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): May 6, 2024

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.)

One Vanderbilt Avenue, 48th Floor New York, New York	10017
(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):

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

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

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

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	**Trading Symbols:**	**Name of each exchange on which registered:**
Common Stock, par value $0.01 per share	MFA	New York Stock Exchange
7.50% Series B Cumulative Redeemable Preferred Stock, par value $0.01 per share	MFA/PB	New York Stock Exchange
6.50% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock, par value $0.01 per share	MFA/PC	New York Stock Exchange
8.875% Senior Notes due 2029	MFAN	New York Stock Exchange
9.000% Senior Notes due 2029	MFAO	New York Stock Exchange

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 ¨

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. ¨

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 May 6, 2024, announcing its financial results for the quarter ended March 31, 2024, 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 2024 first 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.

Exhibit

99.1 Press Release, dated May 6, 2024, announcing MFA's financial results for the quarter ended March 31, 2024.

99.2 Additional information relating to the financial results of MFA for the quarter ended March 31, 2024.

104 Cover Page Interactive Data File (formatted as Inline XBRL).

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: May 6, 2024

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release, dated May 6, 2024, announcing MFA Financial Inc.'s financial results for the quarter ended March 31, 2024.
99.2	Additional information relating to the financial results of MFA Financial, Inc. for the quarter ended March 31, 2024.
104	Cover Page Interactive Data File (formatted as Inline XBRL).

MFA
FINANCIAL, INC.

One Vanderbilt Ave.
New York, New York 10017

PRESS RELEASE **FOR IMMEDIATE RELEASE**

May 6, 2024 **NEW YORK METRO**

INVESTOR CONTACT:	**InvestorRelations@mfafinancial.com** **212-207-6488** **www.mfafinancial.com**	**NYSE: MFA**
MEDIA CONTACT:	**H/Advisors Abernathy** **Tom Johnson** **212-371-5999**	

MFA Financial, Inc. Announces First Quarter 2024 Financial Results

NEW YORK - MFA Financial, Inc. (NYSE:MFA) today provided its financial results for the first quarter ended March 31, 2024:

- MFA generated GAAP net income for the first quarter of $15.0 million, or $0.14 per basic and diluted common share.
- Distributable earnings, a non-GAAP financial measure, were $36.1 million, or $0.35 per common share. MFA paid a regular cash dividend of $0.35 per common share on April 30, 2024.
- GAAP book value at March 31, 2024 was $13.80 per common share. Economic book value, a non-GAAP financial measure, was $14.32 per common share.
- Total economic return was 0.7% for the first quarter.
- Net interest spread averaged 2.06% and net interest margin was 2.88%.
- MFA closed the quarter with unrestricted cash of $306.3 million.

Commenting on the quarter, Craig Knutson, MFA's CEO and President, stated: "Although our book value was modestly impacted by higher interest rates, we are pleased to report strong distributable earnings for the opening months of 2024. We acquired or originated $652 million of residential mortgage loans during the quarter with an average coupon of approximately 10%. This includes over $400 million of new business purpose loans originated by our wholly-owned subsidiary Lima One Capital. We completed one securitization during the quarter and again benefited from our $3.2 billion interest rate swap position, which generated a net positive carry of $29 million. As a result of our disciplined risk management strategies, our net interest spread and net interest margin each remained healthy at 2.06% and 2.88%, respectively."

Mr. Knutson continued: “During the quarter, we repurchased $40 million of our convertible senior notes due in June, reducing the outstanding balance to less than $170 million. In January, we issued $115 million of 8.875% senior unsecured notes due in February 2029. Last month, we issued an additional $75 million of 9.00% senior unsecured notes due in August 2029. We continue to maintain a substantial cash position in order to protect our balance sheet from further interest rate or credit spread volatility. We believe we are well-situated to take advantage of market opportunities that may arise.”

Q1 2024 Portfolio Activity

- Loan acquisitions were $651.8 million, including $465.4 million of funded originations of business purpose loans (including draws on Transitional loans) and $186.4 million of Non-QM loan acquisitions, bringing MFA’s residential whole loan balance to $9.1 billion.

- Lima One funded $301.7 million of new business purpose loans with a maximum loan amount of $429.8 million. Further, $163.7 million of draws were funded on previously originated Transitional loans. Lima One generated $7.9 million of origination, servicing, and other fee income.

- Asset dispositions included $60.6 million UPB of Non-QM loans and $110.4 million UPB of SFR loans. Inclusive of the reversal of previously recognized unrealized losses, the Company recorded a net gain of $2.0 million.

- MFA continued to reduce its REO portfolio, selling 73 properties in the first quarter for aggregate proceeds of $24.2 million and generating $2.0 million of gains.

- 60+ day delinquencies (measured as a percentage of UPB) for Purchased Performing Loans increased to 4.3% from 3.8% in the fourth quarter. Combined Purchased Credit Deteriorated and Purchased Non-Performing 60+ day delinquencies declined to 24.3% from 24.5% in the fourth quarter.

- MFA completed one loan securitization during the quarter, collateralized by $192.5 million UPB of Transitional loans, bringing its securitized debt to approximately $4.8 billion.

- MFA maintained its position in interest rate swaps at a notional amount of approximately $3.2 billion. At March 31, 2024, these swaps had a weighted average fixed pay interest rate of 1.86% and a weighted average variable receive interest rate of 5.34%.

- MFA estimates the net effective duration of its investment portfolio at March 31, 2024 rose to 0.98 from 0.91 at December 31, 2023.

- MFA’s Debt/Net Equity Ratio was 4.6x and recourse leverage was 1.8x at March 31, 2024.

Webcast

MFA Financial, Inc. plans to host a live audio webcast of its investor conference call on Monday, May 6, 2024, at 11:00 a.m. (Eastern Time) to discuss its first quarter 2024 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. 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.

About MFA Financial, Inc.

MFA Financial, Inc. (NYSE: MFA) is a leading specialty finance company that invests in residential mortgage loans, residential mortgage-backed securities and other real estate assets. Through its wholly-owned subsidiary, Lima One Capital, MFA also originates and services business purpose loans for real estate investors. MFA has distributed $4.7 billion in dividends to stockholders since its initial public offering in 1998. MFA is an internally-managed, publicly-traded real estate investment trust.

The following table presents MFA's asset allocation as of March 31, 2024, and the first quarter 2024 yield on average interest-earning assets, average cost of funds and net interest rate spread for the various asset types.

Table 1 - Asset Allocation

At March 31, 2024	**Purchased Performing Loans *(1)***	**Purchased Credit Deteriorated Loans *(2)***	**Purchased Non-Performing Loans**	**Securities, at fair value**	**Real Estate Owned**	**Other, net *(3)***	**Total**
(Dollars in Millions)							
Fair Value/Carrying Value	$ 8,025	$ 412	$ 682	$ 737	$ 106	$ 607	$ 10,569
Financing Agreements with Non-mark-to-market Collateral Provisions	(1,102)	—	—	—	—	—	(1,102)
Financing Agreements with Mark-to-market Collateral Provisions	(1,519)	(139)	(222)	(606)	(23)	—	(2,509)
Securitized Debt	(4,300)	(228)	(257)	—	(9)	—	(4,794)
Senior Notes	—	—	—	—	—	(280)	(280)
Net Equity Allocated	$ 1,104	$ 45	$ 203	$ 131	$ 74	$ 327	$ 1,884
Debt/Net Equity Ratio *(4)*	6.3x	8.2x	2.4x	4.6x	0.4x		4.6x
<u>For the Quarter Ended March 31, 2024</u>							
Yield on Average Interest Earning Assets *(5)*	6.50%	5.95%	8.91%	7.24%	N/A		6.58%
Less Average Cost of Funds *(6)*	(4.56)	(2.87)	(3.78)	(4.00)	(6.40)		(4.52)
Net Interest Rate Spread	1.94%	3.08%	5.13%	3.24%	(6.40)%		2.06%

(1) Includes $3.8 billion of Non-QM loans, $2.5 billion of Transitional loans, $1.6 billion of Single-family rental loans, $66.0 million of Seasoned performing loans, and $54.7 million of Agency eligible investor loans. At March 31, 2024, the total fair value of these loans is estimated to be $8.0 billion.

(2) At March 31, 2024, the total fair value of these loans is estimated to be $431.3 million.

(3) Includes $306.3 million of cash and cash equivalents, $222.9 million of restricted cash, and $19.8 million of capital contributions made to loan origination partners, as well as other assets and other liabilities.

(4) Total Debt/Net Equity ratio represents the sum of borrowings under our financing agreements as a multiple of net equity allocated.

(5) 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 March 31, 2024, the amortized cost of our Securities, at fair value, was $715.4 million. In addition, the yield for residential whole loans was 6.62%, net of one basis point 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.

(6) Average cost of funds includes interest on financing agreements, Convertible Senior Notes, 8.875% Senior Notes, and securitized debt. Cost of funding also includes the impact of the net carry (the difference between swap interest income received and swap interest expense paid) on our interest rate swap agreements (or Swaps). While we have not elected hedge accounting treatment for Swaps and accordingly net carry is not presented in interest expense in our consolidated statement of operations, we believe it is appropriate to allocate net carry to the cost of funding to reflect the economic impact of our Swaps on the funding costs shown in the table above. For the quarter ended March 31, 2024, this decreased the overall funding cost by 131 basis points for our overall portfolio, 132 basis points for our Residential whole loans, 134 basis points for our Purchased Performing Loans, 129 basis points for our Purchased Credit Deteriorated Loans, 102 basis points for our Purchased Non-Performing Loans and 179 basis points for our Securities, at fair value.

The following table presents the activity for our residential mortgage asset portfolio for the three months ended March 31, 2024:

Table 2 - Investment Portfolio Activity Q1 2024

(In Millions)	**December 31, 2023**	**Runoff (1)**	**Acquisitions (2)**	**Other (3)**	**March 31, 2024**	**Change**
Residential whole loans and REO	$ 9,151	$ (414)	$ 652	$ (164)	$ 9,225	$ 74
Securities, at fair value	746	(8)	—	(1)	737	(9)
Totals	$ 9,897	$ (422)	$ 652	$ (165)	$ 9,962	$ 65

(1) Primarily includes principal repayments and sales of REO.
(2) Includes draws on previously originated Transitional loans.
(3) Primarily includes sales, changes in fair value and changes in the allowance for credit losses.

The following tables present information on our investments in residential whole loans:

Table 3 - Portfolio Composition/Residential Whole Loans

	Held at Carrying Value		**Held at Fair Value**		**Total**	
(Dollars in Thousands)	**March 31, 2024**	**December 31, 2023**	**March 31, 2024**	**December 31, 2023**	**March 31, 2024**	**December 31, 2023**
Purchased Performing Loans:						
Non-QM loans	$ 816,617	$ 843,884	$ 3,021,769	$ 2,961,693	$ 3,838,386	$ 3,805,577
Transitional loans *(1)*	29,098	35,467	2,465,674	2,326,029	2,494,772	2,361,496
Single-family rental loans	148,943	172,213	1,430,021	1,462,583	1,578,964	1,634,796
Seasoned performing loans	66,065	68,945	—	—	66,065	68,945
Agency eligible investor loans	—	—	54,654	55,779	54,654	55,779
Total Purchased Performing Loans	$ 1,060,723	$ 1,120,509	$ 6,972,118	$ 6,806,084	$ 8,032,841	$ 7,926,593
Purchased Credit Deteriorated Loans	$ 423,647	$ 429,726	$ —	$ —	$ 423,647	$ 429,726
Allowance for Credit Losses	$ (19,612)	$ (20,451)	$ —	$ —	$ (19,612)	$ (20,451)
Purchased Non-Performing Loans	$ —	$ —	$ 681,789	$ 705,424	$ 681,789	$ 705,424
Total Residential Whole Loans	$ 1,464,758	$ 1,529,784	$ 7,653,907	$ 7,511,508	$ 9,118,665	$ 9,041,292
Number of loans	6,148	6,326	19,561	19,075	25,709	25,401

(1) As of March 31, 2024 includes $1.3 billion of loans collateralized by one-to-four family residential properties, including $506.5 million of loans collateralized by new construction projects at origination, and $1.2 billion of loans collateralized by multi-family properties. As of December 31, 2023 includes $1.2 billion of loans collateralized by one-to-four family residential properties and $1.2 billion of loans collateralized by multi-family properties.

Table 4 - Yields and Average Balances/Residential Whole Loans

	For the Three-Month Period Ended								
	March 31, 2024			December 31, 2023			March 31, 2023		
(Dollars in Thousands)	Interest	Average Balance	Average Yield	Interest	Average Balance	Average Yield	Interest	Average Balance	Average Yield
Purchased Performing Loans:									
Non-QM loans	$ 55,861	$ 4,149,257	5.39%	$ 51,997	$ 4,111,425	5.06%	$ 44,089	$ 3,803,154	4.64%
Transitional loans	53,216	2,448,951	8.69%	48,358	2,249,974	8.60%	28,227	1,473,420	7.66%
Single-family rental loans	27,102	1,746,058	6.21%	25,598	1,702,940	6.01%	21,313	1,518,741	5.61%
Seasoned performing loans	1,124	67,713	6.64%	1,191	71,207	6.69%	1,090	81,388	5.36%
Agency eligible investor loans	517	68,490	3.02%	512	69,436	2.95%	2,857	380,763	3.00%
Total Purchased Performing Loans	137,820	8,480,469	6.50%	127,656	8,204,982	6.22%	97,576	7,257,466	5.38%
Purchased Credit Deteriorated Loans	6,355	427,267	5.95%	7,051	434,650	6.49%	7,138	466,123	6.13%
Purchased Non-Performing Loans	13,490	605,573	8.91%	15,080	624,910	9.65%	14,796	699,730	8.46%
Total Residential Whole Loans	$ 157,665	$ 9,513,309	6.63%	$ 149,787	$ 9,264,542	6.47%	$ 119,510	$ 8,423,319	5.68%

Table 5 - Net Interest Spread/Residential Whole Loans

	For the Three-Month Period Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
Purchased Performing Loans			
Net Yield *(1)*	6.50%	6.22%	5.38%
Cost of Funding *(2)*	4.56%	4.43%	3.95%
Net Interest Spread	1.94%	1.79%	1.43%
Purchased Credit Deteriorated Loans			
Net Yield *(1)*	5.95%	6.49%	6.13%
Cost of Funding *(2)*	2.87%	2.68%	2.23%
Net Interest Spread	3.08%	3.81%	3.90%
Purchased Non-Performing Loans			
Net Yield *(1)*	8.91%	9.65%	8.46%
Cost of Funding *(2)*	3.78%	3.63%	3.53%
Net Interest Spread	5.13%	6.02%	4.93%
Total Residential Whole Loans			
Net Yield *(1)*	6.63%	6.47%	5.68%
Cost of Funding *(2)*	4.43%	4.29%	3.82%
Net Interest Spread	2.20%	2.18%	1.86%

(1) Reflects annualized interest income on Residential whole loans divided by average amortized cost of Residential whole loans. Excludes servicing costs.

(2) Reflects annualized interest expense divided by average balance of agreements with mark-to-market collateral provisions (repurchase agreements), agreements with non-mark-to-market collateral provisions, and securitized debt. Cost of funding shown in the table above includes the impact of the net carry (the difference between swap interest income received and swap interest expense paid) on our Swaps. While we have not elected hedge accounting treatment for Swaps, and, accordingly, net carry is not presented in interest expense in our consolidated statement of operations, we believe it is appropriate to allocate net carry to the cost of funding to reflect the economic impact of our Swaps on the funding costs shown in the table above. For the quarter ended March 31, 2024, this decreased the overall funding cost by 132 basis points for our Residential whole loans, 134 basis points for our Purchased Performing Loans, 129 basis points for our Purchased Credit Deteriorated Loans, and 102 basis points for our Purchased Non-Performing Loans. For the quarter ended December 31, 2023, this decreased the overall funding cost by 140 basis points for our Residential whole loans, 142 basis points for our Purchased Performing Loans, 143 basis points for our Purchased Credit Deteriorated Loans, and 102 basis points for our Purchased Non-Performing Loans. For the quarter ended March 31, 2023, this decreased the overall funding cost by 127 basis points for our Residential whole loans, 129 basis points for our Purchased Performing Loans, 171 basis points for our Purchased Credit Deteriorated Loans, and 77 basis points for our Purchased Non-Performing Loans.

Table 6 - Credit-related Metrics/Residential Whole Loans

March 31, 2024

(Dollars In Thousands)	Fair Value / Carrying Value	Unpaid Principal Balance ("UPB")	Weighted Average Coupon *(2)*	Weighted Average Term to Maturity (Months)	Weighted Average LTV Ratio *(3)*	Weighted Average Original FICO *(4)*	Aging by UPB Current	Past Due Days 30-59	60-89	90+	60+ DQ %	60+ LTV *(3)*
Purchased Performing Loans:												
Non-QM loans	$ 3,836,705	$ 4,059,991	6.02%	342	65%	734	$ 3,814,533	$ 115,484	$ 41,428	$ 88,546	3.2%	65.2%
Transitional loans *(1)*	2,493,073	2,502,067	9.45	9	64	747	2,306,508	44,621	18,459	132,479	6.0	65.9
Single-family rental loans	1,574,322	1,665,788	6.52	331	69	738	1,571,772	17,395	6,452	70,169	4.6	111.0
Seasoned performing loans	66,045	72,658	4.77	140	28	725	70,016	1,271	43	1,328	1.9	24.6
Agency eligible investor loans	54,654	66,297	3.44	329	66	757	65,064	523	223	487	1.1	71.7
Total Purchased Performing Loans	$ 8,024,799	$ 8,366,801	7.11%	238							4.3%	
Purchased Credit Deteriorated Loans	$ 412,077	$ 499,761	4.85%	265	58%	N/A	$ 373,341	$ 46,972	$ 16,784	$ 62,664	15.9%	64.3%
Purchased Non-Performing Loans	$ 681,789	$ 753,035	5.24%	268	60%	N/A	$ 437,507	$ 90,223	$ 31,434	$ 193,871	29.9%	69.6%
Residential whole loans, total or weighted average	$ 9,118,665	$ 9,619,597	6.21%	227							6.9%	

(1) As of March 31, 2024 Transitional loans includes $1.2 billion of loans collateralized by multi-family properties with a weighted average term to maturity of 12 months and a weighted average LTV ratio of 63%.

(2) Weighted average is calculated based on the interest bearing principal balance of each loan within the related category. For loans acquired with servicing rights released by the seller, interest rates included in the calculation do not reflect loan servicing fees. For loans acquired with servicing rights retained by the seller, interest rates included in the calculation are net of servicing fees.

(3) LTV represents the ratio of the total unpaid principal balance of the loan to the estimated value of the collateral securing the related loan as of the most recent date available, which may be the origination date. For Transitional loans, the LTV presented is the ratio of the maximum unpaid principal balance of the loan, including unfunded commitments, to the estimated "after repaired" value of the collateral securing the related loan, where available. For certain Transitional loans, totaling $608.9 million at March 31, 2024, an after repaired valuation was not obtained and the loan was underwritten based on an "as is" valuation. The weighted average LTV of these loans based on the current unpaid principal balance and the valuation obtained during underwriting, is 67% at March 31, 2024. Excluded from the calculation of weighted average LTV are certain low value loans secured by vacant lots, for which the LTV ratio is not meaningful. 60+ LTV has been calculated on a consistent basis.

(4) Excludes loans for which no Fair Isaac Corporation ("FICO") score is available.

Table 7 - Shock Table

The information presented in the following "Shock Table" projects the potential impact of sudden parallel changes in interest rates on the value of our portfolio, including the impact of Swaps and securitized debt, based on the assets in our investment portfolio at March 31, 2024. Changes in portfolio value are measured as the percentage change when comparing the projected portfolio value to the base interest rate scenario at March 31, 2024.

Change in Interest Rates	Percentage Change in Portfolio Value	Percentage Change in Total Stockholders' Equity
+100 Basis Point Increase	(1.22)%	(6.96)%
+ 50 Basis Point Increase	(0.55)%	(3.15)%
Actual at March 31, 2024	—%	—%
- 50 Basis Point Decrease	0.43%	2.47%
-100 Basis Point Decrease	0.75%	4.28%

MFA FINANCIAL, INC.
CONSOLIDATED BALANCE SHEETS

(In Thousands, Except Per Share Amounts)	March 31, 2024 (unaudited)	December 31, 2023
Assets:		
Residential whole loans, net ($7,653,907 and $7,511,508 held at fair value, respectively) *(1)*	$ 9,118,665	$ 9,041,292
Securities, at fair value	736,950	746,090
Cash and cash equivalents	306,266	318,000
Restricted cash	222,905	170,211
Other assets	489,344	497,097
Total Assets	$ 10,874,130	$ 10,772,690
Liabilities:		
Financing agreements ($4,641,438 and $4,633,660 held at fair value, respectively)	$ 8,685,916	$ 8,536,745
Other liabilities	304,027	336,030
Total Liabilities	$ 8,989,943	$ 8,872,775
Stockholders' Equity:		
Preferred stock, $0.01 par value; 7.5% Series B cumulative redeemable; 8,050 shares authorized; 8,000 shares issued and outstanding ($200,000 aggregate liquidation preference)	$ 80	$ 80
Preferred stock, $0.01 par value; 6.5% Series C fixed-to-floating rate cumulative redeemable; 12,650 shares authorized; 11,000 shares issued and outstanding ($275,000 aggregate liquidation preference)	110	110
Common stock, $0.01 par value; 874,300 and 874,300 shares authorized; 102,082 and 101,916 shares issued and outstanding, respectively	1,021	1,019
Additional paid-in capital, in excess of par	3,703,242	3,698,767
Accumulated deficit	(1,839,792)	(1,817,759)
Accumulated other comprehensive income	19,526	17,698
Total Stockholders' Equity	$ 1,884,187	$ 1,899,915
Total Liabilities and Stockholders' Equity	$ 10,874,130	$ 10,772,690

(1) Includes approximately $5.7 billion and $5.7 billion of Residential whole loans transferred to consolidated variable interest entities ("VIEs") at March 31, 2024 and December 31, 2023, 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 March 31, 2024 (Unaudited)	Three Months Ended March 31, 2023 (Unaudited)
Interest Income:		
Residential whole loans	$ 157,665	$ 119,510
Securities, at fair value	12,992	7,308
Other interest-earning assets	1,163	2,351
Cash and cash equivalent investments	5,011	3,036
Interest Income	$ 176,831	$ 132,205
Interest Expense:		
Asset-backed and other collateralized financing arrangements	$ 123,442	$ 88,880
Other interest expense	5,575	3,956
Interest Expense	$ 129,017	$ 92,836
Net Interest Income	$ 47,814	$ 39,369
Reversal/(Provision) for Credit Losses on Residential Whole Loans	$ 460	$ 13
Reversal/(Provision) for Credit Losses on Other Assets	(1,109)	—
Net Interest Income after Reversal/(Provision) for Credit Losses	$ 47,165	$ 39,382
Other Income/(Loss), net:		
Net gain/(loss) on residential whole loans measured at fair value through earnings	$ (11,513)	$ 129,174
Impairment and other net gain/(loss) on securities and other portfolio investments	(4,776)	2,931
Net gain/(loss) on real estate owned	991	3,942
Net gain/(loss) on derivatives used for risk management purposes	49,941	(21,208)
Net gain/(loss) on securitized debt measured at fair value through earnings	(22,462)	(51,725)
Lima One - origination, servicing and other fee income	7,928	8,976
Net realized gain/(loss) on residential whole loans held at carrying value	418	—
Other, net	1,875	3,014
Other Income/(Loss), net	$ 22,402	$ 75,104
Operating and Other Expense:		
Compensation and benefits	$ 25,468	$ 20,630
Other general and administrative expense	13,044	10,233
Loan servicing, financing and other related costs	7,042	9,539
Amortization of intangible assets	800	1,300
Operating and Other Expense	$ 46,354	$ 41,702
Net Income/(Loss)	$ 23,213	$ 72,784
Less Preferred Stock Dividend Requirement	$ 8,219	$ 8,219
Net Income/(Loss) Available to Common Stock and Participating Securities	$ 14,994	$ 64,565
Basic Earnings/(Loss) per Common Share	$ 0.14	$ 0.63
Diluted Earnings/(Loss) per Common Share	$ 0.14	$ 0.62

Segment Reporting

At March 31, 2024, the Company's reportable segments include (i) mortgage-related assets and (ii) Lima One. The Corporate column in the table below primarily consists of corporate cash and related interest income, investments in loan originators and related economics, general and administrative expenses not directly attributable to Lima One, interest expense on unsecured convertible senior notes, securitization issuance costs, and preferred stock dividends.

The following tables summarize segment financial information, which in total reconciles to the same data for the Company as a whole:

(Dollars in Thousands)	Mortgage-Related Assets	Lima One	Corporate	Total
Three months ended March 31, 2024				
Interest Income	$ 95,400	$ 78,089	$ 3,342	$ 176,831
Interest Expense	69,259	54,183	5,575	129,017
Net Interest Income/(Expense)	$ 26,141	$ 23,906	$ (2,233)	$ 47,814
Reversal/(Provision) for Credit Losses on Residential Whole Loans	460	—	—	460
Reversal/(Provision) for Credit Losses on Other Assets	(1,109)	—	—	(1,109)
Net Interest Income/(Expense) after Reversal/(Provision) for Credit Losses	$ 25,492	$ 23,906	$ (2,233)	$ 47,165
Net gain/(loss) on residential whole loans measured at fair value through earnings	$ (8,699)	$ (2,814)	$ —	$ (11,513)
Impairment and other net gain/(loss) on securities and other portfolio investments	(4,776)	—	—	(4,776)
Net gain on real estate owned	1,256	(265)	—	991
Net gain/(loss) on derivatives used for risk management purposes	36,158	13,783	—	49,941
Net gain/(loss) on securitized debt measured at fair value through earnings	(11,576)	(10,886)	—	(22,462)
Lima One - origination, servicing and other fee income	—	7,928	—	7,928
Net realized gain/(loss) on residential whole loans held at carrying value	418	—	—	418
Other, net	959	504	412	1,875
Other Income/(Loss), net	$ 13,740	$ 8,250	$ 412	$ 22,402
Compensation and benefits	$ —	$ 12,124	$ 13,344	$ 25,468
Other general and administrative expense	6	5,637	7,401	13,044
Loan servicing, financing and other related costs	5,270	519	1,253	7,042
Amortization of intangible assets	—	800	—	800
Net Income/(Loss)	$ 33,956	$ 13,076	$ (23,819)	$ 23,213
Less Preferred Stock Dividend Requirement	$ —	$ —	$ 8,219	$ 8,219
Net Income/(Loss) Available to Common Stock and Participating Securities	$ 33,956	$ 13,076	$ (32,038)	$ 14,994

(Dollars in Thousands)	Mortgage-Related Assets	Lima One	Corporate	Total
March 31, 2024				
Total Assets	$ 6,319,998	$ 4,196,761	$ 357,371	$ 10,874,130
December 31, 2023				
Total Assets	$ 6,370,237	$ 4,000,932	$ 401,521	$ 10,772,690

Reconciliation of GAAP Net Income to non-GAAP Distributable Earnings

"Distributable earnings" is a non-GAAP financial measure of our operating performance, within the meaning of Regulation G and Item 10(e) of Regulation S-K, as promulgated by the Securities and Exchange Commission. Distributable earnings is determined by adjusting GAAP net income/(loss) by removing certain unrealized gains and losses, primarily on residential mortgage investments, associated debt, and hedges that are, in each case, accounted for at fair value through earnings, certain realized gains and losses, as well as certain non-cash expenses and securitization-related transaction costs. The transaction costs are primarily comprised of costs only incurred at the time of execution of our securitizations and include costs such as underwriting fees, legal fees, diligence fees, bank fees and other similar transaction related expenses. These costs are all incurred prior to or at the execution of our securitizations and do not recur. Recurring expenses, such as servicing fees, custodial fees, trustee fees and other similar ongoing fees are not excluded from distributable earnings. Management believes that the adjustments made to GAAP earnings result in the removal of (i) income or expenses that are not reflective of the longer term performance of our investment portfolio, (ii) certain non-cash expenses, and (iii) expense items required to be recognized solely due to the election of the fair value option on certain related residential mortgage assets and associated liabilities. Distributable earnings is one of the factors that our Board of Directors considers when evaluating distributions to our shareholders. Accordingly, we believe that the adjustments to compute Distributable earnings specified below provide investors and analysts with additional information to evaluate our financial results.

Distributable earnings should be used in conjunction with results presented in accordance with GAAP. Distributable earnings does not represent and should not be considered as a substitute for net income or cash flows from operating activities, each as determined in accordance with GAAP, and our calculation of this measure may not be comparable to similarly titled measures reported by other companies.

The following table provides a reconciliation of our GAAP net income/(loss) used in the calculation of basic EPS to our non-GAAP Distributable earnings for the quarterly periods below:

	Quarter Ended				
(In Thousands, Except Per Share Amounts)	**March 31, 2024**	**December 31, 2023**	**September 30, 2023**	**June 30, 2023**	**March 31, 2023**
GAAP Net income/(loss) used in the calculation of basic EPS	$ 14,827	$ 81,527	$ (64,657)	$ (34,146)	$ 64,565
Adjustments:					
Unrealized and realized gains and losses on:					
Residential whole loans held at fair value	11,513	(224,272)	132,894	130,703	(129,174)
Securities held at fair value	4,776	(21,371)	13,439	3,698	(2,931)
Residential whole loans and securities at carrying value	(418)	332	—	—	—
Interest rate swaps	(23,182)	97,400	(9,433)	(37,018)	40,747
Securitized debt held at fair value	20,169	108,693	(40,229)	(30,908)	48,846
Investments in loan origination partners	—	254	722	872	—
Expense items:					
Amortization of intangible assets	800	800	800	1,300	1,300
Equity based compensation	6,243	3,635	4,447	3,932	3,020
Securitization-related transaction costs	1,340	2,702	3,217	2,071	4,602
Total adjustments	21,241	(31,827)	105,857	74,650	(33,590)
Distributable earnings	$ 36,068	$ 49,700	$ 41,200	$ 40,504	$ 30,975
GAAP earnings/(loss) per basic common share	$ 0.14	$ 0.80	$ (0.64)	$ (0.34)	$ 0.63
Distributable earnings per basic common share	$ 0.35	$ 0.49	$ 0.40	$ 0.40	$ 0.30
Weighted average common shares for basic earnings per share	103,173	102,266	102,255	102,186	102,155

The following table presents our non-GAAP Distributable earnings by segment for the quarterly periods below:

(Dollars in Thousands)	Mortgage-Related Assets	Lima One	Corporate	Total
Three months ended March 31, 2024				
GAAP Net income/(loss) used in the calculation of basic EPS	$ 33,956	$ 13,062	$ (32,191)	$ 14,827
Adjustments:				
Unrealized and realized gains and losses on:				
Residential whole loans held at fair value	8,699	2,814	—	11,513
Securities held at fair value	4,776	—	—	4,776
Residential whole loans and securities at carrying value	(418)	—	—	(418)
Interest rate swaps	(17,068)	(6,114)	—	(23,182)
Securitized debt held at fair value	9,591	10,578	—	20,169
Investments in loan origination partners	—	—	—	—
Expense items:				
Amortization of intangible assets	—	800	—	800
Equity based compensation	—	261	5,982	6,243
Securitization-related transaction costs	197	—	1,143	1,340
Total adjustments	$ 5,777	$ 8,339	$ 7,125	$ 21,241
Distributable earnings	$ 39,733	$ 21,401	$ (25,066)	$ 36,068

(Dollars in Thousands)	Mortgage-Related Assets	Lima One	Corporate	Total
Three Months Ended December 31, 2023				
GAAP Net income/(loss) used in the calculation of basic EPS	$ 93,071	$ 14,111	$ (25,655)	$ 81,527
Adjustments:				
Unrealized and realized gains and losses on:				
Residential whole loans held at fair value	(170,935)	(53,337)	—	(224,272)
Securities held at fair value	(21,371)	—	—	(21,371)
Residential whole loans and securities at carrying value	332	—	—	332
Interest rate swaps	72,741	24,659	—	97,400
Securitized debt held at fair value	73,779	34,914	—	108,693
Investments in loan origination partners	—	—	254	254
Expense items:				
Amortization of intangible assets	—	800	—	800
Equity based compensation	—	132	3,503	3,635
Securitization-related transaction costs	145	—	2,557	2,702
Total adjustments	$ (45,309)	$ 7,168	$ 6,314	$ (31,827)
Distributable earnings	$ 47,762	$ 21,279	$ (19,341)	$ 49,700

Reconciliation of GAAP Book Value per Common Share to non-GAAP Economic Book Value per Common Share

"Economic book value" is a non-GAAP financial measure of our financial position. To calculate our Economic book value, our portfolios of Residential whole loans and securitized debt held at carrying value are adjusted to their fair value, rather than the carrying value that is required to be reported under the GAAP accounting model applied to these financial instruments. These adjustments are also reflected in the table below in our end of period stockholders' equity. Management considers that Economic book value provides investors with a useful supplemental measure to evaluate our financial position as it reflects the impact of fair value changes for all of our investment activities, irrespective of the accounting model applied for GAAP reporting purposes. Economic book value does not represent and should not be considered as a substitute for Stockholders' Equity, as determined in accordance with GAAP, and our calculation of this measure may not be comparable to similarly titled measures reported by other companies.

The following table provides a reconciliation of our GAAP book value per common share to our non-GAAP Economic book value per common share as of the quarterly periods below:

	Quarter Ended:				
(In Millions, Except Per Share Amounts)	**March 31, 2024**	**December 31, 2023**	**September 30, 2023**	**June 30, 2023**	**March 31, 2023**
GAAP Total Stockholders' Equity	$ 1,884.2	$ 1,899.9	$ 1,848.5	$ 1,944.8	$ 2,018.6
Preferred Stock, liquidation preference	(475.0)	(475.0)	(475.0)	(475.0)	(475.0)
GAAP Stockholders' Equity for book value per common share Adjustments:	1,409.2	1,424.9	1,373.5	1,469.8	1,543.6
Fair value adjustment to Residential whole loans, at carrying value	(35.4)	(35.6)	(85.3)	(58.3)	(33.9)
Fair value adjustment to Securitized debt, at carrying value	88.4	95.6	122.5	129.8	122.4
Stockholders' Equity including fair value adjustments to Residential whole loans and Securitized debt held at carrying value (Economic book value)	$ 1,462.2	$ 1,484.9	$ 1,410.7	$ 1,541.3	$ 1,632.1
GAAP book value per common share	$ 13.80	$ 13.98	$ 13.48	$ 14.42	$ 15.15
Economic book value per common share	$ 14.32	$ 14.57	$ 13.84	$ 15.12	$ 16.02
Number of shares of common stock outstanding	102.1	101.9	101.9	101.9	101.9

Cautionary Note Regarding Forward-Looking Statements

When used in this press release or other written or oral communications, statements that 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 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. These forward-looking statements include information about possible or assumed future results with respect to MFA’s business, financial condition, liquidity, results of operations, plans and objectives. Among the important factors that could cause our actual results to differ materially from those projected in any forward-looking statements that we make are: general economic developments and trends and the performance of the housing, real estate, mortgage finance, broader financial markets; inflation, increases in interest rates and changes in the market (i.e., fair) value of MFA’s residential whole loans, MBS, securitized debt and other assets, as well as changes in the value of MFA’s liabilities accounted for at fair value through earnings; the effectiveness of hedging transactions; 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 its portfolio and could require MFA to reinvest the proceeds received by it as a result of such prepayments in investments with lower coupons, while a decrease in which could result in an increase in the interest rate duration of certain investments in MFA’s portfolio making their valuation more sensitive to changes in interest rates and could result in lower forecasted cash flows; credit risks underlying MFA’s assets, including changes in the default rates and management’s assumptions regarding default rates on the mortgage loans in 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 residential whole loans and the extent of prepayments, realized losses and changes in the composition of MFA’s residential whole loan portfolios that may occur during the applicable tax period, including gain or loss on any MBS disposals or 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; targeted or expected returns on our investments in recently-originated mortgage loans, the performance of which is, similar to our other mortgage loan investments, subject to, among other things, differences in prepayment risk, credit risk and financing costs associated with such investments; risks associated with the ongoing operation of Lima One Holdings, LLC (including, without limitation, unanticipated expenditures relating to or liabilities arising from its operation (including, among other things, a failure to realize management’s assumptions regarding expected growth in business purpose loan (BPL) origination volumes and credit risks underlying BPLs, including changes in the default rates and management’s assumptions regarding default rates on the BPLs originated by Lima One)); expected returns on MFA’s investments in nonperforming 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; risks associated with our investments in loan originators; risks associated with investing in real estate assets generally, including changes in business conditions and the general economy; and other risks, uncertainties and factors, including those described in the annual, quarterly and current reports that we file with the SEC. These forward-looking statements are based on beliefs, assumptions and expectations of MFA’s future performance, taking into account information currently available. Readers and listeners 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.

Exhibit 99.2

MFA
FINANCIAL, INC.

Forward-looking statements

When used in this presentation or other written or oral communications, statements that 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 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. These forward-looking statements include information about possible or assumed future results with respect to MFA's business, financial condition, liquidity, results of operations, plans and objectives. Among the important factors that could cause our actual results to differ materially from those projected in any forward-looking statements that we make are: general economic developments and trends and the performance of the housing, real estate, mortgage finance, broader financial markets; inflation, increases in interest rates and changes in the market (i.e., fair) value of MFA's residential whole loans, MBS, securitized debt and other assets, as well as changes in the value of MFA's liabilities accounted for at fair value through earnings; the effectiveness of hedging transactions; 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 its portfolio and could require MFA to reinvest the proceeds received by it as a result of such prepayments in investments with lower coupons, while a decrease in which could result in an increase in the interest rate duration of certain investments in MFA's portfolio making their valuation more sensitive to changes in interest rates and could result in lower forecasted cash flows; credit risks underlying MFA's assets, including changes in the default rates and management's assumptions regarding default rates on the mortgage loans in 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 residential whole loans and the extent of prepayments, realized losses and changes in the composition of MFA's residential whole loan portfolios that may occur during the applicable tax period, including gain or loss on any MBS disposals or 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; targeted or expected returns on our investments in recently-originated mortgage loans, the performance of which is, similar to our other mortgage loan investments, subject to, among other things, differences in prepayment risk, credit risk and financing costs associated with such investments; risks associated with the ongoing operation of Lima One Holdings, LLC (including, without limitation, unanticipated expenditures relating to or liabilities arising from its operation (including, among other things, a failure to realize management's assumptions regarding expected growth in business purpose loan (BPL) origination volumes and credit risks underlying BPLs, including changes in the default rates and management's assumptions regarding default rates on the BPLs originated by Lima One); expected returns on MFA's investments in nonperforming 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; risks associated with our investments in loan originators; risks associated with investing in real estate assets generally, including changes in business conditions and the general economy; and other risks, uncertainties and factors, including those described in the annual, quarterly and current reports that we file with the SEC. 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MFA at a glance

Leading hybrid mortgage REIT with extensive experience in managing residential mortgage assets through economic cycles

Total assets	Total equity	Dividend yield
$10.9B	$1.9B	12.8%
as of March 31, 2024	as of March 31, 2024	as of May 2, 2024

Listed on NYSE in	Common dividends	Loans acquired[1]
1998	$4.7B	$23B
NYSE: MFA	paid since IPO	since 2014

See page 26 for endnotes

MFA FINANCIAL, INC.

Q1 2024 financial snapshot

GAAP book value: **$13.80** per common share	Economic book value[2]: **$14.32** per common share
GAAP net income[3]: **$0.14** per basic common share	Distributable earnings[4]: **$0.35** per common share
Recourse leverage[5]: **1.8x**	Unrestricted cash: **$306M**
Q1 Dividend: **$0.35** per common share	Total economic return[6]: **0.7%** Q1 2024

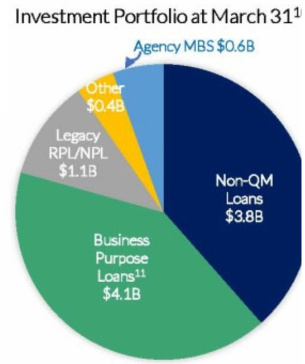
MFA FINANCIAL, INC.

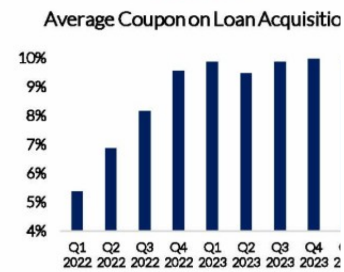
Q1 2024 Company Highlights

- Higher interest rates modestly impacted book value
  - GAAP and Economic book value declined by 1.3% and 1.7%, respectively
- Distributable earnings of $0.35 per share
  - Declared $0.35 dividend
  - Net interest spread averaged 2.06% and net interest margin was 2.88%
  - Ended Q1 with $306M of unrestricted cash
- Acquired or originated $652M of high-yielding loans
  - Lima One originated loans with a maximum UPB of $430M[7] at average coupon of 10.4%
- Continued to prioritize term, non-mark-to-market (non-MTM)[8] borrowing
  - Issued one securitization collateralized by $193M UPB of Transitional loans
  - Issued $115M of 8.875% senior unsecured notes due in February 2029
  - Issued additional $75M of 9.00% senior unsecured notes due in August 2029 after quarter-end

Q1 2024 Investment Activity

- Acquired $652M of loans, growing investment portfolio to $10B
  - Lima One funded $465M[9] of new business purpose loans (BPLs) and draws on existing loans
  - Purchased $186M of non-qualified mortgage (Non-QM) loans
  - Sold $151M of lower coupon Non-QM and single-family rental (SFR) loans
  - Sold $24M of REO properties
  - Portfolio runoff was $422M
- High interest rates continue to provide opportunities to add new assets at attractive yields
  - Average coupon on loans acquired in Q1 was 9.9%
  - Average coupon in Lima One origination pipeline exceeds 10.25%
  - Incremental ROE for new investments expected to be mid-teens

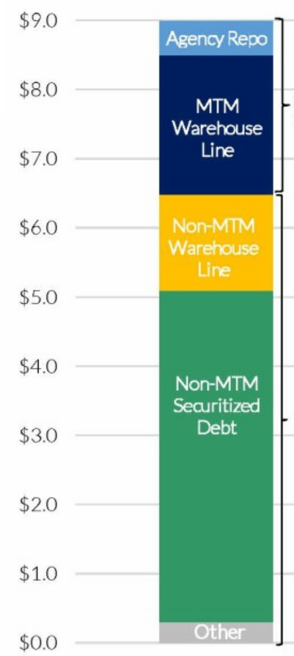




Q1 2024 Liability Highlights

- Most of our borrowing costs remain stable due to fixed-rate securitizations and interest rate hedges
  - Effective cost of funds in Q1 was 4.52%
- Issued one securitization during the quarter
  - Collateralized by $193M UPB of Transitional loans
  - 71% of our asset-based financing is non-MTM
- Overall leverage was 4.6x and recourse leverage was 1.8x at March 31
  - $2.5B of unused financing capacity across all loan product types
- Repurchased $40M of convertible notes due in June 2024
  - Outstanding balance is less than $170M as of March 31
- Issued $190M of senior unsecured notes in January and April 2024
  - $115M of 8.875% notes due in February 2029
  - $75M of 9.00% notes due in August 2029

Liabilities ($B) as of March

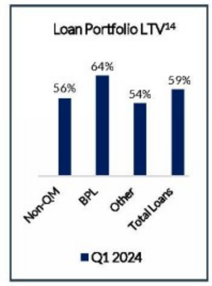


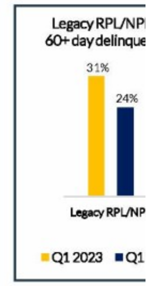
Q1 2024 Interest Rate Swaps

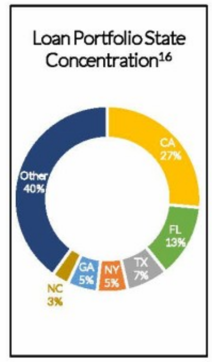
- Positive carry on our interest rate swap position is nearly 350 bps
  - Continued benefit from $3.2B interest rate hedge placed primarily in late 2021 and early 2022 before the Federal Reserve began raising the Fed Funds Rate
  - Weighted average fixed pay rate was 1.86% and variable receive rate was 5.34%[12] at March 31
  - Net positive swap carry of $29M in Q1
- $3.2B swap position vs. $3.6B of floating-rate liabilities
- Net portfolio duration of 0.98 at March 31

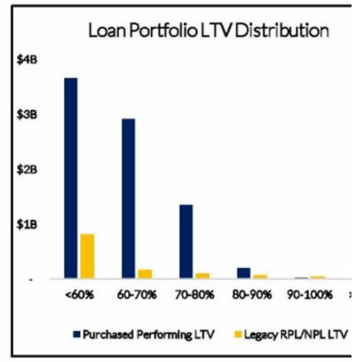
Q1 2024 Credit Highlights

- Loan delinquencies and loan-to-value (LTV) ratios remain low
  - We continue to benefit from accumulated home price appreciation and principal paydowns
  - 60+ day delinquency rate on Purchased Performing Loans[13] rose to 4.3%
- Credit losses are mitigated by low LTVs, strong underwriting and proactive asset management
  - Total loan portfolio LTV was 59% at March 31[14]
  - Only 3.3% of our Purchased Performing Loans (as measured by UPB) have LTV ratios above 80%
- Geographically diverse loan portfolio



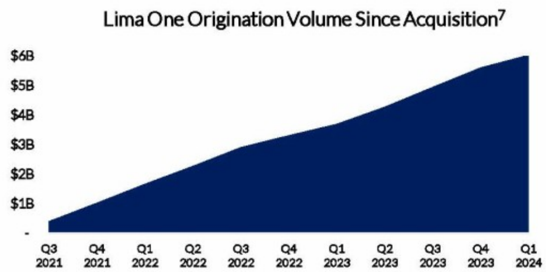


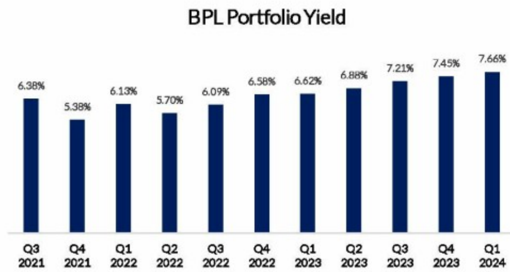




Q1 2024 Lima One Highlights

- $430M of origination volume in Q1[7]
  - Average LTV[17] of 65% and FICO score of 749
  - Origination fees, servicing fees and other fee income totaled $7.9M
- Lima One has originated $6B[7] of BPLs for MFA's balance sheet since our acquisition in 2021
  - Lima offers a broad range of loan products to real estate investors nationwide including rehab loans, bridge loans, construction loans, rental loans and small-balance multifamily loans
  - Credit performance remains strong with 60+ day delinquency rate of 4.7% for our BPLs originated by Lima One

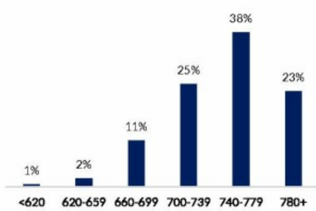




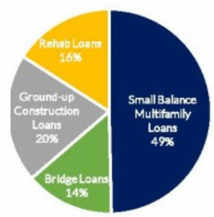
Q1 2024 Transitional Loan Highlights

- Transitional loan portfolio grew to \$2.5B UPB
  - Lima One originated loans with a maximum UPB of \$345M[7] at average ARV-LTV of 64% and average coupon of 10.9%
- Issued our fourth securitization in February
  - Collateralized by \$193M UPB of Transitional loans
  - \$1.4B UPB of loans have been financed via these revolving structures since 2022
- 79% of Transitional loan financing is non-MTM

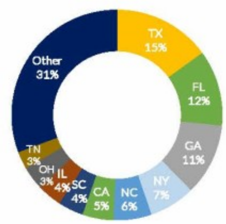
FICO Score at Origination



Loan Product



State Concentration[16]

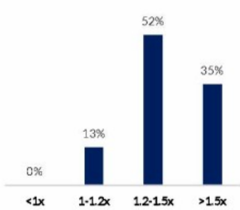


Portfolio statistics	3/31/24	12/3
UPB (\$M)	\$2,502	\$2
Maximum loan amount (\$M)	\$3,029	\$2
Average maximum loan amount	\$881K	\$8
WA gross coupon	9.46%	9.
Quarterly yield	8.69%	8.
WA as-is/purchased LTV[18]	65%	
WA current ARV-LTV[19]	64%	
WA FICO score	747	
WA loan age (months)	12	
Small balance multifamily (5+ units)	49%	
Ground-up construction	20%	
3-month repayment rate[20]	33 CPR	33
60+ days delinquent	6.0%	[illegible]
Top 2 states		
TX	15%	
FL	12%	

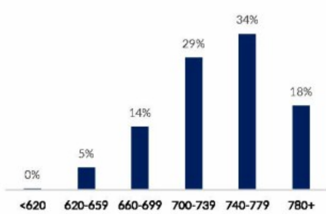
Q1 2024 SFR Loan Highlights

- Single-family rental (SFR) loan portfolio remained stable at $1.7B UPB
  - Lima One originated $85M of SFR loans with average LTV of 67% and average coupon of 8.3%
  - Sold $110M UPB of SFR loans with average coupon of 4.8%
- Issued seven securitizations collateralized by $1.6B UPB of SFR loans since 2021
- 86% of SFR loan financing is non-MTM

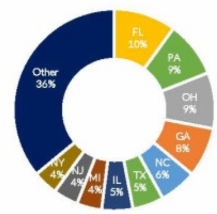
DSCR at Origination



FICO Score at Origination



State Concentration[16]



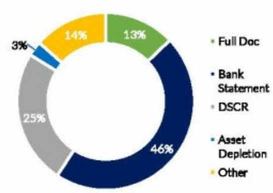
Portfolio statistics	3/31/24	12
UPB ($M)	$1,666	
Average loan balance	$231K	
WA gross coupon	6.57%	
Quarterly yield	6.21%	
WA original LTV	69%	
WA current LTV[14]	64%	
WA FICO score	738	
WA DSCR[21]	1.45x	
WA loan age (months)	22	
Hybrid ARMs	27%	
Cash-out refinance	69%	
3-month prepayment rate	6 CPR	
60+ days delinquent	4.6%	
Top 2 states		
FL	10%	
PA	9%	

Q1 2024 Non-QM Highlights

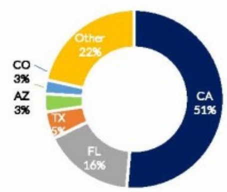
- Non-QM loan portfolio now exceeds $4B UPB
  - Acquired $182M UPB of loans with average LTV of 62% and average coupon of 8.9%
  - Sold $61M UPB of Non-QM loans with average coupon of 3.9%
- 75% of Non-QM loan financing is non-MTM
  - $5.2B UPB securitized since strategy inception
  - Issued our 14th Non-QM securitization in April 2024 collateralized by $365M UPB of loans

60+ Days Delinquent

Loan Product Type



State Concentration[16]



Portfolio statistics	3/31/24	12/
UPB ($M)	$4,060	
Average loan balance	$498K	
WA gross coupon	6.16%	
Quarterly yield	5.39%	
WA original LTV	66%	
WA current LTV[14]	56%	
WA FICO score	734	
Fixed rate	80%	
Hybrid ARMs	20%	
Purchase	52%	
Cash-out refinance	37%	
3-month prepayment rate	8 CPR	
60+ days delinquent	3.2%	
Top 2 states		
CA	51%	
FL	16%	

Legacy Non-Performing and Re-Performing Loans

Non-Performing Loans (NPLs)[22]

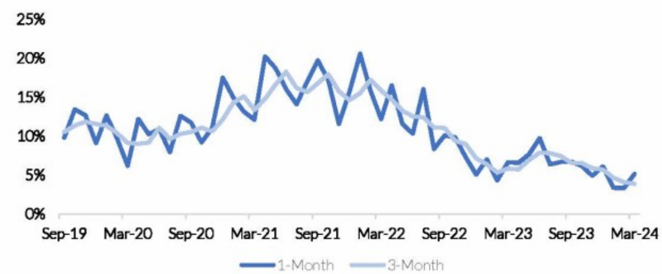
- Remaining UPB of $634M for loans purchased as NPLs
- 94% of loans purchased as NPLs were performing, paid in full (PIF), liquidated or REO at March 31
- Achieving favorable outcomes due to home price appreciation and intensive asset management
- 76% of loans modified by MFA are either performing or have paid in full as of March 31
- Sold 73 REO properties for $24M, realizing net gains of $2M

	NPL Acquisition Year						
	2014	2015	2016	2017	2018	2019	Total
UPB Purchased ($M)	208	620	280	670	497	227	**2,501**
Status as of 03/31/24							
Performing[24]/PIF	45%	30%	31%	40%	53%	39%	**40%**
Liquidation/REO	50%	65%	66%	54%	41%	47%	**54%**
Non-performing	5%	5%	3%	6%	6%	14%	**6%**
Remaining UPB ($M)	48	106	39	175	166	99	**634**

Re-Performing Loans (RPL)[23]

- Remaining UPB of $691M for loans purchased as RPLs
- 86% of RPL portfolio was less than 60 days delinquent at Marc
- On average, 37% of 60+ days delinquent loans are making payments
- Portfolio LTV has fallen to 49% due to significant home price appreciation and principal repayments
- Seasoned, stable portfolio with average loan age of 18 years an average UPB of $188K

RPL Portfolio CPR



Appendix

MFA Financial Overview

- MFA Financial, Inc. (NYSE: MFA) is an internally managed real estate investment trust (REIT) that invests in U.S. residential mortgage loans and mortgage-backed securities
- MFA focuses primarily on mortgage subsectors in which it tries to avoid direct competition with banks and government-sponsored enterprises
- MFA owns a diversified portfolio of business purpose loans (BPLs), non-qualified mortgage (Non-QM) loans, re-performing/non-performing loans (RPL/NPLs) and residential mortgage-backed securities
- In 2021, MFA acquired Lima One Capital, a leading nationwide BPL originator and servicer with over $9B[7] in originations since its formation in 2010
- MFA originates BPLs directly through Lima One and acquires Non-QM loans through flow and mini-bulk arrangements with a select group of originators with which it holds strong relationships
- MFA operates a leading residential credit securitization platform with $9.1B of issuance since inception
- MFA has deep expertise in residential credit as well as a long history of investing in new asset classes when compelling opportunities arise
- Since its IPO in 1998, MFA has distributed $4.7 billion of dividends to its stockholders

Lima One: Leading Nationwide BPL Originator and Servicer

LIMA ONE CAPITAL

Fully Integrated BPL Platform

- Lima One, a wholly-owned subsidiary of MFA, is an industry-leading, fully integrated business purpose lending platform
- Lima operates an efficient and scalable platform with over 300 employees headquartered in Greenville, SC
- Lima has originated $6B[7] since MFA's acquisition in 2021 and $9B[7] since its formation in 2010
- Origination volume of $2.3B[7] in both 2022 and 2023
- Lima provides MFA with access to organically-created, high-yielding loans, substantially below the cost to purchase from third parties

Credit Quality

- Strong focus on credit quality, with disciplined underwriting, in-house servicing and construction management teams
- Conservative underwriting with average FICO score of 744 and average LTV of 66%[14] as of March 31, 2024
- 60+ day delinquency rate of 4.7% as of March 31, 2024[25]
- Historical losses of less than 1 bp on over $2B of payoffs and liquidations for loans held by MFA and originated by Lima One

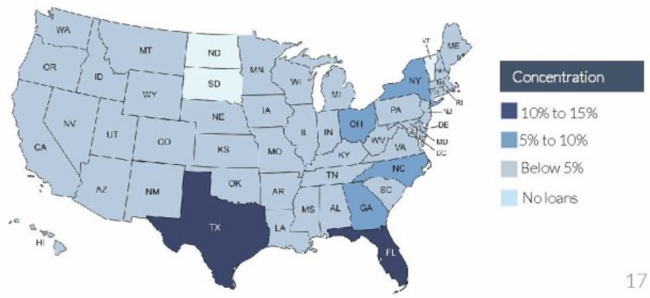
Product Offerings

- Lima One offers a diverse selection of both short-term and long-term financing solutions to experienced real estate investors across the U.S.
- Current products include rehab loans, construction loans, single-family rental loans and small-balance multifamily loans

FIX & FLIP | GROUND UP | RENTAL | MULTIFAMILY

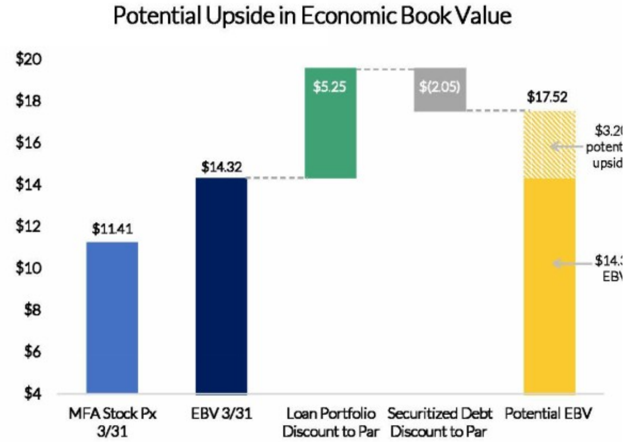
Geographic and Borrower Diversity

- No state concentration above 15% and no borrower concentration above 2%



Book Value Upside

- Economic book value has over $3 per share of potential upside
  - Our loan portfolio is marked at a substantial discount to par largely due to impact of higher interest rates
  - We can recoup these unrealized losses if borrowers make scheduled principal payments and as loans pay off
- Economic book value would be $17.52 per share if all loans and securitized debt were repaid at par
  - Strong credit fundamentals support potential book value upside

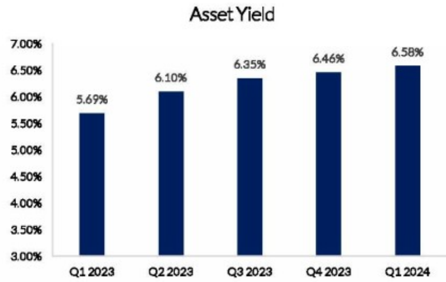


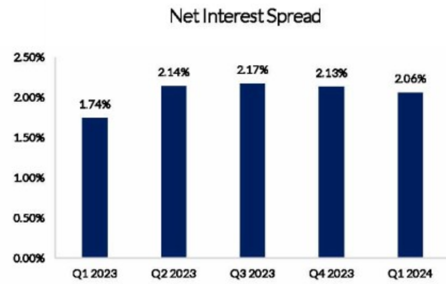
MFA-Issued Securitizations Outstanding

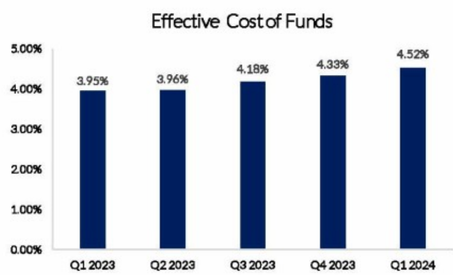
Securitization Name	Loan Product Type	Settlement Date	Original Collateral UPB ($M) [26]	Current Collateral UPB ($M) [26]	Bonds Sold ($M)	Original UPB Sold (%) [27]	Outstanding Balance of Bonds Sold ($M)	Weighted Average Coupon (WAC) of Outstanding Bonds Sold	WAC of Underlying Loans	Callable Date
MFRA 2020-NQM1	Non-QM	Sep-20	391	108	373	95%	90	2.31%	6.02%	Currently Callable
MFRA 2020-NQM2	Non-QM	Oct-20	570	169	535	94%	136	2.16%	6.34%	Currently Callable
MFRA 2020-NQM3	Non-QM	Dec-20	381	121	359	94%	98	1.81%	5.60%	Currently Callable
MFRA 2021-INV1	SFR	Feb-21	217	75	198	91%	56	1.42%	7.06%	Currently Callable
MFRA 2021-NPL1	NPL	Mar-21	367	205	240	65%	69	2.36%	5.22%	Currently Callable
MFRA 2021-NQM1	Non-QM	Apr-21	394	137	371	94%	114	1.73%	5.62%	Currently Callable
MFRA 2021-RPL1	RPL	Jun-21	473	288	435	92%	254	1.42%	5.19%	20% Clean-up Call
MFRA 2021-NQM2	Non-QM	Aug-21	289	150	277	96%	138	1.36%	5.11%	Jul-24
MFRA 2021-AEINV1	Agency Eligible	Oct-21	312	266	297	95%	N/A	1.43%	3.27%	N/A
MFRA 2021-INV2	SFR	Nov-21	284	231	260	92%	208	2.19%	5.14%	Oct-24
MFRA 2021-AEINV2	Agency Eligible	Dec-21	340	299	323	95%	N/A	1.52%	3.46%	N/A
MFRA 2022-CHM1	Non-QM	Mar-22	237	173	204	86%	140	3.93%	5.11%	Currently Callable
MFRA 2022-NQM1	Non-QM	Mar-22	333	265	310	93%	242	4.15%	4.55%	Mar-25
MFRA 2022-INV1	SFR	Apr-22	258	223	224	87%	190	4.01%	4.84%	Apr-25
MFRA 2022-RTL1	Transitional	Apr-22	265	265	239	90%	239	5.22%	8.45%	Currently Callable
MFRA 2022-NQM2	Non-QM	Jun-22	541	465	398	74%	333	4.00%	4.27%	Jun-25
MFRA 2022-RPL1	RPL	Jul-22	336	253	307	91%	240	3.40%	4.92%	Jul-25
MFRA 2022-INV2	SFR	Jul-22	214	194	169	79%	150	4.95%	5.63%	Jul-25
MFRA 2022-NQM3	Non-QM	Sep-22	342	296	274	80%	228	5.57%	5.90%	Sep-25
MFRA 2022-INV3	SFR	Oct-22	235	214	160	68%	144	6.00%	6.52%	Oct-25
MFRA 2023-NQM1	Non-QM	Jan-23	314	278	253	81%	217	5.75%	6.02%	Jan-26
MFRA 2023-RTL1	Transitional	Feb-23	155	155	116	75%	116	7.58%	9.47%	Aug-24
MFRA 2023-INV1	SFR	Feb-23	204	188	154	75%	138	6.10%	6.95%	Feb-26
MFRA 2023-NQM2	Non-QM	May-23	372	337	309	83%	274	4.66%	5.69%	May-26
MFRA 2023-INV2	SFR	Sep-23	215	210	191	89%	188	7.05%	8.05%	Sep-26
MFRA 2023-NQM3	Non-QM	Sep-23	387	353	343	89%	310	6.74%	7.86%	Aug-26
MFRA 2023-RTL2	Transitional	Oct-23	230	230	184	80%	184	8.50%	9.99%	Oct-25
MFRA 2023-NQM4	Non-QM	Dec-23	295	286	268	91%	259	6.32%	8.06%	Dec-26
MFRA 2024-RTL1	Transitional	Feb-24	200	200	160	80%	160	7.09%	10.90%	Feb-26
MFRA 2024-NQM1	Non-QM	Apr-24	365	365	331	91%	331	6.70%	8.40%	Apr-27
Total			9,516	6,999	8,262	87%	5,246	4.75%	6.24%	

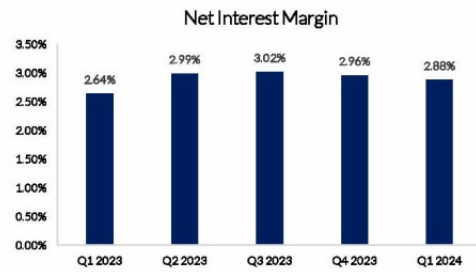
MFA FINANCIAL, INC.

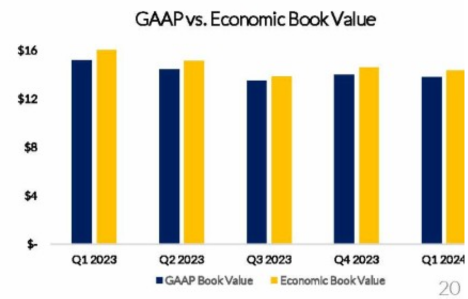
Select Financial Metrics











MFA FINANCIAL, INC.

Reconciliation of GAAP net income to non-GAAP Distributable earnings

"Distributable earnings" is a non-GAAP financial measure of our operating performance, within the meaning of Regulation G and Item 10(e) of Regulation S-K, as promulgated by the Securities and Exchange Commission. Distributable earnings is determined by adjusting GAAP net income/(loss) by removing certain unrealized gains and losses, primarily on residential mortgage investments, associated debt, and hedges that are, in each case, accounted for at fair value through earnings, certain realized gains and losses, as well as certain non-cash expenses and securitization-related transaction costs. The transaction costs are primarily comprised of costs only incurred at the time of execution of our securitizations and include costs such as underwriting fees, legal fees, diligence fees, bank fees and other similar transaction related expenses. These costs are all incurred prior to or at the execution of our securitizations and do not recur. Recurring expenses, such as servicing fees, custodial fees, trustee fees and other similar ongoing fees are not excluded from distributable earnings. Management believes that the adjustments made to GAAP earnings result in the removal of (i) income or expenses that are not reflective of the longer term performance of our investment portfolio, (ii) certain non-cash expenses, and (iii) expense items required to be recognized solely due to the election of the fair value option on certain related residential mortgage assets and associated liabilities. Distributable earnings is one of the factors that our Board of Directors considers when evaluating distributions to our shareholders. Accordingly, we believe that the adjustments to compute Distributable earnings specified below provide investors and analysts with additional information to evaluate our financial results.

The following table provides a reconciliation of GAAP net (loss)/income used in the calculation of basic EPS to our non-GAAP Distributable earnings for the quarterly periods presented.

($ in millions, except per share amounts)	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
GAAP Net income/(loss) used in the calculation of basic EPS	$ 14.8	$ 81.5	$ (64.7)	$ (34.2)	$ 64.6
Adjustments:					
Unrealized and realized gains and losses on:					
Residential whole loans held at fair value	11.5	(224.2)	132.9	130.7	(129.2)
Securities held at fair value	4.8	(21.4)	13.4	3.7	(2.9)
Residential whole loans and securities at carrying value	(0.4)	0.3	-	-	-
Interest rate swaps	(23.1)	97.4	(9.4)	(37.0)	40.8
Securitized debt held at fair value	20.2	108.7	(40.2)	(30.9)	48.8
Investments in loan origination partners	-	0.3	0.8	0.9	-
Expense items:					
Amortization of intangible assets	0.8	0.8	0.8	1.3	1.3
Equity based compensation	6.2	3.6	4.4	3.9	3.0
Securitization-related transaction costs	1.3	2.7	3.2	2.1	4.6
Total adjustments	$ 21.3	$ (31.8)	$ 105.9	$ 74.7	$ (33.6)
Distributable earnings	$ 36.1	$ 49.7	$ 41.2	$ 40.5	$ 31.0
GAAP earnings/(loss) per basic common share	$ 0.14	$ 0.80	$ (0.64)	$ (0.34)	$ 0.63
Distributable earnings per basic common share	$ 0.35	$ 0.49	$ 0.40	$ 0.40	$ 0.30
Weighted average common shares for basic earnings per share	103.2	102.3	102.3	102.2	102.2

Reconciliation of GAAP Book Value to Economic Book Value

"Economic book value" is a non-GAAP financial measure of our financial position. To calculate our Economic book value, our portfolios of Residential whole loans and securitized debt held at carrying value are adjusted to their fa value, rather than the carrying value that is required to be reported under the GAAP accounting model applied to these financial instruments. These adjustments are also reflected in the table below in our end of period stockholder equity. Management considers that Economic book value provides investors with a useful supplemental measure to evaluate our financial position as it reflects the impact of fair value changes for all of our investment activitie irrespective of the accounting model applied for GAAP reporting purposes. Economic book value does not represent and should not be considered as a substitute for Stockholders' Equity, as determined in accordance with GAAP, ar our calculation of this measure may not be comparable to similarly titled measures reported by other companies.

The following table provides a reconciliation of GAAP book value per common share to our non-GAAP Economic book value per common share as of the end of each quarter since Q1 2023.

($ in millions, except per share amounts)	3/31/24	12/31/23	9/30/23	6/30/23	3/31/23
GAAP Total Stockholders' Equity	$ 1,884.2	$ 1,899.9	$ 1,848.5	$ 1,944.8	$ 2,018.6
Preferred Stock, liquidation preference	(475.0)	(475.0)	(475.0)	(475.0)	(475.0)
GAAP Stockholders' Equity for book value per common share	$ 1,409.2	$ 1,424.9	$ 1,373.5	$ 1,469.8	$ 1,543.6
Adjustments:					
Fair value adjustment to Residential whole loans, at carrying value	(35.4)	(35.6)	(85.3)	(58.3)	(33.9)
Fair value adjustment to Securitized debt, at carrying value	88.4	95.6	122.5	129.8	122.4
Stockholders' Equity including fair value adjustments to Residential whole loans and Securitized debt held at carrying value (Economic book value)	$ 1,462.2	$ 1,484.9	$ 1,410.7	$ 1,541.3	$ 1,632.1
GAAP book value per common share	$ 13.80	$ 13.98	$ 13.48	$ 14.42	$ 15.15
Economic book value per common share	$ 14.32	$ 14.57	$ 13.84	$ 15.12	$ 16.02
Number of shares of common stock outstanding	102.1	101.9	101.9	101.9	101.9

Book Value and Economic Book Value Rollforward

	GAAP	Economic
Book value per common share as of 12/31/23	$13.98	$14.57
Net income available to common shareholders	0.15	0.15
Common stock dividends declared	(0.35)	(0.35)
Fair value changes attributable to residential mortgage securities and other	0.02	0.02
Change in fair value of residential whole loans reported at carrying value under GAAP	—	—
Change in fair value of securitized debt at carrying value under GAAP	—	(0.07)
Book value per common share as of 3/31/24	$13.80	$14.32

GAAP Segment Reporting

(Dollars in millions) Three months ended March 31, 2024	Mortgage-Related Assets	Lima One	Corporate	Total
Interest Income	95.4	78.1	3.3	176.8
Interest Expense	69.3	54.2	5.5	129.0
Net Interest Income/(Expense)	$ 26.1	$ 23.9	$ (2.2)	$ 47.8
Provision for Credit Losses on Other Assets	(1.1)	-	-	(1.1)
(Provision)/Reversal of Provision for Credit Losses on Residential Whole Loans	0.5	-	-	0.5
Net Interest Income/(Expense) after Reversal of Provision/(Provision) for Credit Losses	$ 25.5	$ 23.9	$ (2.2)	$ 47.2
Net gain/(loss) on residential whole loans measured at fair value through earnings	(8.7)	(2.8)	-	(11.5)
Net Realized Loss on Residential Whole Loan Held at Carrying Value	0.4	-	-	0.4
Impairment and other net gain on securities and other portfolio investments	(4.8)	-	-	(4.8)
Net gain on real estate owned	1.3	(0.3)	-	1.0
Net gain on derivatives used for risk management purposes	36.2	13.8	-	50.0
Net gain on securitized debt measured at fair value through earnings	(11.6)	(10.9)	-	(22.5)
Lima One - origination, servicing and other fee income	-	8.0	-	8.0
Other, net	0.9	0.5	0.4	1.8
Total Other Income/(Loss), net	$ 13.7	$ 8.3	$ 0.4	$ 22.4
Compensation and benefits	-	12.1	13.3	25.4
General and administrative expenses	-	5.7	7.4	13.1
Loan servicing, financing, and other related costs	5.3	0.5	1.3	7.1
Amortization of intangible assets	-	0.8	-	0.8
Net Income/(Loss)	$ 33.9	$ 13.1	$ (23.8)	$ 23.2
Less Preferred Stock Dividend Requirement	-	-	8.2	8.2
Net Income/(Loss) Available to Common Stock and Participating Securities	$ 33.9	$ 13.1	$ (32.0)	$ 15.0

Distributable Earnings by Operating Segment

(Dollars in millions) Three months ended March 31, 2024	Mortgage-Related Assets	Lima One	Corporate	Total
GAAP Net income/(loss) used in the calculation of basic EPS	$ 33.9	$ 13.1	$ (32.2)	$ 14.8
Adjustments:				
Unrealized and realized gains and losses on:				
Residential whole loans held at fair value	8.7	2.8	—	11.5
Securities held at fair value	4.8	—	—	4.8
Residential Whole Loans and Securities at carrying value	(0.4)			(0.4)
Interest rate swaps	(17.0)	(6.1)	—	(23.1)
Securitized debt held at fair value	9.6	10.6	—	20.2
Investments in loan originators	—	—	—	—
Expense items:				
Amortization of intangible assets	—	0.8	—	0.8
Equity based compensation	—	0.2	6.0	6.2
Securitization-related transaction costs	0.2	—	1.1	1.3
Total adjustments	$ 5.9	$ 8.3	$ 7.1	$ 21.3
Distributable earnings	$ 39.8	$ 21.4	$ (25.1)	$ 36.1

Endnotes

1) Purchased value of all residential whole loans acquired by MFA since 2014.
2) Economic book value is a non-GAAP financial measure. Refer to slide 22 for further information regarding the calculation of this measure and a reconciliation to GAAP book value.
3) GAAP net income presented per basic and diluted common share.
4) Distributable earnings is a non-GAAP financial measure. Refer to slide 21 for further information regarding the calculation of this measure and a reconciliation to GAAP net income.
5) Recourse leverage is the ratio of MFA's financing liabilities (excluding non-recourse Securitized Debt) to net equity. Including Securitized Debt, MFA's overall leverage ratio at March 31, 2024 was 4.6x.
6) Total economic return is calculated as the quarterly change in Economic Book Value (EBV) plus common dividends declared during the quarter divided by EBV at the start of the quarter.
7) Origination amounts are based on the maximum loan amount, which includes amounts initially funded plus any committed but undrawn amounts.
8) Non-MTM refers to financing arrangements not subject to margin calls based on changes in the fair value of the financed residential whole loans. Such agreements may experience changes in advance rates or collateral eligibility as a result of factors such as changes in the delinquency status of the financed residential whole loans.
9) Includes $302M of funded originations during Q1 plus $163M of draws funded during Q1 on previously originated Transitional loans.
10) Amounts presented reflect the aggregation of fair value and carrying value amounts as presented in MFA's consolidated balance sheet at March 31, 2024.
11) Business Purpose Loans comprised of $2.5B of Transitional loans and $1.6B of SFR loans at March 31, 2024.
12) Swap variable receive rate is the Secured Overnight Financing Rate (SOFR).
13) Purchased Performing Loans includes Non-QM, Transitional, Single-family rental, Seasoned Performing and Agency-eligible investor loans.
14) Reflects principal amortization and estimated home price appreciation (or depreciation) since acquisition. Zillow Home Value Index (ZHVI) is utilized to estimate updated LTVs. For Transitional loans, the LTV reflects after repaired loan to value.
15) Legacy RPL/NPL includes Purchased Credit Deteriorated and Purchased Non-Performing loans.
16) State concentration measured by loan balance. No state in "Other" category has concentration above 3%.
17) LTV is based on After Repaired Value (ARV) for Transitional loans and as-is LTV for Rental loans at origination.
18) Weighted average loan amount to as-is value (when available) or purchase value at origination.
19) Weighted average loan amount to after repaired value. Reflects loan amortization and estimated home price appreciation (or depreciation) since origination. ZHVI is utilized to estimate updated LTVs.
20) Includes all principal repayments.
21) Weighted average debt service coverage ratio (DSCR).
22) Non-Performing at purchase refers to loans at least 60 days delinquent at purchase.
23) Includes Purchased Credit Deteriorated (PCD) and certain other loans purchased as Re-Performing Loans but were not classified as PCD loans for accounting purposes.
24) Performing as of March 31, 2024 defined as less than 60 days delinquent or made a full P&I payment in March 2024.
25) 60+ day delinquency rate for loans originated by Lima One and held by MFA.
26) Collateral UPB includes cash for Transitional securitizations and REO properties for MFRA 2021-NPL1.
27) Bonds sold relative to certificates issued.