

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.

	<b>Before</b>		<b>After</b>	
	Terms under a Failed Remarketing (in \$)	(in %)	Terms under Amendment and Restatement (in \$)	(in %)
<b>Series A</b>				
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%
<b>Series A-1</b>				
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%
<b>Series A and Series A-1</b>				
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.

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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.

**Municipal Mortgage & Equity, LLC**

July 2, 2009

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