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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 11-K**

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**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2004

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_ .

Commission File Number: 1-14100

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A. Full title of plan and the address of the plan, if different from that of the issuer named below

**The Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office

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**Impac Mortgage Holdings, Inc.**

1401 Dove Street  
Newport Beach, Ca 92660

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**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

Financial Statements and Supplemental Schedule

December 31, 2004 and 2003

(With Independent Auditors' Report Thereon)

**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

**Index to Financial Statements and Supplemental Schedule**

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All schedules omitted are not required based on disclosure requirements of the Employee Retirement Income Security Act of 1974 and regulations issued by the Department of Labor.

**Report of Independent Registered Public Accounting Firm**

Impac as Plan Administrator of  
Impac Companies 401(k) Savings Plan

We have audited the accompanying statement of net assets available for benefits of Impac Companies 401(k) Savings Plan as of December 31, 2004, and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2004 and the changes in its net assets available for benefits for the year then ended in conformity with generally accepted accounting principles in the United States of America.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2004 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ SQUAR, MILNER, REEHL & WILLIAMSON, LLP

Newport Beach, California  
October 5, 2005

**Report of Independent Registered Public Accounting Firm**

The Plan Administrator  
Impac Companies 401(k) Savings Plan

We have audited the accompanying statement of net assets available for benefits of the Impac Companies 401(k) Savings Plan (formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan) as of December 31, 2003 and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with standards of the Public Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Impac Companies 401(k) Savings Plan as of December 31, 2003 and changes in net assets available for benefits for the year then ended, in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP

Orange County, California  
June 22, 2004

**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

Statements of Net Assets Available for Benefits

December 31, 2004 and 2003

|  | 2004          | 2003          |
|--|---------------|---------------|
| Cash and cash equivalents              | \$ 301,355    | \$ 213,803    |
| Investments:                           |               |               |
| Common collective trust                | 9,302,233     | 5,822,362     |
| Common stock                           | 8,925,813     | 7,031,172     |
| Total investments at fair value        | 18,228,046    | 12,853,534    |
| Loans to participants                  | 172,083       | 160,417       |
| Employer contribution receivable       | 775,327       | 655,668       |
| Total assets                           | 19,476,811    | 13,883,422    |
| Payables:                              |               |               |
| Distribution payable                   | 3,902         | —             |
| Fee payable                            | 240           | —             |
| Net assets available for plan benefits | \$ 19,472,669 | \$ 13,883,422 |

See accompanying notes to financial statements.

**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

Statements of Changes in Net Assets Available for Benefits  
Years ended December 31, 2004 and 2003

|  | 2004          | 2003          |
|--|---------------|---------------|
| <b>Contributions:</b>                                |               |               |
| Employer (note 1)                                    | \$ 775,327    | \$ 655,668    |
| Participants   | 1,723,019     | 1,372,660     |
|  | 2,498,346     | 2,028,328     |
| <b>Investment income:</b>                            |               |               |
| Interest   | 9,573         | 9,744         |
| Net appreciation in fair value of investments        | 3,400,395     | 4,391,635     |
|  | 3,409,968     | 4,401,379     |
| <b>Total additions</b>                               | 5,908,314     | 6,429,707     |
| <b>Deductions from net assets attributed to:</b>     |               |               |
| Benefits paid to participants                        | 319,067       | 301,344       |
| <b>Total deductions</b>                              | 319,067       | 301,344       |
| <b>Increase in net assets available for benefits</b> | 5,589,247     | 6,128,363     |
| <b>Net assets available for benefits:</b>            |               |               |
| Beginning of year                                    | 13,883,422    | 7,755,059     |
| End of year  | \$ 19,472,669 | \$ 13,883,422 |

See accompanying notes to financial statements.

**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

**Notes to Financial Statements**

**December 31, 2004 and 2003**

**(1) Description of Plan**

The following description of the Impac Companies 401(k) Savings Plan (formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan) (the Plan), provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions. Effective January 1, 2004, the Plan's name was amended from Impac Funding Corporation 401(k) Profit Sharing Plan to Impac Companies 401(k) Savings Plan.

**(a) General**

The Plan is a defined contribution plan covering all eligible employees of Impac Mortgage Holdings, Inc. (the Principal Employer) and its affiliated companies. Employees become eligible for participation in the Plan upon 6 months of employment. Participants must be employed on the last day of the Plan year to share in the employer's matching contribution. In order to become a participant, each eligible employee authorizes contributions by filing a 401(k) enrollment/change of status election. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Prior to January 1, 2001, the Principal Employer and its affiliated companies participated in the Imperial Credit Industries, Inc. Salary Investment Plan (the Prior Plan) for the benefit of its employees.

Effective as of January 1, 2001, the portion of the Prior Plan attributable to the employees of the Principal Employer and its affiliated companies was amended and restated as a separate Plan. The terms of the Plan are set forth and intended to continue to qualify as a profit sharing trust which meets the qualification and tax exemption requirements of Section 401(a) and 501(a) of the Internal Revenue Code of 1986, as amended, and any other provisions of applicable law.

**(b) Contributions**

No contribution is required by the Principal Employer; however, at the discretion of its board of directors, the Principal Employer may contribute out of its income and/or accumulated earned surplus an amount equal to a specified percentage of the tax-deferred contribution of the participants or a profit sharing contribution with the amount to be determined by the board of directors. The maximum annual participant contribution is 25% and 7% for "non-highly compensated" employees and "highly compensated" employees, respectively. For 2004, the Principal Employer chose to match the participants' contributions at a rate of 50% of the portion of the Participants' Elective Contribution not in excess of 4% of compensation. In addition, the Principal Employer elected to make additional discretionary matches.

**(c) Participant Accounts**

Each participant's account is credited with the participant's contribution and allocation of (a) the Principal Employer's contribution and (b) Plan earnings. Allocations other than the Principal Employer's matching contributions are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

**(d) Participants Loans**

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 reduced by the highest outstanding loan balance during the preceding 12 months or

(Continued)



**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

**Notes to Financial Statements**

**December 31, 2004 and 2003**

50% of their vested account balance. Loan repayments are to be made over a period not to exceed 5 years, except loans for the purchase of a primary residence in which case payment may exceed 5 years. The loans are secured by the balance in the participant's account and bear interest at a rate of prime plus 1%. Principal and interest are paid ratably through payroll deductions.

**(e) Vesting**

Participation in the Plan is voluntary. Employee contributions and the earnings as a result of each participant's contributions are 100% vested and nonforfeitable. The Principal Employer's basic matching contributions are 100% vested and nonforfeitable. The Principal Employer's discretionary match shall become 100% vested after 3 years of service, on the participant's attaining age 65, or on the participant's death or total and permanent disablement.

**(f) Payment of Benefits**

On termination of service, a participant may elect to receive either a lump-sum amount equal to the vested balance of his or her account or annual (or more frequent) installments over a period not to exceed the life expectancy of the participant.

**(g) Forfeited Accounts**

Under the terms of the Plan, forfeitures shall be used to reduce future employer contributions or to defray the expenses of the Plan. At December 31, 2004 and 2003, forfeited nonvested accounts totaled \$3,741 and \$32,000 respectively. The amount forfeited during the year ended December 31, 2004 and 2003 totaled \$76,847 and \$64,556, respectively.

**(2) Summary of Significant Accounting Policies**

**(a) Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting.

**(b) Trust Fund Managed by Investment Advisory Committee**

Under the terms of the Plan, the assets of the Plan are placed in trust with UBS Fiduciary Trust Company (the Trust), and are held by Mellon Trust, custodian. Assets are managed under the direction of Employee Compensation and Benefits Committee of the Principal Employer's board of directors (the Committee). The Committee has delegated certain of its ordinary management and investment responsibilities to certain members of the Company's Executive Committee and the Vice President of Human Resources. Committee members are appointed for an indefinite term by the Company's board of directors. The Committee has full discretionary authority to administer the Plan and the trust agreement.

The investments and changes therein of these trust funds are reported at fair market values based upon quotations obtained from national securities exchanges or latest bid prices. Security transactions are accounted for on a trade-date basis. Realized gains and losses on the sale of investments are computed using the average cost method. Participant loans are carried at their outstanding balance which approximates fair value.

(Continued)

**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

**Notes to Financial Statements**

**December 31, 2004 and 2003**

**(c) Allocation of Plan Assets**

Employee contributions are allocated to various funds based on the election made by each participant. Net income or loss of each fund is allocated on the basis of the proportionate asset balance of each participant as of the previous valuation date after adjustment for withdrawals, distributions, and other additions or subtractions that may be appropriate. Under the daily valuation record-keeping system, earnings are allocated on the basis of current shares held in each participant's account and the accounts are valued daily.

**(d) Disclosure about Fair Value of Financial Instruments**

Substantially all of the Plan's financial instruments are carried at fair value or amounts approximating fair value. The UBS GIC Portfolio is carried at contract value or amounts approximating contract value.

**(e) Use of Estimates**

Certain estimates and assumptions have been made relating to the reporting of Plan assets, liabilities and changes in related net assets to prepare the financial statements in conformity with generally accepted accounting principles in the United States of America. Actual results could differ from those estimates.

**(f) Administrative Expenses**

All administrative expenses of the Plan are paid directly by the Principal Employer.

**(g) Risks and Uncertainties**

The Plan provides for various investment options including mutual funds and common stock. Investments are exposed to various risks such as interest rate, market, and credit. Due to the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in various risk factors in the near term could materially affect participants' account balances and the amounts reported in the financial statements.

**(h) Concentration**

The Plan's investment in Impac Mortgage Holdings, Inc. common stock comprises 49% and 51% of its net assets as of December 31, 2004 and 2003, respectively.

(Continued)

**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

**Notes to Financial Statements**

**December 31, 2004 and 2003**

**(3) Investments**

The following table presents the fair values of those investments at December 31, 2004 and 2003, which represent 5% or more of the Plan's net assets separately identified, as included in UBS' trustee certification.

| Identity of party and description of asset     | Fair value           |                      |
|--|----------------------|----------------------|
|  | 2004                 | 2003                 |
| <b>Common Stock:</b>                           |                      |                      |
| IMPAC Mortgage Holdings, Inc.                  | \$ 8,925,813         | \$ 7,031,172         |
| <b>Common Collective Trusts:</b>               |                      |                      |
| UBS GIC Portfolio                              | 1,467,213            | 832,551              |
| UBS Large Company Growth Portfolio             | 1,239,150            | —                    |
| UBS Large Company Value Portfolio              | 1,212,768            | 698,436              |
| UBS US Tactical Allocation Portfolio           | 1,106,735            | —                    |
| UBS Mid-Cap Growth Portfolio                   | 1,062,038            | —                    |
| UBS Strategic Growth Portfolio                 | 927,661              | —                    |
| Others individually less than 5% of net assets | 2,286,668            | 4,291,375            |
| <b>Total</b>                                   | <b>\$ 18,228,046</b> | <b>\$ 12,853,534</b> |

During 2004 and 2003, the Plan's common collective trusts (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$513,016 and \$868,957, respectively, and the Plan's stock appreciated in value by \$2,887,379 and \$3,522,678, respectively.

**(4) Plan Termination**

Although the Principal Employer has not expressed any intent to terminate the Plan, it may do so at any time subject to the provisions of ERISA. In the event the Plan is terminated, all participants become 100% vested in their account balances.

**(5) Federal Income Taxes**

The Internal Revenue Service has determined and informed the Principal Employer by a letter dated April 10, 2003 that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since then. The Principal Employer and the Plan's tax counsel believe that the Plan as amended is designed and is currently being operated in compliance with the applicable requirements of the IRC.

**(6) Related Party Transactions**

The Plan held 393,728 and 386,116 shares of common stock of Impac Mortgage Holdings, Inc., the Principal Employer, at December 31, 2004 and 2003, respectively.

(Continued)

**Impac Companies 401(k) Savings Plan**  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

**Schedule H, Line 4i – Schedule of Assets (Held at End of Year)**

**December 31, 2004**

| Identity of issuer, borrower,<br>lessor, or similar party | Description of investment<br>including maturity date, rate<br>of interest, collateral, par, or<br>maturity value | Cost                 | Current<br>value     |
|---|--|----------------------|----------------------|
| *IMH Stock  | Common Stock 393,728 shares  | \$ 8,454,587         | \$ 8,925,813         |
| UBS GIC Portfolio   | Common Collective Trusts 50,588 units  | 1,403,057            | 1,467,213            |
| UBS Large Growth Portfolio                                | Common Collective Trusts 118,003 units   | 1,153,712            | 1,239,150            |
| UBS Large Company Value Portfolio                         | Common Collective Trusts 21,114 units  | 1,006,191            | 1,212,768            |
| UBS Tactical Allocation Portfolio                         | Common Collective Trusts 104,551 units   | 933,407              | 1,106,735            |
| UBS Mid-Cap Growth Portfolio                              | Common Collective Trusts 125,744 units   | 985,161              | 1,062,038            |
| UBS Strategic Growth Portfolio                            | Common Collective Trusts 53,140 units  | 897,198              | 927,661              |
| UBS Fixed Income Index Portfolio                          | Common Collective Trusts 56,724 units  | 799,582              | 826,586              |
| UBS International Growth Portfolio                        | Common Collective Trusts 53,413 units  | 615,189              | 742,385              |
| UBS Small Company Growth Portfolio                        | Common Collective Trusts 8,591 units   | 550,003              | 717,697              |
| Participants loans  | 38 loans with interest rates<br>ranging from 5% to 10.5%   | 172,083              | 172,083              |
|   |  | <b>\$ 16,970,170</b> | <b>\$ 18,400,129</b> |

\* Denotes a party in interest.

See accompanying independent auditors' report.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

IMPAC COMPANIES 401(k) SAVINGS PLAN  
(formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan)

By: \_\_\_\_\_ /s/ SHERALEE URBANO  
Its: **Vice President, Human Resources**

Date: October 11, 2005

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## Exhibit Index

| <u>Exhibit<br/>Number</u> | <u>Description</u>   |
|---------------------------|--|
| 23.1                      | Consent of Squar, Milner, Reehl & Williamson, LLP, Independent Registered Public Accounting Firm |
| 23.2                      | Consent of KPMG LLP, Independent Registered Public Accounting Firm                               |

**Consent of Independent Registered Public Accounting Firm**

The Plan Administrator  
Impac Companies 401(k)  
Savings Plan

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 of Impac Mortgage Holdings, Inc. of our report dated October 5, 2005 relating to the statement of net assets available for benefits of Impac Companies 401(k) Savings Plan (formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan) as of December 31, 2004 and the related statement of changes in net assets available for benefits for the year then ended, and the related supplemental schedule of assets (held at end of year) as of December 31, 2004, which appears in the December 31, 2004 annual report on Form 11-K.

/s/ SQUAR, MILNER, REEHL & WILLIAMSON, LLP

Newport Beach, California  
October 5, 2005

**Consent of Independent Registered Public Accounting Firm**

The Plan Administrator  
Impac Companies 401(k) Savings Plan

We consent to the incorporation by reference in the registration statement on Form S-8 of Impac Mortgage Holdings, Inc. of our report dated June 22, 2004, with respect to the statement of net assets available for benefits of the Impac Companies 401(k) Savings Plan (formerly known as the Impac Funding Corporation 401(k) Profit Sharing Plan) as of December 31, 2003, and the related statement of changes in net assets available for benefits for the year then ended, which report appears in the Annual Report on Form 11-K of the Impac Companies 401(k) Savings Plan for the fiscal year ended December 31, 2004.

/s/ KPMG LLP

Orange County, California  
October 11, 2005