

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

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

1. Name and Address of Reporting Person* <u>Yadav Sunil</u>  (Last) (First) (Middle) <u>350 PARK AVENUE 20TH FLOOR</u>  (Street) <u>NEW YORK NY 10022</u>  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>12/16/2011</u>	3. Issuer Name and Ticker or Trading Symbol <u>MFA FINANCIAL, INC. [ MFA ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>SENIOR VICE PRESIDENT</u>	5. If Amendment, Date of Original Filed (Month/Day/Year)  6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
COMMON STOCK, PAR VALUE \$.01 PER SHARE	1,500	I	IRA
COMMON STOCK, PAR VALUE \$.01 PER SHARE	2,100	I	401(k) plan
COMMON STOCK, PAR VALUE \$.01 PER SHARE	81,270	D	

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
PHANTOM SHARES <sup>(1)</sup>	(2)	(2)	COMMON STOCK 35,000	0	D	
PHANTOM SHARES <sup>(1)</sup>	(3)	(3)	COMMON STOCK 17,500	0	D	

**Explanation of Responses:**

- Each phantom share is the economic equivalent of one share of MFA's common stock, par value \$0.01 per share
- These phantom shares shall no longer be subject to forfeiture on December 31, 2014 and, thereafter, are payable on the earlier of termination of service with MFA or January 4, 2016.
- These phantom shares shall no longer be subject to forfeiture on December 31, 2014 (subject to MFA's achievement of specified performance goals) and, thereafter, are payable on the earlier of termination of service with MFA or January 4, 2016

**Remarks:**

SUNIL YADAV

12/21/2011

\*\* Signature of Reporting Person

Date

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

\* 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(a).

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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