



Impac Mortgage Holdings, Inc. Declares Second Quarter Dividend Payment of \$0.25 per Common Share and Announces Upcoming Posting of Unaudited Monthly Fact Sheet for the Month of May

June 27, 2006

NEWPORT BEACH, Calif., June 27, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- 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"), announces the Board of Director's approval and declaration of the second quarter 2006 dividend of \$0.25 per common share. The second quarter dividend will be paid on July 14, 2006 to stockholders of record on July 7, 2006. The ex-dividend date will be July 5, 2006. Therefore, new stockholders interested in receiving the 2006 second quarter dividend must purchase common stock on or before July 3, 2006.

Mr. Tomkinson commented, "Given the challenges facing the mortgage industry, we are pleased to be able to maintain our common stock dividend at \$0.25 per common share." Mr. Tomkinson further commented, "We continue to believe that the Federal Reserve is close to the end of its tightening cycle and that our current levels of liquidity position us well to take advantage of opportunities in the marketplace and also to continue implementing strategies designed to improve our overall return on capital."

Monthly Fact Sheet

The May 2006 unaudited monthly fact sheet will be posted on Thursday, June 29, 2006. The Company generally posts to its web site an unaudited monthly fact sheet upon the end of the following month or concurrent with the release or filing of quarterly or annual earnings. You can subscribe to receive instant notification of conference calls, news releases and the unaudited monthly fact sheets by using our e-mail alert feature located at the web site www.impaccompanies.com under Stockholder Relations / Contact IR / Email Alerts.

Safe Harbor

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 profitability, interest rates, market conditions, and payment of future common stock dividends. Forward-looking statements, some of which are based on various assumptions and events that are unanticipated or 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," "plan," "should," "anticipate," "estimates" or similar terms or variations on those terms or the negative of those terms. The forward-looking statements are based on current management expectations. Due to known and unknown risks and other factors not presently identified, the Company's results may differ materially from its expectations, projections and guidance. Actual results may differ materially as a result of several factors, including, but not limited to, interest rate fluctuations and changes in expectations of future interest rates; changes (increase or decrease) in prepayment rates and effectiveness of prepayment penalties on our mortgages; net interest margins due to elevated levels of mortgage prepayments, increased borrowing costs or other factors; increases in actual loan losses, the inability to complete loan sales for cash gains on favorable terms as a result of decreased pricing on loan sales; the ability to generate sufficient liquidity to grow our asset base and conduct our operations as planned; delays in raising, or the inability to raise, additional capital, either through equity offerings, lines of credit or otherwise; the availability of financing and, if available, the terms of any financing, including continued increased borrowing costs; continued availability to access the securitization markets or other funding sources; changes in markets which the Company serves, such as a general decrease in yield on adjustable rate mortgages; the continued effectiveness of risk management strategies; changes in other general market and economic conditions causing, for example, an economic downturn that decreases mortgage origination and acquisition activity, accuracies of assumptions regarding potential weather-related losses in the Gulf coast region, and other factors described in this press release and our filings with the Securities and Exchange Commission, including "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2005 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2006. Caution must be exercised in relying on these and other forward-looking statements. The Company currently declares dividends on a quarterly basis; however the Board of Directors has the right to change any announced dividend record date and payment date at any time and without prior notice.

About the Company

Impac Mortgage Holdings, Inc. is a mortgage REIT, which operates four core businesses: (1) the Long-Term Investment Operations, (2) the Mortgage Operations, (3) the Warehouse Lending Operations and (4) the Commercial Operations. The Long-Term Investment Operations invests primarily in non-conforming Alt-A ("Alt-A") mortgage loans and to a lesser extent small-balance commercial and multi-family loans originated by the Commercial Operations. The Mortgage Operations acquires, originates, sells and securitizes primarily Alt-A mortgage loans, the Warehouse Lending Operations provides short-term financing to mortgage loan originators and the Commercial Operations originates small-balance commercial and multi-family loans for sale to the Long-Term Investment Operations or to third parties. 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.

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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