DYNEX CAPITAL INC

Form 4

August 10, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

Osborne Daniel K

2. Issuer Name and Ticker or Trading

Symbol DYNEX CAPITAL INC [DX]

(Last)

(First) (Middle) 3. Date of Earliest Transaction

(Month/Day/Year)

08/08/2007

C/O DYNEX CAPITAL, INC., 4551

(Street)

COX ROAD, SUITE 300

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

OMB

Number:

Expires:

response...

Estimated average

burden hours per

OMB APPROVAL

3235-0287

January 31,

2005

0.5

X_ Director 10% Owner Officer (give title Other (specify

below)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

GLEN ALLEN, VA 23060

(City) (State) (Zip)

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

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned

Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (I)

Ownership (Instr. 4) (Instr. 4)

(A) or Code V Amount (D) Price Reported Transaction(s) (Instr. 3 and 4)

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

(Month/Day/Year)

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

1. Title of 3. Transaction Date 3A. Deemed Derivative Conversion (Month/Day/Year) Execution Date, if Security or Exercise any

4. 5. Number Transaction Derivative Code Securities

6. Date Exercisable and Expiration

7. Title and Amoun Underlying Securiti (Instr. 3 and 4)

Edgar Filing: DYNEX CAPITAL INC - Form 4

| (Instr. 3) | Price of Derivative Security | | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed (D) (Instr. 3, 4 and 5) | of | | | | |
|------------------------------------|------------------------------------|------------|------------------|------------|--|-----|------------------|-----------------|-----------------|-----------------------------------|
| | | | | Code V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amou or Numb of Share |
| Series D Preferred Stock (1) | \$ 0 (3) | 08/08/2007 | | P | 5,000 | | 08/08/1988(2) | 08/08/1988(2) | Common Stock | 5,00 |
| Series D Preferred Stock (1) | \$ 0 (3) | | | | | | 08/08/1988(2) | 08/08/1988(2) | Common Stock | 1,78 (3) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | | | |
|---|---------------|-----------|---------|-------|--|--|--|
| • 0 | Director | 10% Owner | Officer | Other | | | |
| Osborne Daniel K C/O DYNEX CAPITAL, INC. 4551 COX ROAD, SUITE 300 GLEN ALLEN, VA 23060 | X | | | | | | |

Signatures

Stephen J. Benedetti, Attorney-In-Fact

08/09/2007

**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) The full name of the Series D Preferred Stock is "Series D 9.50% Cumulative Convertible Preferred Stock."
- (2) The Series D Preferred Stock is immediately exercisable and has no expiration date.
- (3) The conversion is on a one for one basis for the underlying security.

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.

Reporting Owners 2