

MFA FINANCIAL, INC.
 Form 4
 July 17, 2013

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 *
 Knutson Craig L

(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)
 07/15/2013

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)

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)		
				(A) or (D)	Price				
Common Stock	07/15/2013		M ⁽¹⁾	V	16,500	A	\$ 0 (2)	318,372	D
Common Stock	07/15/2013		F ⁽³⁾	D	7,756	D	\$ 8.13	310,616	D

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

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 (9-02)

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)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V (A) (D)				
Phantom Shares	(4)	07/15/2013		M(4)	5,494	07/15/2013	07/15/2013	Common Stock	5,494
Phantom Shares	(5)	07/15/2013		M(5)	11,006	07/15/2013	07/15/2013	Common Stock	11,006

Reporting Owners

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

Signatures

/s/Craig L.
Knutson
07/15/2013

**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) Settlement of phantom shares.
 - (2) Each phantom share is the economic equivalent of one share of common stock of MFA Financial, Inc. Each vested phantom share was settled in one share of common stock of MFA Financial, Inc.
 - (3) The reported disposition represents the surrender of shares to satisfy tax obligations arising from the settlement of phantom shares.
 - (4) Settlement of vested portion of time-based phantom shares granted in each of July 2011 and July 2012. Each phantom share is the economic equivalent of one share of MFA Financial, Inc. common stock of MFA Financial, Inc. Each vested phantom share was settled in one share of common stock of MFA Financial, Inc.
 - (5) Settlement of vested portion of performance-based phantom shares granted in each of July 2011 and July 2012. Each phantom share is the economic equivalent of one share of MFA Financial, Inc. common stock of MFA Financial, Inc. Each vested phantom share was settled in one share of common stock of MFA Financial, Inc.

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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