

JER INVESTORS TRUST INC. REPORTS RECENT DEVELOPMENTS

FOR IMMEDIATE RELEASE

IRVING, TX, October 13, 2011 — JER Investors Trust Inc. (“JERIT”) (Pink Sheets: JERT.PK) today summarized for its shareholders the following recent developments:

- From the time of its initial public offering of shares, JERIT was externally managed by JER Commercial Debt Advisers LLC. That manager has been replaced with effect from August 30, 2011. JERIT’s new external manager is C-III JERIT Manager LLC (the “New Manager”), and JERIT and the New Manager entered into an amended and restated management agreement on August 30, 2011. The terms of the amended and restated management agreement are substantially the same as the terms of the previous management agreement between JERIT and JER Commercial Debt Advisers.
- The composition of JERIT’s board of directors has changed. With effect from August 30, 2011, JERIT’s board of directors consists of Joseph Lytle, Lawrence Block and Steve Bartlett.
- JERIT’s officers have changed. With effect from August 30, 2011, JERIT has the following officers:

Lawrence Block	President
Robert Phillips	Treasurer
William Jarrard, Jr.	Vice President
Jenna Unell	Secretary
Yvonne Owens	Assistant Secretary

- The New Manager is an indirect subsidiary of C-III Capital Partners LLC (“C-III”). Joseph Lytle, Robert Phillips and Jenna Unell are employees of C-III. Lawrence Block, William Jarrard and Yvonne Owens are employees of Island Capital Group LLC, which indirectly controls C-III. More information about C-III is provided below.
- These changes to JERIT’s management were effected in connection with a transaction in which C-III purchased the commercial real estate special servicing and collateralized debt obligation (“CDO”) management businesses previously operated by J.E. Robert Company, Inc. (“JER”) and its affiliates. As a result of that transaction, affiliates of C-III have taken over the special servicing (previously performed by JER) of loans collateralizing various commercial mortgage-backed securities (“CMBS”) owned by two subsidiaries of JERIT that have issued CDOs, as well as collateral administration of those CDO entities.
- In connection with the transaction described above, C-III purchased the rights of National Australia Bank Limited (“NAB”) under a judgment entered against JERIT in August 2011 in the amount of \$29,004,598. That judgment relates to JERIT’s defaulted obligations under an interest rate swap. That default, and JERIT’s resulting obligation to

NAB, were described in the Annual Report on Form 10-K filed by JERIT with the Securities and Exchange Commission on December 17, 2010.

- C-III and its affiliates will face potential conflicts of interest in respect of their respective new relationships with JERIT that are similar in many respects to the conflicts of interest that previously affected the relationships among JERIT, JER and JER's affiliates. C-III also will face a conflict of interest in deciding whether, and if so how, to enforce its rights under the judgment it purchased from NAB. JERIT does not have sufficient funds available to it to pay that judgment.

About C-III

C-III Capital Partners LLC is a leading commercial real estate services company engaged in a broad range of activities, including primary and special loan servicing, loan origination, fund management and principal investment. The company's principal place of business is located in Irving, TX, and it has additional offices in New York, South Carolina, Tennessee, Illinois and Virginia.

C-III Asset Management LLC, a wholly-owned subsidiary of C-III Capital Partners LLC, is a highly rated servicer (primary and special) of commercial real estate loans. Its clients include issuers of CMBS and CDOs, institutional lenders and other investors. C-III Asset Management LLC is rated "CPS 2-" by Fitch and "Above Average" by Standard & Poor's as a primary servicer, and is one of the highest rated special servicers in the industry with ratings of "CSS 1-" by Fitch and "Strong" by Standard & Poor's. For more information, visit www.c3cp.com.

About JERIT

JER Investors Trust Inc. is a specialty finance company that was organized primarily to originate and acquire real estate debt securities and loans and fee interests in net leased real estate assets. JERIT is externally managed and therefore depends on its manager (now C-III JERIT Manager LLC) to manage its portfolio of commercial real estate structured finance investments and other real estate related investments. JERIT's investment portfolio includes commercial real estate structured finance products such as CMBS, mezzanine loans and participations in whole mortgage loans. JERIT is organized and conducts its operations in a manner intended to allow it to qualify as a real estate investment trust (REIT) for federal income tax purposes.

Since at least the second half of 2007, JERIT has experienced significant operating difficulties and liquidity issues. The transactions described above between C-III and JER did not involve any change in the capitalization of JERIT or result in any improvement in JERIT's financial condition or liquidity position.

As previously reported, JERIT's shares no longer are registered under the Securities Exchange Act of 1934, and as a result JERIT no longer is subject to the periodic reporting or other obligations under that Act.