



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): **October 10, 2013**

**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 October 10, 2013, Orchid Island Capital, Inc. (the “Company”) announced that the Board of Directors of the Company declared a dividend for the month of October 2013 of \$0.135 per share to be paid on October 31, 2013 to holders of record on October 25, 2013 with an ex-dividend date of October 23, 2013. In addition, the Company announced the details of its MBS portfolio as of September 30, 2013. A copy of the Company’s press release announcing the dividend and portfolio summary is attached hereto as Exhibit 99.1 and incorporated herein by this reference.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

**(d) Exhibits**

99.1 Press Release dated October 10, 2013

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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: October 11, 2013

ORCHID ISLAND CAPITAL, INC.

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

**ORCHID ISLAND CAPITAL ANNOUNCES  
OCTOBER 2013 MONTHLY DIVIDEND AND  
SEPTEMBER 30, 2013 MBS PORTFOLIO CHARACTERISTICS**

- October 2013 Monthly Dividend of \$0.135 Per Share
- Estimated Book Value Per Share at September 30, 2013 of \$13.41
- MBS Portfolio Characteristics as of September 30, 2013

Vero Beach, Fla., October 10, 2013 - Orchid Island Capital, Inc. (the "Company") (NYSE MKT:ORC) announced that today the Board of Directors declared a monthly cash dividend for the month of October 2013. The dividend of \$0.135 per share will be paid October 31, 2013, to holders of record on October 25, 2013, with an ex-dividend date of October 23, 2013.

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 certain percentages 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.

**Estimated September 30, 2013 Book Value Per Share**

The Company's estimated book value per share as of September 30, 2013 was \$13.41. Book value per share is regularly used as a valuation metric by various equity analysts that follow the Company and may be deemed a non-GAAP financial measure pursuant to Regulation G. The Company computes book value per share by dividing total stockholders' equity by the total number of shares outstanding of the Company's Common Stock. At September 30, 2013, the Company's preliminary estimated total stockholders' equity was approximately \$44.8 million with 3,341,665 Common shares outstanding. These figures and the resulting estimated book value per share are preliminary, subject to change, and subject to review by the Company's independent registered public accounting firm.

**MBS Portfolio Characteristics**

Details of the MBS portfolio as of September 30, 2013 are presented below. These figures are preliminary and subject to change and, with respect to figures that will appear in the Company's unaudited financial statements and associated footnotes as of and for the three and nine month periods ended September 30, 2013, are subject to review by the Company's independent registered public accounting firm.

- MBS Assets by Agency
- Investment Company Act of 1940 Whole Pool Test Results
- Repurchase agreement exposure by counterparty
- MBS 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. intends to elect to be taxed as a real estate investment trust for federal income tax purposes.

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## 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 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, 2012.

## MBS Valuation Characteristics

(in thousands of \$s)

Asset Category	Current Face	Fair Value	Current Price	Percentage of Portfolio	Weighted Average Coupon	Realized Sep 2013 CPR (Reported in Oct)
<b>As of September 30, 2013</b>						
Adjustable Rate MBS	\$ 5,688	\$ 6,150	108.13	1.85%	4.04%	0.14%
10-1 Hybrid Rate MBS	120,750	120,205	99.55	36.23%	2.56%	1.01%
<b>Hybrid Adjustable Rate MBS</b>	<b>120,750</b>	<b>120,205</b>	<b>99.55</b>	<b>36.23%</b>	<b>2.56%</b>	<b>1.01%</b>
15 Year Fixed Rate MBS	22,365	23,189	103.69	6.99%	3.00%	3.18%
20 Year Fixed Rate MBS	31,197	32,314	103.58	9.74%	3.50%	1.74%
30 Year Fixed Rate MBS	125,310	129,159	103.07	38.93%	3.76%	5.27%
<b>Total Fixed Rate MBS</b>	<b>178,872</b>	<b>184,662</b>	<b>103.24</b>	<b>55.66%</b>	<b>3.62%</b>	<b>4.39%</b>
<b>Total Pass-through MBS</b>	<b>305,310</b>	<b>311,017</b>	<b>101.87</b>	<b>93.74%</b>	<b>3.22%</b>	<b>2.98%</b>
Interest-Only Securities	114,326	15,371	13.44	4.63%	4.32%	19.97%
Inverse Interest-Only Securities	41,052	5,399	13.15	1.63%	5.91%	20.74%
<b>Structured MBS</b>	<b>155,378</b>	<b>20,770</b>	<b>13.37</b>	<b>6.26%</b>	<b>4.73%</b>	<b>20.17%</b>
<b>Total Mortgage Assets</b>	<b>\$ 460,688</b>	<b>331,787</b>	<b>-</b>	<b>100.00%</b>	<b>3.31%</b>	<b>8.78%</b>

## MBS Assets by Agency

(in thousands of \$s)

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

(in thousands of \$s)

Asset Category	Fair Value	Percentage of Portfolio	Asset Category	Fair Value	Percentage of Portfolio
<b>As of September 30, 2013</b>			<b>As of September 30, 2013</b>		
Fannie Mae	\$ 203,477	61.3%	Whole Pool Assets	\$ 275,066	82.9%
Freddie Mac	107,876	32.5%	Non Whole Pool Assets	56,721	17.1%
Ginnie Mae	20,434	6.2%	Total Mortgage Assets	\$ 331,787	100.0%
<b>Total Mortgage Assets</b>	<b>\$ 331,787</b>	<b>100.0%</b>			

**Repurchase Agreement Exposure By Counterparty**  
(in thousands of \$s)

	Total Borrowings	% of Total Debt	Weighted Average Maturity in Days	Longest Maturity
Citigroup Global Markets Inc	\$ 118,674	40.2%	25	11/22/2013
South Street Securities, LLC	48,937	16.6%	27	11/5/2013
CRT Capital Group, LLC	28,740	9.7%	28	10/28/2013
The PrinceRidge Group, LLC	25,847	8.8%	25	10/25/2013
Mizuho Securities USA, Inc	25,442	8.6%	26	11/6/2013
Suntrust Robinson Humphry, Inc	24,532	8.3%	7	10/7/2013
Pierpont Securities, LLC	10,790	3.7%	16	10/16/2013
KGS-Alpha Capital Markets, L.P	7,819	2.6%	12	10/25/2013
Cantor Fitzgerald & Co	4,571	1.5%	18	10/18/2013
<b>Total Borrowings</b>	<b>\$ 295,352</b>	<b>100.0%</b>	<b>23</b>	<b>11/22/2013</b>

**MBS Risk Measures**

(in thousands of \$s)

**Mortgage Assets**

Asset Category	Fair Value	Weighted Average Months To Next Coupon Reset (if applicable)	Weighted Average Lifetime Cap (if applicable)	Weighted Average Periodic Cap Per Year (if applicable)	Modeled Interest Rate Sensitivity (-50 BPS)*	Modeled Interest Rate Sensitivity (+50 BPS)*
<b>As of September 30, 2013</b>						
Adjustable Rate MBS	\$ 6,150	5	10.05%	2.00%	\$ 62	\$ (75)
Hybrid Adjustable Rate MBS	120,205	112	7.56%	2.00%	2,716	(3,224)
Total Fixed Rate MBS	184,662	n/a	n/a	n/a	4,920	(5,557)
<b>Total Pass-through MBS</b>	<b>311,017</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>7,698</b>	<b>(8,856)</b>
Interest-Only Securities	15,371	n/a	n/a	n/a	(1,315)	979
Inverse Interest-Only Securities	5,399	1	6.09%	n/a	52	(235)
Structured MBS	20,770	n/a	n/a	n/a	(1,263)	744
<b>Total Mortgage Assets</b>	<b>\$ 331,787</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 6,435</b>	<b>\$ (8,112)</b>

**Funding Hedges**

	Notional Balance	Hedge Period End Date	Modeled Interest Rate Sensitivity (-50 BPS)*	Modeled Interest Rate Sensitivity (+50 BPS)*
Eurodollar Futures Contracts - Short Positions	\$ 250,000	Dec-2018	\$ (5,014)	\$ 5,469
<b>Grand Total</b>			<b>\$ 1,421</b>	<b>\$ (2,643)</b>

\* Modeled results from Citigroup Global Markets, Inc. Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are calculated assuming constant LIBOR OAS. These results are for illustrative purposes only and actual results may differ materially.

**Contact:**

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