



Reminder: Impac Mortgage Holdings, Inc. Announces Execution of Letter of Intent for a Committed Term Financing Facility

July 7, 2008

IRVINE, Calif., July 3 /PRNewswire-FirstCall/ -- 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 restructuring of its existing repurchase agreement financing facility with UBS Real Estate Securities, Inc. The Company has executed a detailed letter of intent with UBS Real Estate Securities, Inc. to convert its sole remaining repurchase warehouse line with a current approximate balance of \$200 million to a term facility of 12 months with extensions for up to an additional 18 months if certain targets are met. The finalization of this new facility will remove any and all technical defaults for the Company that exist today and it will allow the Company to manage these loans for eventual refinance, sale or securitization through the normal course of its business operations without the risk of any margin calls.

In connection with restructuring the finance facility, the Company will issue to UBS warrants to purchase 7% of the Company's outstanding common stock, with the right to cancel warrants equal to 3% of the outstanding shares if the Company satisfies certain thresholds. This transaction is subject to execution of definitive agreements between the parties.

Mr. Joseph R. Tomkinson, Chairman and Chief Executive Officer of Impac Mortgage Holdings, Inc. stated, "We are extremely pleased to have agreed upon terms to continue the financing of remaining mortgage loans, giving the Company more time to maximize recovery on the sale or refinance of the loans. The anticipated finalization of this new facility will allow the Company to focus on new initiatives and strategies. As more progress is made in solidifying the Company's future business plans, we will update our stockholders."

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, 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," "should," "could," "anticipate," "proposed," "possible," or similar terms or variations on those terms or the negative of those terms and include statements related to the terms of converting the Company's existing repurchase facility with UBS to a term facility, the issuance of warrants and the Company's ability to focus on new initiative and strategies. 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 entering into a definitive agreement for the new term facility with UBS; the Company's ability to maximize its recovery on the sale or refinance the mortgage loans, which may be hindered by worsening economic conditions in the mortgage market; potential difficulties in meeting conditions set forth in the definitive purchase agreement, including the ability to timely obtain or obtain at all any required consents and approvals; the parties' timely performance of their respective pre-closing covenants and the satisfaction of other conditions required to close, some of which may be beyond the control of the parties; management's ability to successfully implement future strategies and initiatives related to the proposed term facility; and the Company's ability to successfully manage through the current market environment.

For a discussion of these and other risks and uncertainties that could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the period ended December 31, 2007. This press release speaks only as of its date and 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.

About the Company

Impac Mortgage Holdings, Inc. is a mortgage REIT, which through its Long Term Investment Operations is primarily invested in non-conforming Alt A mortgage loans (Alt-A) and to a lesser extent small balance commercial and multi-family loans. 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 Justin Moio in Investor Relations at (949) 475-3988 or email jmoio@impaccompanies.com. Web site: <http://www.impaccompanies.com>

SOURCE Impac Mortgage Holdings, Inc.

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