

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or  
Section 30(f) of the Investment Company Act of 1940

Check box if no longer subject to Section 16. Form 4 or Form 5 obligations  
may continue. See Instruction 1(b).

1. Name and Address of Reporting Person\*

VA Partners, LLC

(Last) (First) (Middle)

One Marittime Plaza, Suite 1400

(Street)

San Francisco CA 94111

(City) (State) (Zip)

Redwood Trust, Inc. (RWT)

2. Issuer Name and Ticker or Trading Symbol

3. IRS Identification Number of Reporting Person, if an Entity (Voluntary)

August, 2001

4. Statement for Month/Year

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person to Issuer  
(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

7. Individual or Joint/Group Filing (Check applicable line)

Form filed by one Reporting Person  
 Form filed by more than one Reporting Person

Table I -- Non-Derivative Securities Acquired, Disposed of,  
or Beneficially Owned

<TABLE>  
<CAPTION>

Owner-	3.	4.	5.	6.
Form:	7.	Securities Acquired (A) or Disposed of (D)	Amount of Securities	ship
Direct	Nature of	Transaction (Instr. 3, 4 and 5)	Beneficially	
or Indirect	2.	Code	Owned at End	(D)
1.	Transaction	(Instr. 8)	of Month	
Indirect Beneficial	Date	Amount or Price	(Instr. 3	(I)
Title of Security				

Ownership (Instr. 3) (Instr. 4) (Instr. 4)	(mm/dd/yy)	Code	V	(D)	and 4)
<S> <C> <C>	<C>	<C>	<C>	<C>	<C>
Common Stock I (1) (2)	8/1/01	P	400	A	23.43 1,258,900(1) (2)
Common Stock I (1) (2)	8/1/01	P	14,000	A	23.39 1,258,900(1) (2)
Common Stock I (1) (2)	8/2/01	P	1,000	A	23.58 1,258,900(1) (2)
Common Stock I (1) (2)	8/2/01	P	200	A	23.63 1,258,900(1) (2)
Common Stock I (1) (2)	8/2/01	P	6,600	A	23.56 1,258,900(1) (2)
Common Stock I (1) (2)	8/2/01	P	30,700	A	23.57 1,258,900(1) (2)
Common Stock I (1) (2)	8/3/01	P	200	A	23.64 1,258,900(1) (2)
Common Stock I (1) (2)	8/6/01	P	100	A	23.72 1,258,900(1) (2)
Common Stock I (1) (2)	8/7/01	P	750	A	23.59 1,258,900(1) (2)
Common Stock I (1) (2)	8/8/01	P	100	A	23.72 1,258,900(1) (2)
Common Stock I (1) (2)	8/3/01	P	6,300	A	23.57 1,258,900(1) (2)
Common Stock I (1) (2)	8/6/01	P	3,900	A	23.57 1,258,900(1) (2)
Common Stock I (1) (2)	8/7/01	P	24,250	A	23.57 1,258,900(1) (2)
Common Stock I (1) (2)	8/8/01	P	1,600	A	23.58 1,258,900(1) (2)
Common Stock I (1) (2)	8/23/01	P	29,100	A	23.87 1,258,900(1) (2)
Common Stock I (1) (2)	8/23/01	P	900	A	23.89 1,258,900(1) (2)
Common Stock I (1) (2)	8/27/01	P	24,250	A	23.57 1,258,900(1) (2)
Common Stock I (1) (2)	8/27/01	P	750	A	23.59 1,258,900(1) (2)
Common Stock I (1) (2)	8/28/01	P	24,250	A	23.57 1,258,900(1) (2)

Common Stock I (1) (2)	8/28/01	P	38,800	A	23.38	1,258,900 (1) (2)
Common Stock I (1) (2)	8/28/01	P	750	A	23.59	1,258,900 (1) (2)
Common Stock I (1) (2)	8/28/01	P	1,200	A	23.39	1,258,900 (1) (2)

</TABLE>

\* If the Form is filed by more than one Reporting Person, see Instruction 4 (b) (v).

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

(Print or Type Responses)

(Over)

(Form 4-07/99)

FORM 4 (continued)

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

<TABLE>  
<CAPTION>

10. Owner-ship Form of Derivative Security: Direct (D) or Indirect (I) Security (Instr. 3) 4)	11. Nature of In-direct Beneficial Owner-ship (Instr. 4)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code V	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Beneficially Owned Derivative Securities at End of Month (Instr. 4)
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>

</TABLE>

Explanation of Responses:

- (1) As General Partner and Investment Manager of ValueAct Capital Partners, L.P., ValueAct Capital Partners II, L.P., and ValueAct Capital International, Ltd.
- (2) These securities are also beneficially owned by Jeffrey W. Ubben, George F. Hamel, Jr. and Peter H. Kamin as Managing Members, Principal Owners and

/S/ George F. Hamel, Jr. ----- **Signature of Reporting Person George F. Hamel, Jr. Managing Member of VA Partners, LLC	9/10/01 ----- Date
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/S/ Jeffrey W. Ubben ----- **Signature of Reporting Person Jeffrey W. Ubben	9/10/01 ----- Date
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/S/ George F. Hamel, Jr. ----- **Signature of Reporting Person George F. Hamel, Jr.	9/10/01 ----- Date
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/S/ Peter H. Kamin ----- **Signature of Reporting Person Peter F. Kamin	9/10/01 ----- Date
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\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed.  
If space provided is insufficient, see Instruction 6 for procedure.