



Impac Mortgage Holdings, Inc. Announces Second Quarter 2005 Dividend Payment of \$0.75 per Common Share

June 28, 2005

NEWPORT BEACH, Calif., June 28 /PRNewswire-FirstCall/ -- Joseph R. Tomkinson, Chairman and CEO of Impac Mortgage Holdings, Inc. (NYSE: IMH), or the "Company," a Maryland corporation, being taxed as a Real Estate Investment Trust ("REIT"), is pleased to announce the Board of Directors' approval and declaration of the 2005 second quarter dividend of \$0.75 per common share. The second quarter dividend will be paid on July 15, 2005 to stockholders of record on July 8, 2005. The ex-dividend date will be July 6, 2005. Therefore, new stockholders interested in receiving the 2005 second quarter dividend must purchase common stock on or before July 5, 2005.

Mr. Tomkinson commented, "Although the Company continues to experience strong mortgage acquisitions and originations and solid asset growth to \$27.0 billion, market conditions have resulted in industry wide unprecedented prepayments speeds and compression of our adjusted net interest margins." Mr. Tomkinson further commented, "While the Company has declared a dividend of \$0.75 per common share for the second quarter, we expect estimated taxable income for the quarter to be less than the dividend declared. Based on current trends, the Company expects to re-evaluate its dividend policy during the third quarter of 2005."

Impac Mortgage Holdings, Inc. is a mortgage REIT which operates three core 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 Alt-A mortgage loans. The Mortgage Operations acquires, originates, sells and securitizes primarily Alt-A mortgage loans and the Warehouse Lending Operations provides short-term financing to mortgage loan originators. The Company is organized as a REIT for tax purposes, which generally allows it to pass through earnings to stockholders without federal income tax at the corporate level.

Note: Safe Harbor "Statement under the Private Securities Litigation Reform Act of 1995." This release contains 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, including statements relating to our ability to pay common stock dividends, estimated taxable income and our dividend policy. Forward-looking statements, some of which are based on various assumptions and events that are beyond our control, may be identified by reference to a future period or periods or by the use of forward-looking terminology, such as "may," "will," "believe," "expect," "likely," "should," "anticipate," 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, including, but not limited to, the ability to generate sufficient liquidity and conduct our operations as planned; the ability to access the equity markets; delays in raising, or the inability to raise, additional capital, either through equity offerings, lines of credit or otherwise; interest rate fluctuations and changes in expectations of future interest rates; changes (increase or decrease) in prepayment rates on our mortgages; the availability of financing and, if available, the terms of any financing; continued availability to access the securitization markets or other funding sources; changes in markets which the Company serves; the effectiveness of risk management strategies; changes in other general market and economic conditions, and other factors described in this press release and our filings with the Securities and Exchange Commission, including "Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2005. Caution must be exercised in relying on these and other forward-looking statements. Due to known and unknown risks and other factors not presently identified, the Company's results may differ materially from its expectations and projections. We do not undertake, and specifically disclaim any obligation, to publicly release 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.

For additional information, questions or comments, please call Tania Jernigan, VP of Investor Relations at (949) 475-3722 or email tjernigan@impaccompanies.com. Web site: www.impaccompanies.com

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