

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 12, 2021**

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading symbol:	Name of each exchange on which registered:
Common Stock, par value \$0.01 per share	ORC	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 8.01. OTHER EVENTS.

On May 12, 2021, OrchidIsland Capital, Inc. (the “Company”) announced that the Board of Directors of the Company declared a dividend for the month of May 2021 of \$0.065 per share of the Company’s common stock to be paid on June 28, 2021 to holders of record on May 28, 2021, with an ex-dividend date of May 27, 2021. In addition, the Company announced certain details of its RMBS portfolio as of April 30, 2021 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, including, but not limited to, statements about the Company’s distributions and expected funding of purchased assets. These forward-looking statements are based upon the Company’s present expectations, but the Company cannot assure investors 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 Annual Report on Form 10-K for the fiscal year ended December 31, 2020. 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 12, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 12, 2021

ORCHID ISLAND CAPITAL, INC.

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

**ORCHID ISLAND CAPITAL ANNOUNCES
MAY 2021 MONTHLY DIVIDEND AND
APRIL 30, 2021 RMBS PORTFOLIO CHARACTERISTICS**

- May 2021 Monthly Dividend of \$0.065 Per Share of Common Stock
- RMBS Portfolio Characteristics as of April 30, 2021
- Next Dividend Announcement Expected June 15, 2021

Vero Beach, Fla., May 12, 2021 - Orchid Island Capital, Inc. (the "Company") (NYSE: ORC) announced today that the Board of Directors (the "Board") declared a monthly cash dividend for the month of May 2021. The dividend of \$0.065 per share will be paid June 28, 2021, to holders of record of the Company's common stock on May 28, 2021, with an ex-dividend date of May 27, 2021. The Company plans on announcing its next common stock dividend on June 15, 2021.

The Company intends to make regular monthly cash distributions to its holders of common stock. 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 12, 2021, the Company had 95,262,758 shares of common stock outstanding. As of April 30, 2021 and March 31, 2021, the Company had 94,410,960 shares of common stock outstanding.

RMBS Portfolio Characteristics

Details of the RMBS portfolio as of April 30, 2021 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 on a leveraged basis in Agency RMBS. Our investment strategy focuses on, and our portfolio consists of, two categories of Agency RMBS: (i) traditional pass-through Agency RMBS, such as mortgage pass-through certificates and collateralized mortgage obligations issued by Fannie Mae, Freddie Mac or Ginnie Mae, and (ii) structured Agency RMBS. The Company is managed by Bimini Advisors, LLC, a registered investment adviser with the Securities and Exchange Commission.

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 and the expected funding of purchased assets. 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 Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

RMBS Valuation Characteristics

(\$ in thousands)

Type	Current Face	Fair Value ⁽¹⁾	% of Portfolio	Current Price	Net Weighted Average Coupon	GWAC	Age	Weighted Average Maturity (Months)	Realized	Realized	Modeled Interest Rate Sensitivity (-50 BPS) ⁽²⁾	Modeled Interest Rate Sensitivity (+50 BPS) ⁽²⁾
									Apr 2021 CPR (1-Month) (Reported in May)	Feb - Apr 2021 CPR (3-Month) (Reported in May)		
Pass Through RMBS												
15yr 2.5	\$ 234,989	\$ 248,468	5.85%	\$ 105.74	2.50%	2.87%	4	172	4.64%	3.19%	\$ 3,689	\$ (4,483)
15yr 4.0	612	659	0.02%	107.76	4.00%	4.50%	36	120	8.21%	8.16%	7	(8)
15yr Total	235,601	249,127	5.87%	105.74	2.50%	2.88%	5	172	4.65%	3.20%	3,696	(4,491)
20yr 2.0	148,010	151,177	3.56%	102.14	2.00%	2.87%	4	236	3.17%	2.38%	1,979	(3,032)
20yr Total	148,010	151,177	3.56%	102.14	2.00%	2.87%	4	236	3.17%	2.38%	1,979	(3,032)
30yr 2.5	682,916	710,585	16.74%	104.05	2.50%	3.46%	6	351	7.92%	6.27%	8,831	(15,510)
30yr 3.0	1,971,077	2,111,209	49.74%	107.11	3.00%	3.50%	5	354	6.94%	8.09%	32,952	(47,461)
30yr 3.5	590,509	647,413	15.25%	109.64	3.50%	4.00%	17	338	21.10%	22.63%	6,623	(11,345)
30yr 4.0	178,573	200,433	4.72%	112.24	4.00%	4.51%	31	322	20.27%	19.98%	3,279	(3,861)
30yr 4.5	84,955	95,643	2.25%	112.58	4.50%	5.00%	23	333	34.25%	32.75%	574	(1,040)
30yr Total	3,508,030	3,765,283	88.71%	107.33	3.07%	3.66%	9	349	10.85%	12.90%	52,259	(79,217)
Total Pass Through RMBS	3,891,641	4,165,587	98.14%	107.04	3.00%	3.59%	8	334	10.18%	11.49%	57,934	(86,740)
Structured RMBS												
Interest-Only Securities	496,943	74,334	1.75%	14.97	3.61%	4.19%	60	288	29.31%	39.71%	(7,132)	6,392
Inverse Interest-Only Securities	62,791	4,619	0.11%	7.36	3.79%	4.40%	44	310	55.23%	42.17%	(475)	(81)
Total Structured RMBS	559,734	78,953	1.86%	14.11	3.63%	4.21%	58	291	32.77%	40.26%	(7,607)	6,311
Total Mortgage Assets	\$ 4,451,375	\$ 4,244,540	100.00%		3.08%	3.67%	15	328	12.62%	14.15%	\$ 50,327	\$ (80,429)

Hedge	Average Notional Balance	Hedge Period End	Interest Rate	Interest Rate
			Sensitivity (-50 BPS) ⁽²⁾	Sensitivity (+50 BPS) ⁽²⁾
Eurodollar Futures	\$ (50,000)	Dec-2021	\$ (188)	\$ 188
Swaps	(1,355,000)	Dec-2026	(39,176)	39,176
5-Year Treasury Future	(269,000)	Jun-2021 ⁽³⁾	(9,888)	7,355
10-Year Treasury Ultra	(23,500)	Jun-2021 ⁽⁴⁾	(2,449)	2,098
TBA	(548,000)	May-2021	(4,356)	8,776
Swaptions	(244,350)	Jun-2022	(6,754)	6,217
Yield Curve Spread Floor	(150,000)	Feb-2023	n/a	n/a
Hedge Total	\$ (2,639,850)		\$ (62,811)	\$ 63,810
Rate Shock Grand Total			\$ (12,484)	\$ (16,619)

- (1) Amounts in the tables above include assets with a fair value of approximately \$15.8 million purchased in April 2021, which settle in May 2021.
- (2) 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.
- (3) Five-year Treasury futures contracts were valued at prices of \$123.94 at April 30, 2021. The market value of the short position was \$333.4 million.
- (4) Ten-year Treasury Ultra futures contracts were valued at prices of \$145.55 at April 30, 2021. The market value of the short position was \$34.2 million.

RMBS Assets by Agency

(\$ in thousands)

Asset Category	Fair Value ⁽¹⁾	Percentage of Portfolio
As of April 30, 2021		
Fannie Mae	\$ 3,340,240	78.7%
Freddie Mac	904,300	21.3%
Total Mortgage Assets	\$ 4,244,540	100.0%

Investment Company Act of 1940 Whole Pool Test

(\$ in thousands)

Asset Category	Fair Value ⁽¹⁾	Percentage of Portfolio
As of April 30, 2021		
Non-Whole Pool Assets	\$ 322,417	7.6%
Whole Pool Assets	3,922,123	92.4%
Total Mortgage Assets	\$ 4,244,540	100.0%

- (1) Amounts in the tables above include assets with a fair value of approximately \$15.8 million purchased in April 2021, which settle in May 2021.

Borrowings By Counterparty

(\$ in thousands)

As of April 30, 2021	Total Borrowings⁽¹⁾	% of Total Debt	Weighted Average Repo Rate	Weighted Average Maturity in Days	Longest Maturity
Wells Fargo Bank, N.A.	\$ 379,037	9.4%	0.12%	54	7/12/2021
Mirae Asset Securities (USA) Inc.	370,908	9.1%	0.17%	59	8/5/2021
ASL Capital Markets Inc.	345,921	8.5%	0.13%	50	7/16/2021
J.P. Morgan Securities LLC	345,447	8.5%	0.18%	122	9/7/2021
Mitsubishi UFJ Securities (USA), Inc.	329,683	8.1%	0.17%	49	7/12/2021
RBC Capital Markets, LLC	277,217	6.8%	0.16%	32	7/19/2021
ABN AMRO Bank N.V.	224,818	5.5%	0.15%	61	7/12/2021
Cantor Fitzgerald & Co.	216,315	5.3%	0.15%	33	7/8/2021
Citigroup Global Markets Inc	206,872	5.1%	0.18%	12	5/12/2021
Nomura Securities International, Inc.	205,089	5.0%	0.12%	28	6/18/2021
ED&F Man Capital Markets Inc.	204,081	5.0%	0.15%	85	8/19/2021
Barclays Capital Inc.	152,630	3.8%	0.17%	12	5/12/2021
ING Financial Markets LLC	145,001	3.6%	0.13%	69	7/8/2021
Merril Lynch, Pierce, Fenner & Smith Inc.	141,877	3.5%	0.15%	73	7/14/2021
South Street Securities, LLC	103,724	2.5%	0.23%	79	10/8/2021
Goldman, Sachs & Co. LLC	100,655	2.5%	0.17%	31	7/12/2021
Daiwa Capital Markets America Inc.	98,119	2.4%	0.16%	11	5/12/2021
BMO Capital Markets Corp.	89,396	2.2%	0.13%	75	7/14/2021
Lucid Cash Fund USG LLC	49,242	1.2%	0.17%	13	5/13/2021
Austin Atlantic Asset Management Co.	49,157	1.2%	0.19%	6	5/6/2021
J.V.B. Financial Group, LLC	32,945	0.8%	0.11%	85	7/26/2021
Total Borrowings	\$ 4,068,134	100.0%	0.15%	54	10/8/2021

(1) In April 2021, the Company purchased assets with a fair value of approximately \$15.8 million, which settle in May 2021 that are expected to be funded substantially by repurchase agreements not included in the table above.

Contact:

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