

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____
IRC SECTIONS 301(c), 312 AND 316(a).

18 Can any resulting loss be recognized? ▶ **NO TAX LOSS CAN BE RECOGNIZED BY THE STOCKHOLDERS AS A RESULT OF THE DISTRIBUTIONS.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ _____
THE REPORTABLE TAX YEAR IS 2020.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Sandeep Ramachandran Date ▶ 1/27/2021

Print your name ▶ **SANDEEP RAMACHANDRAN** Title ▶ **SVP & DIRECTOR OF TAX**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

MFA FINANCIAL, INC.

13-3974868

STATEMENT 1

FORM 8937, PART II, LINE 14

BELOW IS A SUMMARY OF THE 2020 DISTRIBUTIONS:

<u>STOCK</u>	<u>CUSIP</u>	<u>RECORD DATE</u>	<u>PAYMENT DATE</u>	<u>TOTAL DISTRIBUTION PER SHARE</u>
COMMON	55272X102	9/30/2020	10/30/2020	\$0.0500
SERIES B PREFERRED	55272X409	07/15/2020	07/31/2020	\$0.9375
SERIES B PREFERRED	55272X409	09/08/2020	09/30/2020	\$0.4688
SERIES B PREFERRED	55272X409	12/04/2020	12/31/2020	\$0.4688
SERIES C PREFERRED	55272X508	07/15/2020	07/31/2020	\$0.5326
SERIES C PREFERRED	55272X508	09/08/2020	09/31/2020	\$0.4063
SERIES C PREFERRED	55272X508	12/04/2020	12/31/2020	\$0.4063

FORM 8937, PART II, LINE 15

THE DISTRIBUTIONS MADE ON THE FOLLOWING DATES REDUCE THE BASIS OF THE SECURITY IN THE HANDS OF THE U.S. SHAREHOLDER(S) AS FOLLOWS:

<u>STOCK</u>	<u>CUSIP</u>	<u>RECORD DATE</u>	<u>PAYMENT DATE</u>	<u>PER SHARE REDUCTION OF BASIS</u>
COMMON	55272X102	9/30/2020	10/30/2020	\$0.0500
SERIES B PREFERRED	55272X409	12/04/2020	12/31/2020	\$0.3099
SERIES C PREFERRED	55272X508	12/04/2020	12/31/2020	\$0.2686