

January 6, 2011

DRIVE SHACK INC.

Newcastle Declares Preferred Stock Dividends for the Fourth Quarter and Prior Unpaid Periods

NEW YORK--(BUSINESS WIRE)-- Newcastle Investment Corp. (NYSE: NCT) announced today that its Board of Directors has declared dividends on the Company's Series B, Series C and Series D Preferred Stock for the period beginning May 1, 2010 and ending January 31, 2011. The dividends are payable on January 31, 2011 to holders of record on January 20, 2011. The Company will pay total dividends of \$1.828125, \$1.509375 and \$1.570313 per share on the 9.75% Series B, 8.05% Series C and 8.375% Series D preferred stock, respectively. As of January 31, 2011, there will be no unpaid dividends with respect to any of Newcastle's Preferred Stock.

Newcastle's Board of Directors elected not to pay a common stock dividend for the fourth quarter of 2010.

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 investment manager. For more information regarding Newcastle Investment Corp. or to be added to our e-mail distribution list, please visit www.newcastleinv.com.

Source: Newcastle Investment Corp.