

Kristjansson Gudmundur
Form 4
January 17, 2019

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Kristjansson Gudmundur

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O MFA FINANCIAL, INC., 350
PARK AVENUE, 20TH FLOOR

(Street)

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

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. VP & Co-Chief Invest Off.

NEW YORK, NY 10022

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 (D) Price			
Common Stock	01/15/2019		M ⁽¹⁾	17,500 A \$ 0 (2)	254,577.504	D	
Common Stock	01/15/2019		M ⁽³⁾	47,261 A \$ 0 (2)	301,838.504	D	
Common Stock	01/15/2019		F ⁽⁴⁾	34,466 D \$ 7.05	267,372.504	D	

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

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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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