Yarad Stephen D.
Form 4
January 17, 2019

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Yarad Stephen D.

(Last) (First) (Middle)

C/O MFA FINANCIAL, INC., 350 PARK AVENUE, 20TH FLOOR

(Street)

NEW YORK, NY 10022

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
MFA FINANCIAL, INC. [MFA]

3. Date of Earliest Transaction (Month/Day/Year)
01/15/2019

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Chief Financial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ 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	01/15/2019		M[(1)]		10,000	A	$ 0 [(2)]	100,827.996	D	
Common Stock	01/15/2019		M[(3)]		27,007	A	$ 0 [(2)]	127,834.996	D	
Common Stock	01/15/2019		F[(4)]		16,762	D	$ 7.05	111,072.996	D	

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

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number.

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 Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Phantom Shares	(5)	01/15/2019		M(5)			10,000	01/15/2019	01/15/2019	Common Stock	10,000
Phantom Shares	(6)	01/15/2019		M(6)			10,000 (7) (8)	01/15/2019	01/15/2019	Common Stock	10,000 (7) (8)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Yarad Stephen D. C/O MFA FINANCIAL, INC. 350 PARK AVENUE, 20TH FLOOR NEW YORK, NY 10022			Chief Financial Officer	

Signatures

/s/ Stephen D. Yarad	01/17/2019
**Signature of Reporting Person	Date

Explanation of Responses:

***** 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).

(1) Shares acquired pursuant to the settlement of time-based restricted stock units (i.e., phantom stock) granted to the Reporting Person in January 2016.

(2) 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.

(3) Shares acquired in connection with the settlement of performance-based restricted stock units (i.e., phantom stock) ("PRSUs") granted to the Reporting Person in January 2016 as discussed in Notes 6, 7 and 8 below. The number of shares reported includes 7,139 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, 2018 in respect of the PRSUs that vested and whose settlement is reported herein.

(4)

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.

(5) Settlement of time-based restricted stock units (i.e., phantom stock) granted to the Reporting Person in January 2016. 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.

(6) Settlement of performance-based restricted stock units (i.e., phantom stock) ("PRSUs") granted to the Reporting Person in January 2016. 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.

(7) The number of PRSUs reported in Table II represents the target number of PRSUs that were granted to the reporting person in January 2016. 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, 2018.

(8) The Compensation Committee of the Board of Directors of MFA Financial, Inc. has confirmed and certified that the PRSUs vested at a level above 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.

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