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**Pembrook Capital Provides \$26 Million in Mezzanine  
Financing for InterContinental Hotel in Miami**  
*Investment in Federal Empowerment Zone & Hurricane Damaged Zone  
Continues Pembrook's Goal of Socially Responsible Real Estate Investing*



New York City – Pembrook Capital Management (“Pembrook Capital”), a real estate investment management company, announced that it has provided \$26 million in mezzanine refinancing for the InterContinental Miami, a 34-story luxury hotel with beautiful views overlooking Biscayne Bay in downtown Miami. The four-star hotel, which has 641 rooms, is situated in a very desirable area known as the Seaport with many of the city’s prime attractions just minutes away. The hotel is close to Miami Beach and the Miami Convention Center and just a few blocks from Bayside Marketplace, a popular retail/entertainment complex, along with the American Airlines Arena, home of the NBA’s Miami Heat. While attracted to the property’s setting, Pembrook Capital was also drawn to its location within a Federal Empowerment Zone, a zone targeted for economic revitalization, and its situation within a GO Zone (Gulf Opportunity Zone), a zone designated for tax incentives due to previous hurricane damage. The InterContinental’s location within these zones forwards Pembrook Capital’s mission of making investments that are economically astute while at the same time socially responsible.

“Socially responsible investing has become more mainstream, but has not yet received widespread acceptance in the real estate industry, said Stuart J. Boesky, Chief Executive Officer of Pembroke Capital Management. “We plan to help change that with the industry mantra of ‘location, location, location’ to us meaning a location where community revitalization is key.”

The Empowerment Zone in which the InterContinental is situated entitles the area to federal economic incentives. The goal of empowerment zones is to “empower” people and communities to create jobs and business opportunities in challenging areas such as inner cities. The Seaport area of Miami was designated as such a zone in 1999, and says Boesky, “The area has come a long way.” The Gulf Opportunity Act of 2005 added further incentives to the area, including accelerated depreciation, in response to several of the costliest hurricanes in history affecting the region.

Adds Boesky, “While the area of Miami in which we invested is vibrant, capital infusions are still very welcome as the area continues its revitalization. Our investment in the InterContinental will help maintain its prominence along the Seaport’s waterfront.”

The InterContinental, built in 1982, is located at 100 Chopin Plaza and connects to a 35-story office tower, the Miami Center. Though not part of the Pembroke Capital financing, that latter property creates a built-in base of tenants with potential clientele for the hotel property. The Port of Miami, a major trading gateway to Latin America and the Caribbean and the “Cruise Capital of the World”, is directly across the bay from the InterContinental and also a source of hotel guests. Amenities at the InterContinental include a rooftop swimming pool, a terrace walking track, business center, two restaurants and a Starbucks. The hotel is currently undergoing a nearly \$15 million renovation that will add on a luxury health spa and fitness center, among other improvements.

Pembroke Capital’s \$26 million mezzanine loan is floating-rate indexed off of one-month LIBOR and matures in October, 2008 with three one-year extension options.

The InterContinental is owned and managed by Strategic Hotels & Resorts, a NYSE-listed company, and InterContinental Hotels Group, the world’s largest hotel company by room count with more than 3,600 properties in nearly 100 countries.

Pembroke Capital Management is a fund management company that provides capital to developers and owners of commercial real estate on a national basis. The company also seeks to serve as a pioneer in community investments, providing capital to underserved property sectors and underserved geographic locations such as assets in urban locations, affordable housing and other community-related investments. The firm was founded by Stuart J. Boesky, the

former CEO of CharterMac (now called Centerline Capital Group). Mr. Boesky led that firm to become one of the largest real estate financial services firms in the nation. Pembroke Capital is a strategic partnership with Mariner Investment Group, Inc., a major institutional fund manager that along with its affiliates manages more than \$11 billion in assets. Pembroke Capital is a subsidiary of The Pembroke Group, [www.pembrookgroup.com](http://www.pembrookgroup.com), headquartered in New York.

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