

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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): May 17, 2006

SAXON CAPITAL, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of Incorporation)

001-32447
(Commission File Number)

30-0228584
(I.R.S. Employer Identification No.)

4860 Cox Road, Suite 300
Glen Allen, Virginia
(Address of principal executive offices)

23060
(Zip Code)

Registrant's telephone number, including area code **(804) 967-7400**

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 7.01. Regulation FD Disclosure

Saxon Capital, Inc. (the "Company") is furnishing the text of presentation materials, included as Exhibit 99.1 to this report, pursuant to the Securities and Exchange Commission's Regulation FD. The materials also will be posted to the Company's website at www.saxonmortgage.com. The presentation materials were prepared to be used by Company management beginning on May 18, 2006 at the Credit Suisse 10th Annual Private Label Issuer Conference in New York, NY (the "Conference") in meetings with institutional investors during the Conference. This information is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing. By filing this report on Form 8-K and furnishing this information, the Company makes no admission as to the materiality of any information in this report that is required to be disclosed solely by reason of Regulation FD.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

99.1 Text of presentation materials

Signature

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.

SAXON CAPITAL, INC.

By: /s/ Carrie J. Pettitt

Carrie J. Pettitt

Date: May 17, 2006

Vice President and Controller

INDEX TO EXHIBITS

Exhibits

Exhibit 99.1 Text of presentation materials.



Saxon Capital, Inc.

May 2006



FORWARD LOOKING STATEMENTS

Statements in this presentation other than statements of historical fact, are "forward-looking statements" that are based on current expectations and assumptions. These expectations and assumptions are subject to risks and uncertainty, which could affect Saxon's future plans. Saxon's actual results and the timing and occurrence of expected events could differ materially from its plans and expectations due to a number of factors, such as (i) changes in overall economic conditions and interest rates, (ii) Saxon's ability to successfully implement its growth strategy, (iii) Saxon's ability to sustain loan origination growth at levels sufficient to absorb costs of production and operational costs, (iv) continued availability of credit facilities and access to the securitization markets or other funding sources, (v) deterioration in the credit quality of Saxon's loan portfolio, (vi) lack of access to the capital markets for additional funding, (vii) challenges in successfully expanding Saxon's servicing platform and technological capabilities, (viii) Saxon's ability to remain in compliance with federal tax requirements applicable to REITs, (ix) Saxon's ability and the ability of its subsidiaries to operate effectively within the limitations imposed on REITs by federal tax rules, (x) changes in federal income tax laws and regulations applicable to REITs, (xi) unfavorable changes in capital market conditions, (xii) future litigation developments, (xiii) competitive conditions applicable to Saxon's industry, and (xiv) changes in the applicable legal and regulatory environment. You should also be aware that all information in this presentation is as of March 31, 2006. Saxon undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.

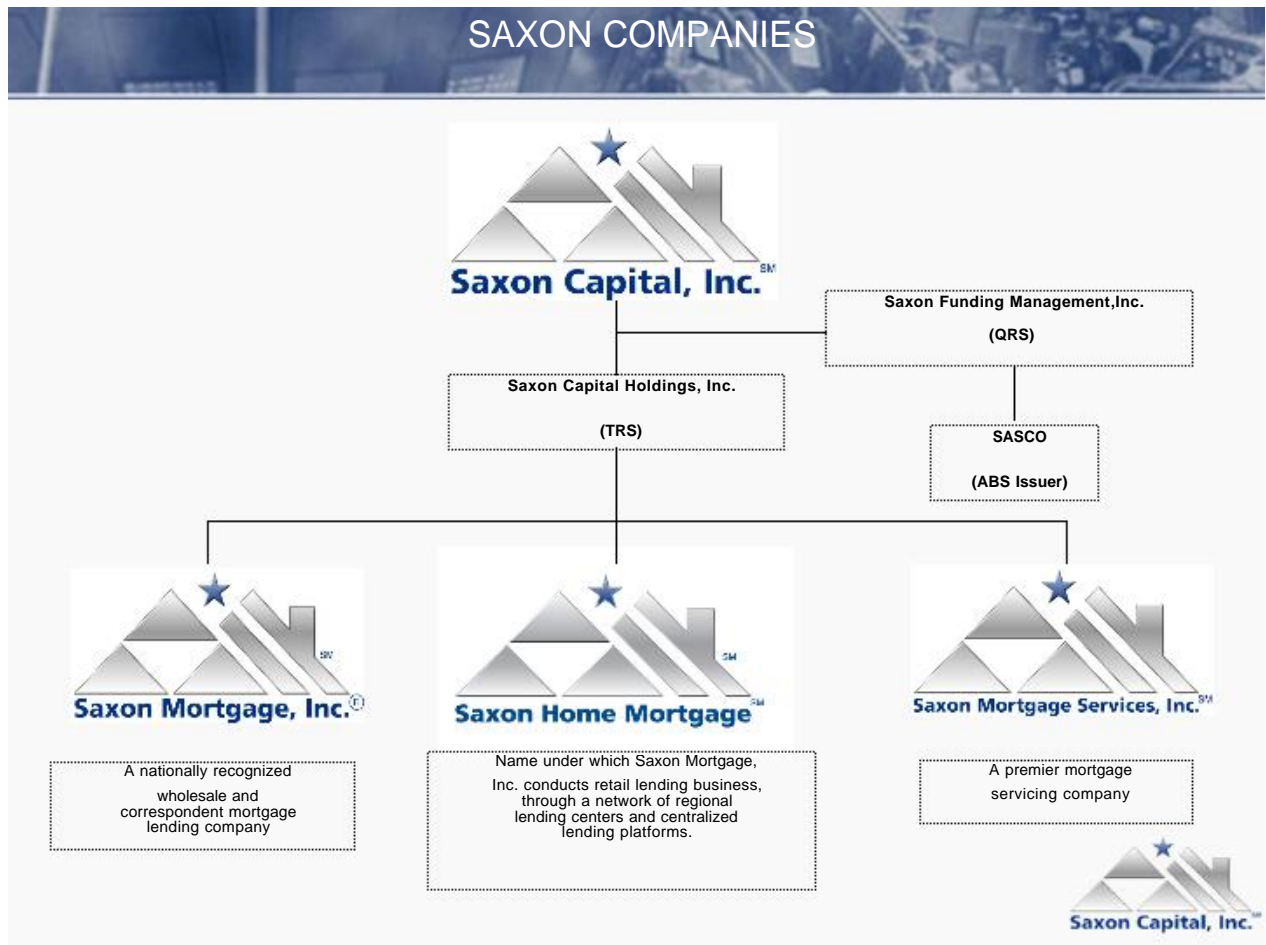


INFORMATION & WHERE TO FIND IT

- ❑ Reg AB static pool data can be found at www.saxonmortgage.com/staticpool.
- ❑ Corporate presentations, company financials, corporate SEC filings and other useful links can be found at www.saxonmortgage.com (click on the Investor Relations link).
- ❑ Underwriting guidelines, matrices and product profiles can be found at www.esaxon.com/wholesale/index.jsp (under Matrices).
- ❑ Securitization program (SAST) information can be found at www.saxonmortgage.com Information available includes:
 - Pricing information and the prospectus for our transactions
 - Remittance statements and transaction profile reports
 - Monthly CPR analysis and actual vs. pricing CPR
 - Quarterly loss reports and loss severity report
 - Prepayment penalty collection and roll rate information



SAXON COMPANIES



SAXON STRATEGY

- ❑ Saxon is building a high-quality non-conforming mortgage loan portfolio
 - Portfolio accounting (no on-balance-sheet residual valuation)
 - Generally hold and securitize 100% of 1st lien production
 - Holder of the first loss/residual risk (below BBB— credit risk)
 - Proactively manage the credit risk through our “Life of the Loan Credit Risk Management” philosophy
 - Nine+ years of performance history in our enterprise data warehouse
- ❑ Grow 3rd party servicing
 - Managed growth
 - Utilize capacity in Texas and Virginia servicing centers
 - Texas capacity of \$30B; currently at approximately 76% capacity
 - Virginia capacity of \$20B; currently at approximately 17% capacity
- ❑ Initiation of conduit purchase program
 - Loans will be securitized separately from Saxon’s own originations (a non-SAST transaction)

Data as of 3/31/06



SAXON STRATEGY Con't

□ Improve efficiencies and reduce costs

- Consolidated the back-office operations of the wholesale and retail channels (2005)
- I-deals – new automated underwriting engine (2005)
- MRG – automated closing doc generation and delivery (2005)
- Netox – new origination platform (May 2006)
- elock – automated lock function (June 2006)

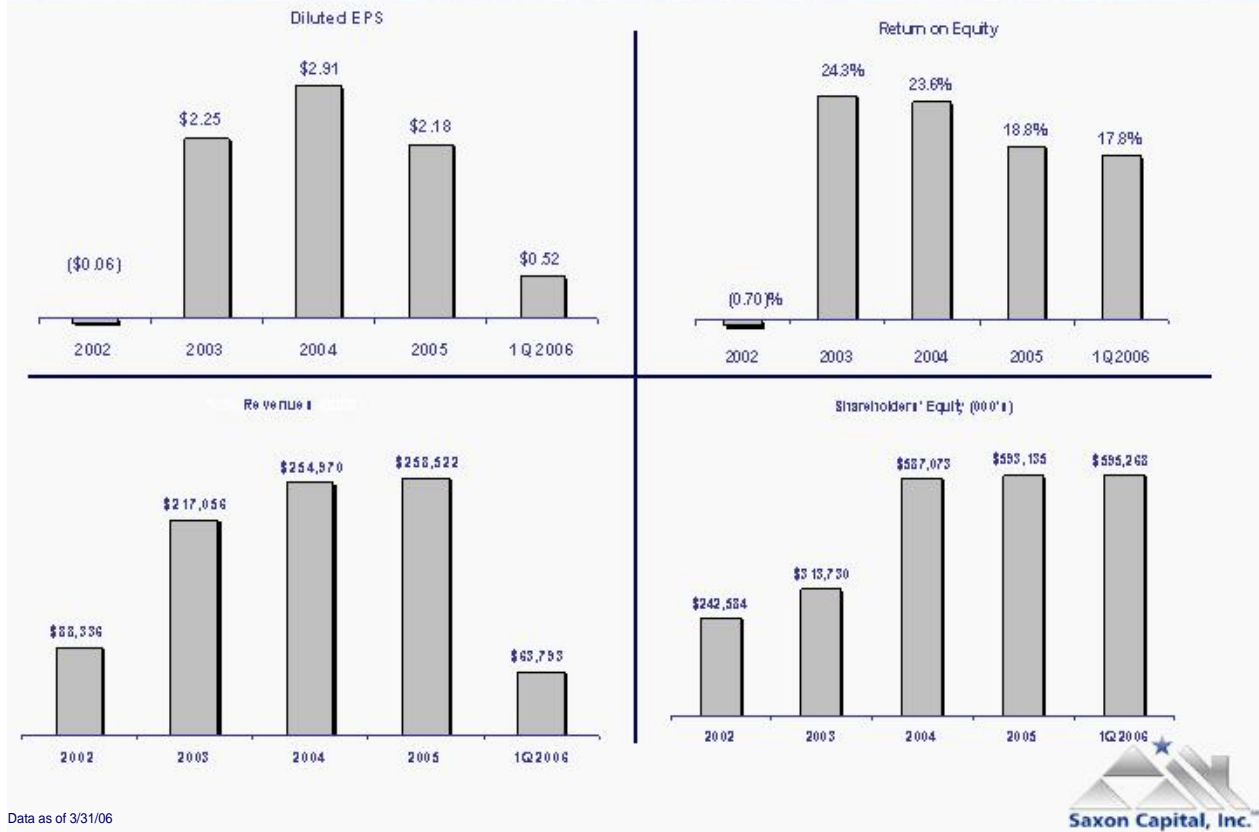
Net Cost to Produce by Channel*

	Three Months Ended		
	<u>3/31/2006</u>	<u>12/31/2005</u>	<u>3/31/2005</u>
Wholesale	2.21%	2.27%	2.99%
Retail	2.45%	2.46%	3.97%
Correspondent	<u>2.83%</u>	<u>2.64%</u>	<u>3.11%</u>
Total	2.46%	2.45%	3.27%

*A Reg G reconciliation of total net cost to produce can be found as Exhibit A to this presentation.



FINANCIAL METRICS



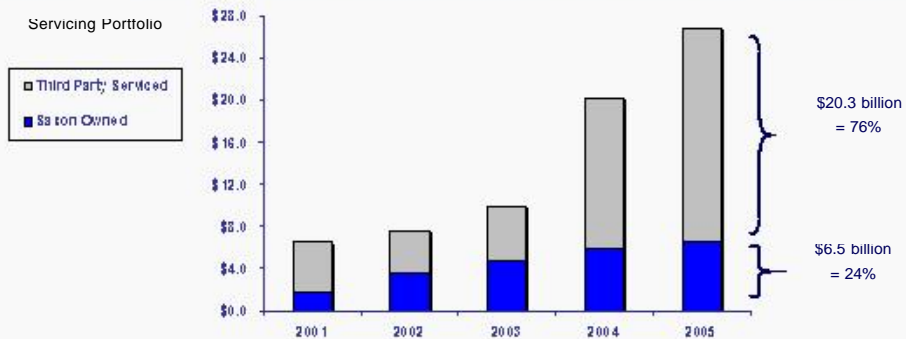
CONDENSED CONSOLIDATED BALANCE SHEET

	31-Mar-06	31-Dec-05
Assets:		
Cash	\$14,190	\$4,033
Time receivables	133,083	131,937
Accrued income receivables, net of allowance for past due interest losses of \$13,921 and \$14,084 respectively	40,139	38,182
Mortgage loan portfolio	6,554,332	6,444,872
Allowance for loan losses	(31,443)	(34,439)
Net mortgage loan portfolio	6,522,889	6,408,233
Restricted cash	5,834	147,473
Securities-related advances	204,104	183,297
Mortgages servicing rights, net	143,748	129,742
Real estate owned	37,804	38,993
Derivative assets	32,743	19,994
Deferred tax asset	32,973	53,724
Other assets, net	63,405	68,530
Total assets	\$7,250,758	\$7,232,078
Liabilities and shareholders' equity:		
Liabilities:		
Accrued interest payable	\$8,988	\$8,337
Dividends payable	23,437	32,339
Warehouse financing	980,449	378,144
Securitization financing	5,599,832	6,182,389
Derivative liabilities	15,834	8,589
Other liabilities	24,710	28,923
Total liabilities	6,653,470	6,638,943
Commitments and contingencies	—	—
Shareholders' equity:		
Common stock, \$0.01 par value per share, 100,000,000 shares authorized; shares issued and outstanding: 50,034,212 and 50,001,909 as of March 31, 2006 and December 31, 2005, respectively	501	500
Additional paid in capital	635,139	634,023
Accumulated other comprehensive loss, net of income tax of \$(15) and \$(14), respectively	(334)	(333)
Accumulated deficit	(40,038)	(41,033)
Total shareholders' equity	595,248	593,135
Total liabilities and shareholders' equity	\$7,250,758	\$7,232,078

Data as of 3/31/06



PORTFOLIO SUMMARY



State Concentration

Top 5 States by Funded Volume

State	Loan Amount - Original	Percent
CA	121,936,226	15.92%
MD	109,243,692	14.26%
FL	80,861,264	10.55%
NY	65,698,833	8.58%
VA	51,378,972	6.71%
		56.02%

Volume & Channel Mix

Volume (\$B)	2001	2002	2003	2004	2005 YTD	2006
	\$2.33	\$2.48	\$2.84	\$3.49	\$3.35	\$0.75
Wholesale	41.4%	45.0%	41.0%	42.9%	45.1%	48.7%
Retail	19.2%	28.0%	27.0%	27.6%	21.3%	18.6%
Correspondent - Flow	15.2%	17.0%	25.0%	24.3%	28.0%	30.3%
Correspondent - Bulk	24.2%	10.0%	7.0%	5.2%	5.6%	2.4%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data as of 3/31/06

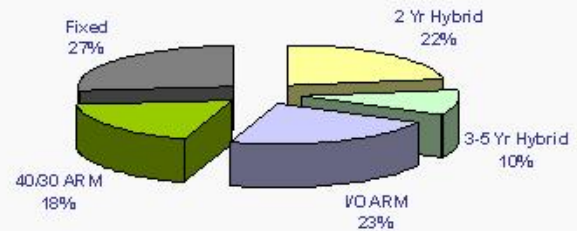
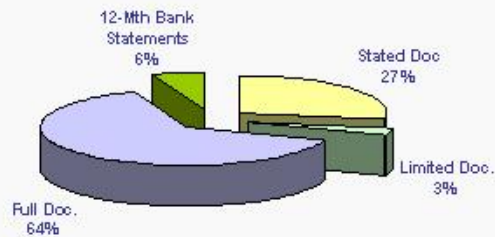


QUARTERLY PRODUCTION STATISTICS

<u>Credit Score</u>	<u>Funded Volume (000's)</u>	<u>% of Total Funded Volume</u>	<u>WAC - Fixed</u>	<u>WAC - ARM</u>	<u>WA CREDIT SCORE</u>	<u>WA CLTV</u>
> 650	\$145,941	19.56%	7.80%	7.95%	684	79.38%
601-650	\$254,229	34.07%	8.30%	8.15%	624	81.16%
551-600	\$251,155	33.65%	8.40%	8.51%	577	78.52%
526-550	\$55,681	7.46%	9.34%	8.95%	538	73.98%
< 525	\$38,868	5.21%	9.95%	9.62%	511	71.22%
N/A**	\$426	0.06%	0.00%	9.10%	N/A	49.67%
Totals	\$746,300	100%	8.30%	8.40%	609	78.85%

** These loans have unavailable credit scores

WA = Weighted Average



Data as of 3/31/06



SAST COLLATERAL SUMMARY*

	SAST 2005-02	SAST 2005-03	SAST 2005-03	SAST 2005-04	SAST 2005-04	SAST 2005-04	SAST 2006-01	SAST 2006-01	SAST 2006-01
	Sum	Feed	Total	Sum	Feed	Total	Sum	Feed	Total
Fixed vs ARM%	30%	20%	100%	78%	22%	100%	30%	20%	100%
Loan Count	9,552	1,281	4,319	2,409	264	9,589	2,932	728	2,153
Sched Bal	120,143,932	119,350,935	339,339,327	459,525,330	140,483,363	899,994,449	99,130,981	102,488,113	499,919,030
WTD Avg Credit Score	609.73	620.38	611.39	601.99	619.53	609.22	601.14	610.13	602.99
WTD Avg Coupon	7.29	7.30	7.24	7.74	7.79	7.79	7.29	7.29	7.24
WTD Avg Gross Margin	5.94		5.94	6.72		6.72	6.22		6.22
WTD LTV	79.37	77.85	79.02	79.4	75.87	79.59	79.09	75.39	79.39
WTD CLTV	32.13	75.48	31.44	32.5	77.71	31.45	32.38	77.92	31.33
WTD CLTV Original Adj	79.37	77.85	79.02	79.4	75.87	79.59	79.09	75.39	79.39
LTV 30%	59.77%	40.37%	59.39%	59.61%	39.51%	59.49%	59.75%	59.00%	59.69%
LTV 30%	10.71%	11.94%	10.84%	3.82%	3.01%	3.85%	9.29%	10.87%	9.57%
LTV 35%	9.07%	9.28%	9.29%	9.18%	2.91%	9.02%	9.57%	9.79%	9.57%
Avg Scheduled Balance	202,744.85	142,825.17	139,339.42	207,958.79	147,241.89	139,304.82	139,829.50	141,197.30	131,231.09
Max Schedule Balance	924,000	710,500	924,000	1,000,000	593,491.84	1,000,000	1,247,542.34	747,904.51	1,247,542.34
Ratio Loan %	9.94%	5.29%	9.79%	20.31%	15.79%	19.59%	21.97%	11.23%	19.90%
4000 Ratio %	9.94%	5.13%	9.71%	20.78%	14.25%	19.39%	21.97%	11.23%	19.73%
% Silent 2nds	15.88%	4.73%	19.49%	18.40%	3.50%	14.88%	19.39%	7.91%	18.00%
% Second Lien	0.00%	0.00%	0.00%	0.00%	1.01%	0.22%	0.00%	1.02%	0.21%
WTD Avg Periodic Cap	1.09		1.09	1.09		1.09	1.09		1.05
WTD Avg Life Cap	8.08		8.08	8.07		8.07	8.11		8.11
WTD Avg PFI Total	40.39	38.39	40.09	40.94	39.72	40.55	40.39	39.52	40.35
WTD Avg Initial Cap	2.91		2.91	2.90		2.90	2.94		2.94
WTD Avg Life Floor	8.21		8.21	8.43		8.43	8.7		8.7
WTD Avg Life Ceiling	19.23		19.23	19.3		19.3	14.25		14.25
Total DTI 40%	59.38%	52.28%	57.99%	62.31%	59.91%	60.83%	60.91%	49.93%	59.65%
Total DTI 50%	2.38%	2.42%	2.77%	5.92%	9.94%	4.33%	4.89%	4.00%	4.55%
% Full Doc	72.59%	32.29%	74.52%	82.21%	73.89%	85.29%	80.26%	79.84%	89.43%
% Stated Doc	25.79%	14.38%	29.48%	92.88%	18.65%	29.10%	92.89%	18.17%	29.73%
% Stated Wage Garnish	9.38%	7.39%	9.65%	11.89%	7.65%	10.78%	11.19%	7.09%	10.94%
% Purchase	19.91%	5.30%	18.81%	20.89%	5.48%	17.90%	19.74%	6.52%	17.03%
% Cash Out	77.25%	39.89%	79.59%	74.89%	39.74%	77.21%	76.81%	38.17%	78.57%
% Owner Occ	96.37%	97.27%	98.95%	95.88%	97.79%	96.99%	95.49%	98.18%	95.53%
% Second Home	0.94%	0.59%	0.82%	0.94%	0.94%	0.47%	0.91%	0.75%	0.79%
% Investor	2.49%	2.00%	2.49%	9.99%	1.99%	9.59%	9.77%	9.03%	9.68%
% RD	48.72%	8.07%	40.20%	94.97%	1.99%	27.41%	27.32%	1.98%	22.50%
% with PPM Penalty	80.39%	77.92%	84.17%	82.98%	31.49%	86.58%	99.47%	79.84%	82.98%
Single Family All Del	71.48%	31.39%	79.49%	72.70%	39.55%	75.03%	70.39%	39.07%	72.98%
Single Family Del	10.38%	31.91%	72.41%	10.98%	32.71%	79.48%	85.38%	79.28%	78.99%
All in Refs	37.38%	90.94%	37.79%	33.87%	90.45%	36.08%	36.33%	90.51%	37.93%
A	84.38%	79.10%	88.48%	85.91%	71.89%	87.17%	81.44%	76.22%	89.24%
A	11.91%	9.87%	10.97%	12.17%	11.99%	11.94%	19.91%	11.81%	12.79%
A	10.35%	3.39%	10.98%	10.85%	7.49%	9.98%	12.19%	3.89%	11.42%
B	4.35%	2.39%	4.91%	9.77%	2.34%	9.57%	5.14%	4.54%	5.02%
C	9.92%	1.52%	2.98%	9.97%	2.99%	9.99%	4.29%	2.40%	9.97%
D	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*At settlement



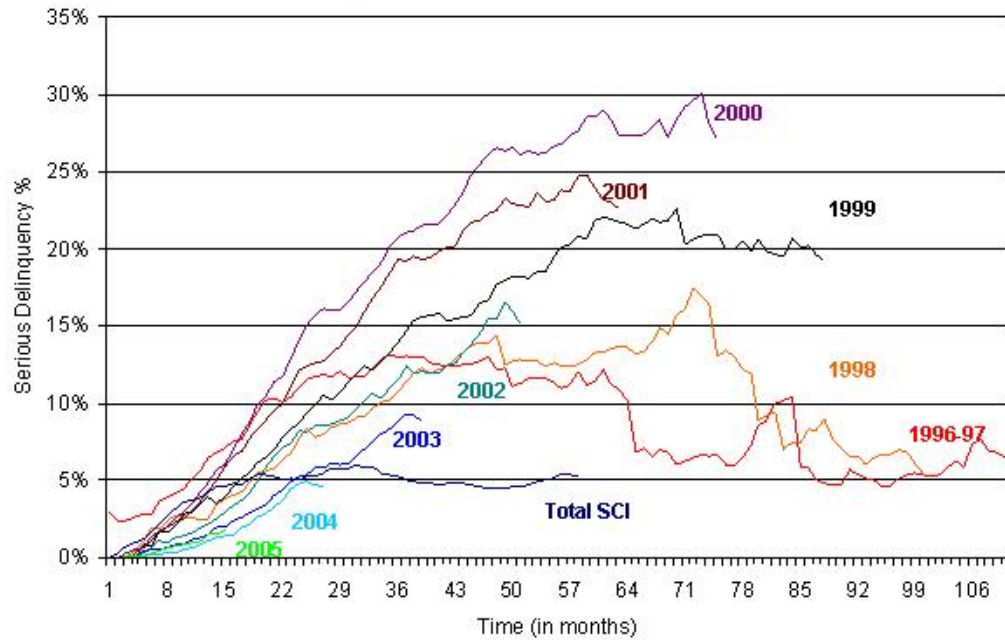
CREDIT SCORE MIGRATION

Year	2006	2005	2004	2003	2002	2001	2000
WTD Avg Credit Score	608	614	622	618	605	593	580
> 650	19.56%	24.98%	31.11%	44.32%	29.19%	17.94%	6.61%
601-650	34.07%	33.90%	30.94%	20.56%	24.56%	18.48%	11.19%
551-600	33.65%	28.02%	23.35%	23.22%	29.28%	35.65%	40.93%
526-550	7.46%	7.22%	7.84%	7.35%	11.08%	16.60%	23.06%
< 525	5.21%	5.74%	6.40%	4.16%	5.89%	11.33%	18.21%
Other	0.60%	0.13%	0.36%	0.39%	-	-	-

Data as of 3/31/06



STATIC POOL DELINQUENCY



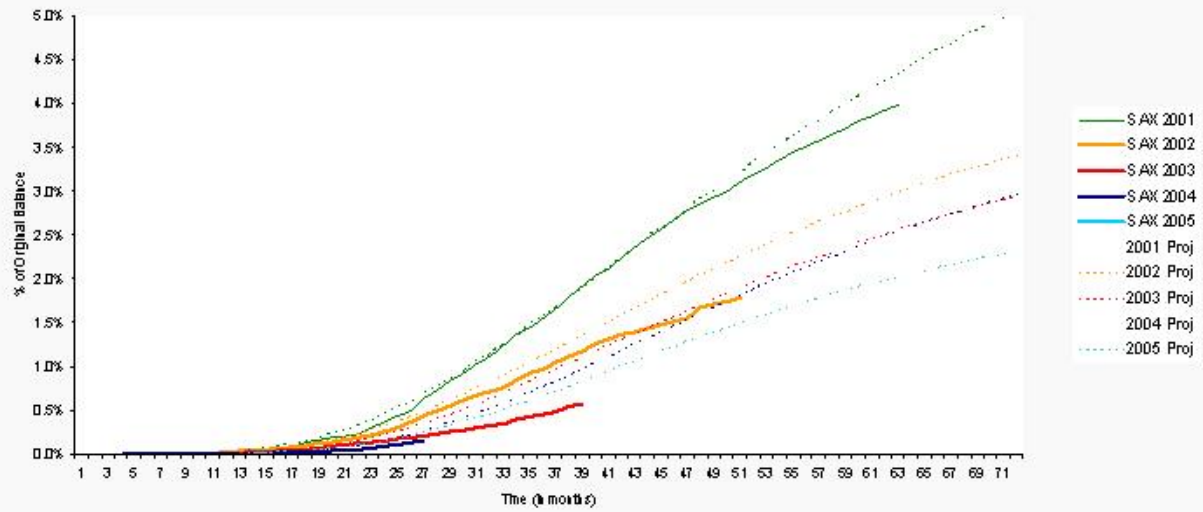
Outstanding Portfolio Balance by Year:

1996 – 2000 = 6.5% 2003 = 10.4%
 2001 = 3.1% 2004 = 26.0%
 2002 = 5.3% 2005 = 38.1%
 2006 = 10.6%

Data as of 3/31/06



STATIC POOL LOSSES BY FUNDED YEAR



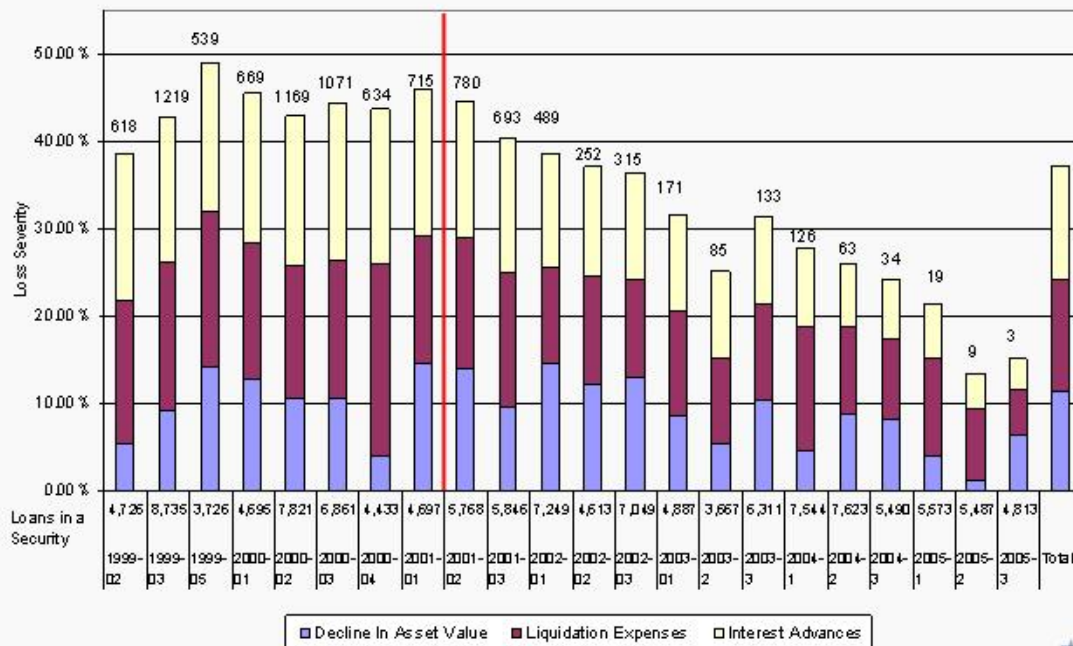
Data as of 3/31/06



HISTORICAL LOSS SEVERITY

Divestiture from Dominion

Decline in Asset value= 1- Sales Price/UPB
Severity= Losses / UPB



Data as of 3/31/06



UNDERWRITING

❑ Underwriting

- 3 operations centers – VA, TX, CA
- Automated U/W system
- Automated review for borrower fraud using Appintell's DISSCO system
- Automated review of property valuation using Appintell's VALVERIFY system
- Automated review of appraisers against bad appraiser list
- Full file review by underwriters (post automated u/w approval) to:
 - Identify misrepresentation
 - Review appraisals
 - Ensure satisfaction of conditions
- Exceptions to Automated U/W system:
 - Approximately 20% of production
 - Require countersignature from senior underwriters or management
 - Performance monitoring drives pricing engine rate adjustments



QUALITY CONTROL

❑ Post Funding Quality Control

- Adversely selects 10+% of closed loans submitted for purchase based upon LTV ratio, seller, geographic location, product and collateral
- Use a statistically based software, Cogent, which allows an adverse selection while maintaining a statistical sampling of the entire month's production.
- Subjects audited files to re-verification of all major underwriting components such as income, employment, collateral value and cash to close.

❑ DRIP

- Monthly meetings of senior managers of Underwriting, QC and Servicing
- Review loans recommended for foreclosure to determine any adverse trends

❑ Investigation Unit

- Performs pre-funding investigations of loans referred by underwriting
- Performs 100-150 investigations a month on average
- Reviews 100% of early payment default loans (loans which are 60 days delinquent within the first 90 days) for material misrepresentation/fraud
- Performs investigations on loans referred by the DRP Committee at SMSI and every first and second payment default



CONDUIT PROGRAM (NON-SAST)

☐ Sellers

- Minimum tangible net worth of \$1,000,000
- Minimum of (3) years experience in mortgage origination
- \$100MM in originations in prior 12 Months
- Warehouse lines of at least \$10MM

☐ Pools:

- Minimum Pool size of \$10MM
- Target \$20MM to \$100MM
- Program provides a new infrastructure that would allow SAX to be competitive on pools much larger than \$100MM if desired

☐ Cost Structure:

- Mostly a variable cost structure: Outsourcing the underwriting and post-closing functions
- Provides for an easy transition from a supplemental strategy to an opportunistic strategy as market conditions dictate

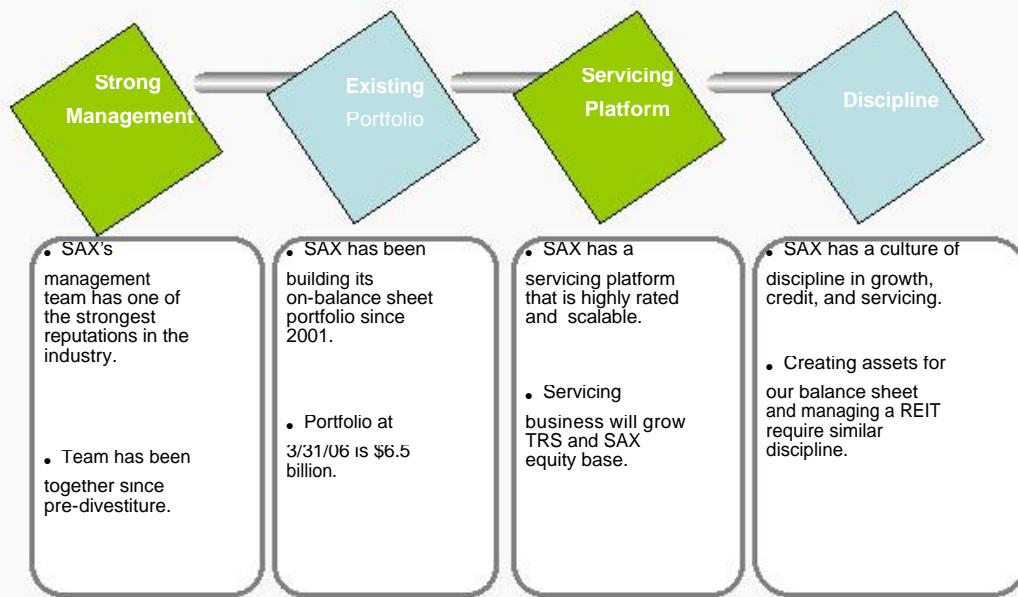


CONDUIT PROCESS – MITIGATING RISK

- ❑ Full analysis of seller guidelines prior to bid for risk-based pricing and sampling
- ❑ Exclusion of high cost loans, LTV's over 100%, negative amortization loans etc.
- ❑ Contract underwriting on loan pool through adverse selection modeling
- ❑ Fraud Prevention:
 - 100% borrower fraud review and scoring using Appintell's electronic fraud prevention tool (DISSCO).
 - Additional full underwriting on loans with DISSCO scores that indicate a high risk for borrower fraud
- ❑ Property Valuation:
 - 100% property valuation review using Appintell's automated valuation tool (VALVERIFY)
 - Collateral Risk Solutions (CRS) property valuation for 1) Saxon QC targeted areas and 2) High risk VALVERIFY scores
- ❑ 100% compliance review of legal docs and disclosures
- ❑ Expected loss forecasting through LPS Risk Model, and Saxon's own performance data warehouse



SUMMARY



Data as of 3/31/06



EXHIBIT A

Regulation G Reconciliation – Total Net Cost to Produce

Management believes net cost to produce is beneficial to investors because it provides a measurement of efficiency in the origination process.

Total net cost to produce is total production expenses, which include payroll and related expense and general and administrative expense attributable to our production segment, plus deferred capitalized costs and premiums paid, net of fees collected, divided by loan production. Capitalized expenses are origination expenses that are capitalized pursuant to FASB 91. Fees collected and premium are capitalized and recorded on balance sheet as components of net mortgage loan portfolio.

	Q1 2006	Q4 2005	Q3 2006	Q2 2006	Q1 2006
Total expense					
Wholesale GSA	\$ 6,250	\$ 7,711	\$ 8,592	\$ 7,348	\$ 8,086
Retail GSA	7,451	8,877	10,123	10,319	13,180
Correspondent GSA	2,181	1,966	2,148	2,015	2,319
Total Production Expenses	\$ 15,882	\$ 18,554	\$ 20,863	\$ 19,682	\$ 23,585
Banking GSA	\$ 11,029	\$ 9,741	\$ 11,122	\$ 10,349	\$ 10,321
Administrative GSA	10,480	12,531	14,035	10,451	11,696
Other (income)/expenses	1,540	3,229	1,287	138	1,705
Gross Operating Expenses	\$ 35,570	\$ 44,085	\$ 47,307	\$ 40,895	\$ 47,312
Capitalized expenses	(5,088)	(5,427)	(6,220)	(7,600)	(6,329)
Total expense	\$ 34,482	\$ 38,658	\$ 41,087	\$ 33,295	\$ 40,983
Fees Collected					
Wholesale fees collected	\$ 1,037	\$ 114	\$ 1,230	\$ 1,039	\$ 1,073
Retail fees collected	4,054	4,876	4,779	4,816	5,169
Correspondent fees collected	300	279	235	308	222
Total fees collected	\$ 5,430	\$ 5,269	\$ 6,243	\$ 6,163	\$ 6,465
Premium Paid					
Wholesale premium	\$ 2,188	\$ 2,229	\$ 3,161	\$ 3,354	\$ 3,212
Correspondent premium	5,063	7,138	7,137	5,496	6,013
Total premium	\$ 7,251	\$ 9,367	\$ 10,298	\$ 8,850	\$ 9,225
Net Cost to Produce - dollars					
Wholesale	\$ 8,041	\$ 9,837	\$ 10,523	\$ 9,573	\$ 10,226
Retail	3,397	4,001	5,345	5,503	8,011
Correspondent	6,514	9,495	9,060	7,253	8,110
Total	\$ 18,342	\$ 23,333	\$ 24,928	\$ 22,329	\$ 26,347
Volume					
Wholesale	\$ 363,632	\$ 387,927	\$ 404,882	\$ 376,784	\$ 342,514
Retail	138,523	162,705	170,249	178,381	201,979
Correspondent (low)	244,146	357,954	272,937	232,866	280,669
Correspondent (bulk)	-	-	-	-	-
Total	\$ 746,301	\$ 908,586	\$ 848,068	\$ 788,031	\$ 825,162
Net Cost to Produce - basis points					
Wholesale	2.21%	2.54%	2.60%	2.54%	2.99%
Retail	2.45%	2.46%	3.14%	3.12%	3.98%
Correspondent	2.83%	2.64%	3.32%	3.12%	3.11%
Total	2.49%	2.56%	2.94%	2.84%	3.29%

