

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

|  |           |
|--|-----------|
| OMB Number:                                  | 3235-0287 |
| Estimated average burden hours per response: | 0.5       |

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

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

|  |   |   |
|--|---|---|
| 1. Name and Address of Reporting Person<br><u>Kristjansson Gudmundur</u><br><br>(Last) (First) (Middle)<br>C/O MFA FINANCIAL, INC.<br>350 PARK AVENUE, 20TH FLOOR<br><br>(Street)<br>NEW YORK NY 10022<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>MFA FINANCIAL, INC. [ MFA ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br>SVP and Co-Chief Invest. Ofcr. |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br>01/15/2021                    |   |
|  |   | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person          |

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

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |                    | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|--------------------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price              |   |  |   |
| Common Stock                    | 01/15/2021                           |  | M <sup>(1)</sup>               |   | 30,000  | A          | \$0 <sup>(2)</sup> | 354,212.504   | D  |   |
| Common Stock                    | 01/15/2021                           |  | M <sup>(3)</sup>               |   | 24,359  | A          | \$0 <sup>(2)</sup> | 378,571.504   | D  |   |
| Common Stock                    | 01/15/2021                           |  | F <sup>(4)</sup>               |   | 28,930  | D          | \$3.75             | 349,641.504   | D  |   |

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |        | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|--------|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  | Code                           | V | (A)  | (D)    | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Phantom Shares                             | (5)  | 01/15/2021                           |  | M <sup>(5)</sup>               |   |  | 30,000 | 01/15/2021   | 01/15/2021      | Common Stock  | 30,000                                     | (5)  | 504,350   | D  |       |
| Phantom Shares                             | (6)  | 01/15/2021                           |  | M <sup>(6)</sup>               |   | 45,000 <sup>(7)</sup>  | (8)    | 01/15/2021   | 01/15/2021      | Common Stock  | 45,000 <sup>(7)</sup>                      | (8)  | 459,350   | D  |       |

**Explanation of Responses:**

- Shares acquired pursuant to the settlement of time-based restricted stock units (i.e., phantom stock) granted to the Reporting Person in March 2018.
- Each phantom share is the economic equivalent of one share of common stock of MFA Financial, Inc. Each phantom share was settled in one share of common stock of MFA Financial, Inc.
- Shares acquired in connection with the settlement of performance-based restricted stock units (i.e., phantom stock) ("PRsUs") granted to the Reporting Person in March 2018 as discussed in Notes 6, 7 and 8 below. The number of shares reported includes 7,484 shares representing the settlement (in the form of additional shares of common stock) of dividend equivalents that accrued during the three-year performance period ended December 31, 2020, in respect of the PRsUs that vested and whose settlement is reported herein.
- The reported disposition represents the surrender of shares to satisfy tax obligations arising from the settlement of phantom shares described in Notes 1 and 3 above.
- Settlement of time-based restricted stock units (i.e., phantom stock) granted to the Reporting Person in March 2018. Each phantom share is the economic equivalent of one share of common stock of MFA Financial, Inc. Each phantom share was settled in one share of common stock of MFA Financial, Inc.
- Settlement of performance-based restricted stock units (i.e., phantom stock) ("PRsUs") granted to the Reporting Person in March 2018. Each phantom share is the economic equivalent of one share of common stock of MFA Financial, Inc. Each phantom share was settled in one share of common stock of MFA Financial, Inc.
- The number of PRsUs reported in Table II represents the target number of PRsUs that were granted to the reporting person in March 2018. Per the terms of the award agreement governing the PRsUs, the number of underlying shares of MFA common stock that the recipient ultimately became entitled to receive at the time of vesting ranged from 0% to 200% of the target number of PRsUs granted, subject to the achievement of a pre-established performance metric. The vesting of these PRsUs was based on MFA's total stockholder return for the three years ended December 31, 2020.
- The Compensation Committee of the Board of Directors of MFA Financial, Inc. has confirmed and certified that the PRsUs vested at a level below target, as reflected in Table I above (see Note 3). In addition, per the terms of the award agreement governing the PRsUs, the number of PRsUs that vested was adjusted to reflect the value of any dividends paid on MFA's common stock during the performance period in respect of the number of PRsUs that ultimately vested.

/s/ Gudmundur Kristjansson      01/20/2021

\*\* Signature of Reporting Person      Date

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

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

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

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.