,518 shares of Class B Cumulative Convertible Preferred Stock (Symbol "RWT-PB"). The Company has a Web site on the Internet at <http://www.redwoodtrust.com>.

(End)