

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934
(Amendment No. 4)

Redwood Trust, Inc.

(Name of Issuer)

Common

(Title of Class of Securities)

Common-758075402

(CUSIP Number)

(1) Names of Reporting Persons. S.S. or I.R.S. Identification Nos. of Above
Persons

Wallace R. Weitz & Company 47-0654095

(2) Check the Appropriate Box if a Member (a) / /
of a Group (b) /X/

(3) SEC Use Only

(4) Citizenship or Place of Organization
State of Nebraska

Number of Shares (5) Sole Voting
Beneficially Owned by Power 1,951,119
Each Reporting Person With
(6) Shared Voting Power None
(7) Sole Dispositive Power 1,951,119
(8) Shared Dispositive Power None

(9) Aggregate Amount Beneficially Owned by Each Reporting Person
1,951,119

(10) Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares

(11) Percent of Class Represented by Amount in Row (9)
13.65%

(12) Type of Reporting Person
IA

Schedule 13G

Page 2

ITEM 1(A). NAME OF ISSUER
Redwood Trust, Inc.

ITEM 1(B). ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES
591 Redwood Highway, Suite 3100
Mill Valley, California 94941

ITEM 2(A). NAME OF PERSON(S) FILING
Wallace R. Weitz & Company

ITEM 2(B). ADDRESS OF PRINCIPAL BUSINESS OFFICE OR, IF NONE, RESIDENCE

ITEM 2(C). CITIZENSHIP
State of Nebraska

ITEM 2(D). TITLE OF CLASS OF SECURITIES
Common

ITEM 2(E). CUSIP NUMBER
Common-758075402

ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO RULES 13D-1(B), OR 13D-2(B),
CHECK WHETHER THE PERSON FILING IS A

/X/ Investment Adviser registered under section 203 of the Investment
Advisers Act of 1940

ITEM 4. OWNERSHIP

(a) Amount Beneficially Owned:

1,951,119

(b) Percent of Class:

13.65%

(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote

1,951,119

(ii) shared power to vote or to direct the vote

None

(iii) sole power to dispose or to direct the disposition of

1,951,119

(iv) shared power to dispose or to direct the disposition of

None

ITEM 10. CERTIFICATION

By signing below I certify that, to the best of my knowledge and belief,
the securities referred to above were acquired in the ordinary course of
business and were not acquired for the purpose of and do not have the effect of
changing or influencing the control of the issuer of such securities and were
not acquired in connection with or as a participant in any transaction having
such purposes or effect.

SIGNATURE

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

2/11/98

(Date)
/s/ Wallace R. Weitz

(Signature)
Wallace R. Weitz, President

(Name/Title)