

BENEDETTI STEPHEN J
 Form 4
 March 19, 2012

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 BENEDETTI STEPHEN J

2. Issuer Name and Ticker or Trading Symbol
 DYNEX CAPITAL INC [DX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 C/O DYNEX CAPITAL, INC., 4991 LAKE BROOK DRIVE, SUITE 100
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 03/15/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 EVP, COO and CFO

GLEN ALLEN, VA 23060

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (D) Price		
Common Stock ⁽¹⁾	03/15/2012		A		12,571 A \$ 0 120,337.89	D	
Common Stock					21,605.2005 ⁽²⁾	I	Through 401(k) Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

Table with 9 columns: 1. Title of Derivative Security, 2. Conversion or Exercise Price of Derivative Security, 3. Transaction Date, 3A. Deemed Execution Date, 4. Transaction Code, 5. Number of Derivative Securities, 6. Date Exercisable and Expiration Date, 7. Title and Amount of Underlying Securities, 8. Price of Derivative Security, 9. Number of Derivative Securities.

Reporting Owners

Table with 2 main columns: Reporting Owner Name / Address and Relationships (Director, 10% Owner, Officer, Other). Entry for BENEDETTI STEPHEN J, C/O DYNEX CAPITAL, INC., 4991 LAKE BROOK DRIVE, SUITE 100, GLEN ALLEN, VA 23060. Relationships: EVP, COO and CFO.

Signatures

Stephen J. Benedetti 03/19/2012
**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
(1) Restricted shares issued to the reporting person under the company's Performance Bonus Program for 2011 performance that will vest in equal installments on each of the first three anniversaries of March 15, 2012.
(2) Includes 38.0744 shares acquired under the Dynex Capital, Inc. 401(k) Plan since the last report.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.