

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): **December 8, 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 December 8, 2016, Orchid Island Capital, Inc. (the "Company") announced that the Board of Directors of the Company declared a dividend for the month of December 2016 of \$0.14 per share to be paid on January 10, 2017 to holders of record on December 30, 2016, with an ex-dividend date of December 28, 2016. In addition, the Company announced certain details of its MBS portfolio as of November 30, 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 December 8, 2016

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: December 8, 2016

ORCHID ISLAND CAPITAL, INC.

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

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated December 8, 2016

ORCHID ISLAND CAPITAL ANNOUNCES DECEMBER 2016 MONTHLY DIVIDEND AND NOVEMBER 30, 2016 RMBS PORTFOLIO CHARACTERISTICS

- December 2016 Monthly Dividend of \$0.14 Per Share
- RMBS Portfolio Characteristics as of November 30, 2016

Vero Beach, Fla., December 8, 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 December 2016. The dividend of \$0.14 per share will be paid January 10, 2017, to holders of record on December 30, 2016, with an ex-dividend date of December 28, 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 December 8, 2016, the Company had 31,963,790 shares outstanding, including shares sold through the Company's at the market program through that date that have not yet settled. At September 30, 2016, the Company had 26,252,193 shares outstanding.

RMBS Portfolio Characteristics

Details of the RMBS portfolio as of November 30, 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 and the expected funding of purchased assets and anticipated borrowings. 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.

RMBS Valuation Characteristics
(\$ in thousands)

Asset Category	Current	Fair	Current	Percentage	Weighted	Realized
	Face	Value ⁽¹⁾	Price	of	Average	Nov 2016 CPR (Reported in Dec)
As of November 30, 2016						
Adjustable Rate RMBS	\$ 1,938	\$ 2,057	106.13	0.08%	3.50%	0.69%
10-1 Hybrid Rate RMBS	44,831	45,924	102.44	1.81%	2.55%	6.42%
Hybrid Adjustable Rate RMBS	44,831	45,924	102.44	1.81%	2.55%	6.42%
15 Year Fixed Rate RMBS	86,213	89,932	104.31	3.54%	3.28%	14.70%
20 Year Fixed Rate RMBS	410,784	439,804	107.06	17.33%	4.00%	8.78%
30 Year Fixed Rate RMBS	1,681,902	1,817,048	108.04	71.61%	4.33%	8.67%
Total Fixed Rate RMBS	2,178,899	2,346,784	107.71	92.48%	4.22%	8.93%
Total Pass-through RMBS	2,225,668	2,394,765	107.60	94.37%	4.19%	8.87%
Interest-Only Securities	534,146	61,345	11.48	2.42%	3.56%	18.81%
Inverse Interest-Only Securities	385,436	81,472	21.14	3.21%	5.58%	14.48%
Structured RMBS	919,582	142,817	15.53	5.63%	4.71%	17.00%
Total Mortgage Assets	\$ 3,145,250	\$ 2,537,582		100.00%	4.22%	11.25%

RMBS Assets by Agency
(\$ in thousands)

Asset Category	Fair Value ⁽¹⁾	Percentage of Portfolio	Investment Company Act of 1940 (Whole Pool) Test	
			Asset Category	Percentage of Portfolio
As of November 30, 2016				
Fannie Mae	\$ 1,890,375	74.5%	Whole Pool Assets	78.3%
Freddie Mac	637,529	25.1%	Non Whole Pool Assets	21.7%
Ginnie Mae	9,678	0.4%	Total Mortgage Assets	100.0%
Total Mortgage Assets	\$ 2,537,582	100.0%		

(1) Amounts in the tables above include assets with a fair value of approximately \$5.1 million purchased in November 2016 which settle in December 2016.

Borrowings By Counterparty
(\$ in thousands)

As of November 30, 2016	Total Borrowings⁽¹⁾	% of Total Debt	Weighted Average Maturity in Days	Longest Maturity
Citigroup Global Markets Inc	\$ 276,506	11.6%	10	1/5/2017
Mitsubishi UFJ Securities (USA), Inc	190,922	8.1%	29	2/14/2017
South Street Securities, LLC	178,406	7.6%	6	12/21/2016
RBC Capital Markets, LLC	168,792	7.1%	13	12/13/2016
Goldman, Sachs & Co	167,675	7.1%	15	1/23/2017
J.P. Morgan Securities LLC	160,239	6.8%	23	1/10/2017
ED&F Man Capital Markets Inc	159,388	6.8%	60	2/13/2017
Cantor Fitzgerald & Co	149,977	6.4%	50	1/23/2017
ICBC Financial Services LLC	140,196	5.9%	19	12/30/2016
Wells Fargo Bank, N.A.	138,922	5.9%	9	12/9/2016
KGS-Alpha Capital Markets, L.P.	132,172	5.6%	24	2/24/2017
Daiwa Securities America Inc.	111,201	4.7%	11	12/14/2016
Guggenheim Securities, LLC	94,674	4.0%	38	1/30/2017
Natixis, New York Branch	94,100	4.0%	10	12/21/2016
Nomura Securities International, Inc.	83,928	3.6%	16	12/29/2016
Mizuho Securities USA, Inc	57,491	2.4%	7	12/7/2016
FHLB-Cincinnati	52,731	2.2%	1	12/1/2016
Suntrust Robinson Humphrey, Inc	3,976	0.2%	9	12/9/2016
Total Borrowings	\$ 2,361,296	100.0%	21	2/24/2017

(1) In November 2016, the Company purchased assets with a fair value of approximately \$5.1 million which settle in December 2016 that are expected to be funded by repurchase agreements. These anticipated borrowings are not included in the table above.

RMBS Risk Measures

(\$ in thousands)

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) ⁽¹⁾	Modeled Interest Rate Sensitivity (+50 BPS) ⁽¹⁾
As of November 30, 2016						
Adjustable Rate RMBS	\$ 2,057	6	10.05%	2.00%	\$ 11	\$ (11)
Hybrid Adjustable Rate RMBS	45,924	74	7.55%	2.00%	757	(839)
Total Fixed Rate RMBS	2,346,784	n/a	n/a	n/a	52,222	(60,457)
Total Pass-through RMBS	2,394,765	n/a	n/a	n/a	52,990	(61,307)
Interest-Only Securities	61,345	n/a	n/a	n/a	(5,990)	4,442
Inverse Interest-Only Securities	81,472	1	6.14%	n/a	4,963	(6,373)
Structured RMBS	142,817	n/a	n/a	n/a	(1,027)	(1,931)
Total Mortgage Assets	\$ 2,537,582	n/a	n/a	n/a	\$ 51,963	\$ (63,238)

Funding Hedges

	Average Notional Balance ⁽²⁾	Hedge Period End Date	Modeled Interest Rate Sensitivity (-50 BPS) ⁽¹⁾	Modeled Interest Rate Sensitivity (+50 BPS) ⁽¹⁾
Eurodollar Futures Contracts - Short Positions	\$ 453,846	Dec-2019	\$ (5,677)	\$ 7,375
Treasury Futures Contracts - Short Positions	185,000	Dec-2026	(7,262)	7,016
Payer Swaps	600,000	Feb-2020	(8,837)	8,837
TBA Short Positions	200,000	Dec-2016	(3,672)	4,758
Grand Total			\$ 26,515	\$ (35,252)

(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 \$125.23 at November 30, 2016. The nominal value of the short position was \$231.7 million.

Contact:

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