



## Impac Mortgage Holdings, Inc. Announces Major Strategic Accomplishment

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IRVINE, Calif., Nov. 2 /PRNewswire-FirstCall/ -- Impac Mortgage Holdings, Inc. (Pink Sheets: IMPM), a Maryland corporation, or the "Company," is pleased to announce a major accomplishment regarding its strategic initiative to restructure its balance sheet.

The Company has executed a settlement agreement with its last warehouse lender. As part of the settlement agreement, the Company settled the warehouse borrowing by transferring the loans to the lender, making a cash payment and entering into a term loan to pay off the balance. This settlement retires the current facility and removes any further exposure associated with the warehouse borrowing or the loans that secured the borrowing.

Since 2007, the Company has focused on strategic initiatives to restructure its balance sheet by settling or restructuring its debt obligations. The Company has accomplished the following:

- During the first and second quarters of 2009, the Company was successful in settling a large portion of the trust preferred obligations at a significant discount and restructuring more than half of the original balance to a 2% interest rate for the next five years, reducing the annual interest obligation from approximately \$8 million to \$2 million.
- In the second quarter of 2009, the Company successfully completed a tender offer for its preferred stock allowing it to purchase back and retire over 2/3 of its preferred stock as well as amend the terms of the remaining preferred stock to eliminate any continuing obligation to pay approximately \$15 million in annual dividends.
- The successful tender offer coupled with our trust preferred settlements, will save the Company in excess of \$20 million a year in dividend and interest obligations.
- Through this settlement with our last warehouse lender, the Company has completed its last restructuring initiative, which began in 2007 and resolves the final outstanding issue regarding its previous warehouse lenders. The settlement agreement eliminates any further shortfall risk on the loans that secured this facility.

Mr. Joseph R. Tomkinson, Chairman and Chief Executive Officer of Impac Mortgage Holdings, Inc. commented that, "This milestone for the Company allows us to execute on our new strategic business plan without the overhang of these legacy loans and the warehouse facility."

### *About the Company*

The Company's operations include the management of the long-term mortgage portfolio to mitigate losses and maximize cash flows and the mortgage and real estate related fee-based businesses, including loan modifications, real estate disposition, monitoring and surveillance services and real estate brokerage and lending services.

For additional information, questions or comments, please call Justin Moisio in Investor Relations at (949) 475-3988 or email [jmoisio@impaccompanies.com](mailto:jmoisio@impaccompanies.com). Web site: [www.impaccompanies.com](http://www.impaccompanies.com)

SOURCE Impac Mortgage Holdings, Inc.

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