

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): **January 9, 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 8.01. OTHER EVENTS.**

On January 9, 2014, Orchid Island Capital, Inc. (the “Company”) announced that on January 9, 2014 the Board of Directors of the Company declared a dividend for the month of January 2014 of \$0.18 per share to be paid on January 31, 2014 to holders of record on January 27, 2014 with an ex-dividend date of January 23, 2014. In addition, the Company announced the details of its MBS portfolio as of December 31, 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 January 9, 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: January 10, 2014

ORCHID ISLAND CAPITAL, INC.

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

**ORCHID ISLAND CAPITAL ANNOUNCES  
JANUARY 2014 MONTHLY DIVIDEND AND  
DECEMBER 31, 2013 MBS PORTFOLIO CHARACTERISTICS**

- January 2014 Monthly Dividend of \$0.18 Per Share
- Estimated Book Value Per Share at December 31, 2013 of \$13.40
- MBS Portfolio Characteristics as of December 31, 2013

Vero Beach, Fla., January 9, 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 January 2014. The dividend of \$0.18 per share will be paid January 31, 2014, to holders of record on January 27, 2014, with an ex-dividend date of January 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 December 31, 2013 Book Value Per Share**

The Company's estimated book value per share as of December 31, 2013 was \$13.40. 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 December 31, 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 audit by the Company's independent registered public accounting firm.

**MBS Portfolio Characteristics**

Details of the MBS portfolio as of December 31, 2013 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.

- 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 Dec 2013 CPR (Reported in Jan)
<b>As of December 31, 2013</b>						
Adjustable Rate MBS	\$ 4,935	\$ 5,334	108.08	1.52%	3.92%	0.27%
10-1 Hybrid Rate MBS	76,952	76,118	98.92	21.67%	2.56%	2.63%
<b>Hybrid Adjustable Rate MBS</b>	<b>76,952</b>	<b>76,118</b>	<b>98.92</b>	<b>21.67%</b>	<b>2.56%</b>	<b>2.63%</b>
15 Year Fixed Rate MBS	21,817	22,284	102.14	6.34%	3.00%	1.29%
20 Year Fixed Rate MBS	30,743	31,400	102.14	8.94%	3.50%	1.78%
30 Year Fixed Rate MBS	183,537	191,839	104.52	54.63%	4.26%	3.91%
<b>Total Fixed Rate MBS</b>	<b>236,097</b>	<b>245,523</b>	<b>103.99</b>	<b>69.91%</b>	<b>4.05%</b>	<b>3.39%</b>
<b>Total Pass-through MBS</b>	<b>317,984</b>	<b>326,975</b>	<b>102.83</b>	<b>93.10%</b>	<b>3.70%</b>	<b>3.16%</b>
Interest-Only Securities	128,534	19,206	14.94	5.47%	4.39%	20.29%
Inverse Interest-Only Securities	37,678	5,042	13.38	1.43%	5.92%	12.94%
<b>Structured MBS</b>	<b>166,212</b>	<b>24,248</b>	<b>14.59</b>	<b>6.90%</b>	<b>4.71%</b>	<b>18.62%</b>
<b>Total Mortgage Assets</b>	<b>\$ 484,196</b>	<b>\$ 351,223</b>	<b>-</b>	<b>100.00%</b>	<b>3.77%</b>	<b>8.47%</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 December 31, 2013</b>			<b>As of December 31, 2013</b>		
Fannie Mae	\$ 211,063	60.1%	Whole Pool Assets	\$ 281,088	80.0%
Freddie Mac	121,842	34.7%	Non Whole Pool Assets	70,135	20.0%
Ginnie Mae	18,318	5.2%	Total Mortgage Assets	\$ 351,223	100.0%
<b>Total Mortgage Assets</b>	<b>\$ 351,223</b>	<b>100.0%</b>			

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

<b>As of December 31, 2013</b>	<b>Total Borrowings</b>	<b>% of Total Debt</b>	<b>Weighted Average Maturity in Days</b>	<b>Longest Maturity</b>
Citigroup Global Markets Inc	\$ 98,840	31.0%	11	1/15/2014
South Street Securities, LLC	49,411	15.5%	13	1/23/2014
Suntrust Robinson Humphrey, Inc	47,010	14.8%	10	1/10/2014
Cantor Fitzgerald & Co	39,185	12.3%	22	1/24/2014
Mizuho Securities USA, Inc	26,727	8.4%	9	1/13/2014
Morgan Stanley & Co	20,073	6.3%	13	1/13/2014
CRT Capital Group, LLC	15,146	4.8%	18	1/24/2014
KGS-Alpha Capital Markets, L.P	11,894	3.7%	16	1/24/2014
Goldman, Sachs & Co	10,155	3.2%	70	3/11/2014
<b>Total Borrowings</b>	<b>\$ 318,441</b>	<b>100.0%</b>	<b>15</b>	<b>3/11/2014</b>

**MBS Risk Measures**
*(in thousands of \$s)*

<b>Mortgage Assets</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 December 31, 2013</b>						
Adjustable Rate MBS	\$ 5,334	4	10.13%	2.00%	\$ 13	\$ (22)
Hybrid Adjustable Rate MBS	76,118	108	7.56%	2.00%	2,157	(2,444)
Total Fixed Rate MBS	245,523	n/a	n/a	n/a	6,385	(7,646)
Total Pass-through MBS	326,975	n/a	n/a	n/a	8,555	(10,112)
Interest-Only Securities	19,206	n/a	n/a	n/a	(2,950)	2,070
Inverse Interest-Only Securities	5,042	2	6.08%	n/a	183	(240)
Structured MBS	24,248	n/a	n/a	n/a	(2,767)	1,830
Total Mortgage Assets	\$ 351,223	n/a	n/a	n/a	\$ 5,788	\$ (8,282)
<b>Funding Hedges</b>					<b>Modeled Interest Rate Sensitivity (-50 BPS)*</b>	<b>Modeled Interest Rate Sensitivity (+50 BPS)*</b>
			<b>Average Notional Balance</b>	<b>Hedge Period End Date</b>		
Eurodollar Futures Contracts - Short Positions			\$ 257,353	Dec-2018	\$ (4,816)	\$ 5,469
<b>Grand Total</b>					<b>\$ 972</b>	<b>\$ (2,813)</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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