

June 14, 2007

DRIVE SHACK INC.

Newcastle Increases its Second Quarter Common Stock Dividend to \$0.72 Per Share and Declares its Preferred Stock Dividends

NEW YORK, June 14 /PRNewswire-FirstCall/ -- Newcastle Investment Corp. (NYSE: NCT) announced today that its Board of Directors has declared a quarterly cash dividend on its common stock of \$0.72 per share for the quarter ending June 30, 2007, representing a 4.3% increase from the prior quarter dividend of \$0.69 per share. The dividend is payable on July 30, 2007 to holders of record of Newcastle's common stock on July 2, 2007.

The Board of Directors of Newcastle has also declared dividends on the Company's 9.75% Series B, 8.05% Series C and 8.38% Series D Cumulative Redeemable Preferred Stock. The Company will pay dividends of \$0.609375, \$0.503125 and \$0.790972 per share on the Series B, Series C and Series D preferred stock, respectively. The dividend for the Series B and Series C covers the period beginning May 1, 2007 and ending July 31, 2007 and the dividend for the Series D covers the period beginning March 15, 2007 and ending July 31, 2007. These dividends are payable on July 31, 2007 to holders of record on July 2, 2007.

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 Contact: FOR

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