



Impac Mortgage Holdings, Inc. Reaches Preliminary Settlement Agreement for Federal and State Derivative Lawsuit

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IRVINE, Calif., April 23 /PRNewswire-FirstCall/ -- Impac Mortgage Holding, Inc. (NYSE: IMH), or the "Company," a Maryland corporation, being taxed as a real estate investment trust ("REIT"), announced today that it has entered into a preliminary agreement to settle the currently pending federal and state derivative actions against the Company. The settlement is subject to certain conditions including the execution of a definitive agreement and court approval. Under the proposed settlement, all claims asserted against the officers and directors named as defendants in those actions will be dismissed with prejudice with no admission of wrongdoing on the part of any defendant and the Company will agree to certain corporate governance practices. In addition, the proposed settlement will provide for an aggregate cash payment of up to \$300,000 in attorney's fees subject to plaintiff's application to and approval by the court, which will be paid entirely by the Company's insurance carriers and will have no effect on the financial position of the Company.

Mr. Joseph R. Tomkinson, Chairman and Chief Executive Officer of Impac Mortgage Holdings, Inc. commented, "The settlement of these derivative lawsuits are a positive step towards resolving the issues and will allow us to continue to focus our time and efforts on creating value for our stockholders."

Forward Looking Statements

This 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, 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," "could," "anticipate," "projected", or similar terms or variations on those terms or the negative of those terms. The forward-looking statements are based on current expectations. Actual results may differ materially as a result of several factors, including, but not limited to, the court's rejection of the proposed settlement, inability to agree upon a definitive agreement, the Company's or plaintiff's inability or unwillingness to satisfy conditions to the proposed settlement, refusal by the Company; insurance carrier to pay for attorney's fees, and failure to reach final agreement generally.

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@impacompanies.com Web site: www.impacompanies.com

SOURCE Impac Mortgage Holding, Inc.

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