



Starwood Property Trust and Impac Mortgage Holdings Form Strategic Relationship to Partner on Non-Qualified Residential Loans

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GREENWICH, Conn. and IRVINE, Calif., June 25, 2018 /PRNewswire/ -- Starwood Property Trust (NYSE: STWD) ("Starwood") and Impac Mortgage Holdings, Inc. (NYSE American: IMH) ("Impac"), today announced that the two companies have entered into a strategic relationship to collaborate on the origination and securitization of non-qualified residential mortgage loans ("NonQM").

This strategic relationship will allow Impac to further increase its NonQM loan production, with Starwood agreeing to purchase up to \$600 million of NonQM loans over the next 12 months that meet its investment criteria. Additionally, Impac will retain the right to co-invest, along with Starwood, in future Starwood-sponsored securitizations that contain NonQM loans originated by Impac.

Starwood is working on an initial securitization of NonQM loans that will be 100% backed by Impac NonQM collateral. As part of this securitization, Impac expects to co-invest in the securities issued and anticipates co-investing in future Starwood securitizations.

Mr. Steven Ujvary, Senior Vice President of Starwood Capital Group, commented, "We are excited to formalize our partnership with Impac, which we believe will help scale our opportunity to provide NonQM loans to high-quality borrowers while sourcing investments that will continue to deliver strong risk adjusted returns for STWD shareholders. Impac is a proven market leader in the NonQM space and we have collaborated on the acquisition of approximately \$900 million of Impac originated NonQM loans. We look forward to continuing to work together to deploy capital into the underserved residential mortgage market."

Mr. George A. Mangiaracina, President of Impac Mortgage Holdings, Inc., commented, "We are pleased to have Starwood as a partner in the creation of responsible alternative loan products that satisfy both consumer need and capital market demand. After having collaborated in the NonQM space for several years, we are excited to formalize our existing Starwood relationship. This arrangement will further Impac's competitive advantage in the non-agency segment of the residential mortgage market and permit the Company to participate in the longer-term economics of the loans we originate."

About Starwood Property Trust

Starwood Property Trust (NYSE: STWD), an affiliate of global private investment firm Starwood Capital Group, is the largest commercial mortgage real estate investment trust in the United States. The Company's core business focuses on originating, acquiring, financing and managing commercial mortgage loans and other commercial real estate debt and equity investments. With total capital deployed since inception of over \$41 billion, Starwood Property Trust continues to solidify its position as one of the premier real estate finance companies in the country.

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About Starwood Capital Group:

Starwood Capital Group is a private alternative investment firm with a core focus on global real estate, energy infrastructure and oil & gas. The Firm and its affiliates maintain 11 offices in five countries around the world, and currently have approximately 3,800 employees. Starwood Capital Group has raised \$45 billion of equity capital since its inception in 1991, and currently manages approximately \$56 billion in assets. The Firm has invested in virtually every category of real estate on a global basis, opportunistically shifting asset classes, geographies and positions in the capital stack as it perceives risk/reward dynamics to be evolving. Over the past 26 years, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises in both the private and public markets. Additional information can be found at starwoodcapital.com.

For further information about Starwood Capital Group, please contact Tom Johnson or Pat Tucker on +1 (212) 371-5999 or via tj@abmac.com or pct@abmac.com

About Impac Mortgage Holdings

Impac Mortgage Holdings, Inc. (IMH or Impac) provides innovative mortgage lending and warehouse lending solutions, as well as real estate solutions that address the challenges of today's economic environment. Impac's operations include mortgage and warehouse lending, servicing, portfolio loss mitigation and real estate services as well as the management of the securitized long-term mortgage portfolio, which includes the residual interests in securitizations.

For additional information, questions or comments, please call Justin Moisis, SVP Business Development & Investor Relations at (949) 475-3988 or email Justin.Moisio@ImpacMail.com. Web site: <http://ir.impaccompanies.com> or www.impaccompanies.com

Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the

actual results, performance or achievements of the company to be materially different from any future results, performances or achievements express or implied by such forward-looking statements. Such forward-looking statements may be identified by reference to a future period or periods or by the use of forward looking terminology, such as "may," "capable," "will," "intends," "believe," "expect," "likely," "potentially" "appear," "should," "could," "seem to," "anticipate," "expectations," "plan," "ensure," "desire," or similar terms or variations on those terms or the negative of those terms. The forward-looking statements are based on current management expectations. Actual results may differ materially as a result of several factors and uncertainties including, but not limited to, those included in Impac's filings with the Securities and Exchange Commission. This document speaks only as of its date and we do not undertake, and specifically disclaim any obligation, to release publicly the results of any revisions that may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

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SOURCE Starwood Property Trust, Inc.; Impac Mortgage Holdings, Inc.