
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): **March 8, 2017**

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 March 8, 2017, Orchid Island Capital, Inc. (the "Company") announced that the Board of Directors of the Company declared a dividend for the month of March 2017 of \$0.14 per share to be paid on April 10, 2017 to holders of record on March 31, 2017, with an ex-dividend date of March 29, 2017. In addition, the Company announced certain details of its MBS portfolio as of February 28, 2017, 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, 2016. 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 March 8, 2017

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: March 8, 2017

ORCHID ISLAND CAPITAL, INC.

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

INDEX TO EXHIBITS

Exhibit No.

Description

99.1

Press Release dated March 8, 2017

ORCHID ISLAND CAPITAL ANNOUNCES MARCH 2017 MONTHLY DIVIDEND AND FEBRUARY 28, 2017 RMBS PORTFOLIO CHARACTERISTICS

- March 2017 Monthly Dividend of \$0.14 Per Share
- RMBS Portfolio Characteristics as of February 28, 2017

Vero Beach, Fla., March 8, 2017 - Orchid Island Capital, Inc. (the "Company") (NYSE:ORC) announced today that the Board of Directors declared a monthly cash dividend for the month of March 2017. The dividend of \$0.14 per share will be paid April 10, 2017, to holders of record on March 31, 2017, with an ex-dividend date of March 29, 2017.

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 March 8, 2017, the Company had 32,964,547 shares outstanding, the same number of shares outstanding as of January 31, 2016. At December 31, 2016, the Company had 32,962,919 shares outstanding.

RMBS Portfolio Characteristics

Details of the RMBS portfolio as of February 28, 2017 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, 2016.

RMBS Valuation Characteristics

(\$ in thousands)

Asset Category	Current Face	Fair Value ⁽¹⁾	Current Price	Percentage of Portfolio	Weighted Average Coupon	Realized Feb 2017 CPR (Reported in Mar)
As of February 28, 2017						
Adjustable Rate RMBS	\$ 1,919	\$ 2,038	106.23	0.06%	3.50%	38.32%
10-1 Hybrid Rate RMBS	42,872	43,961	102.54	1.35%	2.55%	3.88%
Hybrid Adjustable Rate RMBS	42,872	43,961	102.54	1.35%	2.55%	3.88%
15 Year Fixed Rate RMBS	82,190	85,642	104.20	2.62%	3.28%	11.02%
20 Year Fixed Rate RMBS	239,367	255,317	106.66	7.81%	4.00%	6.56%
30 Year Fixed Rate RMBS	2,546,113	2,735,250	107.43	83.72%	4.34%	4.67%
Total Fixed Rate RMBS	2,867,670	3,076,209	107.27	94.15%	4.28%	5.01%
Total Pass-through RMBS	2,912,461	3,122,208	107.20	95.56%	4.26%	5.01%
Interest-Only Securities	760,594	96,829	12.73	2.96%	3.71%	10.72%
Inverse Interest-Only Securities	246,589	48,328	19.60	1.48%	5.45%	10.52%
Structured RMBS	1,007,183	145,157	14.41	4.44%	4.29%	10.67%
Total Mortgage Assets	\$ 3,919,644	\$ 3,267,365		100.00%	4.26%	6.42%

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 February 28, 2017			As of February 28, 2017	
Fannie Mae	\$ 2,342,633	71.7%	Whole Pool Assets	86.9%
Freddie Mac	915,919	28.0%	Non Whole Pool Assets	13.1%
Ginnie Mae	8,813	0.3%	Total Mortgage Assets	100.0%
Total Mortgage Assets	\$ 3,267,365	100.0%		

(1) Amounts in the tables above include assets with a fair value of approximately \$7.8 million purchased in February 2017 which settle in March 2017.

Borrowings By Counterparty
(\$ in thousands)

As of February 28, 2017	Total Borrowings⁽¹⁾	% of Total Debt	Weighted Average Maturity in Days	Longest Maturity
Citigroup Global Markets Inc	\$ 292,372	9.6%	18	5/30/2017
J.P. Morgan Securities LLC	280,492	9.2%	13	3/17/2017
Wells Fargo Bank, N.A.	248,598	8.2%	11	3/13/2017
ICBC Financial Services LLC	244,580	8.0%	12	3/15/2017
RBC Capital Markets, LLC	233,901	7.7%	13	3/13/2017
Cantor Fitzgerald & Co	228,962	7.5%	46	4/21/2017
Mitsubishi UFJ Securities (USA), Inc	207,296	6.8%	46	4/17/2017
South Street Securities, LLC	174,672	5.7%	7	3/21/2017
ED&F Man Capital Markets Inc	154,916	5.1%	36	5/24/2017
Goldman, Sachs & Co	150,764	5.0%	13	3/23/2017
Merrill Lynch, Pierce, Fenner & Smith Incorporated	150,682	5.0%	25	5/1/2017
KGS-Alpha Capital Markets, L.P	146,357	4.8%	23	5/25/2017
Guggenheim Securities, LLC	145,913	4.8%	10	3/14/2017
Daiwa Securities America Inc.	124,801	4.1%	13	3/20/2017
Natixis, New York Branch	87,219	2.9%	8	3/17/2017
Nomura Securities International, Inc.	69,891	2.3%	22	3/29/2017
FHLB-Cincinnati	54,245	1.8%	1	3/1/2017
Mizuho Securities USA, Inc	45,645	1.5%	12	3/14/2017
Total Borrowings	\$ 3,041,306	100.0%	20	5/30/2017

(1) In February 2017, the Company purchased assets with a fair value of approximately \$7.8 million which settle in March 2017 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 February 28, 2017						
Adjustable Rate RMBS	\$ 2,038	4	10.05%	2.00%	\$ 10	\$ (9)
Hybrid Adjustable Rate RMBS	43,961	71	7.55%	2.00%	679	(765)
Total Fixed Rate RMBS	3,076,209	n/a	n/a	n/a	61,976	(76,006)
Total Pass-through RMBS	3,122,208	n/a	n/a	n/a	62,665	(76,780)
Interest-Only Securities	96,829	n/a	n/a	n/a	(11,954)	9,238
Inverse Interest-Only Securities	48,328	1	6.22%	n/a	1,921	(3,160)
Structured RMBS	145,157	n/a	n/a	n/a	(10,033)	6,078
Total Mortgage Assets	\$ 3,267,365	n/a	n/a	n/a	\$ 52,632	\$ (70,702)

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	\$ 643,750	Dec-2020	\$ (11,554)	\$ 12,875
Treasury Futures Contracts - Short Positions	465,000	Jun-2027	(17,939)	17,508
Payer Swaps	700,000	Dec-2021	(9,933)	9,933
TBA Short Positions	447,000	Mar-2017	(9,772)	11,755
Total Hedges			(49,198)	52,071
Grand Total			\$ 3,434	\$ (18,631)

(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 \$124.58 at February 28, 2017. The nominal value of the short position was \$579.3 million.

Contact:

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