



Impac Mortgage Holdings, Inc. Announces Execution of a Letter of Intent to Acquire a Special Servicing Platform

July 14, 2008

IRVINE, Calif., July 14 /PRNewswire-FirstCall/ -- Impac Mortgage Holdings, Inc. (NYSE: IMH), or the "Company", a Maryland corporation, being taxed as a real estate investment trust ("REIT"), announces the execution of a letter of intent to acquire the special servicing platform of UBS AG, New York Branch ("UBS"). UBS has agreed to contribute specified balances of loans to the platform as part of a strategic alliance with Impac. As part of the purchase of the servicing platform, the Company will issue to UBS warrants to purchase up to 2% of the current outstanding stock of IMH. The transaction will be subject to execution of definitive agreements between the parties and completed due diligence.

Mr. Joseph R. Tomkinson, Chairman and Chief Executive Officer of Impac Mortgage Holdings, Inc. stated, "This acquisition will allow the Company to take advantage of the existing market conditions to subservice for others, along with, buying and then servicing ourselves currently available mortgage assets in the secondary market. The special servicing platform will be combined with our master servicing, default department, and real estate auction business to synergistically work together as a fully integrated platform to maximize the success of opportunistic investments in mortgage assets. We believe this will be a valuable component as the Company moves ahead on executing certain proposed initiatives."

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," "likely," "should," "could," "anticipate," or similar terms or variations on those terms or the negative of those terms and include statements related to the Company's purchase of, and plans related to, the acquisition of the servicing platform. 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 Company's successful completion of its acquisition from UBS of the servicing platform, which will involve or require, among other things, continuing due diligence, which could reveal matters not now known that affect Impac's decision to seek to complete the acquisition on different terms than those announced or at all; obtaining necessary approvals and consents, including regulatory approvals related to servicing, which consents and approvals may be delayed or unobtainable; difficulties and delays in obtaining regulatory approvals for the proposed transaction; potential difficulties in meeting conditions set forth in the definitive purchase agreement; 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 or render the acquisition uneconomical; the Company's ability to successfully integrate the new servicing platform with its existing services; management's ability to successfully implement future strategies and initiatives related to the acquisition of the servicing platform; 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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