

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT PURSUANT TO
SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): July 25, 2012

Newcastle Investment Corp.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation)

001-31458

(Commission File Number)

81-0559116

(IRS Employer Identification No.)

**1345 Avenue of the Americas, 46th Floor
New York, New York**

(Address of principal executive offices)

10105

(Zip Code)

Registrant's telephone number, including area code (212) 798-6100

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 – Regulation FD Disclosure.

Newcastle Investment Corp. (the “Company”) is disclosing under this Item 7.01 certain information that was included in the prospectus supplement filed today with the Securities and Exchange Commission in connection with the transaction described under Item 8.01 below. Certain of this information has not previously been made publicly available by the Company and may be deemed to be material. This Current Report on Form 8-K also updates certain information previously reported by the Company.

Investments in Excess MSR

Aurora. On June 29, 2012, Newcastle announced the completion of a co-investment with Nationstar Mortgage LLC (“Nationstar”) related to their acquisition of mortgage servicing rights (“MSRs”) from Aurora Bank FSB, a subsidiary of Lehman Brothers Bancorp Inc. For a purchase price of approximately \$176.5 million, Newcastle acquired a 65% interest in Excess MSRs on a portfolio with an unpaid principal balance (“UPB”) of approximately \$63.7 billion. The portfolio is composed of three pools: a pool of non-conforming loans in private label securitizations with a UPB of approximately \$47.6 billion and two government-sponsored enterprise (“GSE”) loan pools with UPBs of approximately \$6.3 billion and \$9.8 billion, respectively. Nationstar acquired the remaining 35% interest in the Excess MSRs and is the servicer of the loans. Newcastle does not have any servicing duties, advance obligations or liabilities associated with the portfolio. Under the terms of this investment, to the extent that any loans in the portfolio are refinanced by Nationstar, the resulting MSRs will be included in the portfolio, subject to certain limitations. Newcastle believes that this arrangement may reduce the impact of prepayments on its investment.

GSE Pool 2. On June 5, 2012, Newcastle announced the completion of a co-investment with Nationstar related to their acquisition of MSRs from Bank of America, National Association. For a purchase price of approximately \$44 million, Newcastle acquired a 65% interest in Excess MSRs on a portfolio with a UPB of approximately \$10.4 billion. The portfolio is composed of residential mortgage loans in GSE pools. Nationstar acquired the remaining 35% interest in the Excess MSRs, and it is the servicer of the loans. Newcastle does not have any servicing duties, advance obligations or liabilities associated with the portfolio. Under the terms of this investment, to the extent that any loans in the portfolio are refinanced by Nationstar, the resulting MSRs will be included in the portfolio, subject to certain limitations. Newcastle believes that this arrangement may reduce the impact of prepayments on its investment.

ResCap. On June 28, 2012, Newcastle amended definitive agreements to acquire an investment in Excess MSRs in connection with Nationstar’s bid for MSRs on a portfolio of residential mortgage loans of Residential Capital, LLC (“ResCap”) with a UPB of approximately \$196 billion as of March 31, 2012. If Nationstar is the successful bidder, Newcastle expects to invest between \$150 million and \$300 million to acquire an interest in the Excess MSRs on this portfolio. (Newcastle committed to invest \$450 million to acquire up to a 65% interest in these Excess MSRs, but retained the flexibility to sell a portion of its commitment.) Approximately 66% of the loans in the portfolio are owned, insured or guaranteed by Fannie Mae, Freddie Mac or Ginnie Mae. Nationstar will acquire the remaining interest in the Excess MSRs, and it will be the servicer of the loans. Newcastle will not have any servicing duties, advance obligations or liabilities associated with the portfolio. Under the terms of this investment, to the extent that any loans in the portfolio are refinanced by Nationstar, the resulting MSRs will be included in the portfolio, subject to certain limitations. Newcastle believes that this arrangement may reduce the impact of prepayments on its investment. As background to this investment, ResCap has voluntarily filed a Chapter 11 petition in U.S. Bankruptcy Court and is seeking court approval to sell its mortgage servicing assets in an auction process supervised by the court. If Nationstar is the successful bidder, then the investment would be expected to close in late 2012 or early 2013, subject to regulatory and third-party approvals. There is no assurance that Nationstar will be the successful bidder or that it will be able to consummate this transaction on the terms described above, or at all.

Investments in Non-Agency Securities

Since the beginning of the second quarter of 2012, Newcastle has purchased non-agency residential mortgage backed securities with an aggregate face value of approximately \$192.2 million for an aggregate purchase price of approximately \$127.3 million. Newcastle invested approximately \$68.1 million and financed two of the bonds, which have a current value of approximately \$91 million, with an approximately \$59.2 million repurchase agreement, at a cost of one-month LIBOR plus 200 basis points. The repurchase agreement has a 90-day term ending on October 11, 2012, a 65% advance rate and contains customary margin call provisions.

Potential Separation Transaction

As part of Newcastle’s continuing efforts to provide value to its stockholders, it may consider a transaction to separate its Excess MSRs and certain non-agency residential mortgage backed securities from the remainder of its investment portfolio. If the transaction resulted in these assets being held in a stand-alone entity, Newcastle expects that such entity would elect and qualify to be taxed as a real estate investment trust. Newcastle’s board has not formally evaluated any such transaction, and there can be no assurance as to the timing, terms, structure or completion of any such transaction. Any such transaction would be subject to a number of risks and uncertainties, could have tax implications for the holders of shares of Newcastle’s common stock, and could adversely affect the price of shares of Newcastle’s common stock.

Preliminary Second Quarter Results

While Newcastle’s second quarter financial reporting process is nearing completion, it is not complete, and therefore Newcastle’s external auditors have not completed their review of its consolidated financial statements. The following discussion of preliminary results is based on management’s estimates as of the date hereof, and actual results may differ materially from Newcastle’s estimates.

Newcastle’s preliminary estimates of its second quarter results indicate that core earnings and cash available for distribution will be lower on a per-share basis relative to the first quarter of 2012. This decrease is due principally to an average of approximately \$240 million of uninvested, unrestricted cash in the second quarter, prior to its deployment in real estate related investments. As of the date of the prospectus supplement, Newcastle had deployed substantially all of its cash available for investment at the end of the second quarter (approximately \$103 million) to fund investments in Excess MSRs, senior living facilities and both agency and non-agency securities.

In addition, GAAP net income will be lower relative to the first quarter of 2012, principally as a result of our recognition of approximately \$30 million of net other income and \$7 million of impairment net of reversal (i.e., non-cash mark-to-market net gain) recorded in the first quarter of 2012.

Item 8.01 Other Events.

On July 25, 2012, the Company issued a press release announcing the commencement of a public offering of 20,000,000 shares of its common stock (the “Offering”). In connection with the Offering, the Company intends to grant the underwriters an option for 30 days to purchase up to an additional 3,000,000 shares of common stock. The press release announcing the commencement of the Offering is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit
Number

Description

99.1 Press Release, dated July 25, 2012, announcing the commencement of the Offering.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NEWCASTLE INVESTMENT CORP.
(Registrant)

/s/ Brian C. Sigman

Brian C. Sigman
Chief Financial Officer

Date: July 25, 2012



NEWCASTLE INVESTMENT CORP.

Contact:

Investor Relations
212-479-3195

Newcastle Announces Public Offering of Common Stock

New York, NY. July 25, 2012 — Newcastle Investment Corp. (NYSE: NCT) (the “Company”) announced today that it plans to make a public offering of 20,000,000 shares of its common stock. In connection with the offering, the Company intends to grant the underwriters an option for 30 days to purchase up to an additional 3,000,000 shares of common stock.

The Company intends to use the net proceeds from this offering for general corporate purposes, which may include, but not be limited to, investments in excess mortgage servicing rights, non-agency residential mortgage backed securities, senior living facilities and other investments in real estate securities and/or other real estate related assets.

Credit Suisse Securities (USA) LLC, Citigroup and UBS Securities LLC are the joint book-running managers for the offering. Keefe, Bruyette & Woods, Inc. is serving as co-manager for the offering. The offering will be made pursuant to the Company’s existing automatic shelf registration statement, previously filed with the Securities and Exchange Commission. The offering will be made only by means of a prospectus and a related prospectus supplement. Copies of the prospectus and prospectus supplement may be obtained from: Credit Suisse Securities (USA) LLC, Attention: Prospectus Department, One Madison Avenue, New York, New York 10010, Telephone: (800) 221-1037, Email: newyork.prospectus@credit-suisse.com; Citigroup, Brooklyn Army Terminal, 140 58th Street, Brooklyn, NY 11220, Telephone: (800) 831-9146, Email: batprospectusdept@citi.com; or UBS Securities LLC, 299 Park Avenue, New York, New York 10171, Attention: Prospectus Department, Telephone: (888) 827-7275.

This press release does not constitute an offer to sell or the solicitation of an offer to buy shares of common stock, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

ABOUT NEWCASTLE

The Company invests in real estate debt and other real estate related assets, including excess mortgage servicing rights. 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, including, but not limited to, statements relating to the proposed offering and intended use of proceeds. 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. Factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, the risk that market conditions cause downgrades of a significant number of our securities or the recording of additional impairment charges or reductions in shareholders' equity; the risk that we can find additional suitably priced investments; the risk that investments made or committed to be made cannot be financed on the basis and for the term at which we expect; the relationship between yields on assets which are paid off and yields on assets in which such monies can be reinvested; actual recapture rates with respect to any excess mortgage servicing rights investment; and the relative spreads between the yield on the assets we invest in and the cost and availability of debt and equity financing. 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 Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as filed with the Securities and Exchange Commission. 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. 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.