

June 16, 2014

DRIVE SHACK INC.

Newcastle Announces Spin-Off of Senior Housing Business

NEW YORK--(BUSINESS WIRE)-- Newcastle Investment Corp. (the "Company", NYSE: NCT) announced today that its Board of Directors has unanimously approved a plan to spin off its senior housing business. Newcastle intends to effect the spin-off by distributing shares of its subsidiary, New Senior Investment Group Inc. ("New Senior", NYSE: SNR). New Senior will be a publicly traded real estate investment trust that primarily targets senior housing related investments.

New Senior has filed a registration statement with the U.S. Securities and Exchange Commission ("SEC") with respect to the planned spin-off. The spin-off is subject to certain conditions, such as the SEC declaring effective New Senior's registration statement, the filing and approval of an application to list New Senior's common stock on the NYSE and the formal declaration of the distribution by the Board of Directors. In evaluating the spin-off, the independent members of Newcastle's Board of Directors were advised by Houlihan Lokey.

Kenneth Riis, the Company's CEO commented, "The spin-off of New Senior from Newcastle will be a key step towards optimizing the future growth of each standalone company. As two separately traded public companies, both Newcastle and New Senior will be better positioned to capitalize on respective market opportunities and further enhance shareholder value creation."

New Senior will be externally managed by an affiliate of Fortress Investment Group LLC.

Newcastle will host an investor call on Monday, June 16, 2014, at 4:30pm ET. On the call, the Company will provide additional information in connection with the spin-off.

All interested parties are welcome to participate on the live call. The conference call may be accessed by dialing 1-888-243-2046 (from within the U.S.) or 1-706-679-1533 (from outside of the U.S.) ten minutes prior to the scheduled start of the call; please reference "Newcastle Investor Update Call." The Company intends to post a presentation on its website, www.newcastleinv.com, in advance of the call.

A telephonic replay of the conference call will also be available approximately two hours following the completion of the call through 11:59 P.M. Eastern Time on June 30, 2014 by dialing 1-855-859-2056 (from within the U.S.) or 1-404-537-3406 (from outside of the U.S.); please reference access code "61760924".

ABOUT NEWCASTLE

The Company focuses on investing in, and actively managing, real estate related assets and primarily invests in: (1) Senior Housing Assets (2) Real Estate Debt and (3) Golf & Other Investments. The Company 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 items 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. The Company can give no assurance that its expectations will be attained. 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 cause actual results to differ from 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 most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q. Furthermore, 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. The Company 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.

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