

Edgar Filing: Accredited Mortgage Loan REIT Trust - Form NT 10-Q

Accredited Mortgage Loan REIT Trust
Form NT 10-Q
August 15, 2007

(Check One):

UNITED STATES

☐ Form 10-K

SECURITIES AND EXCHANGE COMMISSION

SEC File Number:

☐ Form 11-K

WASHINGTON, DC 20549

001-32276

☐ Form 20-F

CUSIP Number:

☒ Form 10-Q

FORM 12b-25

00438G205

☐ Form N-SAR

☐ Form N-CSR

NOTIFICATION OF LATE FILING

For Period Ended: June 30, 2007

☐ Transition Report on Form 10-K

☐ Transition Report on Form 20-F

☐ Transition Report on Form 11-K

☐ Transition Report on Form 10-Q

☐ Transition Report on Form N-SAR

For the Transition Period Ended: _____

Read attached instruction sheet before preparing form. Please print or type.

Nothing in this form shall be construed to imply that the Commission has verified any information contained herein.

If the notification relates to a portion of the filing checked above, identify the item(s) to which the notification relates:

PART I REGISTRANT INFORMATION

Accredited Mortgage Loan REIT Trust
Full Name of Registrant

Not Applicable
Former Name if Applicable

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15253 Avenue of Science
Address of Principal Executive Office (*Street and Number*)

San Diego, CA 92128
City, State and Zip Code

PART II RULE 12b-25 (b) AND (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate.)

- (a) The reasons described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense;
- .. (b) The subject annual report, semi-annual report, transition report on Form 10-K, Form 20-F, Form 11-K, Form N-SAR or Form N-CSR, or portion thereof will be filed on or before the 15th calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q or subject distribution report on Form 10-D, or portion thereof will be filed on or before the fifth calendar day following the prescribed due date; and
- (c) The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

PART III NARRATIVE

State below in reasonable detail why Form 10-K, 20-F, 11-K, 10-Q, 10-D, N-SAR, N-CSR or the transition report or portion thereof, could not be filed within the prescribed time period. (Attach extra sheets if needed.)

As reported in its Current Report on Form 8-K filed with the Securities and Exchange Commission (the SEC) on April 2, 2007 (as amended in Current Reports on Form 8-K/A filed with the SEC on April 3 and April 11, 2007), on March 27, 2007, Grant Thornton LLP (Grant Thornton), the registered independent public accounting firm for Accredited Mortgage Loan REIT Trust (REIT), advised REIT of its resignation as REIT's independent auditors and therefore declined to complete the audit of REIT's financial statements for the year ended December 31, 2006. As further reported in its Current Report on Form 8-K filed with the SEC on April 12, 2007 (as amended in its Current Report on Form 8-K/A filed with the SEC on April 17, 2007), effective April 9, 2007, REIT engaged Squar, Milner, Peterson, Miranda & Williamson, LLP (Squar Milner), as its new independent registered public accounting firm.

As previously disclosed, REIT was unable to file its Annual Report on Form 10-K for the Year Ended December 31, 2006 until August 2, 2007 due to the time needed for Squar Milner to complete its audit of REIT's financial statements. As a result of the delay in the completion of the audit, REIT has been delayed in the filing of any financial statements for any periods ending after December 31, 2006, including the first and second quarters of 2007. REIT is endeavoring to file its Quarterly Reports on Form 10-Q for the periods ending March 31, 2007 and June 30, 2007 as soon as possible.

As a result of the foregoing, REIT is unable to complete the preparation of its financial statements for the period ended June 30, 2007 within the prescribed time period and, therefore, will not be able to file its Quarterly Report on Form 10-Q for the period ended June 30, 2007 within the prescribed time period without unreasonable effort and expense.

PART IV OTHER INFORMATION

- (1) Name and telephone number of person to contact in regard to this notification

Rick Howe, Director of Corporate Communications

(Name)

(Area Code)

(858) 676-2100

(Telephone Number)

- (2) Have all other periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If the answer is no, identify report(s). Yes ☒ No

As indicated in its Notification of Late Filing on Form 12b-25 with respect to its Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, REIT was unable to timely file such report for the reasons set forth therein as well as for the reasons set forth in Part III above, and remains unable to file such reports at this time.

- (3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof? x Yes No

If so: attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

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The following information is preliminary, not complete and subject to change, pending completion of REIT's financial statements for the quarters ended March 31, 2007 and June 30, 2007 and Squar Milner's review of such financial statements. For additional information, please see Note 15. Subsequent Events in the Notes to Consolidated Financial Statements of REIT's Annual Report on Form 10-K for the year ended December 31, 2006 previously filed with the Securities and Exchange Commission.

Total assets are expected to be \$7.1 billion as of June 30, 2007 compared to \$7.8 billion at June 30, 2006. Net earnings for the quarter ending June 30, 2007 are expected to be slightly positive, but down significantly from the comparable period in 2006. This is primarily the result of lower net interest margin and an increase in non-performing loans. Total provision for losses expense for the quarter ended June 30, 2007 is expected to increase by approximately \$20 million compared to the comparable period in 2006.

REIT had approximately \$65 million in liquidity at June 30, 2007, compared to \$6 million at June 30, 2006 due primarily to the proceeds from the previously announced term loan from Farallon Capital Management, L.L.C.

While REIT believes that it has considered all factors which may impact its results of operations, there can be no assurance that REIT has successfully identified all matters affecting those results or that additional adjustments will not be required prior to the completion of REIT's financial statements for the three and six months ended June 30, 2007.

This Notification of Late Filing on Form 12b-25 contains forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, relating to REIT's expected results for the three and six months ended June 30, 2007 and REIT's expectations regarding its ability to file its Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007 and June 30, 2007. These forward-looking statements involve a number of risks and uncertainties, including significant risks and uncertainties relating to REIT's business, including the REIT's ability to profitably grow its portfolio, maintain liquidity, execute on strategic opportunities, complete the review of REIT's financial statements and assessment of its internal control over financial reporting, make other required SEC and regulatory filings and other risk factors as outlined in REIT's Annual Report on Form 10-K for the year ended December 31, 2006, and other documents filed by REIT with the SEC. These and other factors could cause REIT's actual results to differ materially from what it projects or contemplates in its forward-looking statements. REIT cautions readers that the non-prime mortgage industry and REIT's business are subject to numerous significant risks and uncertainties.

Accredited Mortgage Loan REIT Trust
(Name of Registrant as Specified in Charter)

Has caused this notification to be signed on its behalf by the undersigned hereunto duly authorized.

Date August 15, 2007

By /s/ James A. Konrath
James A. Konrath
Chief Executive Officer

INSTRUCTION. The form may be signed by an executive officer of the registrant or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the registrant by an authorized representative (other than an executive officer), evidence of the representative's authority to sign on behalf of the registrant shall be filed with the form.

ATTENTION

Intentional misstatements or omissions of fact constitute Federal criminal violations (see 18 U.S.C. 1001).

GENERAL INSTRUCTIONS

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1. This form is required by Rule 12b-25 (17 CFR 240.12b-25) of the General Rules and Regulations under the Securities Exchange Act of 1934.
2. One signed original and four conformed copies of this form and amendments thereto must be completed and filed with the Securities and Exchange Commission, Washington, DC 20549, in accordance with Rule 0-3 of the General Rules and Regulations under the Act. The information contained in or filed with the form will be made a matter of the public record in the Commission files.
3. A manually signed copy of the form and amendments thereto shall be filed with each national securities exchange on which any class of securities of the registrant is registered.
4. Amendments to the notifications must also be filed on Form 12b-25 but need not restate information that has been correctly furnished. The form shall be clearly identified as an amended notification.
5. *Electronic Filers.* This form shall not be used by electronic filers unable to timely file a report solely due to electronic difficulties. Filers unable to submit a report within the time period prescribed due to difficulties in electronic filing should comply with either Rule 201 or Rule 202 of Regulation S-T (§232.201 or §232.202 of this chapter) or apply for an adjustment in filing date pursuant to Rule 13(b) of Regulation S-T (§232.13(b) of this chapter).