



c/o C-III JERIT Manager LLC, 5221 N. O'Connor Blvd, Suite 600, Irving, TX 75039

November 20, 2012

Dear Fellow Stockholders:

On behalf of the Board of Directors, I cordially invite you to attend the Annual Meeting of Stockholders of JER Investors Trust Inc. (the "Annual Meeting") to be held at the offices of C-III JERIT Manager LLC – 717 Fifth Avenue, 15th Floor, New York, NY 10022, on December 19, 2012 at 2:00 p.m., Eastern Standard Time. The matter to be considered by the stockholders at the Annual Meeting are described in detail in the accompanying materials.

IT IS IMPORTANT THAT YOU BE REPRESENTED AT THE ANNUAL MEETING REGARDLESS OF THE NUMBER OF SHARES YOU OWN OR WHETHER YOU ARE ABLE TO ATTEND THE ANNUAL MEETING IN PERSON. Let me urge you to mark, sign and date your proxy card today and to return it in the envelope provided.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lawrence Block".

Lawrence Block

Member of the Board of Directors

For the Board of Directors of JER Investors
Trust Inc.

JER INVESTORS TRUST INC.
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON DECEMBER 19, 2012 AND INTERNET
AVAILABILITY OF PROXY MATERIALS

To the Stockholders of JER Investors Trust Inc.:

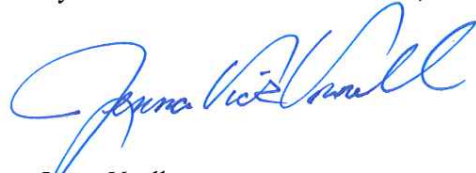
The annual meeting of stockholders of JER Investors Trust Inc., a Maryland corporation (the “Company”), will be held at the offices of C-III JERIT Manager LLC – 717 Fifth Avenue, 15th Floor, New York, NY 10022, on December 19, 2012, at 2:00 p.m., Eastern Standard Time (the “Annual Meeting”). The matter to be considered by stockholders at the Annual Meeting, which is described in detail in the accompanying materials, is the election of three directors to serve until the 2013 annual meeting of stockholders and until their respective successors are elected and duly qualified.

Stockholders of record at the close of business on November 14, 2012 will be entitled to notice of and to vote at the Annual Meeting. It is important that your shares of common stock be represented at the Annual Meeting regardless of the size of your holdings. A proxy statement, proxy card and self-addressed envelope are enclosed. **WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE COMPLETE, DATE AND SIGN THE PROXY CARD.** Return it promptly in the envelope provided, which requires no postage if mailed in the United States. If you are the record holder of your shares and you attend the meeting, you may withdraw your proxy and vote in person, if you so choose. The Company’s stock transfer books will remain open for the transfer of our common stock.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD DECEMBER 19, 2012:

The Proxy Statement to Stockholders is available at: [http://www.viewproxy.com/JERInvestors Trust/2012](http://www.viewproxy.com/JERInvestorsTrust/2012).

By Order of the Board of Directors,



Jenna Unell
Secretary

JER INVESTORS TRUST INC.
c/o C-III JERIT Manager LLC,
5221 N. O'Connor Blvd, Suite 600
Irving, Texas 75039

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON DECEMBER 19, 2012

This proxy statement and the accompanying proxy card and notice of annual meeting are provided in connection with the solicitation of proxies by and on behalf of the Board of Directors of JER Investors Trust Inc., a Maryland corporation, for use at the annual meeting of stockholders to be held on December 19, 2012, and any adjournments, postponements or delays thereof (the "Annual Meeting"). "We," "our," "us," "the Company" and "JER" each refers to JER Investors Trust Inc. We are externally managed and advised by C-III JERIT Manager LLC, which we refer to as "our manager."

The mailing address of our executive office is c/o C-III JERIT Manager LLC, 5221 N. O'Connor Blvd, Suite 600, Irving, TX 75039. This proxy statement, the accompanying proxy card and the notice of annual meeting are first being mailed to holders of our common stock, par value \$0.01 per share (the "Common Stock"), on or about November 20, 2012.

A proxy may confer discretionary authority to vote with respect to any matter presented at the Annual Meeting. At the date hereof, management has no knowledge of any business that will be presented for consideration at the Annual Meeting and which would be required to be set forth in this proxy statement or the related proxy card other than the matters set forth in the Notice of Annual Meeting of Stockholders. If any other matter is properly presented at the Annual Meeting for consideration, it is intended that the persons named in the enclosed form of proxy and acting thereunder will vote in accordance with their best judgment on such matter.

Date, Time and Place for the Annual Meeting

The 2012 Annual Meeting of Stockholders will be held on December 19, 2012 at 2:00 p.m. Eastern Standard Time at the offices of C-III JERIT Manager LLC – 717 Fifth Avenue, 15th Floor, New York, NY 10022.

Matter to be Considered at the Annual Meeting

At the Annual Meeting, holders of the Company's Common Stock will vote upon a proposal to elect three directors to serve until the 2013 annual meeting of stockholders and until their respective successors are elected and duly qualified.

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GENERAL INFORMATION ABOUT VOTING

Solicitation of Proxies

The enclosed proxy is solicited by and on behalf of our Board of Directors. The expense of preparing, printing and mailing this proxy statement and the proxies solicited hereby will be borne by the Company. In addition to the use of the mail, proxies may be solicited by officers and directors, without additional remuneration, by personal interview, e-mail, the internet, telephone, telegraph, or otherwise. The Company will also request brokerage firms, nominees, custodians and fiduciaries to forward proxy materials to the beneficial owners of shares held of record on November 14, 2012 and will provide reimbursement for the cost of forwarding the material. In addition, we have engaged Alliance Advisors, L.L.C. to assist in soliciting proxies from brokers, banks and other nominee holders of our Common Stock at a cost of approximately \$5,500, plus reasonable out-of-pocket expenses.

Shares Entitled To Vote

As of the close of business on November 14, 2012, there were 5,896,498 shares of our Common Stock entitled to vote. Each share of our Common Stock entitles the holder to one vote. Stockholders of record at the close of business on November 14, 2012 are entitled to vote at the Annual Meeting or any adjournment thereof.

Required Vote

A quorum will be present if holders of outstanding shares of our Common Stock entitled to cast a majority of all the votes entitled to be cast at the Annual Meeting are present in person or by proxy. If you have returned a valid proxy or if you hold your shares of Common Stock in your own name as holder of record and you attend the Annual Meeting in person, your shares will be counted for the purpose of determining whether there is a quorum. If a quorum is not present, the Annual Meeting may be adjourned from time to time without further notice to a date not more than 120 days after the original recorded date by the chairman of the meeting or by the vote of a majority of the shares represented at the Annual Meeting until a quorum has been obtained.

For the election of the nominees to our Board of Directors, the affirmative vote of a plurality of all the votes cast by holders of outstanding shares of our Common Stock at the Annual Meeting is sufficient to elect a nominee to be a director if a quorum is present.

For all other matters to be voted upon at the Annual Meeting, a majority of the votes cast of our Common Stock at the Annual Meeting is sufficient to approve such matter if a quorum is present.

If any other matters are properly presented at the Annual Meeting for consideration, the persons named in the proxy will have the discretion to vote on those matters for you. As of the date of this proxy statement, we are not aware of any other matter to be raised at the Annual Meeting.

Abstentions and Broker Non-votes

Abstentions and broker non-votes will be counted in determining the presence of a quorum. "Broker non-votes" are instances in which a broker holding shares of record for a beneficial owner votes on certain matters but does not vote the shares on other matters because it is precluded by rules of a stock exchange, any applicable trading platform(s) or the Financial Industry Regulatory Authority, Inc. from

doing so. If a broker does not return a properly executed proxy, then such broker's shares are not present for purposes of determining whether there is a quorum. If a broker returns a properly executed proxy, then such broker's shares are present for purposes of determining whether there is a quorum.

Abstentions and broker non-votes will have no effect on the outcome of the election of our Board of Directors, including with respect to the re-election of current directors or any other matter for which the required vote is a proportion of the votes cast.

How to Vote

If you hold your shares of our Common Stock in your own name as a holder of record, you may instruct the proxies to vote your shares by signing, dating and mailing the proxy card in the postage-paid envelope provided.

In addition, you may vote your shares of our Common Stock in person at the Annual Meeting. If your shares of our Common Stock are held on your behalf by a broker, bank or other nominee, you will receive instructions from them that you must follow to have your shares voted at the Annual Meeting.

Right to Revoke Proxy

If you hold shares of our Common Stock in your own name as a holder of record, you may revoke your proxy instructions at any time prior to the date and time of the Annual Meeting through any of the following methods:

- send written notice of revocation, prior to the Annual Meeting, to our Secretary, Ms. Jenna Unell, c/o C-III JERIT Manager LLC, 5221 N. O'Connor Blvd., Suite 600, Irving, TX 75039;
- sign, date and mail a new proxy card to our Secretary; or
- attend the Annual Meeting and vote your shares in person.

If shares of our Common Stock are held on your behalf by a broker, bank or other nominee, you must contact them to receive instructions as to how you may revoke your proxy instructions.

Copies of Statement of Affairs of the Company

In accordance with Maryland General Corporation Law Section 2-313, our annual "Statement of Affairs" will be submitted at the Annual Meeting and filed in the Company's corporate records at its executive offices located at 5221 N. O'Connor Blvd, Suite 600, Irving, TX 75039 within twenty (20) calendar days following the Annual Meeting. In addition, the Statement of Affairs will also be available without charge to stockholders after the Annual Meeting upon written request to: JER Investors Trust Inc., c/o C-III JERIT Manager LLC, 5221 N. O'Connor Blvd, Suite 600, Irving, TX 75039, Attention: Secretary.

Voting Results

Alliance Advisors, L.L.C., our independent tabulating agent, will count the votes and act as the Inspector of Election. We will publish the voting results in a press release that the Company will issue following the Annual Meeting.

Confidentiality of Voting

We keep all proxies, ballots and voting tabulations confidential as a matter of practice. We permit only our Inspector of Election, Alliance Advisors, L.L.C., to examine these documents. The confidential voting policy will not apply in the event of a proxy contest or other solicitation based on an opposition proxy statement.

Recommendation of the Board of Directors

The Board of Directors recommends a vote **FOR** the election of each nominee to the Board of Directors.

How Shares Represented by Proxies will be Voted

If the enclosed proxy is properly executed and returned to us in time to be voted at the Annual Meeting, it will be voted as specified on such proxy unless it is properly revoked prior to the Annual Meeting. If no specification is made on such proxy as to any one or more of the proposals, the shares of Common Stock represented by the proxy will be voted pursuant to the recommendation of the Board of Directors, as stated above. With respect to any other business that properly comes before the Annual Meeting or any adjournment or postponement thereof, proxies will be voted in the discretion of the proxy holder.

BOARD OF DIRECTORS

Our Board of Directors currently consists of three directors. Upon the expiration of their current terms at the Annual Meeting, all three of our current directors (Lawrence Block, Joseph Lytle and Steven Bartlett) will be nominated to serve terms of one year each through our annual meeting of stockholders to be held in December 2013 and until such time as their respective successors are elected and duly qualified.

The following table sets forth certain information about each of our three current directors, including the three director nominees.

<u>Name</u>	<u>Age</u>	<u>Position With Us</u>
Lawrence Block	45	Member of the Board of Directors and President
Joseph Lytle.....	55	Member of the Board of Directors
Steven Bartlett.....	51	Member of the Board of Directors

Information Concerning Directors and the Director Nominees

Set forth below is certain biographical information for our three current directors, the three director nominees, as well as the year each was first elected to be one of our directors. None of the current directors is the beneficial owner of any shares of our Common Stock as of November 14, 2014.

Lawrence Block

Member of the Board of Directors and President since August 2011

Age: 45

Lawrence Block has been a director since August 30, 2011. Mr. Block also serves as Managing Director, Counsel and Chief Compliance Officer for Island Capital Group LLC, Managing Director, Counsel and Chief Compliance Officer for C-III Capital Partners LLC and its affiliates (including C-III Investment Management LLC, an SEC-registered investment adviser, and President and Chief Compliance Officer of Anubis Securities LLC, a registered broker-dealer. He joined Island Capital Group LLC and C-III Capital Partners LLC in January 2011.

From March 2005 through January 2011, Mr. Block was Executive Vice President and General Counsel for The Kenmar Group and its affiliates, an alternative investment firm, responsible for Kenmar’s global legal, regulatory, corporate and compliance matters. He served as Chief Compliance Officer for Kenmar’s investment adviser, commodity pool operator, commodity trading adviser, broker-dealer, introducing broker and transfer agent affiliates, as well as head of legal, regulatory and compliance matters for the

broker and transfer agent affiliates, as well as head of legal, regulatory and compliance matters for the firm's FSA-registered office in London and its office in Singapore. From January 1998 through March 2005, Mr. Block was Managing Director, General Counsel and Chief Compliance Officer of Lipper & Company L.P. and its affiliates, where he was responsible for the firm's legal, regulatory corporate and compliance matters, including the firm's broker-dealers and investment advisers. Prior to joining Lipper & Company, Mr. Block was a senior associate at the law firm Cadwalader, Wickersham & Taft in New York from 1996 through 1998 and an associate at the law firm Proskauer Rose LLP from 1992 to 1996.

Mr. Block received a B.S. degree in Business Administration with a concentration in Accounting from the University of North Carolina at Chapel Hill in 1989 and a J.D. from the University of Pennsylvania School of Law in 1992.

Joseph Lytle

Member of the Board of Directors since August 2011

Age: 55

Joseph Lytle has been a director since August 2011. Mr. Lytle also serves as a managing director of C-III Capital Partners LLC where he works on the acquisition of commercial real estate investments.

From July 2003 until December 2010, Mr. Lytle was Senior Vice-President of Island Capital Group LLC in its real estate investment and finance group. From 1994 until 2003, Mr. Lytle was Senior Vice-President of Insignia Financial Group, Inc., where he focused primarily on Insignia's debt funds that invested in commercial mortgage back securities. From 1991 to 1994 Mr. Lytle served as an Asset Manager of Stiles Corporation for several real estate joint ventures including the Huizenga/Stiles real estate portfolio in South Florida. Prior to joining the Stiles Corporation from 1982 to 1991, Mr. Lytle was the Controller for the southeast region of the United States for Olympia & York, a worldwide private real estate Company.

Mr. Lytle received a B.A. in Finance from the Florida Atlantic University in 1981.

Steven Bartlett

Member of the Board of Directors since August 2011

Age: 51

Steven Bartlett has been a director since August 2011.

Since 2000, Mr. Bartlett has been self-employed and is engaged in the purchase and management of multi-family real estate for closely held partnerships. He has acquired several apartment communities in Middle Tennessee, personally directing the day to day management, accounting and staffing.

From 1985 to 2000, Mr. Bartlett was employed by Insignia Capital Advisors and its predecessor organizations, where he served as Senior Vice-President in charge of property sales. In this role, Mr. Bartlett directly sold and supervised the sale of over 250 apartment communities. From 1982 to 1985 Mr. Bartlett worked at Third National Bank as a commercial corporate officer.

Mr. Bartlett graduated from Vanderbilt University in 1982 with a B.S. in Mathematics.

Our internet address is <http://www.viewproxy.com/JERInvestorsTrust/2012>. We make available, free of charge through a link on our site, (i) our previously filed annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to such reports, if any, that we filed with the SEC while we were a reporting company under Sections 13 and 15(d) of the Securities and Exchange Act (the "Act") and were a registrant under Section 12(g) of the Act, (ii) our press releases and (iii) our annual "Statements of Affairs" required pursuant to Maryland General Corporation Law Section 2-313. You may also obtain these documents in print by writing the Company at JER Investors Trust Inc., c/o C-III JERIT Manager LLC, 5221 N. O'Connor Blvd., Suite 600, Irving, TX 75039, Attention: Secretary.

Board Meetings

During the year ended December 31, 2011, our Board of Directors held three (3) meetings.

The Board of Directors will consider director candidates recommended by stockholders. In considering candidates submitted by stockholders, the Board of Directors will take into consideration the needs of the Board of Directors and the qualifications of the candidate and may take into consideration the number of shares held by the recommending stockholder and the length of time that such shares have been held.

Director Nomination Procedures

The Company's By-Laws provide certain procedures that a stockholder must follow to nominate persons for election to the Board of Directors. Nominations for director at an annual stockholder meeting must be submitted in writing to the Company's Secretary at JER Investors Trust Inc., c/o C-III JERIT Manager LLC, 5221 N. O'Connor Blvd., Suite 600, Irving, TX 75039. The Secretary must receive notice of a stockholder's intention to introduce a nomination at an annual stockholders' meeting (together with certain required information set forth in the Company's By-Laws) at least 90 days (but not more than 120 days) before the first anniversary of the date on which the notice for the preceding year's annual meeting was mailed (the "Preceding Year's Mailing Date"). However, if you receive notice for an annual meeting which is dated more than 30 days earlier or later than the first anniversary of the Preceding Year's Mailing Date, the Secretary of the Company must receive such notice not earlier than the 120th day prior to the date of mailing of the notice for such annual meeting and not later than the close of business on the later of: (a) the 90th day prior to the mailing date of the notice for such meeting or (b) the tenth day following the day on which disclosure of the mailing date of the notice for such meeting is first made.

The Board of Directors will identify potential nominees by asking current directors and executive officers to notify the Board of Directors if they become aware of suitable candidates. The Board of Directors also may, from time to time, engage firms that specialize in identifying director candidates. As described above, the Board of Directors will also consider candidates recommended by stockholders.

The Board of Directors believes that the qualifications for serving as a director of the Company, taking into account such person's familiarity with the Company, are in possession of such knowledge, experience, skills, expertise, integrity and diversity as would enhance the Board of Directors' ability to manage and direct the affairs and business of the Company, including, when applicable, the ability of committees of the Board of Directors to fulfill their duties.

Stockholder and Interested Party Communications with Directors

The Company provides the opportunity for stockholders and other interested parties to communicate with the members of the Board of Directors and/or the presiding director. Stockholders and other interested parties can contact the Board of Directors and/or the presiding director to provide comments, to report concerns, or to ask a question, at the following address:

The Board of Directors of JER Investors Trust Inc.
c/o Ms. Jenna Unell, Secretary
5221 N. O'Connor Blvd., Suite 600
Irving, Texas 75039

The deadline for submitting stockholder proposals for the 2013 stockholder meeting pursuant to the Company's By-laws will be between August 20, 2013 and September 19, 2013, or 90 to 120 days prior to the first anniversary of the preceding year's proxy statement mailing date. Any stockholder proposal not submitted between such dates would be considered untimely. Any proposal should be submitted in writing to the Company's Secretary at JER Investors Trust Inc., c/o C-III JERIT Manager LLC, 5221 N. O'Connor Blvd., Suite 600, Irving, TX 75039.

EXECUTIVE OFFICERS

The following table shows the names and ages of our present executive officers and the positions held by each individual. A description of the business experience of each for at least the past five years follows the table.

<u>Name</u>	<u>Age</u>	<u>Position With Us</u>
Lawrence Block.....	45	Member of the Board of Directors and President
Robert Phillips.....	55	Treasurer
William Jarrard.....	66	Vice President
Jenna Unell.....	54	Secretary
Yvonne Owens	43	Assistant Secretary

For information regarding Mr. Block, please see the section above entitled “Information Concerning Directors and the Director Nominees.”

Robert Phillips is Treasurer of the Company and also a Controller of C-III Capital Partners LLC. Mr. Philips has served as Treasurer of the Company since August 2011. Prior to joining C-III Capital Partners LLC in March 2010, Mr. Philips served from 2006 through 2008, as a Vice President and CFO of a residential master-plan developer established to develop approximately three thousand single family and multi-family homes in Myrtle Beach South Carolina. His experience prior to that was with The Litchfield Company of SC where he served as a Vice President and CFO for eighteen years. From 1980 through 1988 he was a regional accounting manager for U S Shelter Corporation. Mr. Philips received his Bachelor of Arts degree from Furman University.

William Jarrard is a Vice-President of the Company and also a Senior Managing Director and controller of Island Capital Group LLC. Mr. Jarrard has served as Vice-President of the Company since August 2011. Mr. Jarrard joined Island Capital Group LLC in 2003. Prior to joining Island Capital Group LLC, Mr. Jarrard was a Managing Director at Insignia Financial Group, Inc., where he was responsible for investor relations with approximately 350,000 limited partners, partnership accounting for approximately 900 partnerships, as well as asset management of approximately 113,000 multi-family units and several million square feet of commercial space. Prior to joining Insignia Financial Group, Inc. in 1990, Mr. Jarrard previously served as a certified public accountant at predecessor firms of Ernst & Young for eleven years, where his practice included large real estate offerings. Mr. Jarrard received his Bachelor of Science degree from the University of South Carolina in 1968, where he majored in accounting.

Jenna Unell is Secretary of the Company and also a senior managing director and general counsel of C-III Asset Management LLC. Ms. Unell has been with C-III Asset Management LLC and its predecessor companies for almost 10 years, joining in February of 2003. Prior to joining C-III Asset Management LLC Ms. Unell practiced law at Akin Gump Strauss Hauer & Feld in Dallas. Ms. Unell received her J.D. in 1983 from Southern Methodist University School of Law.

Yvonne Owens is Assistant Secretary of the Company and also Assistant Corporate Secretary of Island Capital Group LLC. Ms. Owens has served as Assistant Secretary of the Company since August 2011. Prior to joining Island Capital Group LLC in 2004, Ms. Owens was a corporate paralegal for Insignia Financial Group, Inc. which she joined in 1994. Ms. Owens received her Bachelor of Science degree from the University of South Carolina in 1991, Associate Degree in Public Service, Paralegal Studies, in 1994 and became certified in 1996.

PROPOSAL #1: ELECTION OF DIRECTORS

The Board of Directors has recommended that Messrs. Block, Bartlett and Lytle be elected to serve on the Board of Directors, each until the annual meeting of stockholders for 2013 and until their respective successors are duly elected and qualify. For certain information regarding each nominee, see “Board of Directors” above.

Each nominee has consented to being named in this proxy statement and to serve if elected. If, prior to the annual meeting, a nominee should become unavailable to serve, the shares of voting securities represented by a properly executed and returned proxy will be voted for such additional person as shall be designated by the Board of Directors, unless the Board of Directors determines to reduce the number of directors in accordance with the Company’s charter and By-laws.

Election of the director nominees named in this proposal requires the affirmative vote of a plurality of all the votes cast on the matter at the Annual Meeting, if a quorum is present. Shares represented by executed proxies that do not specify a vote as to any of the proposals will be voted, if authority to do so is not withheld, for the election of the Board of Directors’ nominees. Votes may be cast in favor of or withheld with respect to all of the director nominees, or any of them. Broker non-votes, if any, will not be counted as having been voted on this proposal and will have no effect on the outcome of the vote on the election of directors. Stockholders may not cumulate votes in the election of directors.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE “FOR” THE
ELECTION OF EACH OF THE NOMINEES FOR DIRECTOR IDENTIFIED ABOVE.**