



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

Mail Stop 3233

August 2, 2016

Via E-mail

Michael Szymanski  
Chief Executive Officer  
ZAIS Financial Corp.  
Two Bridge Avenue, Suite 322  
Red Bank, New Jersey 07701

**Re: ZAIS Financial Corp.  
Amendment No. 2 to Registration Statement on Form S-4  
Filed July 19, 2016  
File No. 333-211251  
Form 10-K for Fiscal Year Ended December 31, 2015  
File No. 001-35808**

Dear Mr. Szymanski:

We have reviewed your amended registration statement and have the following comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to this letter by amending your registration statement and providing the requested information. If you do not believe our comments apply to your facts and circumstances or do not believe an amendment is appropriate, please tell us why in your response.

After reviewing any amendment to your registration statement and the information you provide in response to these comments, we may have additional comments. Unless we note otherwise, our references to prior comments are to comments in our July 8, 2016 letter.

Amendment No. 2 to Registration Statement on Form S-4 Filed July 19, 2016

Exhibit 5.1

1. We note the assumption contained in paragraph 6 on page 2 of the opinion. Please confirm that you will file an appropriately unqualified opinion by post-effective amendment or on Form 8-K or Form 6-K, to the extent such filings are incorporated by reference into the registration statement, no later than the closing date of the exchange offer. Refer to Staff Legal Bulletin No. 19.

Michael Szymanski  
ZAIS Financial Corp.  
August 2, 2016  
Page 2

ZAIS Financial Corp. Form 10-K for the year ended December 31, 2015

Item 8. Financial Statements and Supplementary Data, page 80

Note 2. Summary of Significant Accounting Policies, page 86

Revenue Recognition, page 91

Mortgage Loans Held for Investment, at Fair Value, page 91

2. We note your response to comment 14 and your proposed revised disclosure. Please clarify for us and further revise your disclosure to describe in more detail your methodology for allocating a portion of the change in fair value to interest income. Please provide us an example of your proposed disclosure.

You may contact Becky Chow, Staff Accountant, at (202) 551-6524 or Jennifer Monick, Assistant Chief Accountant, at (202) 551-3295 if you have questions regarding comments on the financial statements and related matters. Please contact Rahul K. Patel, Staff Attorney, at (202) 551-3799 or me at (202) 551-3215 with any other questions.

Sincerely,

/s/ Kim McManus

Kim McManus  
Senior Attorney  
Office of Real Estate and  
Commodities

cc: Justin Howard, Esq.