



Impac Mortgage Holdings, Inc. Gives Notice of Redemption for All of Its 1.2 Million Shares of Series C 10.5% Cumulative Convertible Preferred Stock

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NEWPORT BEACH, Calif., July 25 /PRNewswire/ -- Impac Mortgage Holdings, Inc. (Amex: IMH) (or the "Company"), a Maryland corporation, being taxed as a Real Estate Investment Trust ("REIT") announces that its Board of Directors has authorized the redemption of all of its Series C 10.5% Cumulative Preferred Stock ("Preferred Stock") for the cash amount of \$25.00 per share. The Company has 1,200,000 shares of Preferred Stock outstanding and is setting a Redemption Date of September 21, 2001. As per the terms of the Preferred Stock Redemption rights, the Company may redeem its Preferred Stock if the closing sales price of its common stock as reported by the American Stock Exchange, the Company's principal stock exchange, averages in excess of 150% of the Conversion Price or \$4.72 for a period of at least 20 consecutive trading days. As of July 23, 2001, the Company's common stock closed at \$7.50 with a 20-day average consecutive closing price of \$7.19 or 152% of the Conversion Price.

Mr. Joseph Tomkinson, Chairman and CEO of Impac Mortgage Holdings, Inc. stated, "We fully expect all of the Preferred Stock holders to convert their shares into the Company's common stock, for an aggregate amount of 6,355,932 common shares." Mr. Tomkinson also stated, "Furthermore we believe that the Redemption of the Preferred Stock will further reduce the Company's preferred stock overhang and create more liquidity in the market of the Company's common stock (public float)."

Impac Mortgage Holdings, Inc. is a Mortgage REIT which operates three businesses: (1) the Long -Term Investment Operations, (2) the Mortgage Operations, and (3) the Warehouse Lending Operations. The Long-Term Investment Operations invests primarily in non-conforming residential mortgage loans and securities backed by such loans. The Mortgage Operations primarily purchases and sells or securitizes non-conforming mortgage loans, and the Warehouse Lending Operations provides short-term lines of credit to originators of mortgage loans. The Company is organized as a REIT for tax purposes, which allows it generally to pass through earnings to stockholders without federal income tax at the corporate level.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which can be identified by the use of forward-looking terminology such as "may," "will," "intend," "expect," "anticipate," "estimate" or "continue" or the negatives thereof or other comparable terminology. The Company's actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors.

For Further Information Please Contact Investor Relations: Tania Jernigan at (949) 475-3722, or email tjernigan@impaccompanies.com.

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CONTACT: Tania Jernigan of Impac Mortgage Holdings, Inc., +1-949-475-3722, tjernigan@impaccompanies.com/