FORM 4		

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

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person* HANSEN DOUGLAS B	2. Issuer Name **and** Ticker or Trading Symbol REDWOOD TRUST INC [RWT]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) X__ Director ___ 10% Owner X__ Officer (give title below) ___ Other (specify below) President
(Last) (First) (Middle) ONE BELEVEDERE PLACE, SUITE 300	3. Date of Earliest Transaction (Month/Day/Year) 11/20/2003	
(Street) BELVEDERE, CA 94941	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) X__ Form filed by One Reporting Person ___ Form filed by More than One Reporting Person
(City) (State) (Zip)		

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

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/20/2003		S		5,780.26	D	$57.39	127,435.74	D	
Common Stock	11/20/2003		M		5,780.26	A	$18.25	133,216	D	
Common Stock	11/20/2003		M		4,219.74	A	$ 0	137,435.74	D	
Common Stock	11/20/2003		S		4,219.74	D	$57.39	133,216	D	

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

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)			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 Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Dividend Equivalent Right	$ 0	11/20/2003		M			4,219.74	(1)		12/15/2005	Common Stock	4,219.74	$ 0	29,746.91	D	
Non-Qualified Stock Option (right to buy)	$ 18.25	11/20/2003		M			5,780.26	(1)		12/15/2005	Common Stock	5,780.26	$ 0	40,747.74	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HANSEN DOUGLAS B ONE BELEVEDERE PLACE SUITE 300 BELVEDERE, CA 94941	X		President	

Signatures

Douglas B. Hansen	11/24/2003
** Signature of Reporting Person	Date

Explanation of Responses:

*   If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

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

(1) Options are fully exercisable.

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

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