

# JER INVESTORS TRUST INC (JERT)

## 8-K

Current report filing

Filed on 02/26/2009

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

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**FORM 8-K**

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**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
**Date of Report (Date of earliest event reported): February 26, 2009 (February 24, 2009)**

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**JER Investors Trust Inc.**  
(Exact Name of Registrant as Specified in Charter)

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**Maryland**  
(State or other jurisdiction  
of incorporation)

**001-32564**  
(Commission File Number)

**75-3152779**  
(IRS Employer  
Identification No.)

**1650 Tysons Boulevard, Suite 1600, McLean, VA**  
(Address of Principal Executive Offices)

**22102**  
(Zip Code)

**Registrant's telephone number, including area code (703) 714-8000**

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

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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))
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**Item 2.04    Triggering Events that Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.**

On February 24, 2009, JER Investors Trust Inc. (the "Company") received written notice from the trustee of JER CRE CDO 2006-2, Limited ("CDO II"), that with respect to the February 25, 2009 payment date, CDO II failed certain over-collateralization coverage tests (the "OC Tests"), which resulted in (i) certain interest payments normally scheduled to be allocated to the notes payable and preferred shareholders of CDO II being reallocated to the holders of the senior notes payable, and (ii) any available principal proceeds being reallocated to the holders of the senior notes payable. Consequently, the Company will not receive any cash flow distributions on the junior notes payable and preferred share investments retained by the Company and/or its affiliates in CDO II until such time, if ever, the OC Tests are complied with. Even if the OC Tests are eventually complied with, the Company's ability to obtain regular cash payments from the assets securing CDO II is dependent upon CDO II continuing to meet interest coverage and over-collateralization coverage tests. The failure of the OC Tests was primarily due to rating agency downgrades on certain of the commercial mortgage-backed securities that serve as a portion of the collateral pool for CDO II. If the OC Tests had not failed, the Company would have received approximately \$1.0 million in interest distributions and \$1.2 million in preferred share distributions on February 25, 2009.

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**SIGNATURES**

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.

Date: February 26, 2009

JER Investors Trust Inc.

(Registrant)

By: /s/ J. Michael McGillis

Name: J. Michael McGillis

Title: Chief Financial Officer