

ACCREDITED HOME LENDERS HOLDING CO  
 Form 4  
 February 26, 2007

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 LYDON JOSEPH JOHN

2. Issuer Name and Ticker or Trading Symbol  
 ACCREDITED HOME LENDERS HOLDING CO [LEND]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 15253 AVENUE OF SCIENCE,  
 BLDG. 1  
 (Street)  
 SAN DIEGO, CA 92128  
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/22/2007  
 4. If Amendment, Date Original Filed(Month/Day/Year)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 President & COO  
 6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction of	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities	8. Price of Derivative
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)	Securi (Instr.	
			Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Phantom Stock	(1)	02/22/2007	A	5,402	(2)	(2)	Common Stock	5,402 (1)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LYDON JOSEPH JOHN 15253 AVENUE OF SCIENCE, BLDG. 1 SAN DIEGO, CA 92128	X		President & COO	

## Signatures

By: Mark T. Lee, Attorney-in-Fact For: Joseph John Lydon  
 Signature: \_\_\_\_\_ Date: 02/26/2007

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Each share of phantom stock is the economic equivalent of one share of LEND common stock.

The shares of phantom stock in this report were granted under the Company's Deferred Compensation Plan and are subject to four year vesting, commencing on January 31, 2007, provided that the reporting person remains employed by the Company. The shares of phantom stock will be settled in shares of LEND common stock on the reporting person's elected distribution date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.