

BIMINI CAPITAL MANAGEMENT, INC.
Form 10-Q
November 02, 2018

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

FORM 10 Q

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

For the quarterly period ended September 30, 2018

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: 001-32171

Bimini Capital Management, Inc.
(Exact name of registrant as specified in its
charter)

Maryland 72-1571637
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) 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 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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer,"

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"accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act. Check one:

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No
Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date:

Title of each Class	Latest Practicable Date	Shares Outstanding
Class A Common Stock, \$0.001 par value	November 2, 2018	12,682,445
Class B Common Stock, \$0.001 par value	November 2, 2018	31,938
Class C Common Stock, \$0.001 par value	November 2, 2018	31,938

BIMINI CAPITAL MANAGEMENT, INC.

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PART I. FINANCIAL INFORMATION
ITEM 1. CONDENSED FINANCIAL STATEMENTS

BIMINI CAPITAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited)	
	September 30, 2018	December 31, 2017
ASSETS:		
Mortgage-backed securities, at fair value		
Pledged to counterparties	\$212,116,707	\$209,269,791
Unpledged	92,098	422,341
Total mortgage-backed securities	212,208,805	209,692,132
Cash and cash equivalents	6,153,586	6,103,250
Restricted cash	3,750,730	2,649,610
Orchid Island Capital, Inc. common stock, at fair value	11,020,261	14,105,934
Retained interests in securitizations	-	653,380
Accrued interest receivable	775,127	746,121
Property and equipment, net	3,316,852	3,359,312
Derivative assets, at fair value	242,188	-
Deferred tax assets, net	45,005,351	44,524,584
Other assets	4,069,979	2,754,474
Total Assets	\$286,542,879	\$284,588,797

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES:		
Repurchase agreements	\$203,742,239	\$200,182,751
Junior subordinated notes due to Bimini Capital Trust II	26,804,440	26,804,440
Accrued interest payable	474,958	346,444
Other liabilities	1,946,894	1,562,914
Total Liabilities	232,968,531	228,896,549

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS' EQUITY:

Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 100,000 shares designated Series A Junior Preferred Stock, 9,900,000 shares undesignated; no shares issued and outstanding as of September 30, 2018 and December 31, 2017	-	-
Class A Common stock, \$0.001 par value; 98,000,000 shares designated: 12,684,245 shares issued and outstanding as of September 30, 2018 and 12,660,627 shares issued and outstanding as of December 31, 2017	12,684	12,661
Class B Common stock, \$0.001 par value; 1,000,000 shares designated, 31,938 shares issued and outstanding as of September 30, 2018 and December 31, 2017	32	32
Class C Common stock, \$0.001 par value; 1,000,000 shares designated, 31,938 shares issued and outstanding as of September 30, 2018 and December 31, 2017	32	32

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Additional paid-in capital	334,938,851	334,878,779
Accumulated deficit	(281,377,251)	(279,199,256)
Stockholders' Equity	53,574,348	55,692,248
Total Liabilities and Stockholders' Equity	\$286,542,879	\$284,588,797
See Notes to Condensed Consolidated Financial Statements		

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BIMINI CAPITAL MANAGEMENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

For the Nine and Three Months Ended September 30, 2018 and 2017

	Nine Months Ended September 30,		Three Months Ended September 30,	
	2018	2017	2018	2017
Revenues:				
Advisory services	\$5,933,461	\$5,398,019	\$1,873,002	\$1,939,974
Interest income	6,135,025	4,075,160	2,054,249	1,513,511
Dividend income from Orchid Island Capital, Inc. common stock	1,261,630	1,880,245	380,009	638,415
Total revenues	13,330,116	11,353,424	4,307,260	4,091,900
Interest expense				
Repurchase agreements	(2,795,728)	(1,110,387)	(1,049,174)	(503,632)
Junior subordinated notes	(1,097,497)	(914,055)	(388,012)	(316,176)
Net revenues	9,436,891	9,328,982	2,870,074	3,272,092
Other (expense) income:				
Unrealized (losses) gains on mortgage-backed securities	(8,407,020)	(296,002)	(1,593,237)	168,034
Realized losses on mortgage-backed securities	(576,521)	(689)	(473,165)	-
Unrealized (losses) gains on Orchid Island Capital, Inc. common stock	(3,085,673)	(823,308)		