



ACCREDITED
HOME LENDERS

RECEIVED
OHIO DEPARTMENT
JOB & FAMILY SERVICES

8/22/2007

2007 AUG 28 A 9:22

Director
Rapid Response Section
Bureau of Workforce Services
Ohio Department of Job & Family Services
P.O. Box 1618
Columbus, OH 43216-1618

OFFICE OF
WORKFORCE DEVELOPMENT

Re: Notification pursuant to the United States Worker Adjustment and Retraining
Notification Act

Dear Director:

This letter is to inform you that, after considerable review, Accredited Home Lenders, headquartered at 15253 Avenue of Science Building 1 San Diego, CA 92128, has decided that it must undertake the substantial closing of its operations due to the crisis in the home mortgage market and its significant adverse impact on the Company's business. This was a difficult decision to make and was reached only after the Company sought avenues to the necessary capital, which if obtained would have enabled the Company to avoid taking such action. Furthermore, the Company had reached an agreement to be purchased by another entity, but the purchaser suddenly and unforeseeably terminated the transaction, reducing the time in which we could provide notice. It is anticipated that the employment relationship with employees will be permanently terminated. For further information on this substantial cessation of operations, please contact Richard Loupee at 15253 Avenue of Science Building 1 San Diego, CA 92128 and 866-691-5060.

The planned action will result in the substantial closing of the Company's Cincinnati Wholesale Division facility located at 9075 Centre Point Drive, Suite 300 West Chester, OH 45069. The facility's mailing address is 9075 Centre Point Drive, Suite 300 West Chester, OH 45069.

The official termination dates for the affected employees are expected to begin 9/5/2007 and continuing on 9/5/2007, 9/19/2007, 10/12/2007. To the extent that employees did not receive at least 60-days notice of their separation date, it was due to the fact that the Company had been actively seeking avenues to capital to continue its operations at the time the 60-day notice would have been given and the giving of the notice would have precluded the Company from obtaining the necessary capital, as described above. In addition, employees could not be given the full 60-day notice because the agreement to purchase the Company was suddenly and unforeseeably terminated by the purchaser, which directly caused these terminations. We anticipate that a few employees will be stationed at the facility to maintain it, but operations will cease. The employees do not have bumping rights. In addition, no union represents these employees.

The total number of affected employees at the facility is approximately 63. The job titles of the positions to be affected and the number of affected employees in each job classification are as follows:

<u>Job Title</u>	<u>Number of Employees Terminated</u>
Customer Service Specialist – TCE	1
Account Representative - National Broker Team	4
Appraiser	4
Collateral Supervisor	1
Customer Service Specialist – TCE	4
Customer Service Specialist II – TCE	2
Customer Service Specialist, Senior – TCE	1
Customer Service Supervisor – TCE	2
Division Administrator II	1
Division Credit Manager – Wholesale	1
Doc-Funding Supervisor	1
Document & Funding Manager I	1
Document Processor/Funder	5
Loan Ops Manager – Whsl	3
Loan Ops Manager, Senior	1
Loan Processor II – Whsl	4
Management Trainee	6
MTP Administrator, Senior	1
Trainer – Division	1
Underwriter – Corporate	3
Underwriter – Whsl	16

It is with regret that we make this difficult decision. We intend to treat those affected by the decision with dignity and respect. Should the situation change in a material way, we will notify you.

Very truly yours,

Richard Loupee
Senior Human Resources Manager