

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): **April 9, 2014 (April 8, 2014)**

**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 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.**

On April 8, 2014, Orchid Island Capital, Inc. (the "Company") announced its preliminary book value of \$12.47 per share as of March 31, 2014 and certain details of its MBS portfolio as of March 31, 2014. These figures and the estimated book value per share are preliminary, subject to change, and subject to review by the Company's independent registered public accounting firm. 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

## **ITEM 8.01. OTHER EVENTS.**

On April 8, 2014, Orchid Island Capital, Inc. (the "Company") announced that on April 8, 2014 the Board of Directors of the Company declared a dividend for the month of April 2014 of \$0.18 per share to be paid on April 30, 2014 to holders of record on April 25, 2014 with an ex-dividend date of April 23, 2014. 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, 2013. 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**

99.1 Press Release dated April 8, 2014

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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: April 9, 2014

ORCHID ISLAND CAPITAL, INC.

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

**ORCHID ISLAND CAPITAL ANNOUNCES  
APRIL 2014 MONTHLY DIVIDEND AND  
MARCH 31, 2014 RMBS PORTFOLIO CHARACTERISTICS**

- April 2014 Monthly Dividend of \$0.18 Per Share
- Estimated Book Value Per Share at March 31, 2014 of \$12.47
- RMBS Portfolio Characteristics as of March 31, 2014

Vero Beach, Fla., April 8, 2014 - 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 April 2014. The dividend of \$0.18 per share will be paid April 30, 2014, to holders of record on April 25, 2014, with an ex-dividend date of April 23, 2014.

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 March 31, 2014 Book Value Per Share**

The Company's estimated book value per share as of March 31, 2014 was \$12.47. 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 March 31, 2014, the Company's preliminary estimated total stockholders' equity was approximately \$107.4 million with 8,611,665 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.

#### **RMBS Portfolio Characteristics**

Details of the RMBS portfolio as of March 31, 2014 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 month period ended March 31, 2014, are subject to review by the Company's independent registered public accounting firm.

- 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. intends to elect to be taxed as a real estate investment trust 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 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, 2013.

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**RMBS Valuation Characteristics***(in thousands of \$s)*

Asset Category	Current Face	Fair Value	Current Price	Percentage of Portfolio	Weighted Average Coupon	Realized Mar 2014 CPR (Reported in Apr)
<b>As of March 31, 2014</b>						
Adjustable Rate RMBS	\$ 4,323	\$ 4,698	108.66	0.63%	4.10%	0.31%
10-1 Hybrid Rate RMBS	75,770	75,850	100.11	10.14%	2.55%	1.03%
<b>Hybrid Adjustable Rate RMBS</b>	<b>75,770</b>	<b>75,850</b>	<b>100.11</b>	<b>10.14%</b>	<b>2.55%</b>	<b>1.03%</b>
15 Year Fixed Rate RMBS	85,193	89,057	104.54	11.91%	3.40%	3.86%
20 Year Fixed Rate RMBS	100,595	105,731	105.11	14.14%	3.92%	0.52%
30 Year Fixed Rate RMBS	396,556	426,140	107.46	56.99%	4.54%	1.34%
<b>Total Fixed Rate RMBS</b>	<b>582,344</b>	<b>620,928</b>	<b>106.63</b>	<b>83.04%</b>	<b>4.27%</b>	<b>1.58%</b>
<b>Total Pass-through RMBS</b>	<b>662,437</b>	<b>701,476</b>	<b>105.89</b>	<b>93.81%</b>	<b>4.09%</b>	<b>1.50%</b>
Interest-Only Securities	245,702	35,681	14.52	4.77%	4.32%	16.50%
Inverse Interest-Only Securities	77,147	10,600	13.74	1.42%	6.04%	12.11%
<b>Structured RMBS</b>	<b>322,849</b>	<b>46,281</b>	<b>14.34</b>	<b>6.19%</b>	<b>4.71%</b>	<b>14.98%</b>
<b>Total Mortgage Assets</b>	<b>\$ 985,286</b>	<b>\$ 747,757</b>	<b>-</b>	<b>100.00%</b>	<b>4.13%</b>	<b>5.00%</b>

**RMBS Assets by Agency***(in thousands of \$s)*

Asset Category	Fair Value	Percentage of Portfolio
<b>As of March 31, 2014</b>		
Fannie Mae	\$ 419,299	56.1%
Freddie Mac	303,195	40.5%
Ginnie Mae	25,263	3.4%
<b>Total Mortgage Assets</b>	<b>\$ 747,757</b>	<b>100.0%</b>

**Investment Company Act of 1940 (Whole Pool) Test***(in thousands of \$s)*

Asset Category	Fair Value	Percentage of Portfolio
<b>As of March 31, 2014</b>		
Whole Pool Assets	\$ 608,324	81.4%
Non Whole Pool Assets	139,433	18.6%
<b>Total Mortgage Assets</b>	<b>\$ 747,757</b>	<b>100.0%</b>

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

As of March 31, 2014	Total Borrowings	% of Total Debt	Weighted Average Maturity in Days	Longest Maturity
Citigroup Global Markets Inc	\$ 154,731	23.8%	19	5/27/2014
Cantor Fitzgerald & Co	80,889	12.4%	19	4/25/2014
Goldman, Sachs & Co	68,871	10.6%	23	4/28/2014
CRT Capital Group, LLC	64,183	9.9%	61	6/30/2014
Mitsubishi UFJ Securities (USA), Inc	59,896	9.2%	31	5/2/2014
Mizuho Securities USA, Inc	42,142	6.5%	12	4/22/2014
South Street Securities, LLC	41,002	6.3%	14	4/24/2014
Suntrust Robinson Humphrey, Inc	39,953	6.1%	11	4/11/2014
KGS-Alpha Capital Markets, L.P	38,055	5.8%	30	5/23/2014
Morgan Stanley & Co	36,822	5.7%	43	5/13/2014
ED&F Man Capital Markets Inc	24,702	3.7%	16	4/16/2014
<b>Total Borrowings</b>	<b>\$ 651,246</b>	<b>100.0%</b>	<b>25</b>	<b>6/30/2014</b>

**RMBS Risk Measures***(in thousands of \$s)***Mortgage Assets**

<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)*</b>	<b>Modeled Interest Rate Sensitivity (+50 BPS)*</b>
<b>As of March 31, 2014</b>						
Adjustable Rate RMBS	\$ 4,698	2	10.16%	2.00%	\$ 8	\$ (16)
Hybrid Adjustable Rate RMBS	75,850	107	7.55%	2.00%	2,002	(2,326)
Total Fixed Rate RMBS	620,928	n/a	n/a	n/a	14,931	(18,429)
Total Pass-through RMBS	701,476	n/a	n/a	n/a	16,941	(20,771)
Interest-Only Securities	35,681	n/a	n/a	n/a	(5,794)	5,000
Inverse Interest-Only Securities	10,600	-	2.42%	n/a	(513)	(135)
Structured RMBS	46,281	n/a	n/a	n/a	(6,308)	4,865
Total Mortgage Assets	\$ 747,757	n/a	n/a	n/a	\$ 10,634	\$ (15,906)

**Funding Hedges**

	<b>Average Notional Balance</b>	<b>Hedge Period End Date</b>	<b>Modeled Interest Rate Sensitivity (-50 BPS)*</b>	<b>Modeled Interest Rate Sensitivity (+50 BPS)*</b>
Eurodollar Futures Contracts - Short Positions	\$ 391,600	Dec-2018	\$ (7,868)	\$ 9,355
Payer Swaption	100,000	Mar-2020	(842)	1,542
Grand Total			\$ 1,924	\$ (5,009)

\* 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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