

MFA FINANCIAL, INC.

Form 4

January 18, 2017

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
FREYDBERG RONALD A

(Last) (First) (Middle)

**C/O MFA FINANCIAL, INC., 350
PARK AVENUE, 20TH FLOOR**

(Street)

NEW YORK, NY 10022

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
01/13/2017

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
☒ Officer (give title below) ____ Other (specify
below) below)

Executive Vice President

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

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 Ownership (Instr. 4)
Common Stock	01/13/2017		<u>M</u> ⁽¹⁾	V Amount (A) or (D) Price 10,000 A \$ 0 (2)	552,542	D	
Common Stock	01/13/2017		<u>M</u> ⁽³⁾	22,663 A \$ 0 (2)	575,205	D	
Common Stock	01/13/2017		<u>F</u> ⁽⁴⁾	16,051 D \$ 7.83	559,154	D	

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

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SEC 1474
(9-02)

number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Phantom Shares	<u>(5)</u>	01/13/2017		M <u>(5)</u>		10,000		01/13/2017	01/13/2017	Common Stock	10,000
Phantom Shares	<u>(6)</u>	01/13/2017		M <u>(6)</u>		10,000 (7) (8)		01/13/2017	01/13/2017	Common Stock	10,000 (7) (8)

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
FREYDBERG RONALD A C/O MFA FINANCIAL, INC. 350 PARK AVENUE, 20TH FLOOR NEW YORK, NY 10022	Executive Vice President

Signatures

/s/ Ronald A.
Freydberg

01/18/2017

__Signature of Reporting
Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares acquired pursuant to the settlement of time-based restricted stock units (i.e., phantom stock) granted to the Reporting Person in January 2014.
- (2) 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.
- (3) Shares acquired in connection with the settlement of performance-based restricted stock units (i.e., phantom stock) ("PRSUs") granted to the Reporting Person in January 2014 as discussed in Notes 6, 7 and 8 below. The number of shares reported includes 5,423 shares representing the settlement (in the form of additional shares of common stock) of dividend equivalents that accrued during the three-year performance period ended December 31, 2016 in respect of the PRSUs that vested and whose settlement is reported herein.

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- (4) 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 2014. 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 2014. 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 2014. 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.
- (8) The vesting of these PRsUs was based on MFA's total stockholder return for the three years ended December 31, 2016. 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.