

# JER INVESTORS TRUST INC (JERT)

## 8-K

Current report filing

Filed on 01/25/2010

Filed Period 01/21/2010

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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): January 25, 2010 (January 21, 2010)**

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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 1.01 Entry into a Material Definitive Agreement.**

On January 21, 2010, JERIT Finance Co JPM, LLC ("JERIT Finance"), a wholly owned subsidiary of JER Investors Trust Inc. (the "Company"), amended its Master Repurchase Agreement with J.P. Morgan Securities Inc. ("J.P. Morgan"), dated as of September 12, 2008, as amended on December 17, 2008 and December 21, 2009 (the "Repurchase Agreement") to extend the term of the Repurchase Agreement through February 22, 2010 (the prior maturity date was January 22, 2010). JERIT Finance's borrowings under the Repurchase Agreement were \$6.3 million as of January 25, 2010.

The Company believes that it is unlikely the Repurchase Agreement will be extended or renewed by J.P. Morgan upon its amended maturity date. Upon maturity of the Repurchase Agreement, the collateral that serves as security for the Repurchase Agreement may be liquidated or seized by J.P. Morgan in order to satisfy outstanding borrowings under the Repurchase Agreement. To the extent that the proceeds of the liquidation or credit for the seizure of such collateral are insufficient to satisfy outstanding borrowings, and JERIT Finance is not able to finance or refinance such deficiency, J.P. Morgan could make a further claim against the Company for the difference as the Repurchase Agreement is fully recourse to the Company.

The Repurchase Agreement was filed as Exhibit 10.3 to the Company's Current Report on Form 8-K filed on December 23, 2008. The Second Amendment to Repurchase Agreement was filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 22, 2009. The Third Amendment is filed as Exhibit 10.1 hereto and is incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits.****(d) Exhibits.**

- 10.1 Third Amendment, dated January 21, 2010, to Master Repurchase Agreement, dated September 12, 2008, between JERIT Finance Co JPM, LLC and J.P. Morgan Securities Inc.

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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: January 25, 2010

JER Investors Trust Inc.  
(Registrant)

By:

/s/ J. MICHAEL MCGILLIS

Name:

J. Michael McGillis

Title:

Chief Financial Officer

**AMENDMENT NO. 3  
TO MASTER REPURCHASE AGREEMENT**

This amendment, dated as of January 21, 2010 (this "**Amendment**"), is by and between J.P. Morgan Securities Inc. ("**Party A**") and JERIT Finance CO JPM, LLC ("**Party B**"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

WHEREAS, the parties have entered into a Master Repurchase Agreement dated as of September 12, 2008 (the "**Original Agreement**") which Original Agreement was amended pursuant to that certain Amendment No. 1 to Master Repurchase Agreement dated as of December 17, 2008 (the "**First Amendment**") and the Amendment No. 2 to Master Repurchase Agreement dated as of December 21, 2009 (the "**Second Amendment**") (the Original Agreement, First Amendment and Second Amendment, collectively, the "**Agreement**"); and

WHEREAS, the parties acknowledge that they wish to amend the Agreement as set forth below;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

The Purchase Price with respect to the Purchased Securities listed on Annex A, attached hereto, shall be revised as set forth on Annex A as of each of the dates set forth on Annex A. Buyer's Margin Percentage shall be the percentage set forth on Annex A. The final Repurchase Date for the series of Transactions ending in December 2009 shall be February 22, 2010 (or such future date that has been mutually agreed by the parties). Party B shall pay all amounts owed to Party A, including but not limited to any accrued and unpaid Price Differential and the difference between such Purchase Price as of the preceding month and the Purchase Price of such month, on the 22<sup>nd</sup> day of each month, or the immediately following business day, each such day a "Monthly Payment Date." Party B's failure to pay such amounts on the Monthly Payment Date shall constitute an Event of Default.

Except as otherwise set forth herein, the Agreement shall remain unchanged and in full force and effect. From and after the date hereof, any reference to the Agreement shall be a reference to the Agreement as amended hereby. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICTS OF LAW PRINCIPLES THAT WOULD DESIGNATE THE LAW OF ANOTHER JURISDICTION.

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IN WITNESS WHEREOF, the undersigned have caused this Amendment No. 3 to be duly executed and delivered as of the day and year first written above.

**J.P. MORGAN SECURITIES INC.**

By: /s/ Mark D. Pasierb  
Name: Mark D. Pasierb  
Title: Managing Director

**JERIT FINANCE CO JPM, LLC**

By: /s/ Jeffrey D. Goldberg  
Name: Jeffrey D. Goldberg  
Title: Authorized Signatory