UNITED STATES
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

Date of Report (Date of earliest event reported): **August 2, 2018**

MFA FINANCIAL, INC.
(Exact name of registrant as specified in its charter)

Maryland	1-13991	13-3974868
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)

350 Park Avenue, 20th Floor New York, New York	10022
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(212) 207-6400**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Item 2.02 Results of Operations and Financial Condition and
Item 7.01 Regulation FD Disclosure

MFA Financial, Inc. ("MFA") issued a press release, dated August 2, 2018, announcing its financial results for the quarter ended June 30, 2018, which is attached hereto as Exhibit 99.1 and is incorporated herein by reference. In addition, in conjunction with the announcement of its financial results, MFA issued additional information relating to its 2018 second quarter financial results. Such additional information is attached to this report as Exhibit 99.2 and is incorporated herein by reference.

The information referenced in this Current Report on Form 8-K (including Exhibits 99.1 and 99.2) is being "furnished" and, as such, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information set forth in this Current Report on Form 8-K (including Exhibits 99.1 and 99.2) is and will not be incorporated by reference into any registration statement or other document filed by MFA pursuant to the Securities Act of 1933, as amended (the "Securities Act"), except as may be expressly set forth by specific reference in such filing.

As discussed therein, the press release contains forward-looking statements within the meaning of the Securities Act and the Exchange Act and, as such, may involve known and unknown risks, uncertainties and assumptions. These forward-looking statements relate to MFA's current expectations and are subject to the limitations and qualifications set forth in the press release as well as in MFA's other documents filed with the SEC, including, without limitation, that actual events and/or results may differ materially from those projected in such forward-looking statements.

<u>Exhibit</u>

99.1 Press Release, dated August 2, 2018, announcing MFA's financial results for the quarter ended June 30, 2018.

99.2 Additional information relating to the financial results of MFA for the quarter ended June 30, 2018.

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release, dated August 2, 2018, announcing MFA Financial Inc.'s financial results for the quarter ended June 30, 2018.
99.2	Additional information relating to the financial results of MFA Financial, Inc. for the quarter ended June 30, 2018.

SIGNATURE

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

MFA FINANCIAL, INC.
(REGISTRANT)

By: /s/ Harold E. Schwartz
Name: Harold E. Schwartz
Title: Senior Vice President and General Counsel

Date: August 2, 2018

Exhibit 99.1

MFA
FINANCIAL, INC.

350 Park Avenue-
New York, New York 10022

PRESS RELEASE **FOR IMMEDIATE RELEASE**

August 2, 2018 **NEW YORK METRO**

INVESTOR CONTACT: **InvestorRelations@mfafinancial.com**
212-207-6488
www.mfafinancial.com **NYSE: MFA**

MEDIA CONTACT: **Abernathy MacGregor**
Tom Johnson
212-371-5999

MFA Financial, Inc.

Announces Second Quarter 2018 Financial Results

NEW YORK - MFA Financial, Inc. (NYSE:MFA) today announced its financial results for the second quarter ended June 30, 2018.

Second Quarter 2018 and other highlights:

- MFA generated second quarter GAAP net income of $66.6 million, or $0.17 per common share. As of June 30, 2018, book value per common share was $7.54.
- Asset acquisitions exceeded run-off during the quarter. MFA purchased or committed to purchase in excess of $1.1 billion of residential mortgage assets in the second quarter, including $898 million of residential whole loans.
- Recent growth in MFA's residential whole loan portfolio has been largely through purchases of newly originated performing whole loans, including Non-QM loans, rehabilitation or "fix and flip" loans and single family rental loans.
- Net Income was $0.03 per common share lower than the first quarter of 2018, primarily due to:

  - Lower income from residential whole loans held at fair value. While this portfolio continues to perform well and again delivered mark to market gains, they were less than in the prior quarter;
  - Net interest income was lower as early quarter asset sales and run-off was not fully re-invested until later in the quarter, with closing of certain purchases of higher yielding loans held at carrying value, as well as a RPL/NPL MBS acquisition pending settlement at quarter-end; and
  - Operating and other expenses this quarter were impacted by the timing of recognition of expenses associated with certain share-based compensation awards.
- On July 31, 2018, MFA paid its second quarter 2018 dividend of $0.20 per share of common stock to shareholders of record as of June 29, 2018.

Craig Knutson, MFA's CEO and President, said, "In the second quarter, we continued to execute our strategy of targeted investment within the residential mortgage universe with a focus primarily on residential whole loans. We again grew our portfolio this quarter, as acquisitions exceeded run-off and sales. To date in 2018, and particularly in the second quarter, much of the growth in the residential whole loan portfolio has been through purchases of newly originated performing whole loans, including Non-QM loans, fix and flip loans and single family rental loans. We are pleased to have gained traction on these new acquisition efforts, which involve relationships cultivated over the past year or more. Through our willingness and ability to explore and enter into various arrangements, including flow agreements, strategic alliances and also minority equity investments, we have been able to partner with originators to source attractive new investments, while enabling them to grow with support from MFA as a reliable provider of capital.

"MFA remains well-positioned to generate attractive returns despite higher funding cost due to Fed Funds increases and continued elevated asset prices. Through our asset selection and hedging strategy, the estimated net effective duration, a gauge of our portfolio's sensitivity to interest rates, remains relatively low and measured 1.19 at quarter-end. MFA's book value per common share decreased slightly to $7.54 from $7.62 as of March 31, 2018, due primarily to dividend distributions exceeding GAAP earnings by $0.03. Leverage, which reflects the ratio of our financing obligations to equity, was 2.3:1 at quarter-end."

Mr. Knutson added, "MFA's portfolio asset selection process continues to emphasize residential mortgage credit exposure while seeking to minimize sensitivity to interest rates. As housing prices maintain their upward trend and borrowers repair their credit and balance sheets, the performance of our credit sensitive residential whole loan portfolio benefits from this fundamental strength. MFA's proactive asset management team has been able to shorten liquidation timelines and increase property sale proceeds, leading to improved outcomes and better returns. Additionally, MFA's Legacy Non-Agency MBS portfolio continues to outperform our credit assumptions. In the second quarter of 2018, we reduced our credit reserve on this portfolio by $8.0 million and these assets generated a yield of 9.89% for the quarter."

During the second quarter MFA purchased or committed to purchase more than $1.1 billion of residential mortgage assets, including $898 million of residential whole loans. This acquisition activity exceeded portfolio run-off and sales by almost $150 million.

At June 30, 2018, our investments in residential whole loans totaled $3.4 billion. Of this amount, $1.9 billion is recorded at carrying value and generated a yield of 5.84% (5.60% net of servicing costs) during the quarter, and $1.5 billion is recorded at fair value on our consolidated balance sheet. On this portion of the portfolio, we recorded gains for the quarter of approximately $32.4 million, primarily reflecting coupon interest payments and other cash received during the quarter and changes in the fair value of the underlying loans.

MFA's Legacy Non-Agency MBS had a face amount of $2.5 billion with an amortized cost of $1.8 billion and a net purchase discount of $754.0 million at June 30, 2018. This discount consists of a $553.6 million credit reserve and other-than-temporary impairments and a $200.4 million net accretable discount. We believe this credit reserve appropriately factors in remaining uncertainties regarding underlying mortgage performance and the potential impact on future cash flows. Our Legacy Non-Agency MBS have underlying mortgage loans that are on average approximately twelve years seasoned and approximately 11.6% are currently 60 or more days delinquent.

As of June 30, 2018, the Agency MBS portfolio totaled $2.4 billion, had an amortized cost basis of 103.9% of par and generated a 2.03% yield in the second quarter. During the quarter we sold $75.3 million of lower yielding 15-Year Fixed Rate Agency MBS, realizing $3.8 million in losses. The Legacy Non-Agency MBS portfolio had an amortized cost of 70.0% of par as of June 30, 2018, and generated a loss-adjusted yield of 9.89% in the second quarter. At the end of the second quarter, MFA held approximately $907.9 million of RPL/NPL MBS. These securities had an amortized cost of 99.80% of par and generated a 4.52% yield for the quarter. Our investments in CRT securities totaled $572.0 million at June 30, 2018, and generated a yield of 6.34% in the second quarter. Pricing this quarter of CRT securities was again relatively stable. During the quarter we opportunistically sold $104.0 million of CRT securities, realizing gains of $11.2 million.

For the three months ended June 30, 2018, MFA's costs for compensation and benefits and other general and administrative expenses were $12.6 million, or an annualized 1.57% of stockholders' equity as of June 30, 2018.

The following table presents the weighted average prepayment speed on MFA's MBS portfolio.

Table 1

	Second Quarter 2018 Average CPR	First Quarter 2018 Average CPR
Agency MBS	16.2%	12.7%
Legacy Non-Agency MBS	15.8%	14.9%
RPL/NPL MBS *(1)*	20.4%	14.0%

(1) *All principal payments are considered to be prepayments for conditional prepayment rate ("CPR") purposes. RPL/NPL MBS are securitized financial instruments that are primarily backed by securitized re-performing and non-performing loans. The majority of these securities are structured such that the coupon increases up to 300 basis points at 36 months from issuance or sooner.*

As of June 30, 2018, under its swap agreements, MFA had a weighted average fixed-pay rate of interest of 2.07% and a floating receive rate of 2.08% on notional balances totaling $2.6 billion, with an average maturity of 22 months.

The following table presents MFA's asset allocation as of June 30, 2018, and the second quarter 2018 yield on average interest-earning assets, average cost of funds and net interest rate spread for the various asset types.

Table 2

ASSET ALLOCATION

At June 30, 2018	Agency MBS	Legacy Non-Agency MBS	RPL/NPL MBS	Credit Risk Transfer Securities	MSR Related Assets	Residential Whole Loans, at Carrying Value (1)	Residential Whole Loans, at Fair Value	Other, net (2)	Total
($ in Millions)									
Fair Value/Carrying Value	$ 2,363	$ 2,335	$ 908	$ 572	$ 381	$ 1,906	$ 1,503	$ 315	$ 10,283
Less Payable for Unsettled Purchases	—	—	(61)	—	—	(473)	(34)	—	(568)
Less Repurchase Agreements	(2,112)	(1,585)	(499)	(410)	(297)	(318)	(671)	—	(5,892)
Less Securitized Debt	—	—	—	—	—	(167)	(352)	—	(519)
Less Senior Notes	—	—	—	—	—	—	—	(97)	(97)
Net Equity Allocated	$ 251	$ 750	$ 348	$ 162	$ 84	$ 948	$ 446	$ 218	$ 3,207
Debt/Net Equity Ratio *(3)*	8.4x	2.1x	1.6x	2.5x	3.5x	1.0x	2.4x		2.3x
For the Quarter Ended June 30, 2018									
Yield on Average Interest Earning Assets *(4)*	2.03%	9.89%	4.52%	6.34%	6.88%	5.84%	N/A	—%	5.35%
Less Average Cost of Funds *(5)*	(2.04)	(3.30)	(3.19)	(2.97)	(3.16)	(3.86)	(3.91)	—	(3.05)
Net Interest Rate Spread	(0.01)%	6.59%	1.33%	3.37%	3.72%	1.98%	N/A	—%	2.30%

(1) Includes $804.8 million of purchased credit impaired loans, $626.9 million of Non-QM loans, $162.7 million of Rehabilitation loans, $55.6 million of Single-family rental loans and $256.2 million of seasoned performing loans. At June 30, 2018, the total fair value of these loans is estimated to be approximately $2.0 billion.

(2) Includes cash and cash equivalents and restricted cash, other assets and other liabilities.

(3) Represents the sum of borrowings under repurchase agreements, securitized debt and payable for unsettled purchases as a multiple of net equity allocated. The numerator of our Total Debt/Net Equity Ratio also includes the obligation to return securities obtained as collateral of $253.7 million and Senior Notes.

(4) Yields reported on our interest earning assets are calculated based on the interest income recorded and the average amortized cost for the quarter of the respective asset. At June 30, 2018, the amortized cost of our interest earning assets were as follows: Agency MBS - $2.4 billion; Legacy Non-Agency MBS - $1.8 billion; RPL/NPL MBS - $907.5 million; Credit Risk Transfer securities - $528.7 million; and Residential Whole Loans at carrying value - $1.9 billion. In addition, the yield for residential whole loans at carrying value was 5.60% net of 24 basis points of servicing fee expense incurred during the quarter. For GAAP reporting purposes, such expenses are included in

Loan servicing and other related operating expenses in our statement of operations. Interest payments received on residential whole loans at fair value is reported in Other Income as Net gain on residential whole loans held at fair value in our statement of operations. Accordingly, no yield is presented as such loans are not included in interest earning assets for reporting purposes.

(5) Average cost of funds includes interest on repurchase agreements, the cost of swaps, Senior Notes and securitized debt. Agency cost of funds includes 28 basis points and Legacy Non-Agency cost of funds includes 31 basis points associated with swaps to hedge interest rate sensitivity on these assets.

At June 30, 2018, MFA's $4.7 billion of Agency and Legacy Non-Agency MBS were backed by hybrid, adjustable and fixed-rate mortgages. Additional information about these MBS, including average months to reset and three-month average CPR, is presented below:

Table 3

	Agency MBS			Legacy Non-Agency MBS (1)			Total (1)		
Time to Reset ($ in Millions)	**Fair Value (2)**	**Average Months to Reset (3)**	**3 Month Average CPR (4)**	**Fair Value**	**Average Months to Reset (3)**	**3 Month Average CPR (4)**	**Fair Value (2)**	**Average Months to Reset (3)**	**3 Month Average CPR (4)**
< 2 years *(5)*	$ 1,276	6	21.2%	$ 1,539	5	16.2%	$ 2,815	5	18.4%
2-5 years	147	45	13.2	—	—	—	147	45	13.2
> 5 years	10	84	11.5	—	—	—	10	84	11.5
ARM-MBS Total	$ 1,433	11	20.3%	$ 1,539	5	16.2%	$ 2,972	8	18.1%
15-year fixed *(6)*	$ 929		10.4%	$ 2		4.0%	$ 931		10.3%
30-year fixed *(6)*	—		—	758		15.2	758		15.2
40-year fixed *(6)*	—		—	36		14.2	36		14.2
Fixed-Rate Total	$ 929		10.4%	$ 796		15.1%	$ 1,725		12.6%
MBS Total	$ 2,362		16.2%	$ 2,335		15.8%	$ 4,697		16.0%

(1) Excludes $907.9 million of RPL/NPL MBS.
(2) Does not include principal payments receivable of $1.2 million.
(3) Months to Reset is the number of months remaining before the coupon interest rate resets. At reset, the MBS coupon will adjust based upon the underlying benchmark interest rate index, margin and periodic or lifetime caps. Months to Reset does not reflect scheduled amortization or prepayments.
(4) 3 month average CPR weighted by positions as of beginning of each month in the quarter.
(5) Includes floating rate MBS that may be collateralized by fixed-rate mortgages.
(6) Information presented based on data available at time of loan origination.

Webcast

MFA Financial, Inc. plans to host a live audio webcast of its investor conference call on Thursday, August 2, 2018, at 10:00 a.m. (Eastern Time) to discuss its second quarter 2018 financial results. The live audio webcast will be accessible to the general public over the internet at http://www.mfafinancial.com through the "Webcasts & Presentations" link on MFA's home page. To listen to the conference call over the internet, please go to the MFA website at least 15 minutes before the call to register and to download and install any needed audio software. Earnings presentation materials will be posted on the MFA website prior to the conference call and an audio replay will be available on the website following the call.

Cautionary Language Regarding Forward-Looking Statements

When used in this press release or other written or oral communications, statements which are not historical in nature, including those containing words such as "will," "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "could," "would," "may" or similar expressions, are intended to identify "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and, as such, may involve known and unknown risks, uncertainties and assumptions. Statements regarding the following subjects, among others, may be forward-looking: changes in interest rates and the market (i.e., fair) value of MFA's MBS, residential whole loans, CRT securities and other assets; changes in the prepayment rates on the mortgage loans securing MFA's MBS, an increase of which could result in a reduction of the yield on MBS in our portfolio and

an increase of which could require us to reinvest the proceeds received by us as a result of such prepayments in MBS with lower coupons; credit risks underlying MFA's assets, including changes in the default rates and management's assumptions regarding default rates on the mortgage loans securing MFA's Non-Agency MBS and relating to MFA's residential whole loan portfolio; MFA's ability to borrow to finance its assets and the terms, including the cost, maturity and other terms, of any such borrowings; implementation of or changes in government regulations or programs affecting MFA's business; MFA's estimates regarding taxable income, the actual amount of which is dependent on a number of factors, including, but not limited to, changes in the amount of interest income and financing costs, the method elected by MFA to accrete the market discount on Non-Agency MBS and residential whole loans and the extent of prepayments, realized losses and changes in the composition of MFA's Agency MBS, Non-Agency MBS and residential whole loan portfolios that may occur during the applicable tax period, including gain or loss on any MBS disposals and whole loan modification, foreclosure and liquidation; the timing and amount of distributions to stockholders, which are declared and paid at the discretion of MFA's Board of Directors and will depend on, among other things, MFA's taxable income, its financial results and overall financial condition and liquidity, maintenance of its REIT qualification and such other factors as MFA's Board of Directors deems relevant; MFA's ability to maintain its qualification as a REIT for federal income tax purposes; MFA's ability to maintain its exemption from registration under the Investment Company Act of 1940, as amended (or the "Investment Company Act"), including statements regarding the Concept Release issued by the Securities and Exchange Commission ("SEC") relating to interpretive issues under the Investment Company Act with respect to the status under the Investment Company Act of certain companies that are engaged in the business of acquiring mortgages and mortgage-related interests; MFA's ability to successfully implement its strategy to grow its residential whole loan portfolio, which is dependent on, among other things, the supply of loans offered for sale in the market; expected returns on our investments in non-performing residential whole loans ("NPLs"), which are affected by, among other things, the length of time required to foreclose upon, sell, liquidate or otherwise reach a resolution of the property underlying the NPL, home price values, amounts advanced to carry the asset (e.g., taxes, insurance, maintenance expenses, etc. on the underlying property) and the amount ultimately realized upon resolution of the asset; risks associated with our investments in MSR related assets, including servicing, regulatory and economic risks, and risks associated with investing in real estate assets, including changes in business conditions and the general economy. These and other risks, uncertainties and factors, including those described in the annual, quarterly and current reports that MFA files with the SEC, could cause MFA's actual results to differ materially from those projected in any forward-looking statements it makes. All forward-looking statements are based on beliefs, assumptions and expectations of MFA's future performance, taking into account all information currently available. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. New risks and uncertainties arise over time and it is not possible to predict those events or how they may affect MFA. Except as required by law, MFA is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

MFA FINANCIAL, INC.
CONSOLIDATED BALANCE SHEETS

(In Thousands, Except Per Share Amounts)	June 30, 2018 (Unaudited)	December 31, 2017
Assets:		
Mortgage-backed securities ("MBS") and credit risk transfer ("CRT") securities:		
Agency MBS, at fair value ($2,286,409 and $2,727,510 pledged as collateral, respectively)	$ 2,362,897	$ 2,824,681
Non-Agency MBS, at fair value ($2,447,432 and $2,379,523 pledged as collateral, respectively)	3,242,967	3,533,966
CRT securities, at fair value ($516,486 and $595,900 pledged as collateral, respectively)	571,955	664,403
Mortgage servicing rights ("MSR") related assets ($381,390 and $482,158 pledged as collateral, respectively)	381,390	492,080
Residential whole loans, at carrying value ($396,856 and $448,689 pledged as collateral, respectively) *(1)*	1,906,242	908,516
Residential whole loans, at fair value ($952,335 and $996,226 pledged as collateral, respectively) *(1)*	1,502,986	1,325,115
Cash and cash equivalents	54,880	449,757
Restricted cash	3,298	13,307
Other assets	618,148	742,909
Total Assets	$ 10,644,763	$ 10,954,734
Liabilities:		
Repurchase agreements	$ 5,892,228	$ 6,614,701
Payable for unsettled MBS and residential whole loans purchases	567,915	—
Other liabilities	978,007	1,078,397
Total Liabilities	$ 7,438,150	$ 7,693,098
Stockholders' Equity:		
Preferred stock, $.01 par value; 7.50% Series B cumulative redeemable; 8,050 shares authorized; 8,000 shares issued and outstanding ($200,000 aggregate liquidation preference)	$ 80	$ 80
Common stock, $.01 par value; 886,950 shares authorized; 398,533 and 397,831 shares issued and outstanding, respectively	3,985	3,978
Additional paid-in capital, in excess of par	3,230,055	3,227,304
Accumulated deficit	(592,218)	(578,950)
Accumulated other comprehensive income	564,711	609,224
Total Stockholders' Equity	$ 3,206,613	$ 3,261,636
Total Liabilities and Stockholders' Equity	$ 10,644,763	$ 10,954,734

(1) Includes approximately $199.8 million and $183.2 million of Residential whole loans, at carrying value and $476.2 million and $289.3 million of Residential whole loans, at fair value transferred to consolidated VIEs at June 30, 2018 and December 31, 2017, respectively. Such assets can be used only to settle the obligations of each respective VIE.

MFA FINANCIAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(In Thousands, Except Per Share Amounts)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
		(Unaudited)		
Interest Income:				
Agency MBS	$ 13,170	$ 16,587	$ 28,463	$ 34,481
Non-Agency MBS	55,043	70,269	111,145	149,477
CRT securities	8,695	7,846	18,191	14,222
MSR related assets	6,219	5,905	13,842	10,639
Residential whole loans held at carrying value	17,935	8,503	32,264	17,193
Cash and cash equivalent investments	685	1,047	1,594	1,402
Interest Income	$ 101,747	$ 110,157	$ 205,499	$ 227,414
Interest Expense:				
Repurchase agreements and other advances	$ 46,234	$ 46,802	$ 91,951	$ 95,141
Other interest expense	5,576	2,220	10,413	4,230
Interest Expense	$ 51,810	$ 49,022	$ 102,364	$ 99,371
Net Interest Income	$ 49,937	$ 61,135	$ 103,135	$ 128,043
Other-Than-Temporary Impairments:				
Total other-than-temporary impairment losses	$ —	$ —	$ —	$ (63)
Portion of loss reclassed from other comprehensive income	—	(618)	—	(969)
Net Impairment Losses Recognized in Earnings	$ —	$ (618)	$ —	$ (1,032)

Other Income, net:				
Net gain on residential whole loans held at fair value	$ 32,443	$ 16,208	$ 70,941	$ 29,981
Net gain on sales of investment securities	7,429	5,889	16,246	15,597
Other, net	1,134	14,847	1,479	19,359
Other Income, net	$ 41,006	$ 36,944	$ 88,666	$ 64,937
Operating and Other Expense:				
Compensation and benefits	$ 7,038	$ 7,573	$ 13,786	$ 15,366
Other general and administrative expense	5,582	5,754	9,414	9,979
Loan servicing and other related operating expenses	7,928	4,199	14,811	8,608
Operating and Other Expense	$ 20,548	$ 17,526	$ 38,011	$ 33,953
Net Income	$ 70,395	$ 79,935	$ 153,790	$ 157,995
Less Preferred Stock Dividends	3,750	3,750	7,500	7,500
Net Income Available to Common Stock and Participating Securities	$ 66,645	$ 76,185	$ 146,290	$ 150,495
Earnings per Common Share - Basic and Diluted	$ 0.17	$ 0.20	$ 0.36	$ 0.39
Dividends Declared per Share of Common Stock	$ 0.20	$ 0.20	$ 0.40	$ 0.40

Exhibit 99.2

MFA
FINANCIAL, INC.

Second Quarter 2018

Earnings Presentation

Forward Looking Statements

When used in this presentation or other written or oral communications, statements which are not historical in nature, including those containing words such as "will," "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "could," "would," "may" or similar expressions, are intended to identify "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and, as such, may involve known and unknown risks, uncertainties and assumptions. Statements regarding the following subjects, among others, may be forward-looking: changes in interest rates and the market (i.e., fair) value of MFA's MBS, residential whole loans, CRT securities and other assets; changes in the prepayment rates on the mortgage loans securing MFA's MBS, an increase of which could result in a reduction of the yield on MBS in our portfolio and an increase of which could require us to reinvest the proceeds received by us as a result of such prepayments in MBS with lower coupons; credit risks underlying MFA's assets, including changes in the default rates and management's assumptions regarding default rates on the mortgage loans securing MFA's Non-Agency MBS and relating to MFA's residential whole loan portfolio; MFA's ability to borrow to finance its assets and the terms, including the cost, maturity and other terms, of any such borrowings; implementation of or changes in government regulations or programs affecting MFA's business; MFA's estimates regarding taxable income, the actual amount of which is dependent on a number of factors, including, but not limited to, changes in the amount of interest income and financing costs, the method elected by MFA to accrete the market discount on Non-Agency MBS and residential whole loans and the extent of prepayments, realized losses and changes in the composition of MFA's Agency MBS, Non-Agency MBS and residential whole loan portfolios that may occur during the applicable tax period, including gain or loss on any MBS disposals and whole loan modification, foreclosure and liquidation; the timing and amount of distributions to stockholders, which are declared and paid at the discretion of MFA's Board of Directors and will depend on, among other things, MFA's taxable income, its financial results and overall financial condition and liquidity, maintenance of its REIT qualification and such other factors as MFA's Board of Directors deems relevant; MFA's ability to maintain its qualification as a REIT for federal income tax purposes; MFA's ability to maintain its exemption from registration under the Investment Company Act of 1940, as amended (or the Investment Company Act), including statements regarding the Concept Release issued by the Securities and Exchange Commission (SEC) relating to interpretive issues under the Investment Company Act with respect to the status under the Investment Company Act of certain companies that are engaged in the business of acquiring mortgages and mortgage-related interests; MFA's ability to successfully implement its strategy to grow its residential whole loan portfolio which is dependent on, among other things, the supply of loans offered for sale in the market; expected returns on our investments in non-performing residential whole loans (NPLs), which are affected by, among other things, the length of time required to foreclose upon, sell, liquidate or otherwise reach a resolution of the property underlying the NPL, home price values, amounts advanced to carry the asset (e.g., taxes, insurance, maintenance expenses, etc. on the underlying property) and the amount ultimately realized upon resolution of the asset; risks associated with our investments in MSR related assets, including servicing, regulatory and economic risks, and risks associated with investing in real estate assets, including changes in business conditions and the general economy. These and other risks, uncertainties and factors, including those described in the annual, quarterly and current reports that MFA files with the SEC, could cause MFA's actual results to differ materially from those projected in any forward-looking statements it makes. All forward-looking statements are based on beliefs, assumptions and expectations of MFA's future performance, taking into account all information currently available. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made and are based on beliefs, assumptions and expectations of MFA's future performance, taking into account information currently available. New risks and uncertainties arise over time and it is not possible to predict those events or how they may affect MFA. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. Except as required by law, MFA is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Executive summary

- In the second quarter of 2018, MFA generated GAAP EPS of $0.17.
- Q2 dividend to common stockholders was $0.20 per share.
- Estimated REIT taxable income for the quarter was $0.22 per common share. Estimated undistributed taxable income was $0.11 per common share at June 30, 2018.
- Book value per share declined slightly to $7.54 from $7.62 at March 31, 2018.
- Asset acquisitions of $1.1 billion exceeded portfolio run-off and sales by almost $150 million. During the quarter we purchased or committed to purchase nearly $900 million in residential whole loans.

MFA FINANCIAL, INC.

Executive summary (cont'd.)

- Residential whole loans (including REO) are now our largest asset class, and totals $3.6 billion, with approximately $1.6 billion, or half, of MFA's equity allocated to these assets.
- The growth in our whole loan portfolio in the second quarter was largely through purchases of newly originated performing loans, including Non-QM loans, rehabilitation or "fix and flip" loans and single family rental loans.
- Our efforts to source newly originated performing whole loans have been ongoing for over a year and are now beginning to generate significant new volume.
- MFA's asset management team continues to oversee servicing of our credit sensitive loans, particularly non-performing loans, to improve outcomes and expected returns.
- Strong credit fundamentals continue to drive performance of our Legacy Non-Agency portfolio, which generated a yield in the second quarter of 9.89%.

Investment strategy

Actively expand our universe of investment assets

- Primary focus on credit-related assets with inherently less interest rate sensitivity.
- Produce attractive returns that are comparable to peers, but with less risk due to lower leverage, less interest rate exposure and reduced prepayment sensitivity.
- We continue to expand our investment opportunity set within the residential mortgage space, utilizing the same disciplined approach to risk/reward as we have in the past.
- Maintain staying power and preserve the ability to invest opportunistically:
  - Permanent equity capital and available liquidity
  - Substantial unlevered assets could be levered in the future to enable portfolio growth

Market conditions and investment activity

- Despite a challenging investment landscape, MFA purchased or committed to purchase more than $1 billion in assets in the second quarter.
- We continue to see additional opportunities to purchase non-performing and re-performing credit sensitive whole loans.
- Since early 2017, we have been pursuing new investment opportunities in the form of newly originated performing whole loans. Acquiring these assets is a unique process:
  - Long gestation periods
  - Creative approach to partnering with originators
  - Flow vs bulk arrangements

Q2 2018 net income per common share of $0.17

Summary Income Statement	Q2 2018 $m	Q1 2018 $m
Net Interest Income	**49.9**	**53.2**
Other Income (net)		
Net MBS and CRT sale gains	7.4	8.8
Income from fair value loans	32.4	38.5
CRT securities held at fair value	(2.4)	(0.9)
Other loan and REO related income	3.5	1.2
Total Other Income (net)	**41.0**	**47.7**
Operating and Other Expenses	(20.5)	(17.5)
Preferred Dividends	(3.8)	(3.8)
Net Income Available to Common Shareholders	**66.6**	**79.6**
Earnings Per Common Share	**$0.17**	**$0.20**

- The second quarter decline in net income was primarily due to:
  - Lower income from fair value loans, which continue to perform well and again delivered mark to market gains, but less than the prior quarter.
  - Net interest income was lower as portfolio run-off and sales occurred early in the quarter, while the majority of loan and MBS acquisitions closed later in the quarter or were pending settlement at quarter-end.
  - Operating and other expenses were impacted by the timing of recognition of expenses associated with certain share-based compensation awards.

Second quarter 2018 investment flows

- Another active quarter with asset acquisitions exceeding run-off.
- We continue to grow our residential whole loans portfolio, purchasing or committing to purchase nearly $900 million in the quarter.
- We opportunistically sold $104 million of CRT securities and $75 million of Agency MBS in the quarter.

$ in Millions	March 31, 2018	2nd Quarter Runoff	2nd Quarter Acquisitions	Sales, MTM and other changes	June 30, 2018	2nd Quarter Change
Residential Whole Loans and REO	$2,838	$(155)	$898	$20	$3,601	$763
RPL/NPL MBS [1]	$935	$(166)	$141	$(1)	$909	$(26)
MSR Related Assets [2]	$455	$(124)	$49	$1	$381	$(74)
Credit Risk Transfer Securities	$679	$(4)	$—	$(104)	$571	$(108)
Legacy Non-Agency MBS	$2,463	$(135)	$—	$7	$2,335	$(128)
Agency MBS	$2,647	$(193)	$—	$(91)	$2,363	$(284)
Totals	**$10,017**	**$(777)**	**$1,088**	**$(168)**	**$10,160**	**$143**

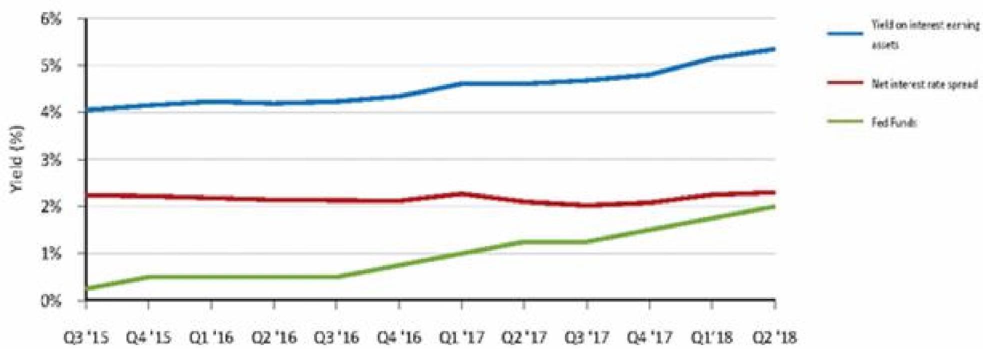
(1) RPL/NPL are securitized financial instruments that are backed by re-performing and non-performing loans. The majority of these securities are structured such that the coupon increases up to 300 basis points (bps) at 36 months from issuance or sooner.

(2) MSR Related Assets include investments in term notes whose cash flows are considered to be largely dependent on underlying MSRs that directly or indirectly act as collateral for the investment.

MFA's yields and spreads remain attractive

- Despite seven Fed Funds rate increases in two and a half years:
  - MFA's interest rate spread is relatively unchanged and remains attractive.
  - Yields on many of our credit sensitive assets have risen as credit fundamentals have continued to improve.
  - We have successfully identified higher yielding assets in a rising rate environment.
  - Funding costs have risen more slowly than Fed Funds.

MFA's yield on interest earning assets, net interest rate spread and Fed Funds



Second quarter 2018 yields and spreads by asset type

Asset	Net Equity Allocated (million)	Yield/ Return	Cost of Funds	Net Spread	Debt/Net Equity Ratio
Whole Loans at Carrying Value	$948	5.60% (1)	(3.86)%	1.74%	1.0x
Legacy Non-Agency MBS	$750	9.89%	(3.30)% (3)	6.59%	2.1x
Whole Loans at Fair Value	$446	(2)	(3.91)%		2.4x
RPL/NPL MBS	$348	4.52%	(3.19)%	1.33%	1.6x
Agency MBS	$251	2.03%	(2.04)% (3)	(0.01)%	8.4x
Credit Risk Transfer Securities	$162	6.34%	(2.97)%	3.37%	2.5x
MSR Related Assets	$84	6.88%	(3.16)%	3.72%	3.5x

(1) Net of 24 bps of servicing costs.
(2) These residential whole loans produce GAAP income/loss based on changes in fair value in the current period, and therefore results will vary on a quarter-to-quarter basis. MFA expects to realize returns over time on these whole loan investments of 5-7%.
(3) Agency cost of funds includes 28 basis points and Legacy Non-Agency cost of funds includes 31 basis points associated with swaps to hedge interest rate sensitivity on these assets.

MFA's interest rate sensitivity remains low

- Excluding hedges, our asset duration remains relatively low at 1.61.
- Our assets have limited exposure to long term interest rates and their duration changes little when long term interest rates change.
- In addition, our leverage remains low, with a debt-to-equity ratio of 2.3x.
- Due to the combination of low leverage and low duration, a 100bp parallel increase in interest rates would result in an expected decline of MFA's equity of approximately 4%.

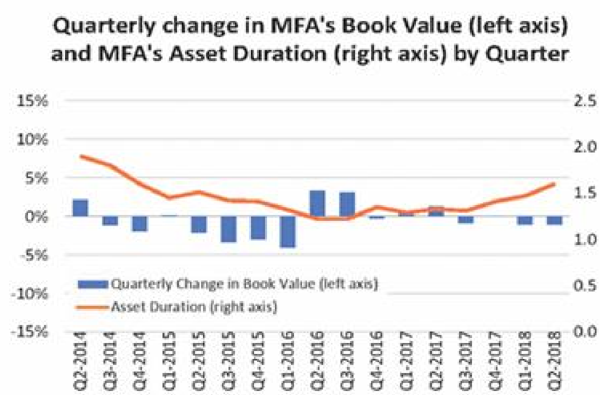
$ in Millions

Assets	Market Value	Average Coupon	Duration
Non-Agency ARMs and CRTs (12 months or less MTR[1])	$2,111	4.17%	0.4
RPL/NPL MBS	$908	4.53%	0.5
Non-Agency Fixed Rate	$796	5.84%	3.0
Residential Whole Loans	$3,490	4.72%	2.5
MSR Related Assets	$381	5.49%	0.1
Agency ARMs (12 months or less MTR[1])	$1,223	3.60%	0.6
Agency ARMs (13-120 MTR[1])	$210	2.91%	2.6
Agency 15-Year Fixed Rate	$929	3.07%	3.1
Cash, cash equivalents and Other Assets	$250		0.2
TOTAL ASSETS	**$10,298**		1.61
Hedging Instruments	**Notional Amount**		**Duration**
Swaps (Less than 3 years)	$2,500		-1.6
Swaps (3-10 years)	$100		-4.6
TOTAL HEDGES	**$2,600**		**-1.7**
Estimated Net Duration			**1.19**

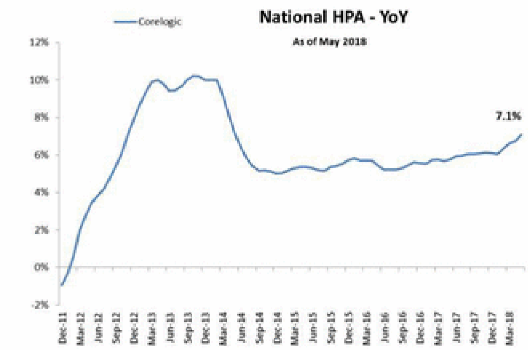
(1) MTR = months to reset

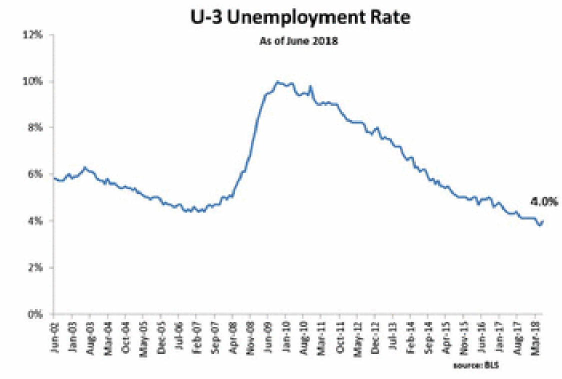
MFA's strategy continues to deliver book value stability

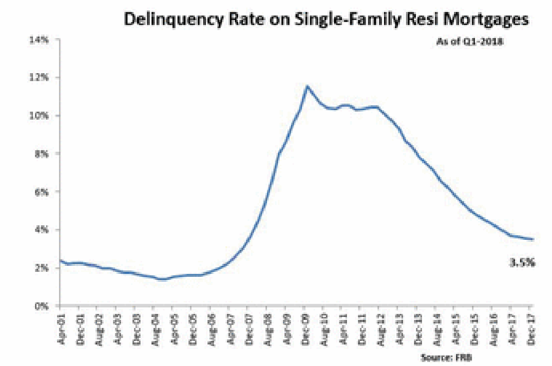
- MFA's investment strategy has consistently minimized book value volatility.
- Since 2014 MFA's average quarterly book value change has been less than 2%.
- Protecting book value gives MFA the ability to take advantage of new opportunities as they arise.



Continued positive fundamentals for residential mortgage credit





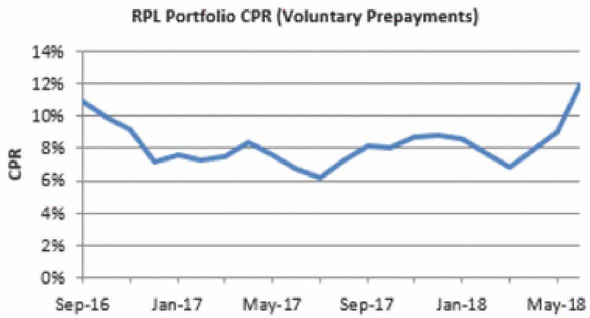


Residential whole loan portfolio update

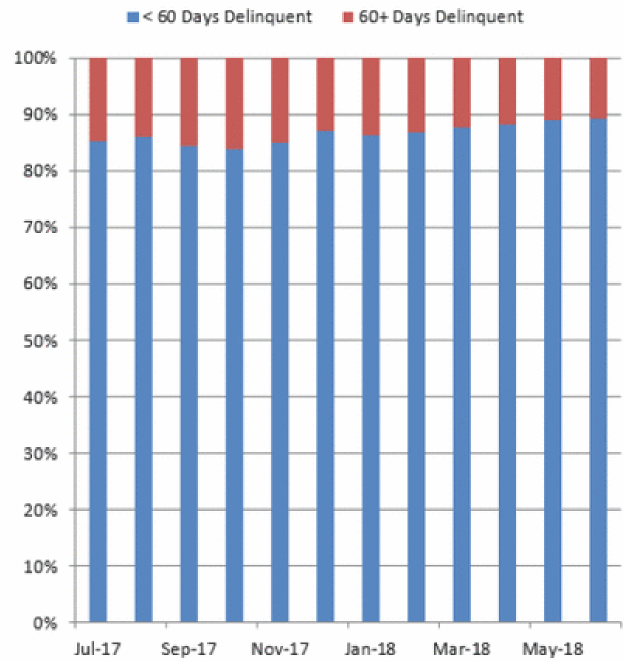
- We purchased or committed to purchase nearly $900 million of residential whole loans in the second quarter.
- Assets purchased include newly originated in addition to legacy loans.
- Executed two non-rated securitizations of NPL/RPL loans (one during Q2 and the other subsequent to quarter end) totaling approximately $420 million of senior securities sold.
- Volumes in the legacy loan market year-to-date have exceeded last year's pace.
- Returns to date on non-performing loans continue to be consistent with our expectation of 5-7%.

RPL portfolio delinquency characteristics as of 6/30/2018

- 89% of our RPL portfolio is less than 60 days delinquent.
- On average over the last 12 months, 29% of the 60+ days delinquent loans are making payments.
- Prepay speeds have outperformed expectations maintaining a range between 6% and 12%.



Reflects 3 month trailing average voluntary prepayments



Performance of non-performing loans purchased before 6/30/17

Delinquent at purchase[1]; held over one year % by loan count		
Status as of 6/30/18	Count	% of Total
Performing [2]	1,168	26%
Paid in full	307	7%
Non-performing	1,054	24%
REO	500	11%
Liquidated	1,425	32%
Total	**4,454**	**100%**

[1] Defined as 60-days delinquent or more at the time of purchase
[2] Defined as current, 30-days delinquent or made a payment in June 2018

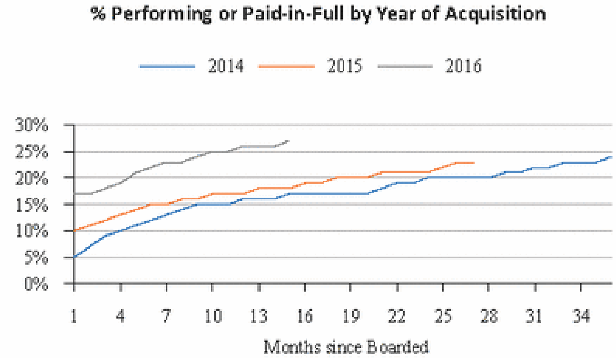
- Measured by percentage of total loan count, 33% (or nearly 1,500) of loans that were non-performing at purchase are either performing or have paid in full as of June 2018.
- 81% of MFA modified loans are either performing today or have paid in full.

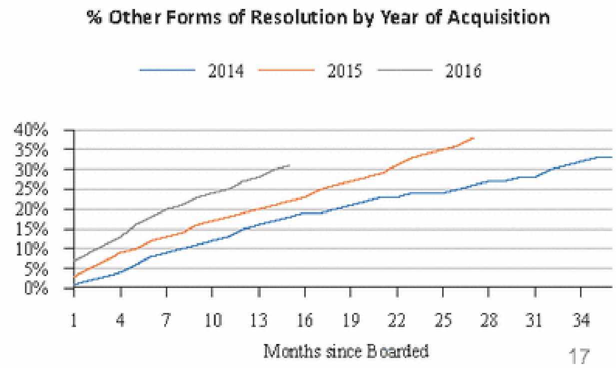
NPL asset management performance[1]

- Through diligent asset management we continue to improve outcomes for our NPL portfolio by returning loans to performing or paid-in-full status, and through other forms of resolution.

- After 15 months since transfer to our servicer, 27% of NPLs acquired in 2016 either started performing or paid in full versus 18% for 2015 and 17% for 2014.

- After 15 months since transfer to our servicer, 31% of NPLs acquired in 2016 completed non-retention resolution versus 22% for 2015 and 18% for 2014.





(1) Non-Performing defined as 60 days delinquent or more at purchase. Performing over time defined as current, 30 days delinquent or made a P&I payment in June 2018.

Non-QM investments

- We are purchasing loans made to creditworthy borrowers who have limited conventional mortgage finance options.
- We have purchased or committed to purchase over $700 million UPB to date.
- Currently working with several origination partners.
- Able to achieve appropriate leverage through warehouse lines and potentially through capital markets transactions.
- Targeted yield on Non-QM assets of 5% and ROE of low double digits.

Non-QM Portfolio Statistics	
as of 6/30/18	
WA LTV	**67%**
WA FICO	**704**
WA Coupon	**6.60%**
Avg Balance	**$402,380**
Hybrid ARMs	**83%**
Fixed Rate	**17%**
Top 2 States	
CA	**54%**
FL	**15%**

Business purpose loans - Rehabilitation and Single Family Rental (SFR) Loans

MFA has started acquiring Rehabilitation and SFR loans from a select group of origination partners. As of the end of Q2 we held $163 million of Rehabilitation loans (with an additional $30 million of undrawn commitments) and $56 million of SFR loans.

Rehabilitation loans ("Fix and Flip")

- Fixed rate short term loans collateralized by residential property. Term is generally less than 24 months.
- Borrower intends to rehabilitate property and resell.
- Non-owner occupied business purpose loans.
- Expected yield between 6.75% and 8.25%.

Rehabilitation Statistics	
WA ARV-LTV*	64%
WA LTP**	81%
WA FICO	705
WA Term	13 months
WA Passthrough Rate	7.65%

SFR Loans

- Hybrid and fixed rate loans collateralized by residential property/properties. Term is 30 years.
- Borrower intends to rent out property.
- Non-owner occupied business purpose loans.
- Expected yield between 5.50% and 6.00%.

SFR Portfolio Statistics	
WA LTV	68%
WA FICO	739
WA DSCR***	1.5x
WA Coupon	6.05%
5/1 Hybrid Loans	96%

* WA ARV-LTV: Weighted average after repair loan to value
** WA LTP: Weighted average initial loan proceeds to purchase price (when available)
*** WA DSCR: Weighted average debt service coverage ratio

Summary

- We remain active in the market and again grew the portfolio as we purchased or committed to purchase more than $1 billion of investments in the second quarter.
- We continue to expand our investment opportunity set within the residential mortgage space, utilizing the same disciplined approach to risk/reward as we have in the past.
- Lengthy efforts to develop and cultivate originator relationships are beginning to produce what we believe will be a recurring and growing volume of newly originated performing whole loans.
- MFA's asset management team is playing an active role in the servicing of our credit sensitive whole loans, leading to better results and improved returns.

Additional Information

Modest book value decline as dividend distributions exceeded EPS

	Qtr ended 6/30/18
Book value per common share at the beginning of the period	$7.62
Net income available to common shareholders	0.17
Common dividends declared	(0.20)
Net change attributable to Agency MBS	(0.02)
Discount Accretion: Primarily income in excess of coupon on Non-Agency MBS purchased at a discount. Results in increased amortized cost and lower unrealized gains	(0.04)
Net change attributable to Non-Agency MBS and CRT securities	(0.01)
Net change in value of swap hedges	0.02
Book value per common share as of 6/30/18	$7.54