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DRIVE SHACK INC.

Newcastle Announces Treatment of 2010 Preferred Stock Dividends

NEW YORK--(BUSINESS WIRE)-- Newcastle Investment Corp. (NYSE: NCT) announced today the tax treatment of its 2010 preferred stock dividend payments.

Series B Preferred Stock Dividends

During 2010, taxable dividends for Newcastle Investment Corp.'s Series B preferred stock (CUSIP# 65105M-207) were \$3.656979 per share. The following table summarizes the tax treatment for the 2010 Series B preferred stock dividend payments.

Declaration	Record	Pay	Cash	Taxable		Long-Term	Return of
Date	Date	Date	Distribution	As Ordinary	Qualified	Capital Gain	Capital
02/22/10	03/12/10	03/25/10	3.420000	3.420000	0.000000	0.000000	0.000000
03/31/10	04/09/10	04/30/10	0.236979	0.236979	0.000000	0.000000	0.000000
		Totals	3.656979	3.656979	0.000000	0.000000	0.000000

Series C Preferred Stock Dividends

During 2010, taxable dividends for Newcastle Investment Corp.'s Series C preferred stock (CUSIP# 65105M-306) were \$3.015660 per share. The following table summarizes the tax treatment for the 2010 Series C preferred stock dividend payments.

Declaration	Record	Pay	Cash	Taxable		Long-Term	Return of
Date	Date	Date	Distribution	As Ordinary	Qualified	Capital Gain	Capital
02/22/10	03/12/10	03/25/10	2.820000	2.820000	0.000000	0.000000	0.000000
03/31/10	04/09/10	04/30/10	0.195660	0.195660	0.000000	0.000000	0.000000
		Totals	3.015660	3.015660	0.000000	0.000000	0.000000

Series D Preferred Stock Dividends

During 2010, taxable dividends for Newcastle Investment Corp.'s Series D preferred stock (CUSIP# 65105M-405) were \$3.143559 per share. The following table summarizes the tax treatment for the 2010 Series D preferred stock dividend payments.

Declaration	Record	Pay	Cash	Taxable		Long-Term	Return of
Date	Date	Date	Distribution	As Ordinary	Qualified	Capital Gain	Capital
02/22/10	03/12/10	03/25/10	2.940000	2.940000	0.000000	0.000000	0.000000
03/31/10	04/09/10	04/30/10	0.203559	0.203559	0.000000	0.000000	0.000000
		Totals	3.143559	3.143559	0.000000	0.000000	0.000000

None of the amounts indicated above as taxable for 2010 are classified as "excess inclusion income".

The data provided in this press release is provided for informational purposes only and does not constitute tax advice. Stockholders are urged to consult their own tax advisors regarding any issues or decisions regarding the proper tax treatment of their shares of Newcastle Investment Corp.

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.