

JER INVESTORS TRUST INC (JERT)

8-K

Current report filing

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**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): December 11, 2009 (December 7, 2009)

JER Investors Trust Inc.

(Exact Name of Registrant as Specified in Charter)

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)

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 1.01 Entry Into a Material Definitive Agreement.

On December 9, 2009, JER Investors Trust Inc. (the "Company") and JER Commercial Debt Advisors LLC (the "Manager"), an affiliate of J.E. Robert Company Inc., entered into an amendment to the management agreement (the "Management Agreement") between the Company and the Manager in connection with the Amendment described in Item 8.01. Pursuant to the amendment to the Management Agreement, the Manager and the Company agreed, effective as of December 9, 2009, that during the months of December 2009 and January 2010, (i) the Company shall not be required to make any payments of base management fees and/or incentive fees otherwise due and payable under the Management Agreement (collectively, the "Fees") in excess of \$75,000 per month (the "Monthly Cash Limit") and (ii) any Fees accruing and otherwise payable under the Management Agreement in excess of the Monthly Cash Limit shall be deferred and due and payable by the Company to the Manager on such date after January 31, 2010 as the Company and the Manager shall mutually agree in writing.

Item 8.01 Other Events.

Effective as of December 7, 2009, the Company entered into an amendment (the "Amendment") with the counterparty to the Company's seven (7) year fixed rate-for-fixed interest rate agreement (the "Agreement"), reducing the December 2009 and January 2010 monthly payments due under the Agreement from \$538,937 to \$75,000 and resulting in an aggregate deferral in payments of \$927,875 (the "Deferred Payment Amount") during such two (2) month period. In addition, the Amendment provides that commencing in February 2010, through and including September 2010, the Company's monthly payments under the Agreement shall be increased from \$538,937 to \$654,933, thereby providing for the repayment of the Deferred Payment Amount over the eight (8) month period following January 2010.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

10.1 Sixth Amendment, dated as of December 9, 2009, to the Management Agreement, dated as of June 4, 2004, between the Company and JER Commercial Debt Advisors LLC.

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: December 11, 2009

JER Investors Trust Inc.
(Registrant)

By:

Name:

Title:

/s/ J. MICHAEL MCGILLIS

J. Michael McGillis
Chief Financial Officer

AMENDMENT
TO THE
MANAGEMENT AGREEMENT
BY AND BETWEEN
JER INVESTORS TRUST INC.
and
JER COMMERCIAL DEBT ADVISORS LLC

This AMENDMENT No. 6 (this "**Amendment**") to the Management Agreement, dated as of June 4, 2004 (as amended, the "**Management Agreement**"), by and between JER Investors Trust Inc., a Maryland corporation (the "**Company**") and JER Commercial Debt Advisors LLC, a Delaware limited liability company (the "**Manager**"), is made as of this 9th day of December 2009, between the Company and the Manager. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Management Agreement.

WITNESSETH:

WHEREAS, the Company and the Manager are parties to the Management Agreement; and

WHEREAS, the Company and the Manager desire to amend the Management Agreement in the manner and as more fully set forth herein; and

WHEREAS, in accordance with Section 17(d) of the Management Agreement, the parties hereto have consented to amending the Management Agreement in the manner and as more fully set forth herein.

NOW THEREFORE, in consideration of the mutual promises and agreements herein and intending to be legally bound hereby, the parties hereto agree as follows:

1. Effective as of December 9, 2009, Section 7(f) of the Management Agreement is hereby deleted in its entirety and the following is hereby substituted therefor and made a part of the Management Agreement:

"(f) Notwithstanding anything to the contrary contained in Sections 7(d) and/or 7(e) of this Agreement, the Manager and the Company hereby agree that during the months of April, May, June, July, August, September, October, November and December 2009 and January 2010 (the "**Restricted Months**"), (i) the Company shall not be required to make any payments of Base Management Fees and/or Incentive Fees (collectively, the "**Fees**") in excess of \$75,000 per month (the "**Monthly Cash Limit**") and (ii) any Fees accruing and otherwise payable pursuant to Sections 7(d) and/or 7(e) of this Agreement in excess of the Monthly Cash Limit (the "**Accrued Fees**") shall be deferred and due and payable by the Company to the Manager on such date after January 31, 2010 as the Company and the

Manager shall mutually agree in writing. Nothing contained in this Section 7(f) shall be deemed (i) to prohibit the Company from paying any Fees up to an amount equal to \$75,000 per month, (ii) to prohibit the accrual (and ongoing obligations with respect thereto) of any Accrued Fees during any of the Restricted Months or (iii) to be a waiver or forgiveness by the Manager of any Accrued Fees."

2. Ratification. Except as expressly modified pursuant to this Amendment, (i) the Management Agreement is ratified and confirmed in all respects and (ii) all of the Company's obligations thereunder remain unchanged and in full force and effect.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 6 to the Management Agreement effective as of the date first above written.

JER INVESTORS TRUST INC.

By: /s/ J. Michael McGillis

Name: J. Michael McGillis

Title: Chief Financial Officer

JER COMMERCIAL DEBT ADVISORS LLC

By: /s/ J. Michael McGillis

Name: J. Michael McGillis

Title: Chief Financial Officer