

February 25, 2020



MFA Financial, Inc. Announces Pricing of Public Offering of 6.50% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock

NEW YORK, Feb. 25, 2020 /PRNewswire/ -- MFA Financial, Inc. (NYSE:MFA) (the "Company") announced today the pricing of an underwritten public offering of 11.0 million shares of its 6.50% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock (the "Series C Preferred Stock"), liquidation preference \$25.00 per share, for gross proceeds of approximately \$275 million before deducting the underwriting discount and other estimated offering expenses. The offering is expected to close on March 2, 2020 and is subject to customary closing conditions. The Company has granted the underwriters an option to purchase up to an additional 1.65 million shares of Series C Preferred Stock solely to cover over-allotments. The Company intends to apply to list the Series C Preferred Stock on the New York Stock Exchange under the symbol "MFA PrC."

The Company intends to use the net proceeds of the offering to first (i) redeem all of the \$100 million aggregate principal amount outstanding of its 8.00% Senior Notes due 2042, plus accrued and unpaid interest, and then (ii) to redeem a portion of its outstanding 7.50% Series B Cumulative Redeemable Preferred Stock, with an aggregate liquidation preference of approximately \$165 million, plus accrued and unpaid dividends. This press release does not constitute a notice of redemption of the Company's 8.00% Senior Notes due 2042 or the Company's 7.50% Series B Cumulative Redeemable Preferred Stock.

Morgan Stanley, Goldman Sachs & Co. LLC, J.P. Morgan, RBC Capital Markets, UBS Investment Bank, Wells Fargo Securities, LLC and Keefe, Bruyette & Woods, A Stifel Company are joint book-running managers for the offering.

The Series C Preferred Stock is being offered under the Company's existing shelf registration statement filed with the Securities and Exchange Commission. The offering of the Series C Preferred Stock is being made only by means of a prospectus and a related prospectus supplement, a copy of which may be obtained by contacting:

Morgan Stanley & Co. LLC
180 Varick St., 2nd Floor
New York, New York 10014
Attention: Prospectus Department
Or by telephone: (866) 718-1649
Or by email: prospectus@morganstanley.com

Goldman Sachs & Co. LLC
Attention: Prospectus Department
200 West Street
New York, NY 10282
Or by telephone: 866-471-2526
Or by email: prospectus-ny@ny.email.gs.com

J.P. Morgan Securities LLC
Attention: Investment Grade Syndicate Desk
383 Madison Avenue
New York, NY 10179
Or by telephone: 212-834-4533

RBC Capital Markets, LLC
Attention: Transaction Management
200 Vesey Street
8th Floor
New York, NY 10281-8098
Or by telephone: 866-375-6829
Or by email: rbcnyfixedincomeprospectus@rbccm.com

UBS Securities LLC
Attention: Prospectus Department
1285 Avenue of the Americas
New York, NY 10019
Or by telephone: 888-827-7275

Wells Fargo Securities, LLC,
Attention: WFS Customer Service
608 2nd Avenue South, Suite 1000
Minneapolis, MN 55402,
Or by telephone: 1-800-645-3751
Or by email at wfscustomersupport@wellsfargo.com

Keefe, Bruyette & Woods, Inc.
Attention: Capital Markets
787 Seventh Avenue, 4th Floor
New York, NY 10019
Or by telephone: 800-966-1559

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Series C Preferred Stock or any other securities, nor shall there be any sale of such Series C Preferred Stock or any other securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About MFA Financial, Inc.

MFA Financial, Inc. is a real estate investment trust primarily engaged in the business of investing, on a leveraged basis, in residential mortgage assets, including residential mortgage-backed securities and residential whole loans.

Forward-Looking Statements

This press release contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. Forward-looking statements involve numerous risks and uncertainties. The Company's actual results may differ from the Company's beliefs, expectations, estimates and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and can be identified by words such as "anticipate," "estimate," "will," "should," "expect," "believe," "intend," "seek," "plan" and similar expressions or their negative forms, or by references to strategy, plans, or intentions. Forward-looking statements are based on the Company's beliefs, assumptions and expectations of the Company's future performance, taking into account information currently available to it. No assurance can be given that the offering discussed above will be consummated, or that the net proceeds of the offering will be used as indicated. Consummation of the offering and the application of the net proceeds of the offering are subject to numerous possible events, factors and conditions, many of which are beyond the control of the Company and not all of which are known to it, including, without limitation, market conditions and those described under the heading "Risk Factors" in the prospectus supplement relating to the offering and in the Company's Annual Report on Form 10-K for the year ended December 31, 2019, which can be accessed at the Securities and Exchange Commission's website at www.sec.gov. 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 the Company. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Investor Contact: InvestorRelations@mfafinancial.com
MFA Investor Relations
212-207-6488

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