

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): **March 10, 2008**

MFA MORTGAGE INVESTMENTS, 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 2.01. COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS.

MFA Mortgage Investments, Inc. (“MFA”) has conducted sales of agency and AAA rated non-agency mortgage-backed securities from its portfolio. At March 10, 2008, MFA had completed sales of more than 47 mortgage-backed securities for which it received aggregate proceeds of approximately \$1.0 billion. MFA is unable to identify the purchasers of the securities because the securities were sold through securities dealers.

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

MFA issued a press release, dated March 10, 2008, announcing a reduction in leverage through asset sales, which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information referenced in Items 2.02 and 7.01 of this Current Report on Form 8-K (including Exhibit 99.1 referenced in Items 7.01 and 9.01 below) is being “furnished” under “Item 2.02. Results of Operations and Financial Condition” and “Item 7.01. Regulation FD Disclosure” 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 Items 7.01 and 9.01 below) shall 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 shall 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 U.S. 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 7.01. REGULATION FD DISCLOSURE.

As discussed in Item 2.02 above, MFA issued a press release, dated March 10, 2008, announcing a reduction in leverage through asset sales, the text of which is incorporated herein by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

99.1 Press Release, dated March 10, 2008, announcing a reduction in leverage through asset sales.

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 and Senior Vice President –
Business Development

Date: March 10, 2008

MFA

MORTGAGE INVESTMENTS, INC.

350 Park Avenue
New York, New York 10022



PRESS RELEASE

March 10, 2008

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

FOR IMMEDIATE RELEASE

NEW YORK METRO

NYSE: MFA

**MFA Mortgage Investments, Inc.
Announces Reduction in Leverage Through Asset Sales**

MFA Mortgage Investments, Inc. (NYSE: MFA) announced today an adjustment in its balance sheet strategy. While we have consistently maintained an assets-to-equity multiple of approximately 9x-10x (or a debt-to-equity multiple of approximately 8x-9x), we have determined that in this period of financial industry stress the proper strategy is to generally lower our target debt-to-equity multiple to 7x-9x. Our focus will continue to be in high quality assets as the vast majority of our assets are agency MBS, which are liquid and financeable.

To effect this change in leverage strategy, we have, since Friday, March 7, 2008, sold approximately \$1 billion in MBS. The assets sold consist of approximately \$950 million of agency MBS and \$50 million of AAA-rated non-agency MBS at a realized loss of approximately \$15 million. Concurrently, we have terminated repurchase agreements at no cost and approximately \$525 million of associated interest rate swap agreements at a cash cost of approximately \$31 million.

We have made this strategy adjustment because it is our view that credit conditions are tightening, rapidly and indiscriminately. After analyzing recent credit events impacting other leveraged public and private companies investing in high quality MBS, we believe that while these companies utilized substantially higher levels of leverage than MFA, our interpretation of their public disclosure and other information available to us increases the probability of increased margin requirements in the future for all repurchase agreement borrowers, including MFA. Additionally, recent news about potential security liquidations has increased our concerns about declining values for many financial assets including agency and AAA-rated MBS. As a result, we have proactively reduced leverage to decrease the potential negative impact of increased margin requirements and falling asset values.

We currently estimate our book value per share to be in the range of \$5.75-\$6.00. As of tonight, March 10, 2008, MFA's available cash balance totaled approximately \$348 million and our unpledged agency MBS had a value of approximately \$19 million, both of which are available to meet future margin calls. To date, MFA has satisfied all of its margin calls.

On a positive note, while we will be generally utilizing lower levels of leverage, the spread MFA expects to earn on its assets is expected to increase in 2008. Excluding the realized losses from asset sales and swap terminations, based on current estimates, we expect MFA's earnings will approximate \$0.18 per share of common stock in the first quarter of 2008 versus \$0.16 per share in the fourth quarter of 2007.

We have undertaken these actions to decrease potential future liquidity risks. We believe that while many financial institutions may face the risk of systemic margin calls, our strategy is to get ahead of the curve and reduce leverage consistent with our own discipline. We believe this strategy will reduce the uncertainty reflected in MFA's share price and will allow MFA to be positioned to take advantage of the many profitable opportunities that we believe will be available in the future.

The Company will hold a conference call Tuesday, March 11, 2008, at 8:30 a.m. (New York City time), to discuss this press release. The number to dial in order to listen to the conference call is (800) 398-9397 in the U.S. and Canada. International callers must dial (612) 288-0337. The replay will be available through Tuesday, March 18, at 11:59 p.m., and can be accessed by dialing (800) 475-6701 in the U.S. and Canada or (320) 365-3844 internationally and entering access code: 915260.

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 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 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 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 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.