

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): April 27, 2004

MFA MORTGAGE INVESTMENTS, INC.

(Exact Name of Registrant as Specified in Its 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)

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) Exhibits.

99.1 Press Release, dated April 27, 2004.

ITEM 9. REGULATION FD DISCLOSURE.

MFA Mortgage Investments, Inc. (“MFA”) issued a press release, dated April 27, 2004, announcing its financial results for the quarter ended March 31, 2004, which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

The information referenced in this current report on Form 8-K (including the exhibit referenced in Items 7 and 9 above) is being “furnished” under “Item 9. Regulation FD Disclosure” and “Item 12. Results of Operations and Financial Condition” 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 the exhibit referenced in Items 7 and 9 above) shall not be incorporated by reference into any registration statement or other document 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 in Item 9 above, MFA issued a press release, dated April 27, 2004, announcing its financial results for the quarter ended March 31, 2004, the text of which is incorporated herein by reference.

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.

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 MORTGAGE INVESTMENTS, INC.

By: /s/ Timothy W. Korth

Timothy W. Korth

General Counsel, Senior Vice President - Business Development
and Secretary

Date: April 27, 2004

MFA

MORTGAGE INVESTMENTS, INC.

350 Park Avenue
NEW YORK, NEW YORK 10022
TELEPHONE (212) 207-6400



PRESS RELEASE

April 27, 2004

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www.mfa-reit.com

FOR IMMEDIATE RELEASE

NEW YORK METRO

NYSE: MFA

MFA Mortgage Investments, Inc.
Announces First Quarter 2004 Earnings Per Share of \$0.32

MFA Mortgage Investments, Inc. (NYSE:MFA) today reported net income of \$21.9 million, or \$0.32 per share, for the first quarter ended March 31, 2004. As of March 31, 2004, stockholders' equity was \$647.8 million, or \$8.64 per share.

On April 1, 2004, MFA announced its first quarter 2004 dividend of \$0.25 per share of common stock and an additional special dividend of \$0.01 per share of common stock. These dividends will be paid on April 30, 2004 to stockholders of record on April 12, 2004. Based on MFA's opening share price of \$8.97 on April 26, 2004, the first quarter dividend of \$0.25 per share (excluding the special dividend) represented an annualized yield of approximately 11.1 %.

Stewart Zimmerman, MFA's Chairman of the Board, Chief Executive Officer and President, commented on MFA's first quarter 2004 results, "First quarter results were strong and were positively impacted by a slowdown in prepayments. MFA's fundamentals remain solid and we remain well positioned for 2004. Approximately 99% of our assets consist of mortgage-backed securities ("MBS") guaranteed by an agency of the U.S. government or a federally chartered corporation, other MBS rated "AAA" by Standard & Poor's Corporation, MBS-related receivables and cash. In addition, over 99% of the MBS in MFA's portfolio are adjustable-rate and hybrids, which have an initial fixed interest rate for a specified period of time and, thereafter, generally reset annually. At March 31, 2004, approximately 89% of the MBS in MFA's portfolio had interest rates which contractually reprice over the next 36 months. We believe that avoiding significant holdings of fixed-rate MBS reduces our exposure to interest rate risk."

"During the first quarter of 2004, the gross yield on MFA's interest-earning assets was approximately 4.08% and the net yield on interest-earning assets was reduced to 3.22%, due primarily to premium amortization. The portfolio spread, which is the difference between MFA's

interest-earning asset portfolio net yield of 3.22% and its 1.46% cost of funds, was 1.77% for the first quarter. Our assets are primarily indexed to one-year treasury rates and one-year LIBOR and, in the current low interest rate environment, we are pleased with MFA's return on average equity for the first quarter of 15.8%."

Mr. Zimmerman continued, "The prepayment speed on MFA's MBS portfolio averaged 22.9% Constant Prepayment Rate ("CPR") during the first quarter of 2004. We anticipate that the prepayment speed on our MBS portfolio will increase during the first two months of the second quarter, reflecting refinancings already in the pipeline before the recent rise in interest rates. However, since the refinancing index has fallen substantially since March 19, 2004, we expect prepayments to slow towards the end of the second quarter of 2004 and continue at this lower level into the third quarter."

MFA finances the acquisition of its MBS primarily by borrowing using repurchase agreements. At March 31, 2004, MFA's debt-to-equity ratio was 8.0:1 while its assets-to-equity ratio was approximately 9.0:1. Over time, MFA expects to maintain asset-to-equity ratio of less than 11:1. As part of its interest rate strategy, MFA generally intends to maintain its asset-to-equity ratio near or below 9.5x in the second quarter.

MFA invests in adjustable-rate and hybrid MBS (collectively, "ARM-MBS"). Due to the fact that the assets MFA owns have interest rates that generally reset annually after their initial fixed terms, the coupon received on these assets will adjust over time as interest rates change. In measuring its assets-to-borrowings repricing gap (the "Repricing Gap"), MFA measures the difference between: (a) the weighted-average months until coupon adjustment or prepayment on its ARM-MBS portfolio assuming a CPR of 15%; and (b) the months remaining on its repurchase agreements applying the same CPR assumption. The CPR is applied in order to reflect, to some extent, the prepayment characteristics of interest-earning assets and interest-bearing liabilities. As of March 31, 2004, the weighted-average time to repricing or expected prepayment for MFA's ARM-MBS portfolio was approximately 19 months while the average term remaining on its repurchase agreements was 8 months, resulting in a Repricing Gap of 11 months.

MFA seeks to generate income from investment in high-quality ARM-MBS and other assets. At March 31, 2004, MFA had total assets of approximately \$5.8 billion. As of that date, approximately 99% of these assets consisted of MBS guaranteed by an agency of the U.S. Government, such as Ginnie Mae, or a federally chartered corporation, such as Fannie Mae or Freddie Mac, other MBS rated "AAA" by Standard & Poor's Corporation, MBS-related receivables and cash.

Stockholders interested in reinvesting their dividends or purchasing stock directly from MFA may do so through its Discount Waiver, Dividend Reinvestment and Stock Purchase Plan (the "Plan") by contacting Mellon Investor Services, the Plan administrator, at 1-866-249-2610 (toll free) and requesting a Plan prospectus. For more information about the Plan, interested stockholders may also go to the website established for the Plan at www.melloninvestor.com or visit MFA's website at www.mfa-reit.com.

The Company will hold a conference call on Tuesday, April 27, 2004 at 10:00 AM EDT. The number to call is (866) 225-8729 in the U.S. and Canada. International callers must dial

(303) 262-0066. The replay will be available through Tuesday, May 4, 2004 at 11:59 PM EDT, and can be accessed by dialing (800) 475-6701 in the U.S. and Canada or (320) 365-3844 internationally and entering access code: 729817. There will also be a web cast of the call on MFA's website at www.mfa-reit.com.

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 "anticipate," "estimate," "should," "expect," "believe," "intend" and 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 are subject to various risks and uncertainties, including, but not limited to, those relating to: changes in the prepayment rates on the mortgage loans securing MFA's MBS; changes in interest rates and the market value of MFA's MBS; MFA's ability to use borrowings to finance its assets; changes in government regulations affecting MFA's business; MFA's ability to maintain its qualification as a REIT for federal income tax purposes; 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 reports that MFA files from time to time 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 they are made and MFA does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements to reflect events or circumstances occurring after the date of such statements.

MFA Mortgage Investments, Inc.
Consolidated Balance Sheets

(In Thousands, Except Share and Per Share Amounts)

	March 31, 2004	December 31, 2003
	(Unaudited)	
Assets:		
Mortgage-backed securities ("MBS")	\$ 5,697,601	\$ 4,372,718
Cash and cash equivalents	68,608	139,707
Accrued interest receivable	22,582	18,809
Interest rate cap agreements	2,071	276
Real estate held for investment	30,500	24,288
Goodwill, net	7,189	7,189
Receivable under Discount Waiver, Direct Stock Purchase and Dividend Reinvestment Plan ("DRSPP")	11,031	705
Prepaid and other assets	1,792	1,238
	<u>\$ 5,841,374</u>	<u>\$ 4,564,930</u>
Liabilities:		
Repurchase agreements	\$ 5,155,660	\$ 4,024,376
Accrued interest payable	11,200	7,239
Mortgages payable on real estate	22,832	16,161
Dividends payable	--	15,923
MBS purchase payable	2,659	15,010
Accrued expenses and other liabilities	1,210	1,263
	<u>\$ 5,193,561</u>	<u>\$ 4,079,972</u>
Commitments and contingencies	--	--
Stockholders' Equity:		
Common stock, \$.01 par value; 375,000,000 shares authorized; 74,976,327 and 63,201,224 issued and outstanding at March 31, 2004 and December 31, 2003, respectively	750	632
Additional paid-in capital	626,348	512,199
Accumulated earnings/(deficit)	6,141	(15,764)
Accumulated other comprehensive income/(loss)	14,574	(12,109)
	<u>647,813</u>	<u>484,958</u>
	<u>\$ 5,841,374</u>	<u>\$ 4,564,930</u>

MFA Mortgage Investments, Inc.
Consolidated Statements of Income

(In Thousands, Except Per Share Amounts)

Interest Income:

MBS income
Interest income on temporary cash investments

Total Interest Income

Interest Expense on Repurchase Agreements

Net Interest Income

Other Income:

Revenue from operations of real estate
Loss from equity interest in real estate
Miscellaneous other income

Total Other Income

Operating and Other Expense:

Compensation and benefits
Real estate operating expense
Mortgage interest on real estate
Other general and administrative

Total Operating and Other Expense

Net Income

Income Per Share:

Net income per share – basic
Weighted average shares outstanding – basic

Net income per share – diluted
Weighted average shares outstanding – diluted

Three Months Ended
March 31,

2004	2003
(Unaudited)	
\$ 40,066	\$ 32,065
167	123
40,233	32,188
16,141	14,967
24,092	17,221
1,002	427
--	(100)
162	--
1,164	327
1,467	951
709	347
426	203
749	703
3,351	2,204
\$ 21,905	\$ 15,344
\$ 0.32	\$ 0.33
68,910	46,316
\$ 0.32	\$ 0.33
69,001	46,378