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): **November 6, 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 November 6, 2018, announcing its financial results for the quarter ended September 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 third 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 November 6, 2018, announcing MFA's financial results for the quarter ended September 30, 2018.

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

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release, dated November 6, 2018, announcing MFA Financial Inc.'s financial results for the quarter ended September 30, 2018.
99.2	Additional information relating to the financial results of MFA Financial, Inc. for the quarter ended September 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: November 6, 2018

Exhibit 99.1

MFA
FINANCIAL, INC.

350 Park Avenue
New York, New York 10022

PRESS RELEASE		**FOR IMMEDIATE RELEASE**
November 6, 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 Third Quarter 2018 Financial Results

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

Third Quarter 2018 and other highlights:

· MFA generated third quarter GAAP net income of $83.4 million, or $0.19 per common share. As of September 30, 2018, book value per common share was $7.46.

· Asset acquisitions exceeded run-off during the quarter. MFA purchased in excess of $2.3 billion of residential mortgage assets in the third quarter, including $707 million of residential whole loans.

· Recent growth in MFA's residential whole loan portfolio has been largely through purchases of newly originated whole loans, including Non-QM loans, rehabilitation or "fix and flip" loans and single family rental loans.

· We completed a common equity offering in August, selling 50.9 million common shares, for net proceeds of $389.4 million.

· Net Income was $0.02 per common share higher than the second quarter of 2018, primarily due to higher net interest income, primarily due to growth in our portfolio of newly originated residential whole loans.

- On October 31, 2018, MFA paid its third quarter 2018 dividend of $0.20 per share of common stock to shareholders of record as of October 1, 2018.

Craig Knutson, MFA's CEO and President, said, "MFA's investment team was very active in the third quarter, acquiring over $2.3 billion of new assets. With the additional capital from our August common equity raise, we grew our investment portfolio by over $1.3 billion. Our residential whole loan and REO portfolio increased by $543 million, largely due to purchases of newly originated whole loans. RPL/NPL MBS increased by $253 million, and MSR-related investments increased by $184 million. We also purchased approximately $750 million of 30 year fixed rate Agency MBS, growing this portfolio by approximately $540 million. This incremental Agency MBS investment was hedged to minimize duration exposure and also provided an efficient means to deploy a portion of the capital raised in our August common equity raise. These very liquid investments can easily be sold to fund future purchases of residential whole loans or other higher yielding assets. Much of the growth in our residential whole loan portfolio has been through purchases of newly originated whole loans, including Non-QM loans, fix and flip loans and single family rental loans. We are pleased to continue to gain 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 costs due to Fed Funds increases and continued elevated asset prices. Through our asset selection and hedging strategy, our estimated net effective duration, a gauge of our portfolio's sensitivity to interest rates, remained relatively low and measured 1.14 at quarter-end. MFA's book value per common share decreased slightly to $7.46 from $7.54 as of June 30, 2018, due primarily to lower unrealized gains on Legacy Non-Agency MBS and higher unrealized losses on Agency MBS, which were partially offset by an increase in the fair value of Swaps. 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 third quarter of 2018, we reduced our credit reserve on this portfolio by $10.2 million and these assets generated a yield of 10.76% for the quarter."

At September 30, 2018, our investments in residential whole loans totaled $3.9 billion. Of this amount, $2.5 billion is recorded at carrying value and generated a yield of 5.89% (5.73% net of servicing costs) during the quarter, and $1.4 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 $34.9 million, primarily reflecting coupon interest payments and other cash received during the quarter together with changes in the fair value of the underlying loans. In addition, as of the end of the quarter we held approximately $223 million of REO properties.

MFA's Legacy Non-Agency MBS had a face amount of $2.3 billion with an amortized cost of $1.6 billion and a net purchase discount of $722.8 million at September 30, 2018. This discount consists of a $531.8 million credit reserve and other-than-temporary impairments and a $191.0 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 11.2% are currently 60 or more days delinquent.

As of September 30, 2018, the Agency MBS portfolio totaled $2.9 billion, had an amortized cost basis of 103.9% of par and generated a 2.21% yield in the third quarter. At the end of the third quarter, MFA held approximately $1.2 billion of RPL/NPL MBS. These securities had an amortized cost basis of 99.9% of par and generated a 5.01% yield for the quarter. Our investments in CRT securities totaled $538.9 million at September 30, 2018, and generated a yield of 6.19% in the third quarter. During the quarter we opportunistically sold Legacy Non-Agency MBS and CRT securities for $143.2 million, realizing gains of $16.4 million ($6.8 million of which had previously been recorded as unrealized gains on CRT securities for which we had elected fair value accounting).

For the three months ended September 30, 2018, MFA's costs for compensation and benefits and other general and administrative expenses were $11.0 million, or an annualized 1.24% of stockholders' equity as of September 30, 2018.

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

Table 1

	Third Quarter 2018 Average CPR	Second Quarter 2018 Average CPR
Agency MBS	16.8%	16.2%
Legacy Non-Agency MBS	16.8%	15.8%
RPL/NPL MBS *(1)*	19.6%	20.4%

(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 from 300 - 400 basis points at 36 - 48 months from issuance or sooner.*

As of September 30, 2018, under its swap agreements, MFA had a weighted average fixed-pay rate of interest of 2.35% and a floating receive rate of 2.21% on notional balances totaling $2.6 billion, with an average maturity of 32 months.

The following table presents MFA's asset allocation as of September 30, 2018, and the third 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 September 30, 2018 ($ in Millions)	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
Fair Value/Carrying Value	$ 2,905	$ 2,173	$ 1,162	$ 539	$ 565	$ 2,472	$ 1,449	$ 387	$ 11,652
Less Payable for Unsettled Purchases	—	(2)	—	—	—	(7)	(2)	—	(11)
Less Repurchase Agreements	(2,584)	(1,592)	(913)	(405)	(436)	(893)	(455)	—	(7,278)
Less Securitized Debt	—	—	—	—	—	(173)	(541)	—	(714)
Less Senior Notes	—	—	—	—	—	—	—	(97)	(97)
Net Equity Allocated	$ 321	$ 579	$ 249	$ 134	$ 129	$ 1,399	$ 451	$ 290	$ 3,552
Debt/Net Equity Ratio *(3)*	8.0x	2.8x	3.7x	3.0x	3.4x	0.8x	2.2x		2.3x
For the Quarter Ended September 30, 2018									
Yield on Average Interest Earning Assets *(4)*	2.21%	10.76%	5.01%	6.19%	5.32%	5.89%	N/A		5.54%
Less Average Cost of Funds *(5)*	(2.22)	(3.29)	(3.10)	(3.14)	(3.08)	(3.67)	(4.07)		(3.13)
Net Interest Rate Spread	(0.01)%	7.47%	1.91%	3.05%	2.24%	2.22%	N/A		2.41%

(1) Includes $825.6 million of purchased credit impaired loans, $989.8 million of Non-QM loans, $329.3 million of Rehabilitation loans, $79.7 million of Single-family rental loans and $247.1 million of seasoned performing loans. At September 30, 2018, the total fair value of these loans is estimated to be approximately $2.5 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 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 September 30, 2018, the amortized cost of our interest earning assets were as follows: Agency MBS - $3.0 billion; Legacy Non-Agency MBS - $1.6 billion; RPL/NPL MBS - $1.2 billion; Credit Risk Transfer securities - $504.8 million; and Residential Whole Loans at carrying value - $2.5 billion. In addition, the yield for residential whole loans at carrying value was 5.73%, net of 16 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 MBS cost of funds includes 6 basis points and Legacy Non-Agency MBS cost of funds includes 5 basis points associated with swaps to hedge interest rate sensitivity on these assets.

At September 30, 2018, MFA's $5.1 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

Time to Reset ($ in Millions)	Agency MBS Fair Value (2)	Agency MBS Average Months to Reset (3)	Agency MBS 3 Month Average CPR (4)	Legacy Non-Agency MBS (1) Fair Value	Legacy Non-Agency MBS (1) Average Months to Reset (3)	Legacy Non-Agency MBS (1) 3 Month Average CPR (4)	Total (1) Fair Value (2)	Total (1) Average Months to Reset (3)	Total (1) 3 Month Average CPR (4)
< 2 years *(5)*	$ 1,150	6	22.7%	$ 1,418	4	18.6%	$ 2,568	5	20.3%
2-5 years	132	44	12.6	—	—	—	132	44	12.6
> 5 years	10	82	10.7	—	—	—	10	82	10.7
ARM-MBS Total	$ 1,292	11	21.6%	$ 1,418	4	18.6%	$ 2,710	7	19.9%
15-year fixed	$ 866		11.5%	$ 2		17.6%	$ 868		11.5%
30-year fixed	747		8.7	719		13.4	1,466		12.5
40-year fixed	—		—	34		16.7	34		16.7
Fixed-Rate Total	$ 1,613		11.0%	$ 755		13.6%	$ 2,368		12.2%
MBS Total	$ 2,905		16.8%	$ 2,173		16.8%	$ 5,078		16.8%

(1) Excludes $1.2 billion of RPL/NPL MBS.
(2) Does not include principal payments receivable of $438,000.
(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.

Webcast

MFA Financial, Inc. plans to host a live audio webcast of its investor conference call on Tuesday, November 6, 2018, at 10:00 a.m. (Eastern Time) to discuss its third 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 residential mortgage assets , an increase of which could result in a reduction of the yield on certain investments 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 investments 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 modifications, foreclosures and liquidations; 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 continue growing 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; targeted or expected returns on MFA's investments in recently-originated loans, the performance of which is, similar to MFA's other mortgage loan investments, subject to, among other things, prepayment risk, credit risk and financing cost associated with such investments; 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)	September 30, 2018 (Unaudited)	December 31, 2017
Assets:		
Mortgage-backed securities (“MBS”) and credit risk transfer (“CRT”) securities:		
Agency MBS, at fair value ($2,795,273 and $2,727,510 pledged as collateral, respectively)	$ 2,905,490	$ 2,824,681
Non-Agency MBS, at fair value ($3,237,108 and $2,379,523 pledged as collateral, respectively)	3,334,610	3,533,966
CRT securities, at fair value ($504,931 and $595,900 pledged as collateral, respectively)	538,945	664,403
Mortgage servicing rights (“MSR”) related assets ($565,272 and $482,158 pledged as collateral, respectively)	565,272	492,080
Residential whole loans, at carrying value ($1,149,293 and $448,689 pledged as collateral, respectively) *(1)*	2,471,567	908,516
Residential whole loans, at fair value ($685,095 and $996,226 pledged as collateral, respectively) *(1)*	1,449,365	1,325,115
Cash and cash equivalents	104,186	449,757
Restricted cash	6,489	13,307
Other assets	406,069	742,909
Total Assets	$ 11,781,993	$ 10,954,734
Liabilities:		
Repurchase agreements	$ 7,278,270	$ 6,614,701
Other liabilities	951,483	1,078,397
Total Liabilities	$ 8,229,753	$ 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; 449,472 and 397,831 shares issued and outstanding, respectively	4,495	3,978
Additional paid-in capital, in excess of par	3,620,268	3,227,304
Accumulated deficit	(598,971)	(578,950)
Accumulated other comprehensive income	526,368	609,224
Total Stockholders’ Equity	$ 3,552,240	$ 3,261,636
Total Liabilities and Stockholders’ Equity	$ 11,781,993	$ 10,954,734

(1) Includes approximately $215.1 million and $183.2 million of Residential whole loans, at carrying value and $723.8 million and $289.3 million of Residential whole loans, at fair value transferred to consolidated VIEs at September 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 September 30, 2018	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
	(Unaudited)			
Interest Income:				
Agency MBS	$ 14,332	$ 15,533	$ 42,795	$ 50,014
Non-Agency MBS	58,667	63,252	169,812	212,728
CRT securities	7,748	8,676	25,939	22,898
MSR related assets	6,407	7,194	20,249	17,833
Residential whole loans held at carrying value	29,524	9,026	61,788	26,219
Cash and cash equivalent investments	754	1,452	2,348	2,854
Interest Income	$ 117,432	$ 105,133	$ 322,931	$ 332,546
Interest Expense:				
Repurchase agreements and other advances	$ 50,881	$ 46,303	$ 142,832	$ 141,444
Other interest expense	7,997	2,972	18,410	7,202
Interest Expense	$ 58,878	$ 49,275	$ 161,242	$ 148,646
Net Interest Income	$ 58,554	$ 55,858	$ 161,689	$ 183,900
Other Income, net:				
Net gain on residential whole loans held at fair value	$ 34,942	$ 18,679	$ 105,883	$ 48,660
Net gain on sales of investment securities	16,415	14,933	32,661	30,530
Other, net	(2,998)	(4,515)	(1,519)	13,812
Other Income, net	$ 48,359	$ 29,097	$ 137,025	$ 93,002
Operating and Other Expense:				
Compensation and benefits	$ 6,868	$ 10,892	$ 20,654	$ 26,258
Other general and administrative expense	4,155	4,081	13,569	14,060
Loan servicing and other related operating expenses	8,758	6,177	23,569	14,785
Operating and Other Expense	$ 19,781	$ 21,150	$ 57,792	$ 55,103
Net Income	$ 87,132	$ 63,805	$ 240,922	$ 221,799
Less Preferred Stock Dividends	3,750	3,750	11,250	11,250
Net Income Available to Common Stock and Participating Securities	$ 83,382	$ 60,055	$ 229,672	$ 210,549
Earnings per Common Share - Basic and Diluted	$ 0.19	$ 0.15	$ 0.56	$ 0.54
Dividends Declared per Share of Common Stock	$ 0.20	$ 0.20	$ 0.60	$ 0.60

Exhibit 99.2

MFA

FINANCIAL, INC.

Third 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" the negative of these words or similar expressions, are intended to identify "forward-looking statements" within the meaning of Section 27A of the 1933 Act and Section 21E of the 1934 Act 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 residential mortgage assets, an increase of which could result in a reduction of the yield on certain investments 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 investments 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 modifications, foreclosures and liquidations; 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 continue growing 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; targeted or expected returns on MFA's investments in recently-originated loans, the performance of which is, similar to MFA's other mortgage loan investments, subject to, among other things, prepayment risk, credit risk and financing cost associated with such investments; 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.

Executive summary

- In the third quarter of 2018, MFA generated GAAP EPS of $0.19.
- Q3 dividend to common stockholders was $0.20 per share.
- Estimated REIT taxable income for the quarter was $0.21 per common share. Estimated undistributed taxable income was $0.11 per common share at September 30, 2018.
- We completed a common equity offering of nearly 51 million shares, raising approximately $389 million of net proceeds.
- Investment activity was very robust as we purchased over $2.3 billion of assets and increased our portfolio by more than $1.3 billion in the third quarter.
- Book value per share declined approximately 1% to $7.46 from $7.54 at June 30, 2018.

Executive summary (cont'd.)

- Over $700 million of residential whole loan purchases included approximately $400 million of Non-QM loans, $190 million of Fix and Flip loans, nearly $25 million of Single Family Rental loans and nearly $80 million of Non-Performing and Re-Performing loans.
- Our strategy of investing in newly originated loans continues to expand our portfolio and the investment performance has thus far been consistent with our expectations.
- We remain willing to explore new investment structures to strengthen our originator relationships and gain access to loan flow.
- MFA's asset management team maintains oversight of 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 third quarter of 10.76%.

Investment strategy

Continue to grow investment assets

- Newly originated loans should provide recurring (and increasing) portfolio growth.
- Optimize capital structure associated with asset growth.
- Produce attractive returns that are comparable to peers, but with less risk due to lower leverage, less interest rate exposure and reduced prepayment sensitivity.
- Utilize Agency MBS to invest liquidity pending more attractive investment opportunities:
  - Hedged to minimize duration exposure
  - Highly liquid MBS

Market conditions and investment activity

- Vigorous investment activity in the third quarter, particularly after our equity raise in early August.
- Expand investment opportunities in the form of newly originated whole loans. Acquiring these assets is a unique process:
  - Long gestation periods
  - Creative approach to partnering with originators
  - Flow vs bulk arrangements
- Opportunities still exist to purchase non-performing and re-performing credit sensitive whole loans.

MFA FINANCIAL, INC.

Q3 2018 net income per common share of $0.19

Summary Income Statement	Q3 2018 $mm	Q2 2018 $mm
Net Interest Income:		
MBS, CRT and MSR related	$ 48.4	$ 48.6
Residential whole loans [1]	11.4	2.7
Income on cash balances less interest on Senior Notes	(1.3)	(1.3)
Net Interest Income	**$ 58.6**	**$ 49.9**
Other Income, net:		
Net gains on residential whole loans held at fair value [1]	34.9	32.4
Net income impact of MBS and CRT sales [2]	9.6	5.2
Unrealized gains/(loss) on CRT securities held at fair value	3.7	(0.2)
Other	0.2	3.5
Other Income, net:	**$ 48.4**	**$ 41.0**
Operating and Other Expenses	(19.8)	(20.5)
Preferred Dividends	(3.8)	(3.8)
Net Income Available to Common Shareholders	**$ 83.4**	**$ 66.6**
Earnings Per Common Share	**$ 0.19**	**$ 0.17**

(1) Includes interest expense on financing associated with all residential whole loans. Interest income received on residential whole loans held at fair value is reported in Other Income in Net gains on Residential Whole Loans held at fair value.

(2) Net income impact of MBS and CRT securities sold is comprised of:

Realized gains on MBS and CRT securities sold	16.4	7.4
Reversal of previously unrealized gains on sold CRT securities held at fair value	(6.8)	(2.2)
	9.6	5.2

- Net income was higher on a sequential quarter basis primarily due to:
  - Higher net interest income from carrying value loans, reflecting ongoing portfolio growth, particularly in more recently originated loans.
  - Higher net other income, reflecting a continued strong contribution from fair value loans, higher income overall on sales of securities and higher unrealized gains on CRTs.
  - Operating and other expenses declined as the prior quarter was impacted by the timing of recognition of expenses associated with certain share-based compensation awards.

MFA FINANCIAL, INC.

Third quarter 2018 investment flows

- Vigorous investment activity with asset acquisition in excess of $2.3 billion.
- Investment portfolio grew by $1.3 billion in the third quarter and by $1.6 billion year to date as new loan initiatives add meaningfully to investment flows.
- We opportunistically sold $119 million of CRT securities and $24 million of Non-Agency MBS in the quarter.

$ in Millions	June 30, 2018	3rd Quarter Runoff	3rd Quarter Acquisitions	Sales, MTM and other changes	September 30, 2018	3rd Quarter Change
Residential Whole Loans and REO	$3,601	$(188)	$707	$24	$4,144	$543
RPL/NPL MBS [1]	$909	$(192)	$446	$(1)	$1,162	$253
MSR Related Assets [2]	$381	$(166)	$350	$—	$565	$184
Credit Risk Transfer Securities	$571	$(3)	$84	$(113)	$539	$(32)
Legacy Non-Agency MBS	$2,335	$(145)	$2	$(19)	$2,173	$(162)
Agency MBS	$2,363	$(192)	$758	$(24)	$2,905	$542
Totals	$10,160	$(886)	$2,347	$(133)	$11,488	$1,328

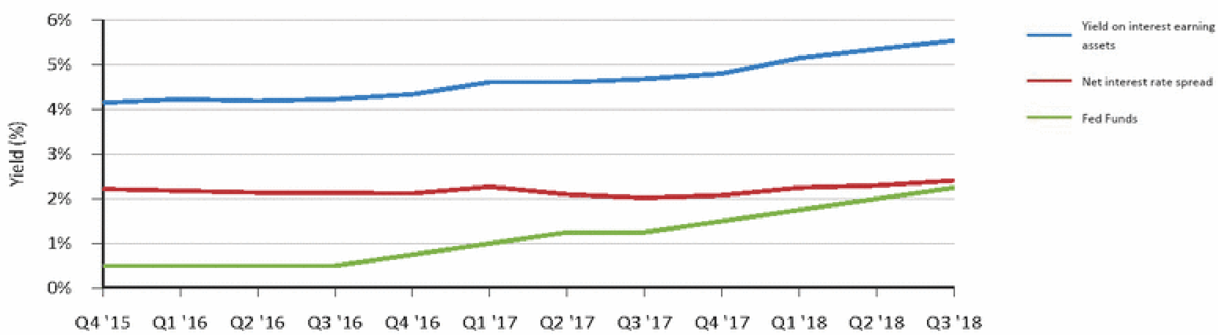
(1) RPL/NPL are securitized financial instruments that are backed by re-performing and non-performing loans. The majority of these securities are structured such that the coupon increases up to 300-400 basis points (bps) at 36-48 months from issuance.

(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 eight Fed Funds rate increases in almost three years, MFA's interest rate spread is relatively unchanged and remains attractive.
  - During this period yield on interest earning assets has risen by approximately 140 bps.
    - Yield on credit sensitive assets have benefited from continued improvements in credit fundamentals.
    - We have successfully identified higher yielding assets in a rising rate environment.
  - Funding costs have risen more slowly than Fed Funds.
    - Interest rate swaps and securitizations have mitigated increases in repo costs.
    - Funding spreads have improved as rates rise.

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



Third 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	$1,399	5.73% [1]	(3.67)%	2.06%	0.8x
Legacy Non-Agency MBS	$579	10.76%	(3.29)% [3]	7.47%	2.8x
Whole Loans at Fair Value	$451	[2]	(4.07)%		2.2x
RPL/NPL MBS	$249	5.01%	(3.10)%	1.91%	3.7x
Agency MBS	$321	2.21%	(2.22)% [3]	(0.01)%	8.0x
Credit Risk Transfer Securities	$134	6.19%	(3.14)%	3.05%	3.0x
MSR Related Assets	$129	5.32%	(3.08)%	2.24%	3.4x

(1) Net of 16 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 investments of 5-7%.
(3) Agency MBS cost of funds includes 6 bps and Legacy Non-Agency cost of funds includes 5 bps 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 1.68.
- Our assets continue to be primarily sensitive to mortgage credit fundamentals.
- 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, an increase in interest rates from a parallel shift in the curve of 100 bps would result in an expected decline of MFA's equity of approximately 4%.

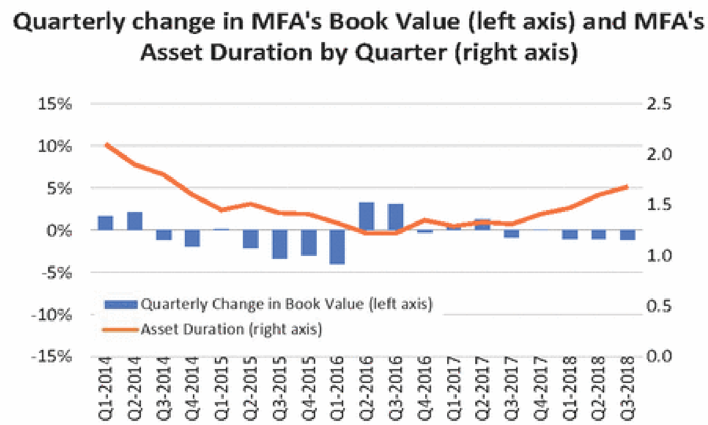
$ in Millions

Assets		Market Value	Average Coupon	Duration
Non-Agency ARMs and CRTs (12 months or less MTR[1])	$	1,954	4.28%	0.4
RPL/NPL MBS		1,162	4.62%	0.6
Non-Agency Fixed Rate		758	5.84%	3.0
Residential Whole Loans		3,999	5.01%	2.2
MSR Related Assets		565	4.82%	0.7
Agency ARMs (12 months or less MTR[1])		1,122	3.82%	0.6
Agency ARMs (13-120 MTR[1])		170	2.98%	2.8
Agency 15-Year Fixed Rate		866	3.06%	3.1
Agency 30-Year Fixed Rate		747	4.50%	3.8
Cash, cash equivalents and Other Assets		334		0.2
TOTAL ASSETS	$	11,677		1.68
Hedging Instruments		**Notional Amount**		**Duration**
Swaps (Less than 3 years)	$	2,130		-1.7
Swaps (3-10 years)		507		-5.4
TOTAL HEDGES	**$**	**2,637**		**-2.4**
Estimated Net Duration				**1.14**

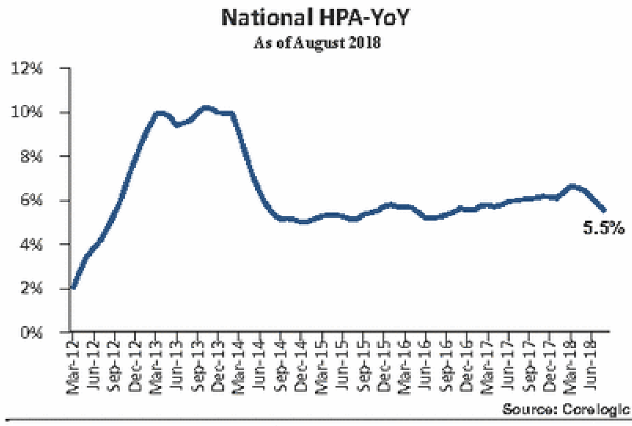
(1) MTR = months to reset

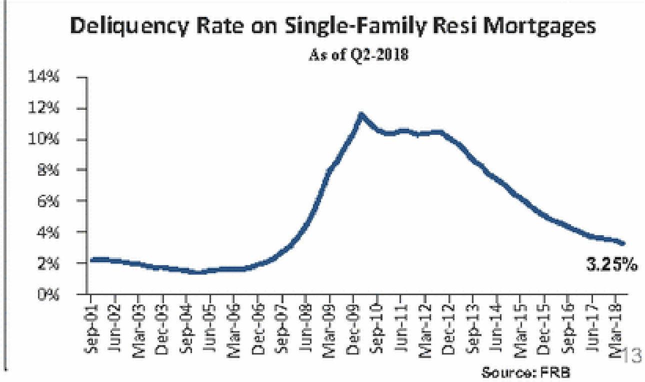
MFA's strategy continues to deliver book value stability

- 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



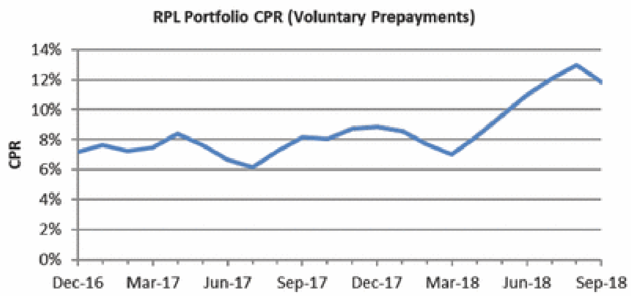


Residential whole loan portfolio update

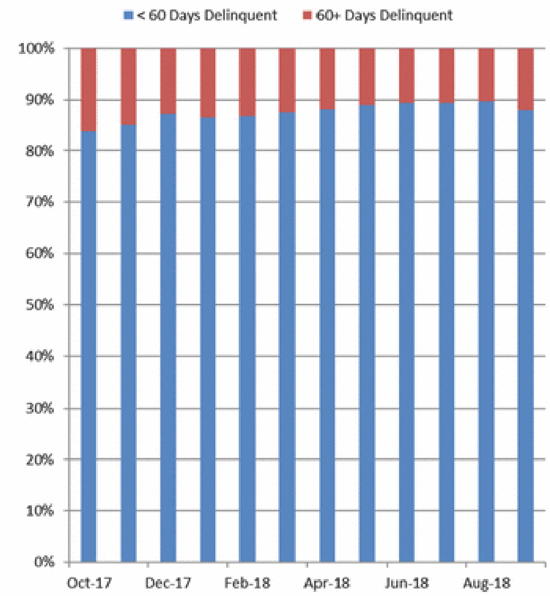
- We sourced over $700 million of residential whole loans in the third quarter.
- We continue to grow our portfolio of Non-QM, Fix & Flip and Single Family Rental loans adding origination partners and developing our existing relationships.
- Year to date flows in legacy loans have outpaced last year with over $60 billion of supply.
- Volumes in the legacy loan market year-to-date exceeds 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 9/30/2018

- 88% of our RPL portfolio is less than 60 days delinquent.
- On average, 28% of the 60+ days delinquent loans are making payments.
- Prepay speeds have outperformed expectations maintaining a range between 6% and 14%.



Reflects 3 month trailing average voluntary prepayments



Performance of Non-Performing[1] loans purchased before 9/30/17

	Acquisition Year				
	2014	2015	2016	2017[3]	Total
Loan Count	743	2365	1069	1895	6072
UPB Purchase ($mm)	$161.30	$619.90	$301.30	$413.50	$1,496.00
Status 9/30/2018					
Performing[2]/PIF	33%	26%	30%	36%	30%
Liquidation/REO	48%	45%	42%	26%	39%
Non-Performing	19%	29%	28%	38%	30%
Total	100%	100%	100%	100%	100%

- 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.
- In addition, 39% of our NPL portfolio has liquidated or reverted to REO.
- Measured by UPB at purchase, 30% (or approximately 2,000) of loans that were non-performing at purchase are either performing or have paid in full as of September 2018.
- 78% of MFA modified loans are either performing today or have paid in full.

[1]Non-Performing at purchase defined as greater than or equal to 60 days delinquent
[2]Performing over time defined as less than 60 days delinquent or made a P&I payment
[3]2017 only includes loans purchased prior to 9/30/2017

Non-QM investments

- We are purchasing loans made to creditworthy borrowers who have limited conventional mortgage finance options.
- We have purchased over $1 billion UPB to date and are 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 9/30/18	
WA LTV	**66%**
WA FICO	**706**
WA Coupon	**6.54%**
Avg Balance	**$410,716**
Hybrid ARMs	**80%**
Fixed Rate	**20%**
Top 2 States	
CA	**54%**
FL	**15%**

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

We continue to grow our holdings of Rehabilitation and SFR loans as we expand our existing originator relationships and develop new ones. Since inception we have acquired (including undrawn commitments) close to $600mm of Rehabilitation and 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.
- Target yield of 7% to 8%.

Rehabilitation Portfolio Statistics (9/30/18)	
WA ARV-LTV*	65%
WA FICO	707
WA Term	13
WA Passthrough Rate	7.51%
UPB	$329mm
Undrawn Commitments	$44mm

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.
- Target yield of 6%.

SFR Portfolio Statistics (9/30/18)	
WA LTV	68%
WA FICO	737
WA DSCR**	1.51
WA Coupon	6.3%
5/1 Hybrid Loans	90%
UPB	$80mm

* WA ARV-LTV: Weighted average after repair loan to value
** WA DSCR: Weighted average debt service coverage ratio

Summary

- We remain active in the market and again grew the portfolio as we purchased more than $2.3 billion of investments in the third 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 expected to continue to produce growth in acquisitions 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

Book value down 1% primarily due to discount accretion on Legacy Non-Agency MBS (resulting in lower unrealized gains) and price changes on Agency MBS

	Qtr ended 9/30/18
Book value per common share at the beginning of the period	$7.54
Net income available to common shareholders	0.19
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	(0.02)
Net change in value of swap hedges	0.01
Book value per common share as of 9/30/18	$7.46