

# FORM 4

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

OMB APPROVAL	
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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 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person <b>WHITEBOX ADVISORS LLC</b>		2. Issuer Name and Ticker or Trading Symbol <b>Two Harbors Investment Corp. [TWO]</b>		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) <input type="checkbox"/> See Remarks below				
3033 EXCELSIOR BOULEVARD, SUITE 300 (Last) (First) (Middle)  (Street) <b>MINNEAPOLIS, MN 55416</b> (City) (State) (Zip)		3. Date of Earliest Transaction (Month/Day/Year) <b>09/17/2010</b>		6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person <input type="checkbox"/>				
<b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>								
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 Indirect Beneficial Ownership (Instr. 4)
			Code	V				
Common Stock (1)	02/09/2011		S		36,077 D \$ 10.46	1,495,936	I (2)	See Footnote (3)

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

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WHITEBOX ADVISORS LLC 3033 EXCELSIOR BOULEVARD, SUITE 300 MINNEAPOLIS, MN 55416		X		See Remarks below
Whitebox Multi-Strategy Partners LP 3033 EXCELSIOR BOULEVARD, SUITE 300 MINNEAPOLIS, MN 55416		X		See Remarks Below
WHITEBOX ASYMMETRIC PARTNERS LP 3033 EXCELSIOR BOULEVARD, SUITE 300 MINNEAPOLIS, MN 55416		X		See Remarks Below
Pandora Select Partners, L.P. 3033 EXCELSIOR BOULEVARD, SUITE 300 MINNEAPOLIS, MN 55416		X		See Remarks Below

## Signatures

/s/ Jonathan D. Wood, Chief Operating Officer, on behalf of Whitebox Advisors, LLC      02/10/2011  
\*\*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) Shares acquired are held directly by Whitebox Multi-Strategy Partners, L.P. ("WMSP"), Whitebox Asymmetric Partners, L.P. ("WAP") and Pandora Select Partners, L.P. ("PSP").
- (2) The general partner of WMSP is Whitebox Multi-Strategy Advisors, LLC ("WMSA"), WAP is Whitebox Asymmetric Advisors, LLC ("WAA"), and PSP is Pandora Select Advisors, LLC ("PSA"). The managing member and controlling owner of WMSA, WAA, and
- (3) Shares attributable to interests held by WA as Managing Member of WMSA, WAA, and PSA, which act as General Partners to WMSP, WAP, and PSP which directly hold the shares.

**Remarks:**  
Based on the relationships described in notes (1) and (2), the entities referenced therein may be deemed to constitute a group for purposes of Rule 13d-5(b) (1) under the Securities and Exchange Act of 1934. The filing of this statement shall not be construed as an admission that WA, WMSA, WMSP, WAA, WAP, PSA, and PSP are a group, or have agreed to act as a group. W

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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