

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): **November 6, 2009**

**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, 21<sup>st</sup> Floor, New York, New York 10022**  
(Address of Principal Executive Office) (Zip Code)

Registrant's Telephone Number, Including Area Code: **(212) 207-6400**

(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 7.01. REGULATION FD DISCLOSURE.**

MFA Financial, Inc. (“MFA”) hereby furnishes the information set forth in the slideshow presentation attached hereto as Exhibit 99.1, the text of which is incorporated herein by reference.

The information referenced in this Current Report on Form 8-K (including Exhibit 99.1 referenced in Item 9.01 below) is being “furnished” under “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 and 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 slideshow presentation 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 slideshow presentation as well as in MFA’s reports and 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.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

(c) Exhibits.

99.1 Slideshow Presentation of MFA Financial, Inc.

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## **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

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Timothy W. Korth

General Counsel and Senior Vice President –

Business Development

Date: November 6, 2009

November 9, 2009

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**MFA**  
FINANCIAL, INC.

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## Forward Looking Statements



When used in this presentation or other written or oral communications, statements which are not historical in nature, including those containing words such as “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “may” or similar expressions, are intended to identify “forward-looking statements” for purposes 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 of our business, financial condition, liquidity, results of operations, plans and objectives. 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/or 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.

These forward-looking statements are based on beliefs, assumptions and expectations of MFA’s future performance, taking into account all information currently available. 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.

**MFA**  
is uniquely positioned to benefit  
from an existing portfolio of  
higher-yielding Agency MBS  
complimented by the acquisition of  
non-Agency RMBS

◆ Proven Management Team and Track Record

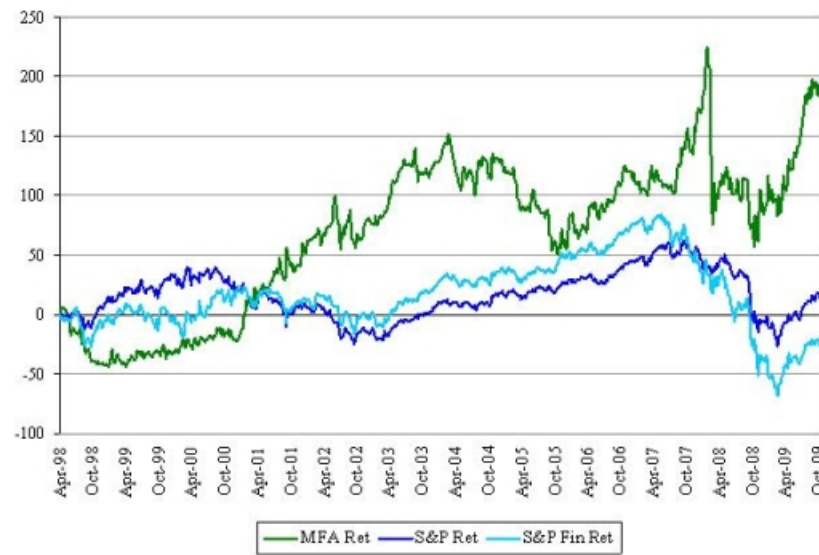
- Founded in 1997, we are an internally managed REIT with permanent equity capital, uniquely positioned with the requisite expertise to benefit from existing investments in higher-yielding Agency MBS and acquisition of non-Agency RMBS

◆ Significant Market Dislocation has Enhanced Investment Opportunities

- Financial industry balance sheet constraints have increased spreads
- Agency MBS continues to benefit from slower prepayments
- Yield curve retains positive slope

## Consistent Outperformance

### Total Return



Source: Bloomberg



**Short-term interest  
rates are  
exceptionally low**

October 30, 2009	
Fed Funds Target	0 - 0.25
1-Month LIBOR	0.24
1-Month Repo	0.24
3-Month LIBOR	0.28
3-Month Repo	0.28

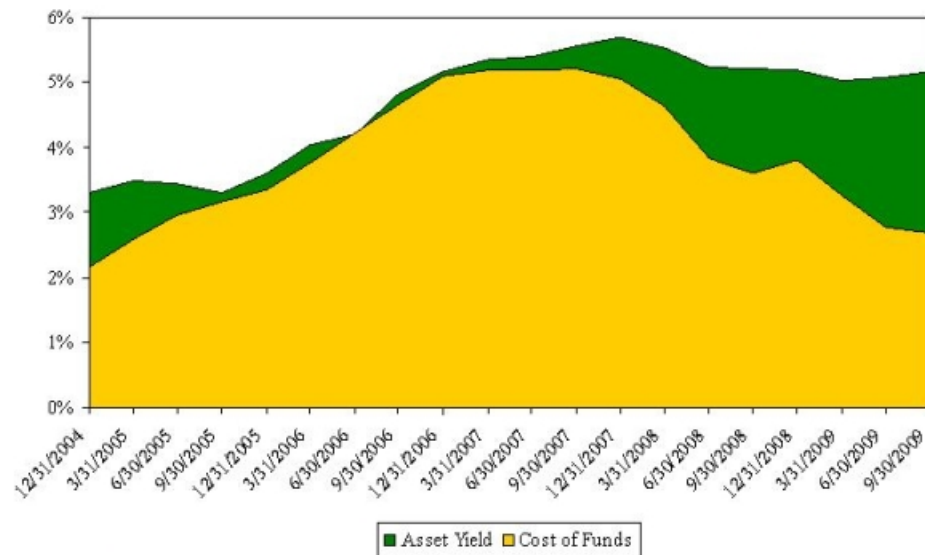
**Agency MBS**

Spreads have tightened and prices have increased substantially due to \$1.25 trillion of additional Agency MBS purchasing power from the Federal Reserve

**Liquidity**

Repo remains available to MFA from multiple counterparties

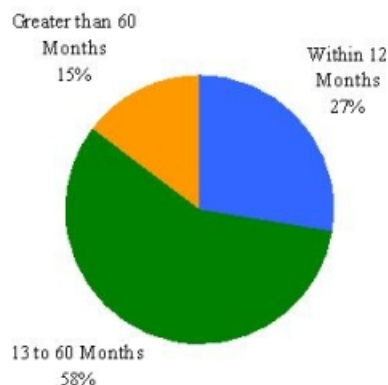
While MFA Portfolio Yield Remains Near 5.0%,  
the Cost of Borrowing Continues to Decline



MFA Quarterly Data as of September 30, 2009

## Hybrid and ARM MBS Limit Risk of Rising Interest Rates\*

- ◆ After initial fixed term, coupons reset based on short-term interest rates
- ◆ Less price risk due to adjustability of coupon



*\*As of September 30, 2009; Assuming a prepayment rate of 15% CPR; MFA assets only (excluding assets held through MFA's MFR subsidiary)*

## Diverse Counterparty Relationships

- ◆ MFA maintains strong relationships with numerous leading financial institutions

Banc of America

Barclays

BNP Paribas

Cantor Fitzgerald

Citigroup

Credit Suisse

Daiwa

Deutsche Bank

Goldman Sachs

ING

Jefferies

LBBW

MF Global

Mitsubishi

Mizuho

Morgan Stanley

Newedge

Pershing

RBS Securities

South Street

## Recent Financial Performance

- ♦ Investment strategy generating book value gains

Date	Book Value Per Share
September 30, 2009	\$7.57
June 30, 2009	\$6.99
March 31, 2009	\$6.13
December 31, 2008	\$5.29

- ♦ Third quarter earnings of \$0.25 representing an ROE of 13.7%
- ♦ Third quarter dividend of \$0.25 per share

- Through MFA's wholly-owned MFR subsidiary, we are investing in non-Agency residential MBS at deeply discounted prices. Through MFR, we own approximately \$959 million fair market value of deeply discounted non-Agency MBS.
- In addition, MFA continues to hold approximately \$200 million fair market value of legacy non-Agency MBS acquired prior to July 2007.
- As we continue to opportunistically grow this combined \$1.17 billion non-Agency MBS portfolio, we expect to increase the positive earnings impact on MFA while decreasing sensitivity to prepayments and changes in interest rates.

## Adding Non-Agency MBS to High-Yielding Agency MBS is a Compelling Strategy

- Consistent with MFA's focus on residential MBS, we are blending non-Agency MBS with higher-yielding Agency securities.
- The majority of MFA's assets will continue to be whole-pool Agency MBS due to attractiveness of the asset class and for purposes of our exemption under the Investment Company Act of 1940.
- With non-Agency MBS, MFA expects to generate attractive returns for stockholders with less leverage and less sensitivity to yield curve and interest rate cycles.



**Adding Non-Agency MBS to High-Yielding Agency MBS is a Compelling Strategy**

- ♦ MFA is acquiring non-Agency MBS at deep discounts to par value.
- ♦ Structured credit enhancement and highly discounted purchase price mitigates the risk of loss of invested principal.
- ♦ These high yielding assets are less sensitive to changes in the yield curve and interest rates.
- ♦ The return on discounted non-Agency MBS increases if prepayments increase.



MFA is uniquely positioned with the requisite expertise to benefit from existing investment in higher-yielding Agency MBS *and* acquisition of non-Agency RMBS

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MFA  
FINANCIAL, INC.