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Former CharterMac CEO Forms Real Estate Finance Firm

Boesky Partners with \$11B Mariner Investment Group To Launch
Pembroke Capital



Stuart J. Boesky

Less than one year after stepping down as CEO and member of the Board of Trustees of real estate finance company CharterMac (NYSE:[CHC](#)), Stuart J. Boesky has formed a new real estate investment management firm called Pembroke Capital Management.

The new firm is a subsidiary of The Pembroke Group, headquartered in Harrison, NY with regional offices in New York City, Washington D.C. and Boston. The Pembroke Group is a partnership with Mariner Investment Group, Inc., a multi-strategy hedge fund with over \$11 billion in assets under management. The firm, founded 12 years ago, has 116 employees and offices in

Harrison, NY, Boston and Tokyo.

Pembrook Capital intends to provide capital to developers and owners of real estate through outright acquisitions or originating mortgages and preferred equity. The company said it also expects to provide what it described as "new and unique capital solutions" to owners and developers of underserved property sectors and underserved geographic locations such as affordable housing and assets in urban locations.

"There is a way to be socially responsible in one's investment approach while making economically astute and rewarding investments," commented Boesky in a statement regarding Pembrook Capital's focus on underserved markets and locations.

Under Boesky, CharterMac became the largest non-government lender to the affordable housing industry. Mariner Investment Group, an institutional fund manager that, along with its affiliates, has more than \$11 billion in asset under management, will provide Pembrook Capital with substantial equity. In return, the strategic partnership provides Mariner with immediate entree into the commercial real estate market.

Pembrook Capital intends to offer a wide range of investments including first mortgages, mezzanine loans, B-Notes, real estate related securities such as commercial mortgage-backed securities (CMBS), preferred equity and other types of preferred securities, as well as entity level loans for public and private REITs and real estate operating companies.

In addition to covering traditional real estate property types such as multifamily, office, retail and industrial, the company said it will also invest in military housing, affordable housing, workforce housing, housing finance bonds and multi-family housing bonds. It intends to source investments through its own executive staff, as well as by working with commercial mortgage origination firms.

Boesky has 27 years of commercial real estate experience including 22 years at CharterMac and its successor entity, Related Capital Company. While there, he directed the firm's efforts to

diversify beyond portfolio investing into a full service real estate financial services firm offering a wide array of products and services to the multifamily and commercial real estate industries.

Prior to CharterMac, Boesky practiced real estate and tax law in Boston and New York, and before that, was a real estate consultant at the international accounting firm of Laventhol & Horwath.

Boesky is bringing four of his former colleagues from his CharterMac days to join him at Pembroke Capital. Neil Bo, previously president of Meridian Investments Inc., a privately owned NASD member Broker-Dealer that served as an exclusive placement agent for CharterMac, will join as managing director, institutional investor relations. Before his nine years with Meridian, Bo was a vice president of The Boston Financial Group (now MuniMae Financial) in institutional sales and analysis.

Also joining the new firm will be Neil P. Cullen as managing director of product origination. He was previously a corporate managing director overseeing CharterMac's mortgage banking subsidiary, CharterMac Mortgage Capital. Prior to that, Cullen co-founded two mortgage banking firms specializing in commercial real estate.

John Garth, another alumnus affiliated with CharterMac, joins Pembroke Capital after 24 years in the commercial real estate industry as managing director of capital markets. Previously, garth was COO of American Mortgage Acceptance Company, a publicly traded REIT managed by CharterMac. Before that, he was a senior originator at GMAC Commercial Mortgage Corp. where he specialized in highly-structured, large loans involving B-notes and mezzanine debt.

Rounding out senior management of Pembroke Capital will be Brian Shelly, managing director in charge of underwriting and asset management. Previously Shelly was a managing director at CharterMac where he was chief underwriter for the firm and its more than \$24 billion plus portfolio.

Paul Reynolds will also join the underwriting team at Pembroke

Capital from CharterMac as vice president and senior underwriter at Pembroke Capital. Previously at CharterMac, he specialized in underwriting highly-structured mezzanine and bridge loans.