

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): **February 16, 2022**

**Orchid Island Capital, Inc.**  
(Exact Name of Registrant as Specified in Charter)

<b>Maryland</b> (State or Other Jurisdiction of Incorporation)	<b>001-35236</b> (Commission File Number)	<b>27-3269228</b> (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 February 16, 2022, Orchid Island Capital, Inc. (the “Company”) announced that the Board of Directors of the Company declared a dividend for the month of February 2022 of \$0.055 per share of the Company’s common stock to be paid on March 29, 2022 to holders of record on February 28, 2022, with an ex-dividend date of February 25, 2022. In addition, the Company announced certain details of its RMBS portfolio as of January 31, 2022 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. 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	<a href="#">Press Release dated February 16, 2022</a>
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: February 16, 2022

ORCHID ISLAND CAPITAL, INC.

By: /s/ Robert E. Cauley

\_\_\_\_\_  
Robert E. Cauley

Chairman and Chief Executive Officer

**ORCHID ISLAND CAPITAL ANNOUNCES  
FEBRUARY 2022 MONTHLY DIVIDEND, AND JANUARY 31, 2022 RMBS PORTFOLIO  
CHARACTERISTICS**

- February 2022 Monthly Dividend of \$0.055 Per Share of Common Stock
- RMBS Portfolio Characteristics as of January 31, 2022
- Next Dividend Announcement Expected March 16, 2022

Vero Beach, Fla., February 16, 2022 - Orchid Island Capital, Inc. (the “Company”) (NYSE: ORC) announced today that the Board of Directors of the Company (the “Board”) declared a monthly cash dividend for the month of February 2022. The dividend of \$0.055 per share will be paid March 29, 2022, to holders of record of the Company’s common stock on February 28, 2022, with an ex-dividend date of February 25, 2022. The Company plans on announcing its next common stock dividend on March 16, 2022.

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 February 16, 2022, January 31, 2022 and December 31, 2021, the Company had 176,993,049 shares of common stock outstanding.

**RMBS Portfolio Characteristics**

Details of the RMBS portfolio as of January 31, 2022 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. 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	% of Portfolio	Current Price	Net Weighted Average Coupon	GWAC	Age	Weighted Average Maturity (Months)	Realized	Realized	Modeled Interest Rate Sensitivity (-50 BPS) <sup>(1)</sup>	Modeled Interest Rate Sensitivity (+50 BPS) <sup>(1)</sup>
									Jan 2022 CPR (1-Month) (Reported in Feb)	Nov - Jan 2022 CPR (3-Month) (Reported in Feb)		
<b>Pass Through RMBS</b>												
15yr 2.5	\$ 211,500	\$ 217,429	3.44%	\$ 102.80	2.50%	2.87%	13	162	6.6%	9.3%	\$ 3,922	\$ (4,228)
15yr 4.0	430	457	0.01%	106.22	4.00%	4.54%	45	135	0.7%	0.7%	6	(7)
15yr Total	211,930	217,886	3.45%	102.81	2.50%	2.88%	14	162	6.6%	9.3%	3,928	(4,235)
30yr 2.5	1,050,955	1,051,121	16.64%	100.02	2.50%	3.30%	7	352	2.8%	4.8%	23,993	(29,923)
30yr 3.0	4,309,680	4,453,578	70.50%	103.34	3.00%	3.48%	10	348	8.6%	8.5%	103,208	(122,345)
30yr 3.5	245,869	263,930	4.18%	107.35	3.50%	4.04%	23	330	14.5%	17.1%	5,505	(6,258)
30yr 4.0	107,916	116,048	1.84%	107.54	4.00%	4.75%	28	330	27.2%	21.2%	1,444	(1,867)
30yr Total	5,714,420	5,884,677	93.15%	102.98	2.95%	3.49%	10	348	8.2%	8.5%	134,150	(160,393)
<b>Total Pass Through RMBS</b>	<b>5,926,350</b>	<b>6,102,563</b>	<b>96.60%</b>	<b>102.97</b>	<b>2.93%</b>	<b>3.47%</b>	<b>10</b>	<b>341</b>	<b>8.1%</b>	<b>8.6%</b>	<b>138,078</b>	<b>(164,628)</b>
<b>Structured RMBS</b>												
IO 20yr 3.0	366,815	42,320	0.67%	11.54	3.00%	3.69%	67	167	21.0%	24.5%	(2,470)	1,738
IO 20yr 4.0	13,308	1,637	0.03%	12.30	4.00%	4.57%	121	112	13.7%	17.8%	(17)	10
IO 30yr 3.0	90,860	12,435	0.20%	13.69	3.00%	3.66%	53	298	15.0%	14.7%	(751)	558
IO 30yr 3.5	784,649	130,679	2.07%	16.65	3.48%	4.00%	51	300	18.9%	20.6%	(8,735)	6,526
IO 30yr 4.0	169,891	24,403	0.39%	14.36	4.00%	4.56%	69	282	26.4%	27.4%	(1,720)	1,721
IO 30yr 4.5	4,669	784	0.01%	16.79	4.50%	4.99%	139	208	23.5%	24.5%	(51)	45
IO 30yr 5.0	2,582	423	0.01%	16.38	5.00%	5.36%	139	208	19.1%	27.7%	(25)	25
IO Total	1,432,774	212,681	3.37%	14.84	3.40%	3.98%	58	262	20.0%	22.2%	(13,769)	10,623
IIO 30yr 4.0	42,179	2,160	0.03%	5.12	3.75%	4.41%	52	299	12.6%	22.3%	74	(222)
<b>Total Structured RMBS</b>	<b>1,474,953</b>	<b>214,841</b>	<b>3.40%</b>	<b>14.57</b>	<b>3.41%</b>	<b>3.99%</b>	<b>58</b>	<b>263</b>	<b>19.8%</b>	<b>22.2%</b>	<b>(13,695)</b>	<b>10,401</b>
<b>Total Mortgage Assets</b>	<b>\$ 7,401,303</b>	<b>\$ 6,317,404</b>	<b>100.00%</b>		<b>3.03%</b>	<b>3.58%</b>	<b>20</b>	<b>326</b>	<b>10.4%</b>	<b>11.1%</b>	<b>\$ 124,383</b>	<b>\$ (154,227)</b>

Hedge	Average Notional Balance	Hedge Period End	Interest	Interest
			Rate Sensitivity (-50 BPS) <sup>(1)</sup>	Rate Sensitivity (+50 BPS) <sup>(1)</sup>
5-Year Treasury Future <sup>(2)</sup>	\$ (944,000)	Mar-2022	\$ (18,713)	\$ 35,716
10-Year Treasury Ultra <sup>(3)</sup>	(220,000)	Mar-2022	(14,985)	24,189
Swaps	(1,355,000)	Jul-2028	(30,589)	30,589
Swaptions	(458,300)	Feb-2023	(13,455)	19,993
<b>Hedge Total</b>	<b>\$ (2,977,300)</b>		<b>\$ (77,742)</b>	<b>\$ 110,487</b>
<b>Rate Shock Grand Total</b>			<b>\$ 46,641</b>	<b>\$ (43,740)</b>

- (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) Five-year Treasury futures contracts were valued at prices of \$119.20 at January 31, 2022. The market value of the short position was \$1,125.2 million.
- (3) Ten-year Treasury Ultra futures contracts were valued at prices of \$142.83 at January 31, 2022. The market value of the short position was \$314.2 million.

**RMBS Assets by Agency**

*(\$ in thousands)*

Asset Category	Fair Value	Percentage of Portfolio
<b>As of January 31, 2022</b>		
Fannie Mae	\$ 4,576,565	72.4%
Freddie Mac	1,740,839	27.6%
Total Mortgage Assets	\$ 6,317,404	100.0%

**Investment Company Act of 1940 Whole Pool Test**

*(\$ in thousands)*

Asset Category	Fair Value	Percentage of Portfolio
<b>As of January 31, 2022</b>		
Non-Whole Pool Assets	\$ 290,116	4.6%
Whole Pool Assets	6,027,288	95.4%
Total Mortgage Assets	\$ 6,317,404	100.0%

**Borrowings By Counterparty**

(\$ in thousands)

<b>As of January 31, 2022</b>	<b>Total Borrowings</b>	<b>% of Total Debt</b>	<b>Weighted Average Repo Rate</b>	<b>Weighted Average Maturity in Days</b>	<b>Longest Maturity</b>
Wells Fargo Bank, N.A.	\$ 430,856	7.1%	0.13%	12	2/18/2022
Mirae Asset Securities (USA) Inc.	424,755	6.9%	0.13%	48	9/14/2022
J.P. Morgan Securities LLC	421,289	6.9%	0.14%	11	2/28/2022
RBC Capital Markets, LLC	404,661	6.6%	0.13%	16	2/28/2022
ABN AMRO Bank N.V.	403,098	6.6%	0.14%	30	4/12/2022
Merrill Lynch, Pierce, Fenner & Smith	382,142	6.2%	0.21%	56	4/13/2022
Mitsubishi UFJ Securities (USA), Inc	345,349	5.6%	0.24%	49	4/12/2022
Cantor Fitzgerald & Co	337,714	5.5%	0.13%	38	3/21/2022
Goldman, Sachs & Co.	336,585	5.5%	0.18%	21	2/28/2022
Citigroup Global Markets Inc	311,157	5.1%	0.14%	16	2/22/2022
Santander Bank, N.A.	294,089	4.8%	0.14%	17	2/24/2022
ED&F Man Capital Markets Inc	291,081	4.7%	0.17%	51	4/14/2022
Nomura Securities International, Inc.	284,851	4.6%	0.13%	16	2/22/2022
ASL Capital Markets Inc.	269,487	4.4%	0.13%	27	3/17/2022
ING Financial Markets LLC	266,089	4.3%	0.13%	11	2/11/2022
BMO Capital Markets Corp.	242,161	3.9%	0.17%	28	3/17/2022
Daiwa Capital Markets America Inc.	203,310	3.3%	0.14%	14	2/14/2022
South Street Securities, LLC	139,155	2.3%	0.14%	17	2/18/2022
Barclays Capital Inc	133,675	2.2%	0.12%	14	2/14/2022
Austin Atlantic Asset Management Co.	93,031	1.5%	0.14%	2	2/2/2022
Lucid Cash Fund USG, LLC	87,664	1.4%	0.18%	10	2/10/2022
StoneX Financial Inc.	27,648	0.5%	0.19%	78	4/19/2022
Mizuho Securities USA, Inc	3,832	0.1%	0.57%	11	2/11/2022
<b>Total Borrowings</b>	<b>\$ 6,133,679</b>	<b>100.0%</b>	<b>0.15%</b>	<b>27</b>	<b>9/14/2022</b>

**Contact:**

Orchid Island Capital, Inc.  
Robert E. Cauley  
3305 Flamingo Drive, Vero Beach, Florida 32963  
Telephone: (772) 231-1400