
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

Current Report

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): December 19, 2012 (December 19, 2012)

Two Harbors Investment Corp.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-34506
(Commission
File Number)

27-0312904
(I.R.S. Employer
Identification No.)

601 Carlson Parkway, Suite 150
Minnetonka, MN
(Address of principal executive offices)

55305
(Zip Code)

Registrant's telephone number, including area code: (612) 629-2500

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On December 19, 2012, pursuant to a Contribution Agreement dated December 4, 2012 (the "Contribution Agreement"), which was previously disclosed in a Current Report on Form 8-K filed on December 6, 2012 ("December 6, 2012 Form 8-K"), Two Harbors Operating Company LLC ("Two Harbors LLC"), a wholly owned subsidiary of Two Harbors Investment Corp. ("Two Harbors"), completed the transfer of its 100% equity interest in Two Harbors Property Investment LLC ("Two Harbors Property") to Silver Bay Realty Trust Corp. ("Silver Bay") and took certain other actions in connection with the formation transactions (the "Formation Transactions") which occurred simultaneously with the closing of Silver Bay's initial public offering. In exchange for its contribution, Two Harbors LLC received 17,824,647 shares of common stock of Silver Bay and other consideration. In connection with the closing, the Contribution Agreement was amended to reduce a management fee rebate that is payable by Silver Bay's external manager to Two Harbors in certain limited circumstances.

In connection with the closing of the Contribution Agreement, the Management Agreement dated as of October 28, 2009 among Two Harbors, Two Harbors LLC and PRCM Advisers LLC (the "Amended Management Agreement") was amended to (i) revise the definition of "Stockholder Equity" included therein to exclude from such amount the value of the consideration received by Two Harbors LLC in the Formation Transactions and (ii) reduce the Base Management Fee (as defined in the Management Agreement) for the quarter ended June 30, 2013 by \$4,340,000.

The foregoing descriptions of the Contribution Agreement and the Amended Management Agreement do not purport to be complete and are qualified in their entirety by reference to, respectively, the Contribution Agreement, a copy of which was attached as Exhibit 99.1 to the December 6, 2012 Form 8-K, and the Amendment to Management Agreement, a copy of which is filed as Exhibit 10.1 to this Form 8-K, both of which are incorporated herein by reference.

Item 1.02. Termination of a Material Definitive Agreement.

Except for certain specifically designated surviving provisions principally related to indemnification, confidentiality and access to records, the following agreements were terminated at the closing of the transactions contemplated by the Contribution Agreement: (i) Acquisition Services Agreement dated February 3, 2012, originally by and between Two Harbors Property and PRCM Real Estate Advisers LLC (formerly known as Silver Bay Property Management LLC), (ii) Property Management Agreement dated February 3, 2012, originally by and between Two Harbors Property and PRCM Real Estate Advisers LLC and (iii) Letter Agreement dated February 3, 2012 by and between Two Harbors Property and PRCM Real Estate Advisers LLC.

Item 2.01. Completion of Acquisition or Disposition of Assets

The disclosures set forth in Item 1.01 above are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit
Number

Description

10.1 Amendment to Management Agreement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TWO HARBORS INVESTMENT CORP.

By: /s/ Rebecca B. Sandberg

Rebecca B. Sandberg
Secretary and Deputy General Counsel

Date: December 19, 2012

AMENDMENT TO MANAGEMENT AGREEMENT

This AMENDMENT TO MANAGEMENT AGREEMENT is made as of December 19, 2012 (the "Effective Date") by and among TWO HARBORS INVESTMENT CORP., a Maryland corporation, on behalf of itself and its Subsidiaries (the "Company"), TWO HARBORS OPERATING COMPANY LLC, a Delaware limited liability company (the "Operating Company"), and PRCM ADVISERS LLC, a Delaware limited liability company (together with its permitted assignees, the "Manager").

WHEREAS, the parties executed a Management Agreement dated as of October 28, 2009 (the "Management Agreement"), and wish to amend its terms as set forth herein; and

WHEREAS, the Operating Company has entered into a Contribution Agreement date as of December 4, 2012, executed by the Company, the Operating Company, Silver Bay Realty Trust Corp. and Silver Bay Operating Partnership L.P. (the "Silver Bay Contribution Agreement");

NOW THEREFORE, in consideration of the mutual agreements herein set forth, the parties hereto agree as follows:

Section 1. Exclusion from Stockholders' Equity. The definition of "Stockholders' Equity," in the Management Agreement is hereby amended to subtract from Stockholders' Equity an amount equal to (a) the number of REIT Shares received by the Company at the Closing multiplied by the IPO Price so long as, and to the extent that, the Company holds the REIT Shares, plus (b) the outstanding principal balance of the promissory note received by the Company upon sale of Redeemable Preferred Shares. For purposes of the foregoing, "REIT Shares," "Closing," "IPO Price" and "Redeemable Preferred Shares" shall have the meanings ascribed to them in the Silver Bay Contribution Agreement.

Section 2. Base Management Fee. The Base Management fee otherwise payable pursuant to Section 8 of the Management Agreement for the quarter ended June 30, 2013 shall be reduced by \$4,340,000. "Base Management Fee" has the meaning ascribed to it Management Agreement.

Section 3. No Other Amendments. Except as expressly set forth herein, the Management Agreement has not be amended, revised or modified, and it remains in full force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

TWO HARBORS INVESTMENT CORP.

By: /s/ Thomas Siering

Name: Thomas Siering

Title: Chief Executive Officer

TWO HARBORS OPERATING COMPANY LLC

By: Two Harbors Investment Corp

Its: Managing Member

By: /s/ Thomas Siering

Name: Thomas Siering

Title: Chief Executive Officer

PRCM ADVISERS LLC

By: /s/ Jeff Stolt

Name: Jeff Stolt

Title: Chief Financial Officer