

DYNEX CAPITAL INC  
Form SC 13G/A  
February 16, 2010

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

SCHEDULE 13G  
(RULE 13d - 102)

Information to be included in statements filed pursuant  
to Rules 13d-1(b), (c) and (d) and amendments thereto filed  
pursuant to 13d-2(b)

(AMENDMENT NO.1)\*

Dynex Capital, Inc.  
(Name of Issuer)

Common Stock, par value \$.01  
(Title of Class of Securities)

26817Q506  
(CUSIP Number)

December 31, 2009  
(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule  
pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on the Following Pages)

1.NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Modern Capital Fund, LLC

2.CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3.SEC USE ONLY

4.CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH  
REPORTING PERSON WITH

5.SOLE VOTING POWER

0

6.SHARED VOTING POWER

0

7.SOLE DISPOSITIVE POWER

0

8.SHARED DISPOSITIVE POWER

0

9.AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

0

10.CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)  
EXCLUDES CERTAIN SHARES\*

11.PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.0%

12.TYPE OF REPORTING PERSON\*

PN

**\*SEE INSTRUCTIONS BEFORE FILLING OUT!**

---

1.NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Modern Capital Institutional Fund LLC

2.CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3.SEC USE ONLY

4.CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH  
REPORTING PERSON WITH

5.SOLE VOTING POWER

0

6.SHARED VOTING POWER

0

7.SOLE DISPOSITIVE POWER

0

8.SHARED DISPOSITIVE POWER

0

9.AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

0

10.CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)  
EXCLUDES CERTAIN SHARES\*

11.PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.0%

12.TYPE OF REPORTING PERSON\*

PN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

---

1.NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Modern Capital Fund Ltd.

2.CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3.SEC USE ONLY

4.CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH  
REPORTING PERSON WITH

5.SOLE VOTING POWER

0

6.SHARED VOTING POWER

0

7.SOLE DISPOSITIVE POWER

0

8.SHARED DISPOSITIVE POWER

0

9.AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

0

10.CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)  
EXCLUDES CERTAIN SHARES\*

11.PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.0%

12.TYPE OF REPORTING PERSON\*

CO

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

---

1.NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Modern Capital Management LLC

2.CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3.SEC USE ONLY

4.CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH  
REPORTING PERSON WITH

5.SOLE VOTING POWER

0

6.SHARED VOTING POWER

0

7.SOLE DISPOSITIVE POWER

0

8.SHARED DISPOSITIVE POWER

0

9.AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

0

10.CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)  
EXCLUDES CERTAIN SHARES\*

11.PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.0%

12.TYPE OF REPORTING PERSON\*

OO



\*SEE INSTRUCTIONS BEFORE FILLING OUT!

---

1.NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Dennis J. Mykytyn

2.CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3.SEC USE ONLY

4.CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5.SOLE VOTING POWER

0

6.SHARED VOTING POWER

145,000

7.SOLE DISPOSITIVE POWER

0

8.SHARED DISPOSITIVE POWER

145,000

9.AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

145,000

10.CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)  
EXCLUDES CERTAIN SHARES\*

11.PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.1%

12.TYPE OF REPORTING PERSON\*

IN, HC

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

---

This statement is filed with respect to the shares of common stock (the "Common Stock") of Dynex Capital, Inc. (the "Issuer") beneficially owned by the Reporting Persons identified below as of December 31, 2009, and amends and supplements the Schedule 13G filed on July 30, 2009.

The names of the persons filing this statement on Schedule 13G are (collectively, the "Reporting Persons"):

- Modern Capital Fund, LLC ("Onshore Fund").
- Modern Capital Institutional Fund LLC ("Institutional Fund").
- Modern Capital Fund Ltd. ("Offshore Fund").
- Modern Capital Management LLC ("MCM").
- Dennis J. Mykytyn ("Mr. Mykytyn").

MCM is the investment manager of each of the Onshore Fund, Institutional Fund and the Offshore Fund and of an account it separately manages, and is the manager of the Onshore Fund and Institutional Fund. Mr. Mykytyn is the managing member of MCM. Mr. Mykytyn may also be deemed to have beneficial ownership over shares of Common Stock held in retirement accounts for the benefit of himself and his wife and shares of Common Stock held in a joint account with his wife.

#### ITEM 4. OWNERSHIP.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

None of the Reporting Persons beneficially owns any shares of Common Stock, except for Mr. Mykytyn, who may be deemed to beneficially own 145,000 shares of Common Stock in retirement accounts for the benefit of himself and his wife and shares held in a joint account with his wife.

(b) Percent of Class:

The 145,000 shares of Common Stock that Mr. Mykytyn may be deemed to beneficially own represents 1.1% of the outstanding shares of Common Stock.

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote

Not applicable.

(ii) Shared power to vote or to direct the vote of shares of Common Stock:

Mr. Mykytyn has shared power to vote or direct the vote of the 145,000 shares of Common Stock held in retirement accounts for the benefit of himself and his wife and the shares of Common Stock held in a joint account with his wife.



(iii) Sole power to dispose or to direct the disposition of shares of Common Stock:

Not applicable.

(iv) Shared power to dispose or to direct the disposition of shares of Common Stock:

Mr. Mykytn has shared power to dispose or direct the disposition of the 145,000 shares of Common Stock held in retirement accounts for the benefit of himself and his wife and the shares of Common Stock held in a joint account with his wife.

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

If this statement is being filed to report the fact that as of the date hereof the Reporting Persons have ceased to be the beneficial owner of more than five percent of the class of securities, check the following [X].

ITEM 10. CERTIFICATION.

By signing below the undersigned certifies that, to the best of its or his knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

---

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief,  
each of the undersigned certifies that the information set forth in this statement is true, complete, and correct.

Dated: February 16, 2010

MODERN CAPITAL FUND, LLC

By: Modern Capital Management LLC, as Manager

By: /s/ Dennis J. Mykytyn

Dennis J. Mykytyn, Managing Member

MODERN CAPITAL INSTITUTIONAL FUND LLC

By: Modern Capital Management LLC, as Manager

By: /s/ Dennis J. Mykytyn

Dennis J. Mykytyn, Managing Member

MODERN CAPITAL FUND LTD.

By: /s/ Dennis J. Mykytyn

Dennis J. Mykytyn, Director

MODERN CAPITAL MANAGEMENT LLC

By: /s/ Dennis J. Mykytyn

Dennis J. Mykytyn, Managing Member

/s/ Dennis J. Mykytyn

Dennis J. Mykytyn