JER INVESTORS TRUST INC. PROVIDES COMPANY UPDATE AND 2009 ANNUAL STATEMENT OF AFFAIRS

McLean, VA – June 4, 2010: JER Investors Trust Inc. (Pink Sheets: JERT.PK, "JERT" or the "Company") released its annual Statement of Affairs of the Company for the twelve months ended December 31, 2009.

2009 Unaudited Operating Results:

- Operating Results: Net loss was $74.9 million and $254.2 million, or $(14.20) and $(98.75) per diluted common share, for the twelve months ended December 31, 2009 and 2008, respectively.

- Stockholders' Equity: Stockholders' equity (deficit) at December 31, 2009 was $(25.2) million, or $(4.32) per common share.

The unaudited consolidated balance sheets as of December 31, 2009 and 2008 and consolidated statements of operations for the twelve months ended December 31, 2009, 2008 and 2007 are attached as an exhibit to this release.

Liquidity:

The Company's unrestricted cash balances were $0.7 million and $0.9 million at December 31, 2009 and June 2, 2010, respectively. The Company had repurchase agreement balances outstanding of $7.0 million at December 31, 2009, and had no repurchase agreements outstanding at June 2, 2010.

As previously disclosed, the Company continues to have outstanding payment defaults related to the following:

- Unfunded capital calls of $3.3 million related to its investment in the JER US Debt Co-Investment Vehicle, L.P. (the "US Debt Fund"). As a result of these defaults, effective January 1, 2010, the Company no longer receives a management fee from the US Debt Fund.
- Payment default on its interest rate swap obligations to National Australia Bank Limited ("NAB") (the "NAB Note Payable"), which based on its terms is classified as a note payable on the Company's balance sheet. As of April 19, 2010, NAB terminated the NAB Note Payable, and established a termination value of $29.0 million.
- Payment default on its junior subordinated notes with an outstanding face amount of $70.3 million, exclusive of unpaid interest and penalties.

Currently, the Company's primary source of liquidity is from its non-CDO CMBS investments. The Company is no longer receiving distributions from its retained interests in CDO I and CDO II, and it does not expect to receive distributions from such CDOs for the foreseeable future, if at all. In addition, the Company's US Debt Fund investment is not expected to generate any liquidity to the Company in the foreseeable future, and the Company anticipates that any future distributions from the US Debt Fund will be retained by the US Debt Fund to reduce the Company's unfunded capital call obligations to the US Debt Fund. As a result, the Company is focused on seeking to preserve liquidity by minimizing its non-CDO cash operating costs, to the extent possible, primarily by (i) ceasing management fee payments to its external manager effective December 2009, after significantly reducing such cash payments from April 2009 to November 2009, (ii) filing a Form 15 with the Securities and Exchange Commission (the "SEC") on March 31, 2010 and ceasing to be an SEC reporting company, and (iii) effective January 1, 2010, discontinuing payments currently due on its NAB Note Payable and junior subordinated notes.

The Company's recent historical cash receipts by source are as follows (in thousands):

	For the Three Months Ending				For the Twelve Months Ending	Year to Date Through May
	March 31, 2009	June 30, 2009	September 30, 2009	December 31, 2009	December 31, 2009	31, 2010
Non-CDO CMBS currently held by JRT	$ 5,923	$ 2,128	$ 1,858	$ 1,223	$ 11,132	$ 1,359
Non-CDO CMBS sold in March 2010	1,934	1,839	1,795	1,730	7,298	6,886 (1)
CDO I retained interest	650	449	-	-	1,099	-
CDO II retained interest	1,380	-	-	-	1,380	-
US Debt Fund	-	-	-	-	-	-
Total	$ 9,887	$ 4,416	$ 3,653	$ 2,953	$ 20,909	$ 8,245

(1) Includes proceeds from sale of these bonds of $5.5 million, compared to a December 31, 2009 estimated fair value of $6.4 million.

As noted above, the Company's cash receipts continue to decline as delinquencies and special servicing transfers on loans underlying our CMBS continue to increase.

Credit Performance:

Below are selected credit statistics on our CMBS investments and the commercial real estate loans that serve as collateral on our first-loss CMBS investments (dollars in thousands):

	December 31, 2008	September 30, 2009	December 31, 2009	March 31, 2010
CMBS Portfolio				
Total CMBS investments	26	26	26	25
Face amount of CMBS investments	$ 1,757,354	$ 1,717,495	$ 1,706,288	$ 1,508,326
CMBS investments in which JRT owns the first-loss position	21	21	21	20
Face amount of first-loss CMBS investments	$ 1,651,790	$ 1,628,104	$ 1,616,897	$ 1,420,174
Face amount of collateral pool for first-loss CMBS invesments	$ 47,729,268	$ 46,988,003	$ 46,560,051	$ 43,705,612
Credit Statistics on Collateral Pool for First-Loss CMBS Investments				
60-day delinquency amount	$ 392,963	$ 1,500,596	$ 2,152,513	$ 2,737,134
60-day delinquency rate	0.8%	3.2%	4.6%	6.3%
Special servicing amount	$ 713,515	$ 3,388,698	$ 4,345,045	$ 5,355,245
Special servicing rate	1.5%	7.2%	9.3%	12.3%
Realized losses to date	$ 3,404	$ 27,206	$ 37,575	$ 66,209
Appraisal reductions to date	$ 19,010	$ 387,502	$ 474,033	$ 628,897
Projected losses over life of collateral pool	$ 964,107	$ 1,686,918	$ 1,835,649	$ 2,113,978
Projected loss rate over life of collateral pool	2.0%	3.6%	3.9%	4.8%

We expect that delinquencies and transfers of loans to special servicing, realized losses and appraisal reductions will continue to increase during 2010, further eroding cash flows to the CMBS bonds owned by JERT, and in particular, to the non-CDO CMBS bonds which are the Company's primary source of liquidity at this time.

If the credit losses that are ultimately realized are in line with the Company's current expectations regarding the amount and timing of such losses, it is expected that the Company's common stockholders would not recover any value and unsecured creditors of the Company would receive little, if any value.

Balance Sheet Review:

The Company’s assets and liabilities at December 31, 2009 can be broken down by financing sources as follows (in thousands):

	Financing Source				
	CDO I	CDO II	Repurchase Agreements	Other Unsecured Financing	Total
Assets					
Cash and cash equivalents	$ -	$ -	$ -	$ 668	$ 668
Restricted cash	65	6,809	-	-	6,874
CMBS financed by CDO I (face amount of $418,748)	41,037	-	-	-	41,037
CMBS financed by CDO II (face amount of $863,941)	-	33,801	-	-	33,801
Non-CDO CMBS (face amount of $423,599) (1)	-	-	10,925	248	11,173
Real estate loans (face amount of $268,455)	-	114,222	-	-	114,222
Investment in US Debt Fund	-	-	-	65	65
Other assets	1,287	2,234	689	1,603	5,813
Total Assets	42,389	157,066	11,614	2,584	213,653
Liabilities					
CDO I notes payable, at fair falue (face amount of $268,286)	32,926	-	-	-	32,926
CDO II notes payable, at fair falue (face amount of $690,328)	-	85,492	-	-	85,492
Repurchase agreement	-	-	6,966	-	6,966
Junior subordinated notes	-	-	-	59,028	59,028
Note payable	-	-	-	10,837	10,837
Interest rate swaps, at fair value	10,868	27,409	-	-	38,277
Due to affiliates	915	521	6	1,396	2,838
Accounts payable, accrued expenses and other liabilities	-	8	-	2,435	2,443
Total Liabilities	44,709	113,430	6,972	73,696	238,807
Implied equity (deficit) by financing source	$ (2,320)	$ 43,636	$ 4,642	$ (71,112)	$ (25,154)

(1) Proforma for the March 2010 sale of certain CMBS bonds, the face amount is $270.3 million.

With respect to the implied equity (deficit) of our CDOs, while the Company believes the balance sheet reflects the fair value of the individual CDO related assets and liabilities, the Company believes the estimated economic fair value of its CDO retained interests is significantly less than the implied equity determined in accordance with GAAP. The Company does not currently project any future distributions from its retained interests in these CDOs. The Company has negative equity at December 31, 2009, and that negative equity would further increase if (i) the face amount of CDO Notes Payable were substituted for the fair value of such liabilities and (ii) the termination value of the NAB Note Payable of $29.0 million were substituted for the carrying value of the NAB Note Payable of $10.8 million.

Repurchase Agreements:

As previously reported, on March 30, 2010, the Company sold certain of its CMBS investments with a face amount of $152.9 million for $5.5 million, the majority of the proceeds of which were used to repay all outstanding repurchase agreement borrowings.

Dividends:

The Company did not declare any dividends in 2009 and, given the Company’s expectations of continued tax losses, the Company does not expect to declare dividends in the foreseeable future, if at all.

2010 Annual Meeting of Shareholders:

The 2010 annual meeting of shareholders of the Company is scheduled to be held on June 28, 2010 at 11:00 AM, Eastern Daylight Time, at the Courtyard by Marriott—Tysons Corner, 1960-A Chain Bridge Road, McLean, Virginia 22102. At the 2010 annual meeting, shareholders will be asked to vote upon a proposal to elect three directors to serve until the 2011 annual meeting of shareholders and until their respective successors are elected and duly qualified. In addition, this statement of affairs will be submitted at the annual meeting and filed in the Company's corporate records within twenty (20) calendar days following the annual meeting.

Financial Statements:

The December 31, 2009 financial statements included in this press release have not been audited at this time by our independent registered public accounting firm. Accordingly, the Company gives no assurance that such financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP").

About JER Investors Trust Inc.

JER Investors Trust Inc. is a specialty finance company quoted on the Pink Sheets that manages a portfolio of commercial real estate structured finance products. Our investments include commercial mortgage backed securities, mezzanine loans and participations in mortgage loans, and an interest in the US Debt Fund. JER Investors Trust Inc. is organized and conducts its operations so as to qualify as a real estate investment trust ("REIT") for federal income tax purposes. For more information regarding JER Investors Trust Inc., please visit www.jerinvestorstrust.com.

Forward-Looking Statements

This press release does not constitute an offer of any securities. Certain items in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The Company can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, changes in the real estate and capital markets, our ability to maintain existing financing arrangements and other risks detailed in the Company's previously filed SEC reports and other press releases/ public filings made by the Company and/or available at www.jerinvestorstrust.com. As noted above, the Company filed a Form 15 with the SEC on March 31, 2010 and has ceased to be an SEC reporting company. Since the Company is no longer an SEC reporting company, the information contained in previously filed SEC reports is not current and circumstances may have changed significantly since the dates of such filings. Any forward-looking statements contained herein speak only as of the date of this press release. The Company expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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JER INVESTORS TRUST INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (unaudited)
(In thousands, except share data)

	December 31, 2009	December 31, 2008
ASSETS		
Cash and cash equivalents	$ 668	$ 8,357
Restricted cash	6,874	1,149
CMBS financed by CDOs, at fair value	74,838	180,210
CMBS not financed by CDOs, at fair value	11,173	42,432
Real estate loans, held for investment, financed by CDOs, at fair value	114,222	189,980
Investments in unconsolidated joint ventures	65	843
Accrued interest receivable	4,154	8,343
Due from affiliate	368	157
Deferred financing fees, net	888	981
Other assets	402	2,349
Total Assets	**$ 213,653**	**$ 434,801**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
CDO notes payable, at fair value	$ 118,418	$ 211,695
Repurchase agreements	6,966	16,108
Junior subordinated debentures and notes	59,028	61,860
Notes payable	10,837	500
Interest rate swap agreements related to CDOs, at fair value	38,277	91,984
Accounts payable and accrued expenses	919	839
Dividends payable	-	2,274
Due to affiliate	2,443	689
Other liabilities	1,920	2,489
Total Liabilities	238,807	388,438
Stockholders' Equity:		
Common stock, $0.01 par value, 100,000,000 shares authorized, 5,827,678 and 2,590,104 shares issued and outstanding at December 31, 2009 and 2008, respectively	58	26
Additional paid-in capital	413,573	392,744
Cumulative cash dividends paid/declared	(157,705)	(157,705)
Cumulative stock dividends paid/declared	(20,462)	-
Cumulative deficit	(240,513)	(165,626)
Accumulated other comprehensive loss	(20,105)	(23,076)
Total Stockholders' Equity (Deficit)	(25,154)	46,363
Total Liabilities and Stockholders' Equity (Deficit)	**$ 213,653**	**$ 434,801**

JER INVESTORS TRUST INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)
(In thousands, except share and per share data)

	For the Twelve Months Ended December 31, 2009	2008	2007
REVENUES			
Interest income from CMBS	$ 53,984	$ 80,495	$ 80,884
Interest income from real estate loans	9,649	27,691	41,008
Interest income from cash and cash equivalents	18	836	5,569
Lease income from real estate assets	-	-	6,408
Equity in (losses) earnings, net, of unconsolidated joint ventures	(2,382)	(1,449)	753
Fee income	1,051	544	19
Total Revenues	62,320	108,117	134,641
EXPENSES			
Interest expense	26,731	52,989	75,984
Management fees, affiliate	4,151	6,725	7,331
Incentive fees, affiliate	-	-	826
Depreciation and amortization of real estate assets	-	-	1,128
General and administrative	7,009	7,037	7,648
Total Expenses	37,892	66,751	92,917
INCOME BEFORE OTHER GAINS (LOSSES)	24,428	41,366	41,724
OTHER GAINS (LOSSES)			
Unrealized loss on financial assets financed with CDOs	(168,552)	(454,232)	-
Unrealized gain (loss), net, on CDO related financial liabilities	114,210	438,046	-
Loss on interest rate swaps	(23,232)	(17,238)	-
Loss on impairment of CMBS	(26,496)	(163,017)	(4,434)
Unrealized gain (loss), net, on real estate loans held for sale	-	13,866	(13,866)
Unrealized gain (loss) on non-CDO related interest rate swaps	13,860	(13,516)	-
Unrealized (loss) due to hedge ineffectiveness	-	-	(361)
Gain on exchange and cancellation of TRUPs	3,175	-	-
Loss on sale of real estate loans held for sale	-	(92,541)	-
Loss on termination of interest rate swaps	(12,280)	(6,885)	-
Total other gains (losses)	(99,315)	(295,517)	(18,661)
NET INCOME (LOSS)	$ (74,887)	$ (254,151)	$ 23,063
Net income (loss) per share:			
Basic	$ (14.20)	$ (98.75)	$ 8.97
Diluted	$ (14.20)	$ (98.75)	$ 8.97
Weighted average shares of common stock outstanding:			
Basic	5,274,010	2,573,759	2,570,088
Diluted	5,274,010	2,573,759	2,572,281
Dividends declared per common share	$ -	$ 17.80	$ 24.40