

Form 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

- Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the quarterly period ended June 30, 2002

- Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the transition period from _____ to _____

Commission File Number 333-47196

ATEL Capital Equipment Fund IX, LLC
(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction of incorporation or organization)

94-3375584

(I. R. S. Employer Identification No.)

235 Pine Street, 6th Floor, San Francisco, California 94104

(Address of principal executive offices)

Registrant's telephone number, including area code: (415) 989-8800

Indicate by a check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes
No

DOCUMENTS INCORPORATED BY REFERENCE

None

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements.

ATEL CAPITAL EQUIPMENT FUND IX, LLC

BALANCE SHEETS

JUNE 30, 2002 AND DECEMBER 31, 2001
(Unaudited)

ASSETS

	<u>2002</u>	<u>2001</u>
Cash and cash equivalents	\$ 16,904,648	\$ 13,568,058
Accounts receivable	1,348,675	1,186,719
Notes receivable	1,594,488	982,262
Investments in leases	37,962,361	21,091,372
Total assets	<u>\$ 57,810,172</u>	<u>\$ 36,828,411</u>

LIABILITIES AND MEMBERS' CAPITAL

Accounts payable:		
Managing Member	\$ 181,560	\$ 157,719
Other	25,868	24,471
Unearned operating lease income	71,311	95,618
Total liabilities	<u>278,739</u>	<u>277,808</u>
Members' capital	<u>57,531,433</u>	<u>36,550,603</u>
Total members' capital	<u>57,531,433</u>	<u>36,550,603</u>
Total liabilities and members' capital	<u>\$ 57,810,172</u>	<u>\$ 36,828,411</u>

See accompanying notes.

ATEL CAPITAL EQUIPMENT FUND IX, LLC

STATEMENT OF OPERATIONS

**SIX AND THREE MONTH PERIODS ENDED
JUNE 30, 2002 AND 2001
(Unaudited)**

	Six Months Ended June 30,		Three Months Ended June 30,	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Revenues:				
Leasing activities:				
Operating leases	\$ 2,187,687	\$ 1,193,427	\$ 1,235,820	\$ 1,123,612
Direct financing leases	53,396	21,997	32,244	16,429
Gain on sales of assets	107,353	-	107,353	-
Interest	271,501	73,192	164,910	59,292
Other	319	2,501	183	(2,499)
	<u>2,620,256</u>	<u>1,291,117</u>	<u>1,540,510</u>	<u>1,196,834</u>
Expenses:				
Depreciation and amortization	1,806,647	579,638	1,022,111	538,350
Cost reimbursements to Managing Member	118,586	229,551	65,732	163,091
Asset management fees to Managing Member	93,693	20,891	35,437	19,093
Professional fees	32,857	-	8,832	-
Interest expense	19,263	181,868	19,263	162,541
Other	133,563	12,214	52,209	9,623
	<u>2,204,609</u>	<u>1,024,162</u>	<u>1,203,584</u>	<u>892,698</u>
Net income	<u>\$ 415,647</u>	<u>\$ 266,955</u>	<u>\$ 336,926</u>	<u>\$ 304,136</u>
Net income:				
Managing member	\$ 197,341	\$ 197,341	\$ 110,831	\$ 197,441
Other members	218,306	69,614	226,095	106,795
	<u>\$ 415,647</u>	<u>\$ 266,955</u>	<u>\$ 336,926</u>	<u>\$ 304,136</u>
Net income per Limited Liability Company Unit	\$0.04	\$0.07	\$0.04	\$0.09
Weighted average number of Units outstanding	5,728,798	994,685	6,394,522	1,226,514

STATEMENT OF CHANGES IN MEMBERS' CAPITAL

**SIX MONTH PERIOD ENDED
JUNE 30, 2002
(Unaudited)**

	<u>Other Members</u>		<u>Managing Member</u>	<u>Total</u>
	<u>Units</u>	<u>Amount</u>		
Balance December 31, 2001	4,363,409	\$ 36,550,603	\$ -	\$ 36,550,603
Capital contributions	2,656,308	26,563,080		26,563,080
Less selling commissions to affiliates		(2,523,493)		(2,523,493)
Other syndication costs to affiliates		(843,195)		(843,195)
Distributions to members		(2,433,868)	(197,341)	(2,631,209)
Net income		218,306	197,341	415,647
Balance June 30, 2002	<u>7,019,717</u>	<u>\$ 57,531,433</u>	<u>\$ -</u>	<u>\$ 57,531,433</u>

See accompanying notes.

ATEL CAPITAL EQUIPMENT FUND IX, LLC

STATEMENT OF CASH FLOWS

**SIX AND THREE MONTH PERIODS ENDED
JUNE 30, 2002 AND 2001
(Unaudited)**

	Six Months Ended June 30,		Three Months Ended June 30,	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Operating activities:				
Net income	\$ 415,647	\$ 266,955	\$ 336,926	\$ 304,136
Adjustments to reconcile net income to cash provided by operating activities:				
Gain on sales of assets	(107,353)	-	(107,353)	-
Depreciation and amortization	1,806,647	579,638	1,022,111	538,350
Changes in operating assets and liabilities:				
Accounts receivable	(161,956)	(745,089)	(606,352)	(658,538)
Accounts payable, Managing Member	23,841	159,346	(133,454)	148,629
Accounts payable, other	1,397	12,357	15,050	10,256
Unearned operating lease income	(24,307)	225,586	(159,105)	225,586
Net cash used in operations	<u>1,953,916</u>	<u>495,239</u>	<u>367,823</u>	<u>568,419</u>
Investing activities:				
Purchases of equipment on operating leases	(18,013,963)	(9,959,232)	(11,154,367)	(15,728,777)
Note receivable advances	(1,031,605)	(1,000,000)	145,423	(31,605)
Purchases of equipment on direct financing leases	(980,570)	(819,124)	-	(161,446)
Payments received on notes receivable	419,379	173,921	71,465	267,337
Proceeds from sales of lease assets	749,408	-	749,408	-
Investment in residuals	(66,995)	(59,147)	24,814	33,005
Payments of initial direct costs to managing member	(352,809)	(91,296)	(226,082)	(312,433)
Reduction of net investment in direct financing leases	94,646	26,730	60,514	88,031
Net cash used in investing activities	<u>(19,182,509)</u>	<u>(11,728,148)</u>	<u>(10,328,825)</u>	<u>(15,845,888)</u>
Financing activities:				
Capital contributions received	26,563,080	18,343,820	12,096,000	19,439,580
Payment of syndication costs to managing member	(3,366,688)	(2,751,573)	(1,494,427)	(2,480,463)
Distributions to members	(2,631,209)	(177,425)	(1,489,122)	(2,631,209)
Net cash provided by financing activities	<u>20,565,183</u>	<u>15,414,822</u>	<u>9,112,451</u>	<u>14,327,908</u>
Net increase in cash and cash equivalents	3,336,590	4,181,913	(848,551)	(949,561)
Cash and cash equivalents at beginning of period	<u>13,568,058</u>	<u>600</u>	<u>17,753,199</u>	<u>2,082,220</u>
Cash and cash equivalents at end of period	<u>\$ 16,904,648</u>	<u>\$ 4,182,513</u>	<u>\$ 16,904,648</u>	<u>\$ 1,132,659</u>
Supplemental disclosures of cash flow information:				
Cash paid during the period for interest	<u>\$ 19,263</u>	<u>\$ 181,868</u>	<u>\$ 19,263</u>	<u>\$ 162,541</u>

See accompanying notes.

ATEL CAPITAL EQUIPMENT FUND IX, LLC

NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2002
(Unaudited)**

1. Summary of significant accounting policies:

Interim financial statements:

The unaudited interim financial statements reflect all adjustments which are, in the opinion of the managing member, necessary to a fair statement of financial position and results of operations for the interim periods presented. All such adjustments are of a normal recurring nature. These unaudited interim financial statements should be read in conjunction with the most recent report on Form 10K.

2. Organization and Company matters:

ATEL Capital Equipment Fund IX, LLC (the Fund) was formed under the laws of the state of California on September 27, 2000 for the purpose of acquiring equipment to engage in equipment leasing and sales activities. The Fund may continue until December 31, 2019. Contributions in the amount of \$600 were received as of December 31, 2000, \$100 of which represented the Managing Member's continuing interest, and \$500 of which represented the Initial Member's capital investment.

Upon the sale of the minimum amount of Units of Limited Liability Company interest (Units) of \$1,200,000 and the receipt of the proceeds thereof on February 21, 2001, the Company commenced operations.

The Company does not make a provision for income taxes since all income and losses will be allocated to the Partners for inclusion in their individual tax returns.

3. Investment in leases:

The Company's investment in leases consists of the following:

	Balance December 31, <u>2001</u>	<u>Additions</u>	Depreciation Expense or Amortization <u>of Leases</u>	Reclassi- fications or <u>Dispositions</u>	Balance June 30, <u>2002</u>
Net investment in operating leases	\$ 19,971,408	\$ 18,013,963	\$ (1,757,605)	\$ (642,055)	\$ 35,585,711
Net investment in direct financing leases	750,894	980,570	(94,646)	-	1,636,818
Residual values, other	75,983	66,995	-	-	142,978
Initial direct costs	<u>293,087</u>	<u>352,809</u>	<u>(49,042)</u>	<u>-</u>	<u>596,854</u>
	<u>\$ 21,091,372</u>	<u>\$ 19,414,337</u>	<u>\$ (1,901,293)</u>	<u>\$ (642,055)</u>	<u>\$ 37,962,361</u>

ATEL CAPITAL EQUIPMENT FUND IX, LLC

NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2002
(Unaudited)**

3. Investment in leases (continued):

Operating leases:

Property on operating leases consists of the following:

	Balance December 31, 2001	Acquisitions, 1st Quarter	Dispositions & Reclassifications 2nd Quarter	Balance June 30, 2002
Manufacturing	\$ 989,709	\$ 4,052,809	\$ 9,217,711	\$ 14,260,229
Mining	13,421,219	-	-	13,421,219
Marine vessels	5,712,000	-	-	5,712,000
Materials handling	207,486	2,211,915	1,936,144	4,355,545
Natural gas compressors	696,451	-	-	696,451
Office furniture	998,540	325,719	(762,011)	562,248
Communications	-	269,153	-	269,153
	<u>22,025,405</u>	<u>6,859,596</u>	<u>10,391,844</u>	<u>39,276,845</u>
Less accumulated depreciation	<u>(2,053,997)</u>	<u>(765,391)</u>	<u>(871,746)</u>	<u>(3,691,134)</u>
	<u>\$ 19,971,408</u>	<u>\$ 6,094,205</u>	<u>\$ 9,520,098</u>	<u>\$ 35,585,711</u>

The average assumed residual values for assets on operating leases were 32% at December 31, 2001 and 26% at June 30, 2002.

Direct financing leases:

As of June 30, 2002, investment in direct financing leases consists office furniture. The following lists the components of the Company's investment in direct financing leases as of June 30, 2002:

Total minimum lease payments receivable	\$ 1,793,310
Estimated residual values of leased equipment (unguaranteed)	<u>209,873</u>
Investment in direct financing leases	2,003,183
Less unearned income	<u>(366,365)</u>
Net investment in direct financing leases	<u>\$ 1,636,818</u>

All of the property on leases was acquired in 2001 and 2002.

At June 30, 2002, the aggregate amounts of future minimum lease payments are as follows:

	Year ending December 31,	Operating Leases	Direct Financing Leases	Total
Six months ending December 31, 2002	\$	2,646,861	\$ 185,518	\$ 2,832,379
Year ending December 31, 2003		5,287,677	371,036	5,658,713
2004		5,202,867	371,036	5,573,903
2005		5,152,088	371,036	5,523,124
2006		4,697,562	361,172	5,058,734
Thereafter		2,437,459	133,512	2,570,971
		<u>\$ 25,424,514</u>	<u>\$ 1,793,310</u>	<u>\$ 27,217,824</u>

ATEL CAPITAL EQUIPMENT FUND IX, LLC

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2002
(Unaudited)

4. Related party transactions:

The terms of the Limited Company Operating Agreement provide that the Managing Member and/or Affiliates are entitled to receive certain fees for equipment acquisition, management and resale and for management of the Company.

The Limited Liability Company Operating Agreement allows for the reimbursement of costs incurred by the Managing Member in providing services to the Company. Services provided include Company accounting, investor relations, legal counsel and lease and equipment documentation. The Managing Member is not reimbursed for services where it is entitled to receive a separate fee as compensation for such services, such as acquisition and management of equipment. Reimbursable costs incurred by the Managing Member are allocated to the Company based upon actual time incurred by employees working on Company business and an allocation of rent and other costs based on utilization studies.

Substantially all employees of the Managing Member record time incurred in performing services on behalf of all of the Companies serviced by the Managing Member. The Managing Member believes that the costs reimbursed are the lower of (i) actual costs incurred on behalf of the Company or (ii) the amount the Company would be required to pay independent parties for comparable administrative services in the same geographic location and are reimbursable in accordance with the Limited Liability Company Operating Agreement.

The Managing Member and/or Affiliates earned fees, commissions and reimbursements, pursuant to the Limited Liability Company Agreement as follows:

	<u>2002</u>	<u>2001</u>
Selling commissions (equal to 9.5% of the selling price of the Limited Liability Company units, deducted from Other Members' capital)	\$ 2,523,493	\$ 1,742,663
Reimbursement of other syndication costs to Managing Member	843,195	1,008,910
Costs reimbursed to Managing Member	118,586	229,551
Asset management fees to Managing Member	93,693	20,891
	<u>\$ 3,578,967</u>	<u>\$ 3,002,015</u>

5. Member's capital:

As of June 30, 2002, 7,019,717 Units (\$70,197,170) were issued and outstanding. The Company is authorized to issue up to 15,000,050 Units, including the 50 Units issued to the initial members.

The Company's Net Income, Net Losses, and Distributions are to be allocated 92.5% to the Members and 7.5% to the Managing Member.

ATEL CAPITAL EQUIPMENT FUND IX, LLC

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2002
(Unaudited)

8. Line of credit:

The Company participates with the Managing Member and certain of its affiliates in a \$43,654,928 revolving line of credit with a financial institution that includes certain financial covenants. The line of credit expires on June 28, 2004. As of June 30, 2002, borrowings under the facility were as follows:

Amount borrowed by the fund under the acquisition facility	\$ -
Amounts borrowed by affiliated partnerships and limited liability companies under the acquisition facility	<u>23,000,000</u>
Total borrowings under the acquisition facility	23,000,000
Amounts borrowed by the Managing Member and its sister corporation under the warehouse facility	-
Total outstanding balance	<u>\$ 23,000,000</u>
Total available under the line of credit	\$ 43,654,928
Total outstanding balance	<u>(23,000,000)</u>
Remaining availability	<u>\$ 20,654,928</u>

Draws on the acquisition facility by any individual borrower are secured only by that borrower's assets, including equipment and related leases. Borrowings on the warehouse facility are recourse jointly to certain of the affiliated partnerships and limited liability companies, the Partnership and the General Partner.

The credit agreement includes certain financial covenants applicable to each borrower. The Company was in compliance with its covenants as of June 30, 2001.

9. Commitments:

As of June 30, 2002, the Company had outstanding commitments to purchase lease equipment totaling approximately \$4,700,000.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Capital Resources and Liquidity

During the second quarter of 2002 and 2001, the Company's primary activities were raising funds through its offering of Limited Liability Company Units (Units) and engaging in equipment leasing activities. Through June 30, 2002, the Company had received subscriptions for 7,019,717 Units (\$70,197,170) all of which were issued and outstanding.

During the funding period, the Company's primary source of liquidity is subscription proceeds from the public offering of Units. The liquidity of the Company will vary in the future, increasing to the extent cash flows from leases exceed expenses, and decreasing as lease assets are acquired, as distributions are made to the members and to the extent expenses exceed cash flows from leases.

As another source of liquidity, the Company has contractual obligations with a diversified group of lessees for fixed lease terms at fixed rental amounts. As the initial lease terms expire the Company will re-lease or sell the equipment. The future liquidity beyond the contractual minimum rentals will depend on the Managing Member's success in re-leasing or selling the equipment as it comes off lease.

The Company participates with the Managing Member and certain of its affiliates in a \$43,654,928 revolving line of credit with a financial institution that includes certain financial covenants. The line of credit expires on June 28, 2004. As of June 30, 2002, borrowings under the facility were as follows:

Amount borrowed by the fund under the acquisition facility	\$ -
Amounts borrowed by affiliated partnerships and limited liability companies under the acquisition facility	23,000,000
Total borrowings under the acquisition facility	<u>23,000,000</u>
Amounts borrowed by the Managing Member and its sister corporation under the warehouse facility	-
Total outstanding balance	<u>\$ 23,000,000</u>
Total available under the line of credit	\$ 43,654,928
Total outstanding balance	<u>(23,000,000)</u>
Remaining availability	<u>\$ 20,654,928</u>

Draws on the acquisition facility by any individual borrower are secured only by that borrower's assets, including equipment and related leases. Borrowings on the warehouse facility are recourse jointly to certain of the affiliated partnerships and limited liability companies, the fund and the Managing Member.

The Company anticipates reinvesting a portion of lease payments from assets owned in new leasing transactions. Such reinvestment will occur only after the payment of all obligations, including debt service (both principal and interest), the payment of management and acquisition fees to the Managing Member and providing for cash distributions to the members.

The Company currently has available adequate reserves to meet contingencies, but in the event those reserves were found to be inadequate, the Company would likely be in a position to borrow against its current portfolio to meet such requirements. The Managing Member envisions no such requirements for operating purposes.

No commitments of capital have been or are expected to be made other than for the acquisition of additional equipment. As of June 30, 2002, such commitments totaled approximately \$4,700,000.

If inflation in the general economy becomes significant, it may affect the Company inasmuch as the residual (resale) values and rates on re-leases of the Company's leased assets may increase as the costs of similar assets increase. However, the Company's revenues from existing leases would not increase, as such rates are generally fixed for the terms of the leases without adjustment for inflation.

If interest rates increase significantly, the lease rates that the Company can obtain on future leases will be expected to increase as the cost of capital is a significant factor in the pricing of lease financing. Leases already in place, for the most part, would not be affected by changes in interest rates.

Cash Flows

During the first half of 2002 and 2001, the Company's primary source of liquidity was the proceeds of its offering of Units.

In 2002 and 2001, the primary source of cash from operations was rents from operating leases.

Rents from direct financing leases and payments received on notes receivable were the primary sources of cash from investing activities. Uses of cash for investing activities consisted of cash used to purchase operating and direct financing lease assets, payments of initial direct costs associated with the lease asset purchases and advances on notes receivable.

In 2002 and 2001, the primary source of cash from financing activities was the proceeds of the Company's public offering of Units of Limited Liability Company interest. Financing uses of cash consisted of payments of syndication costs associated with the offering and distributions to the members.

Results of operations

On February 21, 2001, the Company commenced operations. In 2002, operations resulted in net income of \$415,647 for the six month period and \$336,926 for the three month period. In 2001, operations resulted in net income of \$266,955 for the six month period and \$304,136 for the three month period. The Company's primary source of revenues is from operating leases. Depreciation is related to operating lease assets and thus, to operating lease revenues. They are expected to increase in future periods as acquisitions continue.

Asset management fees are based on the gross lease rents of the Company plus proceeds from the sales of lease assets. They are limited to certain percentages of lease rents, distributions to members and certain other items. As assets are acquired, lease rents are collected and distributions are made to the members, these fees are expected to increase.

Interest expense for the first half of 2002 and 2001 related to the borrowings under the line of credit incurred by an affiliate of the Managing Member. It included all amounts related to those borrowings related transactions transferred to the Company. All of the revenues and related carrying costs for these transactions were attributed to the Company in the same periods.

Results of operations in future periods are expected to vary considerably from those of the first half of 2002 and 2001 as the Company continues to acquire significant amounts of lease assets.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

Inapplicable.

Item 2. Changes In Securities.

Inapplicable.

Item 3. Defaults Upon Senior Securities.

Inapplicable.

Item 4. Submission Of Matters To A Vote Of Security Holders.

Inapplicable.

Item 5. Other Information.

Information provided pursuant to § 228.701 (Item 701(f))(formerly included in Form SR):

- (1) Effective date of the offering: January 16, 2001; File Number: 333-47196
- (2) Offering commenced: January 16, 2001
- (3) The offering did not terminate before any securities were sold.
- (4) The offering has not been terminated prior to the sale of all of the securities.
- (5) The managing underwriter is ATEL Securities Corporation.
- (6) The title of the registered class of securities is "Units of Limited Liability Company interest"
- (7) Aggregate amount and offering price of securities registered and sold as of July 31, 2002

<u>Title of Security</u>	<u>Amount Registered</u>	<u>Aggregate price of offering amount registered</u>	<u>Amount sold</u>	<u>Aggregate price of offering amount sold</u>
Limited Company units	15,000,000	\$ 150,000,000	7,517,865	\$ 75,178,650

- (8) Costs incurred for the issuers account in connection with the issuance and distribution of the securities registered for each category listed below:

	<u>Direct or indirect payments to directors, officers, general partners of the issuer or their associates; to persons owning ten percent or more of any class of equity securities of the issuer; and to affiliates of the issuer</u>	<u>Direct or indirect payments to others</u>	<u>Total</u>
Underwriting discounts and commissions	\$ -	\$ 7,141,972	\$ 7,141,972
Other expenses		3,633,039	3,633,039
Total expenses	<u>\$ -</u>	<u>\$ 10,775,011</u>	<u>\$ 10,775,011</u>

- (9) Net offering proceeds to the issuer after the total expenses in item 8: \$ 64,403,639

(10) The amount of net offering proceeds to the issuer used for each of the purposes listed below:

	Direct or indirect payments to directors, officers, general partners of the issuer or their associates; to persons owning ten percent or more of any class of equity securities of the issuer; and to affiliates of <u>the issuer</u>	Direct or indirect payments to <u>others</u>	<u>Total</u>
Purchase and installation of machinery and equipment	\$ -	\$ 64,027,746	\$ 64,027,746
Working capital	<u>\$ -</u>	<u>375,893</u>	<u>375,893</u>
	<u>\$ -</u>	<u>\$ 64,403,639</u>	<u>\$ 64,403,639</u>

(11) The use of the proceeds in Item 10 does not represent a material change in the uses of proceeds described in the prospectus.

Item 6. Exhibits And Reports On Form 8-K.

(a) Documents filed as a part of this report

1. Financial Statements

Included in Part I of this report:

Balance Sheets, June 30, 2002 and December 31, 2001.

Statements of operations for the six and three month periods ended June 30, 2002 and 2001.

Statement of changes in partners' capital for the six month period ended June 30, 2002.

Statements of cash flows for the six and three month periods ended June 30, 2002 and 2001.

Notes to the Financial Statements

2. Financial Statement Schedules

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

(b) Report on Form 8-K

None

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly report on Form 10QSB of ATEL Capital Equipment Fund IX, LLC, (the "Company") for the period ended June 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), and pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, I, Dean L. Cash, Chief Executive Officer of ATEL Financial Services, LLC, managing member of the Company, hereby certify that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 ; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ DEAN L. CASH

Dean L. Cash
President and Chief Executive
Officer of Managing Member
August 14, 2002

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly report on Form 10QSB of ATEL Capital Equipment Fund IX, LLC, (the "Company") for the period ended June 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), and pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, I, Paritosh K. Choksi, Chief Financial Officer of ATEL Financial Services, LLC, managing member of the Company, hereby certify that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 ; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ PARITOSH K. CHOKSI

Paritosh K. Choksi
Executive Vice President of Managing
Member, Principal financial officer of registrant
August 14, 2002

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 thereunto duly authorized.

Date:
August 14, 2002

ATEL CAPITAL EQUIPMENT FUND IX, LLC (Registrant)

By: ATEL Financial Services, LLC
Managing Member of Registrant

By: /s/ DEAN L. CASH
Dean L. Cash
President and Chief Executive
Officer of Managing Member

By: /s/ PARITOSH K. CHOKSI
Paritosh K. Choksi
Executive Vice President of
Managing Member, Principal
financial officer of registrant

By: /s/ DONALD E. CARPENTER
Donald E. Carpenter
Principal accounting
officer of registrant