

April 5, 2007

DRIVE SHACK INC.

Newcastle Announces Retirement of Erik Nygaard

NEW YORK, April 5 /PRNewswire-FirstCall/ -- Newcastle Investment Corp. (NYSE: NCT) today announces that Erik P. Nygaard, one of the founders of Fortress Investment Group LLC, is retiring from his current position as Chief Information Officer of Newcastle Investment Corp., an affiliate of Fortress, effective April 5, 2007. Mr. Nygaard's responsibilities will be assumed by current employees dedicated to Newcastle.

Mr. Nygaard now intends to devote more time to his family and Thoroughbred racing and breeding ventures. Mr. Nygaard co-founded Fortress Investment Group LLC in 1998 together with Wesley R. Edens, Robert I. Kauffman and Randal A. Nardone, after investing with them since 1994 at BlackRock Financial Management Inc. and UBS.

About Newcastle

Newcastle Investment Corp. invests in real estate debt and other real estate related assets. Newcastle is organized and conducts its operations to qualify as a real estate investment trust (REIT) for federal income tax purposes. Newcastle is managed by an affiliate of Fortress Investment Group LLC, a global alternative investment and asset management firm with over \$30 billion in assets under management as of December 31, 2006. For more information regarding Newcastle Investment Corp. or to be added to our e-mail distribution list, please visit www.newcastleinv.com.

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