

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 11, 2016**

**Orchid Island Capital, Inc.**  
(Exact Name of Registrant as Specified in Charter)

**Maryland**  
(State or Other Jurisdiction of Incorporation)

**001-35236**  
(Commission File Number)

**27-3269228**  
(IRS Employer Identification No.)

**3305 Flamingo Drive, Vero Beach, Florida 32963**  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code **(772) 231-1400**

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**ITEM 8.01. OTHER EVENTS.**

On May 11, 2016, Orchid Island Capital, Inc. (the “Company”) announced that the Board of Directors of the Company declared a dividend for the month of May 2016 of \$0.14 per share to be paid on May 31, 2016 to holders of record on May 26, 2016, with an ex-dividend date of May 24, 2016. In addition, the Company announced certain details of its MBS portfolio as of April 29, 2016 as well as certain other information regarding the Company. A copy of the Company’s press release announcing the dividend and the other information regarding the Company is attached hereto as Exhibit 99.1 and incorporated herein by this reference.

**Caution About Forward-Looking Statements.**

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward looking statements are based upon the Company’s present expectations, but the Company cannot assure you that actual results will not vary from the expectations contained in the forward-looking statements. Investors should not place undue reliance upon forward looking statements. For further discussion of the factors that could affect outcomes, please refer to the “Risk Factors” section of the Company’s Form 10-K for the year ended December 31, 2015. 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. Except as required by law, the Company 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.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated May 11, 2016

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 11, 2016

ORCHID ISLAND CAPITAL, INC.

By: /s/ Robert E. Cauley  
Robert E. Cauley  
Chairman and Chief Executive Officer

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INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated May 11, 2016

**ORCHID ISLAND CAPITAL ANNOUNCES  
MAY 2016 MONTHLY DIVIDEND AND  
APRIL 29, 2016 RMBS PORTFOLIO CHARACTERISTICS**

- May 2016 Monthly Dividend of \$0.14 Per Share
- RMBS Portfolio Characteristics as of April 29, 2016

Vero Beach, Fla., May 11, 2016 - Orchid Island Capital, Inc. (the "Company") (NYSE:ORC) announced today that the Board of Directors declared a monthly cash dividend for the month of May 2016. The dividend of \$0.14 per share will be paid May 31, 2016, to holders of record on May 26, 2016, with an ex-dividend date of May 24, 2016.

The Company intends to make regular monthly cash distributions to its stockholders. In order to qualify as a real estate investment trust ("REIT"), the Company must distribute annually to its stockholders an amount at least equal to 90% of its REIT taxable income, determined without regard to the deduction for dividends paid and excluding any net capital gain. The Company will be subject to income tax on taxable income that is not distributed and to an excise tax to the extent that a certain percentage of its taxable income is not distributed by specified dates. The Company has not established a minimum distribution payment level and is not assured of its ability to make distributions to stockholders in the future.

As of May 11, 2016, the Company had 21,783,356 shares outstanding. At March 31, 2016, the Company had 21,772,464 shares outstanding.

#### **RMBS Portfolio Characteristics**

Details of the RMBS portfolio as of April 29, 2016 are presented below. These figures are preliminary and subject to change. The information contained herein is an intra-quarter update created by the Company based upon information that the Company believes is accurate:

- RMBS Valuation Characteristics
- RMBS Assets by Agency
- Investment Company Act of 1940 (Whole Pool) Test Results
- Repurchase Agreement Exposure by Counterparty
- RMBS Risk Measures

#### **About Orchid Island Capital, Inc.**

Orchid Island Capital, Inc. is a specialty finance company that invests in Agency RMBS that are either traditional pass-through Agency RMBS or structured Agency RMBS. Orchid Island Capital, Inc. has elected to be taxed as a REIT for federal income tax purposes.

#### **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. These forward-looking statements include, but are not limited to, statements about the Company's distributions. These forward-looking statements are based upon Orchid Island Capital, Inc.'s present expectations, but these statements are not guaranteed to occur. Investors should not place undue reliance upon forward-looking statements. For further discussion of the factors that could affect outcomes, please refer to the "Risk Factors" section of the Company's Form 10-K for the year ended December 31, 2015.

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**RMBS Valuation Characteristics**

(\$ in thousands)

Asset Category	Current Face	Fair Value <sup>(1)</sup>	Current Price	Percentage of Portfolio	Weighted Average Coupon	Realized Apr 2016 CPR (Reported in May)
<b>As of April 29, 2016</b>						
Adjustable Rate RMBS	\$ 1,989	\$ 2,108	105.98	0.10%	3.06%	0.38%
10-1 Hybrid Rate RMBS	49,769	51,445	103.37	2.53%	2.55%	5.39%
<b>Hybrid Adjustable Rate RMBS</b>	<b>49,769</b>	<b>51,445</b>	<b>103.37</b>	<b>2.53%</b>	<b>2.55%</b>	<b>5.39%</b>
15 Year Fixed Rate RMBS	94,854	100,655	106.12	4.96%	3.28%	5.88%
20 Year Fixed Rate RMBS	300,854	324,956	108.01	16.00%	4.00%	9.59%
30 Year Fixed Rate RMBS	1,325,369	1,458,084	110.01	71.80%	4.42%	8.70%
<b>Total Fixed Rate RMBS</b>	<b>1,721,077</b>	<b>1,883,695</b>	<b>109.45</b>	<b>92.76%</b>	<b>4.29%</b>	<b>8.70%</b>
<b>Total Pass-through RMBS</b>	<b>1,772,835</b>	<b>1,937,248</b>	<b>109.27</b>	<b>95.39%</b>	<b>4.24%</b>	<b>8.59%</b>
Interest-Only Securities	523,712	55,064	10.51	2.71%	3.62%	15.39%
Inverse Interest-Only Securities	201,339	38,492	19.12	1.90%	5.91%	15.44%
<b>Structured RMBS</b>	<b>725,051</b>	<b>93,556</b>	<b>12.90</b>	<b>4.61%</b>	<b>4.57%</b>	<b>15.40%</b>
<b>Total Mortgage Assets</b>	<b>\$ 2,497,886</b>	<b>\$ 2,030,804</b>		<b>100.00%</b>	<b>4.26%</b>	<b>10.59%</b>

**RMBS Assets by Agency**

(\$ in thousands)

**Investment Company Act of 1940 (Whole Pool) Test**

(\$ in thousands)

Asset Category	Fair Value <sup>(1)</sup>	Percentage of Portfolio	Asset Category	Fair Value <sup>(1)</sup>	Percentage of Portfolio
<b>As of April 29, 2016</b>			<b>As of April 29, 2016</b>		
Fannie Mae	\$ 1,697,801	83.6%	Whole Pool Assets	\$ 1,578,214	77.7%
Freddie Mac	321,737	15.8%	Non Whole Pool Assets	452,590	22.3%
Ginnie Mae	11,266	0.6%	Total Mortgage Assets	\$ 2,030,804	100.0%
<b>Total Mortgage Assets</b>	<b>\$ 2,030,804</b>	<b>100.0%</b>			

(1) Amounts in the tables above include assets with a fair value of approximately \$74.3 million purchased in April 2016 which settle in May 2016, and exclude assets with a fair value of \$62.1 million sold in April 2016 which settle in May 2016.

**Borrowings By Counterparty**

(\$ in thousands)

<b>As of April 29, 2016</b>	<b>Total Borrowings<sup>(1)</sup></b>	<b>% of Total Debt</b>	<b>Weighted Average Maturity in Days</b>	<b>Longest Maturity</b>
Citigroup Global Markets Inc	\$ 275,577	14.9%	66	7/11/2016
South Street Securities, LLC	181,039	9.7%	5	5/16/2016
FHLB-Cincinnati	144,698	7.7%	41	7/6/2016
Cantor Fitzgerald & Co	122,102	6.5%	22	5/26/2016
Guggenheim Securities, LLC	120,443	6.4%	23	6/16/2016
Goldman, Sachs & Co	118,858	6.4%	46	6/15/2016
Wells Fargo Bank, N.A.	106,905	5.7%	14	5/18/2016
Natixis, New York Branch	102,523	5.5%	11	5/20/2016
Daiwa Securities America Inc.	99,962	5.4%	8	5/11/2016
KGS-Alpha Capital Markets, L.P	88,298	4.7%	64	7/18/2016
Mitsubishi UFJ Securities (USA), Inc	87,498	4.7%	55	7/18/2016
Merrill Lynch, Pierce, Fenner & Smith Inc	84,666	4.5%	19	5/18/2016
Nomura Securities International, Inc.	71,614	3.8%	43	6/13/2016
Mizuho Securities USA, Inc	65,551	3.5%	18	5/27/2016
ICBC Financial Services LLC	62,623	3.4%	73	7/11/2016
ED&F Man Capital Markets Inc	59,125	3.2%	3	5/2/2016
RBC Capital Markets, LLC	41,573	2.2%	13	5/12/2016
J.P. Morgan Securities LLC	30,255	1.6%	52	7/13/2016
Suntrust Robinson Humphrey, Inc	4,198	0.2%	7	5/6/2016
<b>Total Borrowings</b>	<b>\$ 1,867,508</b>	<b>100.0%</b>	<b>34</b>	<b>7/18/2016</b>

(1) In April 2016, the Company purchased assets with a fair value of approximately \$74.3 million which settle in May 2016 that are expected to be funded by repurchase agreements. These anticipated borrowings are not included in the table above. In April 2016, the Company also sold assets with a fair value of approximately \$62.1 million which settle in May 2016. The table above includes repurchase agreement borrowings of approximately \$59.7 million which are collateralized by these sold securities.

**RMBS Risk Measures**
*(\$ in thousands)*

<b>Mortgage Assets</b>						
<b>Asset Category</b>	<b>Fair Value</b>	<b>Weighted Average Months To Next Coupon Reset (if applicable)</b>	<b>Weighted Average Lifetime Cap (if applicable)</b>	<b>Weighted Average Periodic Cap Per Year (if applicable)</b>	<b>Modeled Interest Rate Sensitivity (-50 BPS)<sup>(1)</sup></b>	<b>Modeled Interest Rate Sensitivity (+50 BPS)<sup>(1)</sup></b>
<b>As of April 29, 2016</b>						
Adjustable Rate RMBS	\$ 2,108	2	10.05%	2.00%	\$ 8	\$ (8)
Hybrid Adjustable Rate RMBS	51,445	81	7.55%	2.00%	685	(882)
Total Fixed Rate RMBS	1,883,695	n/a	n/a	n/a	26,424	(37,635)
Total Pass-through RMBS	1,937,248	n/a	n/a	n/a	27,117	(38,525)
Interest-Only Securities	55,064	n/a	n/a	n/a	(8,853)	7,263
Inverse Interest-Only Securities	38,492	1	6.35%	n/a	376	(1,347)
Structured RMBS	93,556	n/a	n/a	n/a	(8,477)	5,916
Total Mortgage Assets	\$ 2,030,804	n/a	n/a	n/a	\$ 18,640	\$ (32,609)
<b>Funding Hedges</b>						
			<b>Average Notional Balance<sup>(2)</sup></b>	<b>Hedge Period End Date</b>	<b>Modeled Interest Rate Sensitivity (-50 BPS)<sup>(1)</sup></b>	<b>Modeled Interest Rate Sensitivity (+50 BPS)<sup>(1)</sup></b>
Eurodollar Futures Contracts - Short Positions			\$ 160,000	Mar-2019	\$ (1,933)	\$ 3,000
Treasury Futures Contracts - Short Positions			185,000	Jun-2026	(8,300)	6,528
Payer Swaps			600,000	Feb-2020	(11,116)	11,116
TBA Short Positions			80,000	May-2016	(879)	1,283
Grand Total					\$ (3,588)	\$ (10,682)

(1) Modeled results from Citigroup Global Markets Inc. Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are calculated assuming constant LIBOR option-adjusted spreads. These results are for illustrative purposes only and actual results may differ materially.

(2) Treasury futures contracts were valued at a price of \$130.06 at April 29, 2016. The nominal value of the short position was \$240.6 million.

**Contact:**

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