Investor Presentation

November 2024

MFA FINANCIAL, INC.

Forward-looking statements

When used in this presentation or other written or oral communications, statements that are not historical in nature, including those containing words such as “will,” “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “could,” “would,” “may,” the negative of these words or 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 include information about possible or assumed future results with respect to MFA’s business, financial condition, liquidity, results of operations, plans and objectives. Among the important factors that could cause our actual results to differ materially from those projected in any forward-looking statements that we make are: general economic developments and trends and the performance of the housing, real estate, mortgage finance, broader financial markets; inflation, increases in interest rates and changes in the market (i.e., fair) value of MFA’s residential whole loans, MBS, securitized debt and other assets, as well as changes in the value of MFA’s liabilities accounted for at fair value through earnings; the effectiveness of hedging transactions; changes in the prepayment rates on residential mortgage assets, an increase of which could result in a reduction of the yield on certain investments in its portfolio and could require MFA to reinvest the proceeds received by it as a result of such prepayments in investments with lower coupons, while a decrease in which could result in an increase in the interest rate duration of certain investments in MFA’s portfolio making their valuation more sensitive to changes in interest rates and could result in lower forecasted cash flows; credit risks underlying MFA’s assets, including changes in the default rates and management’s assumptions regarding default rates on the mortgage loans in MFA’s residential whole loan portfolio; MFA’s ability to borrow to finance its assets and the terms, including the cost, maturity and other terms, of any such borrowings; implementation of or changes in government regulations or programs affecting MFA’s business; MFA’s estimates regarding taxable income, the actual amount of which is dependent on a number of factors, including, but not limited to, changes in the amount of interest income and financing costs, the method elected by MFA to accrete the market discount on residential whole loans and the extent of prepayments, realized losses and changes in the composition of MFA’s residential whole loan portfolios that may occur during the applicable tax period, including gain or loss on any MBS disposals or whole loan modifications, foreclosures and liquidations; the timing and amount of distributions to stockholders, which are declared and paid at the discretion of MFA’s Board of Directors and will depend on, among other things, MFA’s taxable income, its financial results and overall financial condition and liquidity, maintenance of its REIT qualification and such other factors as MFA’s Board of Directors deems relevant; 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, as amended (or the “Investment Company Act”), including statements regarding the concept release issued by the Securities and Exchange Commission (“SEC”) relating to interpretive issues under the Investment Company Act with respect to the status under the Investment Company Act of certain companies that are engaged in the business of acquiring mortgages and mortgage-related interests; MFA’s ability to continue growing its residential whole loan portfolio, which is dependent on, among other things, the supply of loans offered for sale in the market; targeted or expected returns on our investments in recently-originated mortgage loans, the performance of which is, similar to our other mortgage loan investments, subject to, among other things, differences in prepayment risk, credit risk and financing costs associated with such investments; risks associated with the ongoing operation of Lima One Holdings, LLC (including, without limitation, unanticipated expenditures relating to or liabilities arising from its operation (including, among other things, a failure to realize management’s assumptions regarding expected growth in business purpose loan (BPL) origination volumes and credit risks underlying BPLs, including changes in the default rates and management’s assumptions regarding default rates on the BPLs originated by Lima One); expected returns on MFA’s investments in nonperforming residential whole loans (“NPLs”), which are affected by, among other things, the length of time required to foreclose upon, sell, liquidate or otherwise reach a resolution of the property underlying the NPL, home price values, amounts advanced to carry the asset (e.g., taxes, insurance, maintenance expenses, etc. on the underlying property) and the amount ultimately realized upon resolution of the asset; risks associated with our investments in MSR-related assets, including servicing, regulatory and economic risks; risks associated with our investments in loan originators; risks associated with investing in real estate assets generally, including changes in business conditions and the general economy; and other risks, uncertainties and factors, including those described in the annual, quarterly and current reports that we file with the SEC. These forward-looking statements are based on beliefs, assumptions and expectations of MFA’s future performance, taking into account information currently available. Readers and listeners are cautioned not to place undue reliance on these forward-looking statements, which 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 Overview

- MFA Financial, Inc. (NYSE: MFA) is an internally managed real estate investment trust (REIT) that invests in U.S. residential mortgage loans and mortgage-backed securities
- Since its IPO in 1998, MFA has distributed over $4.8 billion of dividends to its stockholders
- MFA focuses primarily on mortgage subsectors in which it tries to avoid direct competition with banks and government-sponsored enterprises
- Through its wholly-owned subsidiary Lima One Capital, MFA originates and services business purpose loans (BPLs) for real estate investors nationwide
- MFA also invests in non-qualified mortgage (Non-QM) loans, re-performing/non-performing loans (RPL/NPLs) and residential mortgage-backed securities (RMBS)
- MFA operates a leading residential credit securitization platform with $9.8B of issuance since inception
- MFA has deep expertise in residential credit as well as a long history of investing in new asset classes when compelling opportunities arise

Financial Metrics

MFA currently trades at a discount to book value and offers a compelling dividend yield

MFA stock price[1]	Q3 Economic book value[2]	Q3 GAAP net income[3]	Q3 Distributable earnings[4]
$11.08 per common share	$14.46 per common share	$0.38 per common share	$0.37 per common share

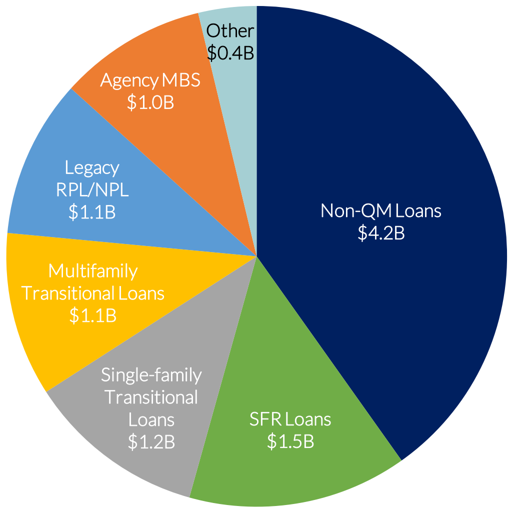
Recourse leverage[5]	Unrestricted cash	Q3 Dividend	Dividend yield
1.8x as of 9/30/24	$306M as of 9/30/24	$0.35 per common share	12.6% as of 11/18/24

See page 12 for end notes

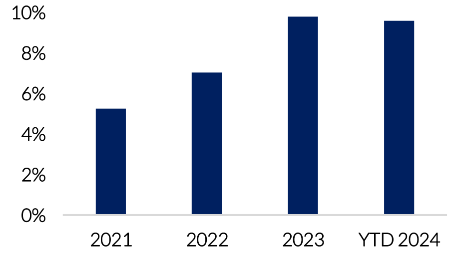
Asset Summary

- $10.3B residential mortgage portfolio diversified by product type
  - Non-QM residential loans acquired from a select group of lenders with which MFA holds strong relationships
  - Single-family rental (SFR) loans originated by Lima One
  - Short-term rehab (“fix/flip”) loans, bridge loans and construction loans originated by Lima One
  - Legacy RPL/NPLs purchased at discounts to par between 2014-2019
  - Agency MBS position built gradually throughout 2024
- High interest rates continue to provide opportunities to add new residential mortgage assets at attractive yields
  - Average coupon on all loans acquired in Q3 was 9.4%
  - Incremental return on equity for new investments expected to be mid-teens

Investment Portfolio at Sept. 30[6]



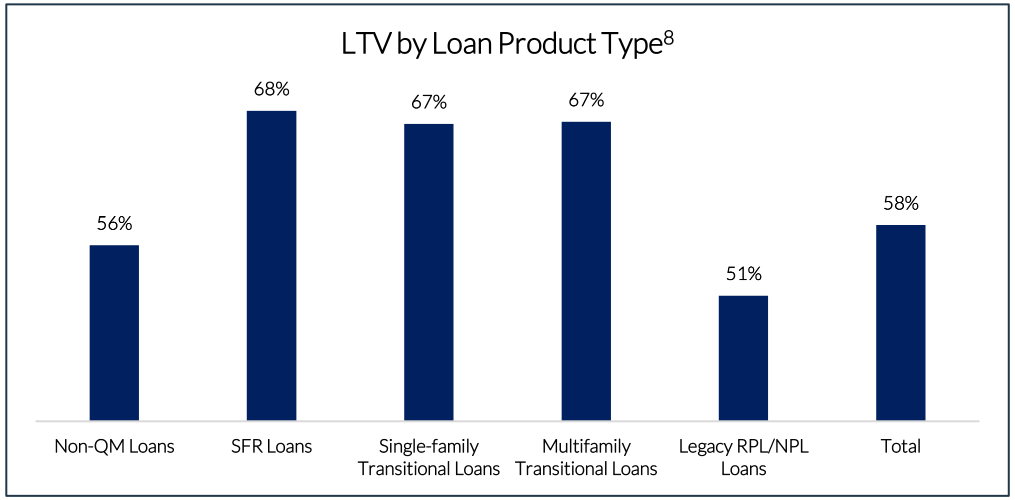
Average Coupon on Loan Acquisitions

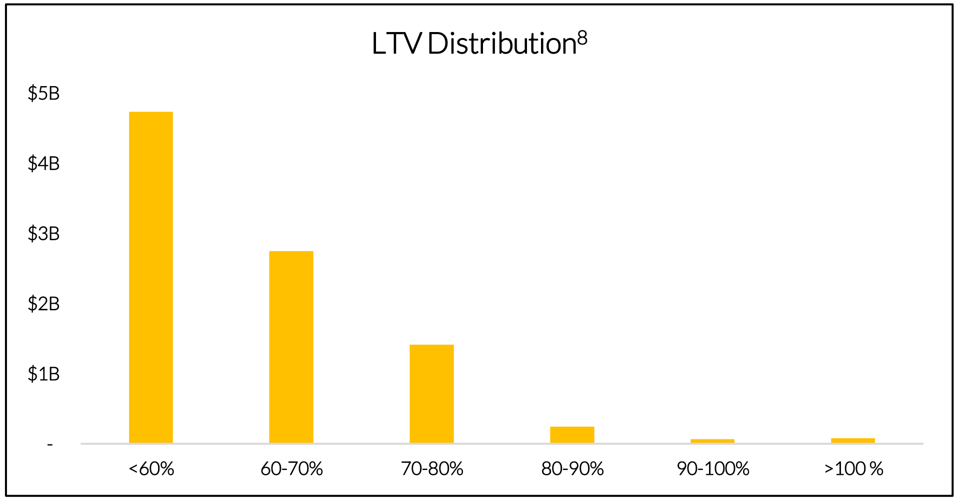


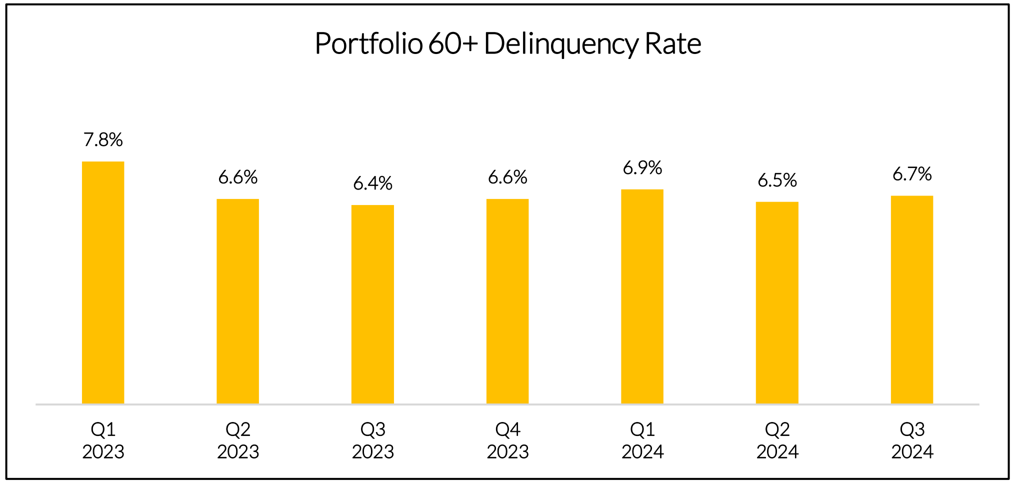
Q3 2024 Highlights

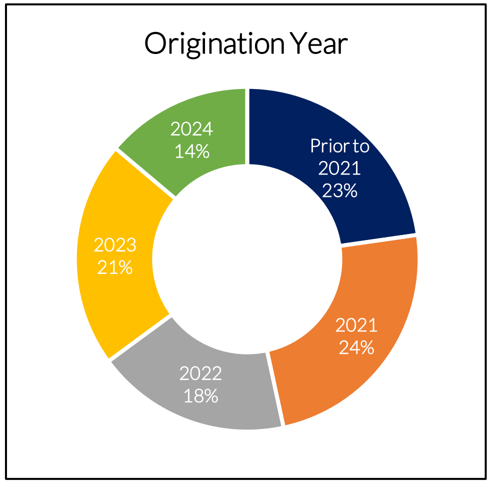
- Strengthened leadership team at MFA and Lima One
  - Named Bryan Wulfsohn President of MFA and Josh Woodward CEO of Lima One
  - Named Lori Samuels Chief Loan Operations Officer
- Delivered strong earnings and total economic return of 3.3%
  - Economic book value rose by approximately 1% to $14.46 per share
  - Distributable earnings of $0.37 per share and paid $0.35 dividend
- Acquired $859M of residential loans and securities at attractive levels
  - Lima One funded $329M[7] of new BPLs and draws on existing loans
  - Purchased $236M of non-qualified mortgage (Non-QM) loans
  - Grew Agency MBS position to $993M
- Issued two securitizations collateralized by $643M of residential loans
- Ended Q3 with $306M of unrestricted cash

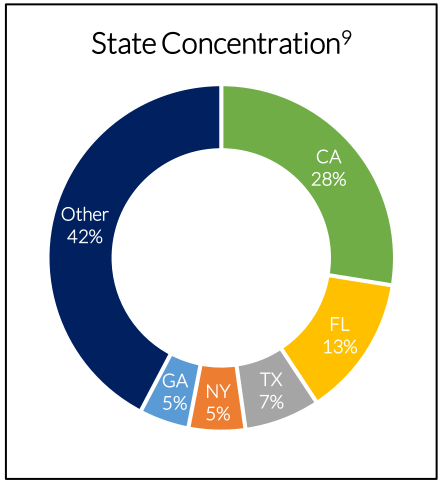
Portfolio Credit Metrics







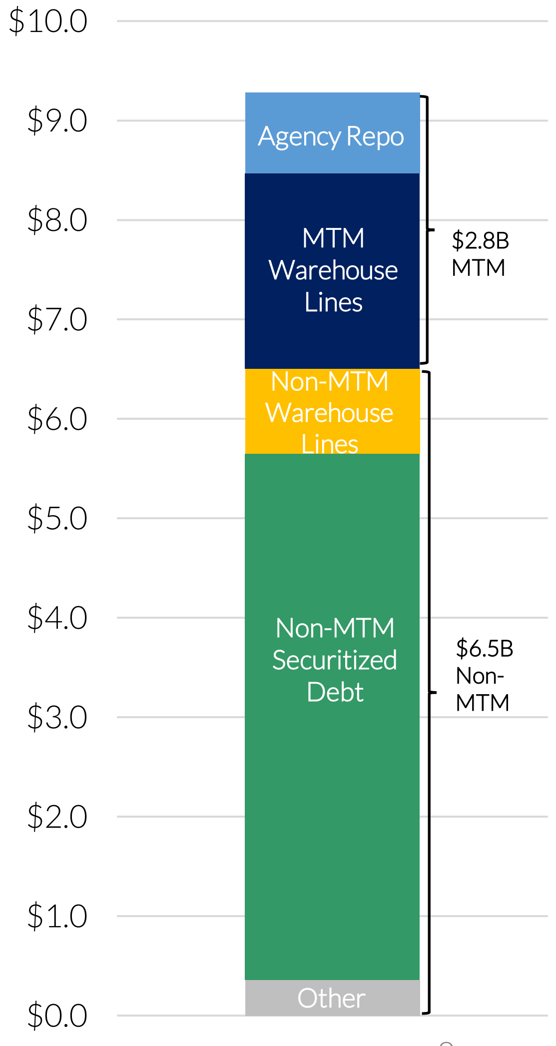




Prudent Liability Management

- Despite the historic rise in rates between 2022-2024, MFA's borrowing costs remained relatively stable due to fixed-rate loan securitizations and interest rate swaps used for hedging purposes
  - Effective cost of funds in Q3 was 4.53%
  - Issued two securitizations in Q3 collateralized by $643M of loans
  - Completed two additional securitizations since quarter-end, including our first rated Transitional loan securitization
- $3.5B interest rate swap position was placed primarily in 2021-2022
  - Weighted average fixed pay rate for these swaps was 1.91% while variable receive rate was 4.96%[10] at Sept. 30
  - Generated net positive carry of $30M in Q3 2024
  - $1B of swaps mature between Q4 2024 and Q1 2025
- Senior unsecured notes issued in early 2024 are callable beginning in 2026 and mature in 2029

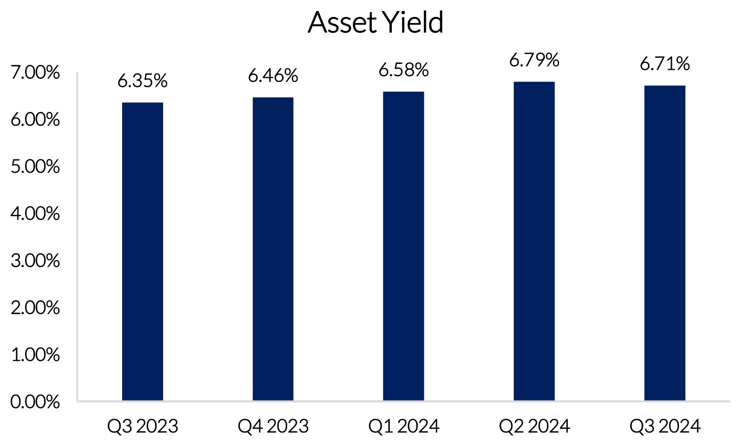
Liabilities ($B) as of Sept. 30

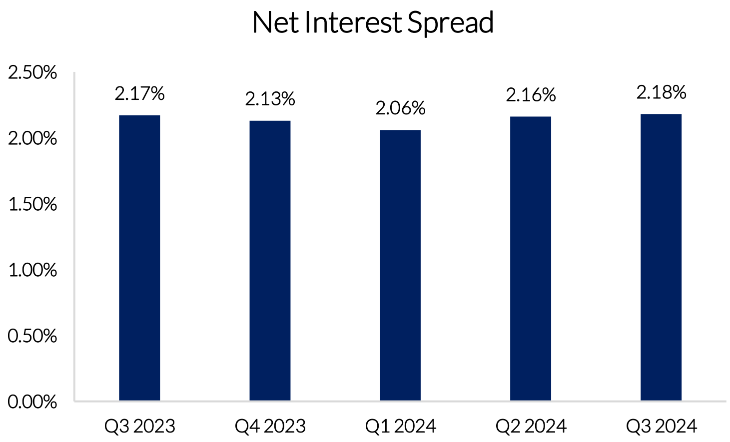


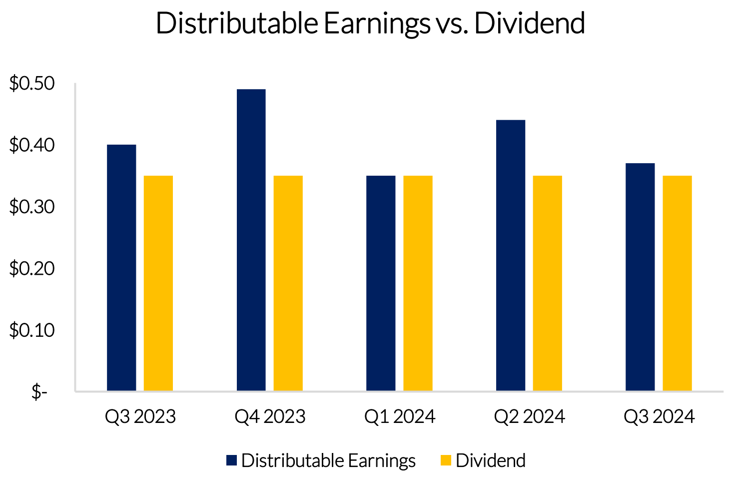
Appendix

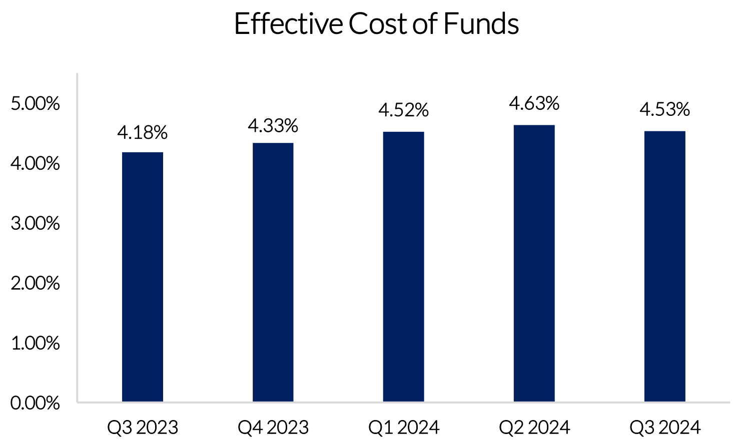
James Casebere, Landscape with Houses (Dutchess County, NY) #2, 2010 (detail)

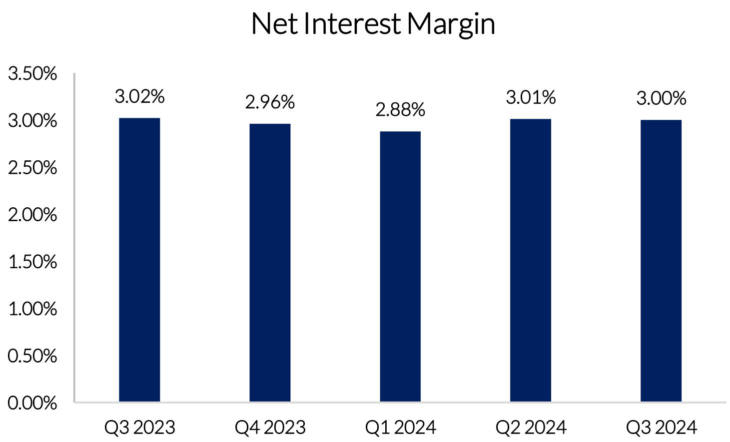
Select Financial Metrics

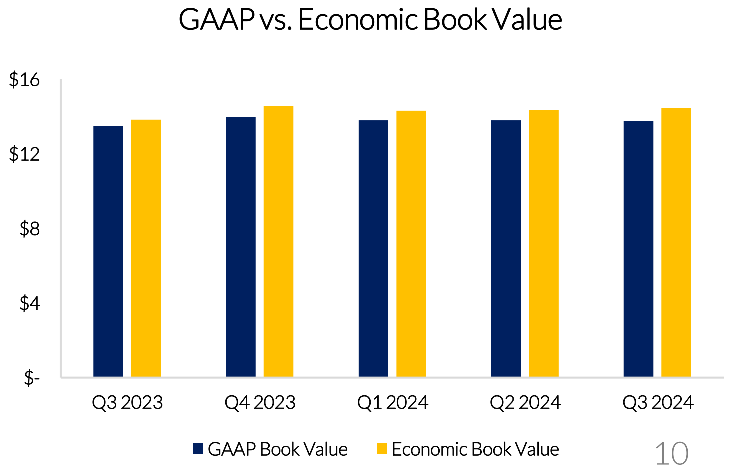












MFA-Issued Securitizations Outstanding

Securitization Name	Loan Product Type	Settlement Date	Original Collateral UPB ($M)[11]	Current Collateral UPB ($M)[11]	Bonds Sold ($M)	Original UPB Sold (%)[12]	Outstanding Balance of Bonds Sold ($M)	Weighted Average Coupon (WAC) of Outstanding Bonds Sold	WAC of Underlying Loans	Callable Date
MFRA 2020-NQM1	Non-QM	Sep-20	391	100	373	95%	82	3.03%	6.29%	Currently Callable
MFRA 2020-NQM2	Non-QM	Oct-20	570	151	535	94%	116	2.28%	6.72%	Currently Callable
MFRA 2020-NQM3	Non-QM	Dec-20	381	113	359	94%	91	1.87%	5.84%	Currently Callable
MFRA 2021-INV1	SFR	Feb-21	217	67	198	91%	47	1.51%	7.25%	Currently Callable
MFRA 2021-NQM1	Non-QM	Apr-21	394	131	371	94%	108	1.76%	5.73%	Currently Callable
MFRA 2021-RPL1	RPL	Jun-21	473	276	435	92%	237	1.45%	5.20%	20% Clean-up Call
MFRA 2021-NQM2	Non-QM	Aug-21	289	139	277	96%	127	1.39%	5.21%	Currently Callable
MFRA 2021-AEINV1	Agency Eligible	Oct-21	312	259	297	95%	N/A	1.43%	3.27%	N/A
MFRA 2021-INV2	SFR	Nov-21	284	221	260	92%	197	2.20%	5.13%	Currently Callable
MFRA 2021-AEINV2	Agency Eligible	Dec-21	340	289	323	95%	N/A	1.52%	3.46%	N/A
MFRA 2022-CHM1	Non-QM	Mar-22	237	165	204	86%	132	3.93%	5.10%	Currently Callable
MFRA 2022-NQM1	Non-QM	Mar-22	333	252	310	93%	229	4.15%	4.54%	Mar-25
MFRA 2022-INV1	SFR	Apr-22	258	211	224	87%	178	4.02%	4.83%	Apr-25
MFRA 2022-NQM2	Non-QM	Jun-22	541	442	398	74%	313	4.00%	4.26%	Jun-25
MFRA 2022-RPL1	RPL	Jul-22	336	242	307	91%	227	3.43%	5.11%	Jul-25
MFRA 2022-INV2	SFR	Jul-22	214	186	169	79%	141	4.95%	5.63%	Jul-25
MFRA 2022-NQM3	Non-QM	Sep-22	342	275	274	80%	207	5.57%	5.86%	Sep-25
MFRA 2022-INV3	SFR	Oct-22	235	208	160	68%	137	6.00%	6.52%	Oct-25
MFRA 2023-NQM1	Non-QM	Jan-23	314	265	253	81%	204	5.75%	6.04%	Jan-26
MFRA 2023-RTL1	Transitional	Feb-23	155	155	116	75%	115	7.58%	9.48%	Currently Callable
MFRA 2023-INV1	SFR	Feb-23	204	178	154	75%	128	6.10%	6.92%	Feb-26
MFRA 2023-NQM2	Non-QM	May-23	372	311	309	83%	248	4.66%	5.52%	May-26
MFRA 2023-INV2	SFR	Sep-23	215	203	191	89%	179	7.05%	8.04%	Sep-26
MFRA 2023-NQM3	Non-QM	Sep-23	387	320	343	89%	277	6.74%	7.79%	Aug-26
MFRA 2023-RTL2	Transitional	Oct-23	230	230	184	80%	184	8.50%	10.09%	Oct-25
MFRA 2023-NQM4	Non-QM	Dec-23	295	257	268	91%	230	6.33%	8.02%	Dec-26
MFRA 2024-RTL1	Transitional	Feb-24	200	200	160	80%	160	7.09%	10.57%	Feb-26
MFRA 2024-NQM1	Non-QM	Apr-24	365	345	331	91%	311	6.71%	8.22%	Apr-27
MFRA 2024-RTL2	Transitional	May-24	205	203	164	80%	164	7.25%	10.11%	May-26
MFRA 2024-RPL1	RPL	Jul-24	303	278	259	85%	256	4.26%	5.14%	30% Clean-up Call
MFRA 2024-NQM2	Non-QM	Sep-24	340	338	321	94%	318	5.38%	8.38%	Aug-27
MFRA 2024-NPL1	NPL	Oct-24	424	424	306	72%	306	6.33%	5.21%	Oct-25
MFRA 2024-RTL3	Transitional	Nov-24	250	250	202	81%	202	5.97%	10.84%	Oct-26
Total			10,406	7,684	9,035	87%	5,851	5.00%	6.45%	

Endnotes

1) *Closing stock price on 11/18/24.*
2) *Economic book value is a non-GAAP financial measure. Refer to slide 24 of MFA's Q3 2024 earnings presentation for further information regarding the calculation of this measure and a reconciliation to GAAP book value.*
3) *GAAP net income presented per basic common share.*
4) *Distributable earnings is a non-GAAP financial measure. Refer to slide 23 of MFA's Q3 2024 earnings presentation for further information regarding the calculation of this measure and a reconciliation to GAAP net income.*
5) *Recourse leverage is the ratio of MFA's financing liabilities (excluding non-recourse Securitized Debt) to net equity. Including Securitized Debt, MFA's overall leverage ratio at September 30, 2024 was 4.8x*
6) *Amounts presented reflect the aggregation of fair value and carrying value amounts as presented in MFA's consolidated balance sheet at September 30, 2024.*
7) *Includes $196M of funded originations during Q3 plus $133M of draws funded during Q3 on previously originated Transitional loans.*
8) *LTV reflects principal amortization and estimated home price appreciation (or depreciation) since acquisition. Zillow Home Value Index (ZHVI) is utilized to estimate updated LTVs for Non-QM, SFR and Legacy RPL/NPL assets. For Transitional loans, LTV reflects either the current UPB divided by the most recent as-is property valuation available or the maximum UPB divided by the most recent after repaired value (ARV) available.*
9) *State concentration measured by loan balance. All states in "Other" category have concentrations below 5%.*
10) *Swap variable receive rate is the Secured Overnight Financing Rate (SOFR).*
11) *Collateral UPB includes cash for Transitional loan securitizations.*
12) *Bonds sold relative to certificates issued.*