ACCREDITED HOME LENDERS HOLDING CO
Form 8-K
June 30, 2006

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

June 29, 2006

Date of Report (Date of earliest event reported)

Accredited Home Lenders Holding Co.

(Exact name of registrant as specified in its charter)

Delaware	**001-32275**	**04-3669482**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

15090 Avenue of Science

San Diego, CA	**92128**
(Address of principal executive offices)	**(Zip Code)**

858-676-2100

(Registrant s telephone number, including area code)

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 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.
On June 29, 2006, Accredited Home Lenders Holding Co. (Accredited) closed a securitization containing approximately $1.4 billion of first-lien and second-lien residential mortgage loans through its real estate investment trust (REIT) subsidiary, Accredited Mortgage Loan REIT Trust (the REIT). The securitization utilized a senior/subordinated structure, with four classes of senior notes and nine classes of subordinate notes being issued as set forth in the table below.

Class	Rating (S&P/Moody s)	Note Balance	WAL	Benchmark	Spread	Price
A-1	AAA/Aaa	$ 559,514,000	0.95	1M LIBOR	.04%	100
A-2	AAA/Aaa	158,862,000	2.00	1M LIBOR	.09%	100
A-3	AAA/Aaa	289,467,000	3.25	1M LIBOR	.15%	100
A-4	AAA/Aaa	181,457,000	6.41	1M LIBOR	.26%	100
M-1	AA+/Aa1	41,300,000	4.82	1M LIBOR	.27%	100
M-2	AA+/Aa2	37,100,000	4.78	1M LIBOR	.29%	100
M-3	AA/Aa3	23,800,000	4.76	1M LIBOR	.33%	100
M-4	AA/A1	20,300,000	4.75	1M LIBOR	.35%	100
M-5	AA-/A2	20,300,000	4.74	1M LIBOR	.38%	100
M-6	A+/A3	17,500,000	4.73	1M LIBOR	.45%	100
M-7	BBB+/Baa1	15,400,000	4.73	1M LIBOR	.85%	100
M-8	BBB/Baa2	10,500,000	4.72	1M LIBOR	1.05%	100
M-9	BBB-/Baa3	21,700,000	4.71	1M LIBOR	1.90%	100

The securitization is structured as a financing by Accredited with the result being that both the mortgage loans and the debt represented by the notes remain on the REIT s balance sheet.

The REIT used the proceeds from the securitization primarily to repay warehouse financing for the mortgage loans.

Lead manager for the transaction was Goldman, Sachs & Co., with Bear , Stearns & Co. Inc., Credit Suisse Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and UBS Securities LLC acting as co-managers.

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.

Accredited Home Lenders Holding Co.

Date: June 29, 2006

By:	/s/ David E. Hertzel
Name:	David E. Hertzel
Title:	General Counsel