

June 3, 2013

DRIVE SHACK INC.

Newcastle Announces Sale of CDO IV Assets

NEW YORK--(BUSINESS WIRE)-- Newcastle Investment Corp. (NYSE: NCT) announced today that it has completed the sale of 100% of the assets in Newcastle CDO IV. Newcastle sold \$153 million face amount of collateral at an average price of 95% of par, or \$145 million. The sale will result in \$77 million of third-party debt being paid off at par and the termination of the trust.

Newcastle directly holds approximately 50% of CDO IV's capital structure. This transaction will result in approximately \$68 million of proceeds to Newcastle. Newcastle will recover par on \$60 million of CDO debt which had been repurchased in the past at an average price of 52 cents and \$8 million of proceeds to its subordinated interests. Newcastle expects the final distribution of funds from CDO IV to occur on or about June 24th.

As a result of this transaction, Newcastle will record a GAAP gain on sale of approximately \$5 million in the second quarter of 2013.

ABOUT NEWCASTLE

Newcastle Investment Corp. focuses on opportunistically investing in, and actively managing, real estate related assets. The Company primarily invests in two distinct areas: (1) Real Estate Debt and (2) Senior Housing Assets. The Company is organized and conducts its operations to qualify as a real estate investment trust ("REIT") for federal income tax purposes. The Company is managed by an affiliate of Fortress Investment Group LLC, a global investment management firm.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. Newcastle can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from Newcastle's expectations include, but are not limited to, the risk that loan prepayment, recapture and delinquency rates differ from our current assumptions; the risk that Newcastle is not able to find additional suitably priced investments; and the risk that investments made or committed to be made cannot be financed on the basis and for the term at which Newcastle expects. Accordingly, you should not place undue reliance on any forward-looking statements contained in this press release. For a discussion of some of the risks and important factors that could affect such forward-looking statements, see the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" in the Company's Quarterly Report on Form 10-Q, which is available on the Company's website

www.newcastleinv.com). In addition, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this press release. Newcastle expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

Newcastle Investment Corp.
Investor Relations, 212-479-3195

Source: Newcastle Investment Corp.