

MUNICIPAL MORTGAGE & EQUITY LLC

Form 8-K

July 02, 2009

**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): June 30, 2009

Municipal Mortgage & Equity, LLC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-11981
(Commission
File Number)

52-1449733
(I.R.S. Employer
Identification No.)

621 E Pratt Street, Suite 300,
Baltimore,
Maryland
(Address of principal executive
offices)

21202
(Zip Code)

Registrant's telephone number, including area code: (443) 263-2900
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:

- 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))

Item 8.01. Other Events.

On June 30, 2009, MuniMae TE Bond Subsidiary, LLC (the Company), a subsidiary of Municipal Mortgage & Equity, LLC (the Registrant), amended and restated the terms of the respective governing series exhibits (the Amended and Restated Series A Exhibit and the Amended and Restated Series A-1 Exhibit, respectively) to its operating agreement, dated May 17, 1999, with respect to the Series A Cumulative Preferred Shares due 2049 (the Series A Preferred Shares) and the Series A-1 Cumulative Preferred Shares due 2049 (the Series A-1 Preferred Shares). The terms of the Amended and Restated Series A Exhibit and the Amended and Restated Series A-1 Exhibit provide for the distributions and redemptions described in the table below in lieu of remarketing such securities in accordance with their pre-amended and restated terms on June 30, 2009. According to the terms of the Amended and Restated Series A Exhibit and the Amended and Restated Series A-1 Exhibit, the Company may elect to conduct a remarketing at any time following these amendments subject to certain procedural requirements set forth therein, but the Company will only be required to conduct a remarketing on June 30, 2010 and, if unsuccessful, on each anniversary thereof until a successful remarketing occurs.

The following is a comparison of the terms before and following the Amended and Restated Series A Exhibit and the Amended and Restated Series A-1 Exhibit, assuming in the case before such amendments and restatements that a failed remarketing occurs.

| | Before | | After | |
|--|---|--------|--|--------|
| | Terms under a Failed Remarketing (in \$) | (in %) | Terms under Amendment and Restatement (in \$) | (in %) |
| Series A | | | | |
| Liquidation Preference currently outstanding | 84,000,000 | | 84,000,000 | |
| Interest distribution | 10,651,200 | 12.68% | 6,300,000 | 7.50% |
| Principal redemption | | 0.00% | 4,351,200 | 5.18% |
| Total annual distribution | 10,651,200 | 12.68% | 10,651,200 | 12.68% |
| Series A-1 | | | | |
| Liquidation Preference currently outstanding | 16,000,000 | | 16,000,000 | |
| Interest distribution | 2,028,800 | 12.68% | 1,008,000 | 6.30% |
| Principal redemption | | 0.00% | 2,192,000 | 13.70% |
| Total annual distribution | 2,028,800 | 12.68% | 3,200,000 | 20.00% |
| Series A and Series A-1 | | | | |
| Liquidation Preference currently outstanding | 100,000,000 | | 100,000,000 | |
| Interest distribution | 12,680,000 | 12.68% | 7,308,000 | 7.31% |
| Principal redemption | | 0.00% | 6,543,200 | 6.54% |
| Total annual distribution | 12,680,000 | 12.68% | 13,851,200 | 13.85% |

Note: The amount of dividends and redemption payments noted above are annualized amounts based upon the first quarterly dividend and redemption obligations. Until there is a successful remarketing, as the liquidation preference is reduced by the redemptions, and therefore the total required dividends declines, the required redemption payments will increase so that the combined dividend and redemption payments will remain the same.

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.

Municipal Mortgage & Equity, LLC

July 2, 2009

By: /s/ Michael L. Falcone
Name: Michael L. Falcone
Title: Chief Executive Officer and
President