

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): **September 16, 2021**

**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))

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 September 16, 2021, Orchid Island Capital, Inc. (the “Company”) announced that the Board of Directors of the Company declared a dividend for the month of September 2021 of \$0.065 per share of the Company’s common stock to be paid on October 27, 2021 to holders of record on September 30, 2021, with an ex-dividend date of September 29, 2021. In addition, the Company announced certain details of its RMBS portfolio as of August 31, 2021 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 and expected funding of purchased assets. 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 September 16, 2021</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: September 16, 2021

ORCHID ISLAND CAPITAL, INC.

By: /s/ Robert E. Cauley

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Robert E. Cauley

Chairman and Chief Executive Officer

**ORCHID ISLAND CAPITAL ANNOUNCES  
SEPTEMBER 2021 MONTHLY DIVIDEND AND  
AUGUST 31, 2021 RMBS PORTFOLIO CHARACTERISTICS**

- September 2021 Monthly Dividend of \$0.065 Per Share of Common Stock
- RMBS Portfolio Characteristics as of August 31, 2021
- Next Dividend Announcement Expected October 12, 2021

Vero Beach, Fla., September 16, 2021 - Orchid Island Capital, Inc. (the "Company") (NYSE: ORC) announced today that the Board of Directors (the "Board") declared a monthly cash dividend for the month of September 2021. The dividend of \$0.065 per share will be paid October 27, 2021, to holders of record of the Company's common stock on September 30, 2021, with an ex-dividend date of September 29, 2021. The Company plans on announcing its next common stock dividend on October 12, 2021.

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 September 16, 2021, the Company had 138,055,140 shares of common stock outstanding. As of August 31, 2021, the Company had 129,280,140 shares of common stock outstanding. As of June 30, 2021, the Company had 117,500,013 shares of common stock outstanding.

**RMBS Portfolio Characteristics**

Details of the RMBS portfolio as of August 31, 2021 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

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Company's distributions and expected funding of purchased assets. 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.

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**RMBS Valuation Characteristics**

(\$ in thousands)

Type	Current Face	Fair Value <sup>(1)</sup>	% of Portfolio	Current Price	Net Weighted Average		Age	Weighted Average Maturity (Months)	Realized	Realized	Modeled Interest Rate Sensitivity (-50 BPS) <sup>(2)</sup>	Modeled Interest Rate Sensitivity (+50 BPS) <sup>(2)</sup>	
					CPR (1-Month) (Reported in Sep)	CPR (3-Month) (Reported in Sep)							
<b>Pass Through RMBS</b>													
15yr 2.5	\$ 225,732	\$ 238,943	4.55%	\$ 105.85	2.50%	2.87%	8	167	5.8%	7.5%	\$ 3,342	\$ (4,109)	
15yr 4.0	578	621	0.01%	107.38	4.00%	4.51%	40	117	9.7%	9.2%	6	(7)	
15yr Total	226,310	239,564	4.56%	105.86	2.50%	2.88%	9	167	5.8%	7.5%	3,348	(4,116)	
20yr 2.0	150,000	154,236	2.94%	102.82	2.00%	2.86%	-	239	n/a	n/a	2,295	(3,197)	
20yr Total	150,000	154,236	2.94%	102.82	2.00%	2.86%	-	239	n/a	n/a	2,295	(3,197)	
30yr 2.5	628,233	654,656	12.46%	104.21	2.50%	3.40%	7	350	12.1%	14.9%	6,577	(12,877)	
30yr 3.0	3,360,545	3,618,576	68.88%	107.68	3.00%	3.48%	6	352	7.5%	7.7%	46,504	(74,854)	
30yr 3.5	326,189	359,127	6.84%	110.10	3.50%	4.01%	19	334	19.8%	19.6%	4,351	(6,198)	
30yr 4.0	46,457	51,781	0.99%	111.46	4.00%	4.63%	62	292	23.7%	24.6%	841	(938)	
30yr 4.5	49,944	56,292	1.07%	112.71	4.50%	4.97%	26	328	18.3%	23.7%	448	(720)	
30yr Total	4,411,368	4,740,432	90.24%	107.46	2.99%	3.54%	8	350	9.4%	10.2%	58,721	(95,587)	
<b>Total Pass Through RMBS</b>	<b>4,787,678</b>	<b>5,134,232</b>	<b>97.73%</b>	<b>107.24</b>	<b>2.94%</b>	<b>3.49%</b>	<b>8</b>	<b>338</b>	<b>9.2%</b>	<b>10.0%</b>	<b>64,364</b>	<b>(102,900)</b>	
<b>Structured RMBS</b>													
IO 20yr 3.0	190,169	17,486	0.33%	9.20	3.00%	3.68%	58	177	33.5%	n/a	(2,341)	1,732	
IO 20yr 4.0	15,043	1,881	0.04%	12.50	4.00%	4.58%	116	117	19.7%	20.4%	(47)	31	
IO 30yr 3.0	100,294	13,598	0.26%	13.56	3.00%	3.66%	48	304	17.5%	18.9%	(1,738)	1,323	
IO 30yr 3.5	342,576	56,272	1.07%	16.43	3.50%	4.01%	46	305	17.6%	20.5%	(5,907)	4,469	
IO 30yr 4.0	203,357	25,530	0.49%	12.55	4.00%	4.56%	65	287	31.4%	34.9%	(2,487)	2,547	
IO 30yr 4.5	5,313	846	0.02%	15.92	4.50%	4.99%	134	213	27.0%	26.3%	(92)	81	
IO 30yr 5.0	3,087	506	0.01%	16.39	5.00%	5.37%	134	214	46.1%	38.8%	(41)	41	
IO Total	859,839	116,119	2.21%	13.50	3.47%	4.05%	55	268	24.6%	25.4%	(12,653)	10,224	
IIO 30yr 4.0	53,077	3,043	0.06%	5.73	3.75%	4.40%	48	304	41.0%	25.8%	(459)	31	
<b>Total Structured RMBS</b>	<b>912,916</b>	<b>119,162</b>	<b>2.27%</b>	<b>13.05</b>	<b>3.49%</b>	<b>4.07%</b>	<b>55</b>	<b>270</b>	<b>25.6%</b>	<b>25.5%</b>	<b>(13,112)</b>	<b>10,255</b>	
<b>Total Mortgage Assets</b>	<b>\$ 5,700,594</b>	<b>\$ 5,253,394</b>	<b>100.00%</b>		<b>3.03%</b>	<b>3.58%</b>	<b>15</b>	<b>327</b>	<b>12.0%</b>	<b>12.4%</b>	<b>\$ 51,252</b>	<b>\$ (92,645)</b>	
											<b>Interest</b>	<b>Interest</b>	
											<b>Rate</b>	<b>Rate</b>	
											<b>Sensitivity</b>	<b>Sensitivity</b>	
											<b>(-50 BPS)<sup>(2)</sup></b>	<b>(+50 BPS)<sup>(2)</sup></b>	
<b>Hedge</b>	<b>Average</b>	<b>Hedge</b>											
	<b>Notional</b>	<b>Period</b>											
	<b>Balance</b>	<b>End</b>											
Eurodollar Futures	\$ (50,000)	Dec-2021										\$ (125)	\$ 125
Swaps	(1,355,000)	Dec-2026										(37,214)	37,214
5-Year Treasury Future <sup>(3)</sup>	(269,000)	Dec-2021										(8,500)	8,490
10-Year Treasury Ultra <sup>(4)</sup>	(23,500)	Dec-2021										(2,415)	2,136
Swaptions	(244,350)	May-2022										(7,190)	9,047
Yield Curve Spread Floor	(150,000)	Feb-2023										n/a	n/a
<b>Hedge Total</b>	<b>\$ (2,091,850)</b>											<b>\$ (55,444)</b>	<b>\$ 57,012</b>
<b>Rate Shock Grand Total</b>											<b>\$ (4,192)</b>	<b>\$ (35,633)</b>	

- (1) Amounts in the tables above include assets with a fair value of approximately \$317.3 million purchased in August 2021, which settle in September 2021.
- (2) 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.
- (3) Five-year Treasury futures contracts were valued at prices of \$123.72 at August 31, 2021. The market value of the short position was \$332.8 million.
- (4) Ten-year Treasury Ultra futures contracts were valued at prices of \$148.02 at August 31, 2021. The market value of the short position was \$34.8 million.

**RMBS Assets by Agency**

(\$ in thousands)

Asset Category	Fair Value <sup>(1)</sup>	Percentage of Portfolio
<b>As of August 31, 2021</b>		
Fannie Mae	\$ 4,202,486	80.0%
Freddie Mac	1,050,908	20.0%
Total Mortgage Assets	\$ 5,253,394	100.0%

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

(\$ in thousands)

Asset Category	Fair Value <sup>(1)</sup>	Percentage of Portfolio
<b>As of August 31, 2021</b>		
Non-Whole Pool Assets	\$ 359,155	6.8%
Whole Pool Assets	4,894,239	93.2%
Total Mortgage Assets	\$ 5,253,394	100.0%

- (1) Amounts in the tables above include assets with a fair value of approximately \$317.3 million purchased in August 2021, which settle in September 2021.

**Borrowings By Counterparty**

(\$ in thousands)

As of August 31, 2021	Total Borrowings <sup>(1)</sup>	% of Total Debt	Weighted Average Repo Rate	Weighted Average Maturity in Days	Longest Maturity
ABN AMRO Bank N.V.	\$ 421,280	9.1%	0.12%	60	11/12/2021
Mirae Asset Securities (USA) Inc.	369,891	7.8%	0.12%	60	11/15/2021
Wells Fargo Bank, N.A.	356,357	7.6%	0.12%	36	10/22/2021
J.P. Morgan Securities LLC	342,010	7.3%	0.17%	18	11/22/2021
ASL Capital Markets Inc.	321,928	6.8%	0.12%	44	10/19/2021
RBC Capital Markets, LLC	296,331	6.3%	0.12%	64	11/10/2021
Cantor Fitzgerald & Co.	271,407	5.8%	0.12%	32	10/25/2021
Goldman Sachs & Co.	254,010	5.4%	0.13%	59	11/30/2021
Mitsubishi UFJ Securities (USA), Inc.	216,404	4.6%	0.27%	36	10/12/2021
ING Financial Markets LLC	203,609	4.3%	0.12%	15	10/12/2021
ED&F Man Capital Markets Inc.	199,989	4.2%	0.12%	51	11/19/2021
Nomura Securities International, Inc.	199,411	4.2%	0.11%	71	11/22/2021
Citigroup Global Markets Inc.	186,516	4.0%	0.12%	42	10/12/2021
Santander Bank, N.A.	157,774	3.3%	0.13%	30	10/14/2021
Barclays Capital Inc.	146,858	3.1%	0.12%	13	9/13/2021
BMO Capital Markets Corp.	138,151	2.9%	0.11%	39	10/22/2021
Merrill Lynch, Pierce, Fenner & Smith	133,749	2.8%	0.14%	43	10/14/2021
South Street Securities, LLC	124,623	2.6%	0.14%	57	11/23/2021
Daiwa Securities America Inc.	118,737	2.5%	0.11%	12	9/13/2021
Austin Atlantic Asset Management Co.	100,586	2.1%	0.14%	2	9/2/2021
Lucid Prime Fund, LLC	70,247	1.5%	0.19%	9	9/9/2021
Lucid Cash Fund USG, LLC	51,238	1.1%	0.12%	9	9/9/2021
J.V.B. Financial Group, LLC	32,897	0.7%	0.12%	53	10/25/2021
<b>Total Borrowings</b>	<b>\$ 4,714,003</b>	<b>100.0%</b>	<b>0.13%</b>	<b>42</b>	<b>11/30/2021</b>

(1) In August 2021, the Company purchased assets with a fair value of approximately \$317.3 million, which settle in September 2021 that are expected to be funded substantially by repurchase agreements not included in the table above.

**Contact:**

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