

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): September 12, 2010

MFA FINANCIAL, INC.
(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

1-13991
(Commission
File No.)

13-3974868
(IRS Employer
Identification No.)

350 Park Avenue, 21st Floor, New York, New York 10022
(Address of Principal Executive Office) (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:

- ☐ 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))
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ITEM 8.01. OTHER EVENTS.

MFA Financial, Inc. (“MFA”) issued a press release, dated October 12, 2010, announcing the sale of \$985.2 million in principal value of Non-Agency residential mortgage-backed securities to Deutsche Bank Securities, Inc., which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information referenced under Item 8.01 (including Exhibit 99.1 referenced in Item 9.01 below) of this Current Report on Form 8-K is being “furnished” under “Item 8.01. Other Events” 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 Exhibit 99.1 referenced in Item 9.01 below) shall not be incorporated by reference into any registration statement, report or other document filed by MFA pursuant to the Securities Act of 1933, as amended (the “Securities Act”), except as shall be expressly set forth by specific reference in such filing.

As discussed therein, the press release may contain 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 Securities and Exchange Commission, including, without limitation, that actual events and/or results may differ materially from those projected in such forward-looking statements.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

99.1 Press Release, dated October 12, 2010.

SIGNATURES

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.

By: /s/Timothy W. Korth
Timothy W. Korth
General Counsel and Senior Vice President

Date: October 12, 2010



MFA
FINANCIAL, INC.
350 Park Avenue
New York, New York 10022

PRESS RELEASE

October 12, 2010

CONTACT: **MFA Investor Relations**
 800-892-7547
 www.mfa-reit.com

FOR IMMEDIATE RELEASE

NEW YORK METRO

NYSE: MFA

**MFA Financial, Inc. Finances \$246.3 Million of its
Non-Agency RMBS**

MFA Financial, Inc. (NYSE:MFA) announced today that as part of a re-securitization transaction on October 8, 2010 it sold an aggregate of \$985.2 million in principal value of Non-Agency residential mortgage-backed securities ("RMBS") to Deutsche Bank Securities, Inc. In connection with this transaction, third-party investors purchased \$246.3 million of face amount of variable rate, sequential senior bonds (the "Senior Bonds") rated "AAA" by Standard & Poor's ("S&P"), issued by Deutsche Mortgage Securities, Inc. Remic Trust, Series 2010-RS2 (the "Trust"). The Senior Bonds have a weighted average life of 1.3 years and a pass-through rate of one-month LIBOR + 125 basis points. Since MFA will consolidate the Trust, MFA views this structured transaction as effectively financing the underlying RMBS at an attractive rate.

In connection with this transaction, MFA acquired \$375.2 million of face amount of six classes of mezzanine fixed-rate bonds with S&P ratings ranging from AAA to B and \$363.7 million of face amount of non-rated subordinate bonds issued by the Trust, which together provide credit support to the Senior Bonds. MFA expects to finance these bonds using repurchase agreements and has the flexibility to sell some or all of these bonds in the future. No gain or loss will be recorded in connection with the re-securitization transaction for financial reporting purposes as MFA is required under GAAP to consolidate the Trust.

MFA is a real estate investment trust primarily engaged in the business of investment, on a leveraged basis, in Agency and Non-Agency residential mortgage-backed securities.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the securities issued by the Trust in any jurisdiction in which such an offer or sale would be unlawful.

When used in this press release or other written or oral communications, statements which are not historical in nature, including those containing words such as "view," "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may" or similar expressions, are intended to identify "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and, as such, may involve known and unknown risks, uncertainties and assumptions. Statements regarding the following subjects, among others, may be forward-looking: changes in interest rates and the market value of MFA's MBS; changes in the prepayment rates on the mortgage loans securing MFA's MBS; MFA's ability to borrow to finance its assets; implementation of or changes in government regulations or programs affecting MFA's business; 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; and risks associated with investing in real estate assets, including changes in business conditions and the general economy. These and other risks, uncertainties and factors, including those described in the annual, quarterly and current reports that MFA files with the SEC, could cause MFA's actual results to differ materially from those projected in any forward-looking statements it makes. All forward-looking statements 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.
