

Orchid Island Capital, Inc.  
Form 10-Q  
November 04, 2013

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

þ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2013

.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-35236

Orchid Island Capital, Inc.

(Exact name of registrant as specified in its charter)

Maryland  
(State or other jurisdiction of  
incorporation or organization)

27-3269228  
(I.R.S. Employer  
Identification No.)

3305 Flamingo Drive, Vero Beach, Florida 32963  
(Address of principal executive offices) (Zip Code)

(772) 231-1400  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was

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required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer   
 Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

Number of shares outstanding at November 4, 2013: 3,341,665

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ORCHID ISLAND CAPITAL, INC.

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## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS.

ORCHID ISLAND CAPITAL, INC.  
BALANCE SHEETS

	(Unaudited) September 30, 2013	December 31, 2012
<b>ASSETS:</b>		
Mortgage-backed securities, at fair value		
Pledged to counterparties	\$277,982,323	\$109,604,559
Unpledged	53,804,610	5,775,015
Total mortgage-backed securities	331,786,933	115,379,574
Cash and cash equivalents	7,900,956	2,537,257
Restricted cash	2,580,875	449,000
Accrued interest receivable	1,388,496	440,877
Due from affiliates	-	45,126
Receivable for securities sold, pledged to counterparties	41,150,840	-
Prepaid expenses and other assets	671,733	9,122
<b>Total Assets</b>	<b>\$385,479,833</b>	<b>\$118,860,956</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>LIABILITIES:</b>		
Repurchase agreements	\$301,656,523	\$103,941,174
Accrued interest payable	77,697	54,084
Due to affiliates	79,878	-
Payable for unsettled securities purchased	38,720,351	-
Accounts payable, accrued expenses and other	121,183	140,723
<b>Total Liabilities</b>	<b>340,655,632</b>	<b>104,135,981</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>STOCKHOLDERS' EQUITY:</b>		
Preferred stock, \$0.01 par value; 100,000,000 shares authorized; no shares issued and outstanding as of September 30, 2013 and no shares authorized as of December 31, 2012	-	-
Common Stock, \$0.01 par value; 500,000,000 shares authorized, 3,341,665 shares issued and outstanding as of September 30, 2013 and 1,000,000 shares authorized,		
154,110 shares issued and outstanding as of December 31, 2012	33,417	1,541
Additional paid-in capital	47,619,710	15,409,459
Accumulated deficit	(2,828,926 )	(686,025 )
<b>Total Stockholders' Equity</b>	<b>44,824,201</b>	<b>14,724,975</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$385,479,833</b>	<b>\$118,860,956</b>
See Notes to Financial Statements		



ORCHID ISLAND CAPITAL, INC.  
 STATEMENTS OF OPERATIONS  
 (Unaudited)

	Nine Months Ended		Three Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Interest income	\$6,393,156	\$2,224,749	\$2,551,199	\$696,905
Interest expense	(817,219 )	(182,815 )	(293,913 )	(58,381 )
Net interest income	5,575,937	2,041,934	2,257,286	638,524
Realized (losses) gains on mortgage-backed securities	(1,490,712)	115,871	(667,182 )	(336 )
Unrealized (losses) gains on mortgage-backed securities	(9,072,712)	(758,405 )	86,070	156,014
Gains (losses) on Eurodollar futures contracts	4,095,788	(39,500 )	(2,271,875)	(14,250 )
Net portfolio (loss) income	(891,699 )	1,359,900	(595,701 )	779,952
<b>Expenses:</b>				
Management fees	489,700	185,000	179,500	64,600
Directors' fees and liability insurance				