



Impac Mortgage Holdings, Inc. And Its Taxable Subsidiary Impac Funding Corporation ("IFC") Jointly Announce The Introduction Of IDASL.Com (Impac's Direct Access System For Lending), The Company's Automated Underwriting System

06/29/00

Newport Beach, CA – Impac Mortgage Holdings, Inc. (the "Company" or "IMH": AMEX-IMH) a Real Estate Investment Trust (REIT) is pleased to announce the successful launch of its Internet-based automated underwriting engine. The Company has named this project IDASL.com, which stands for "Impac Direct Access System for Lending." IDASL.com is not a lead generator for mortgage brokers, but is an interactive Internet system that enables our customers to receive consistent and reliable automated loan underwriting decisions within minutes. IDASL.com has an integrated credit-reporting interface that provides our customers with a very competitive tool enabling them to render a loan decision and pricing at the point of sale. IDASL.com dramatically increases efficiencies not only for our customers but also for the Company by decreasing the processing time for a mortgage loan, which can lead to higher closing ratios, improved customer service and lower operating costs.

In April, the Company began utilizing phase one of IDASL.com, along with releasing it to a selected number of the Company's customers. During the first month of testing, IDASL.com rendered decisions on \$99.1 million worth of loans that were submitted with an approval ratio of 55%. In May, the Company began rolling out IDASL.com to the remaining customer base, with the intent of having all customers trained on IDASL.com by the end of the summer. As of June 23, 53 customers were approved and trained to use IDASL.com. Since April 1, a total of \$439 million worth of loan decisions were rendered with an overall approval ratio of 60%. During the month of June alone, we expect the amount of loans transmitted through IDASL.com to exceed \$200 million.

Phase two of IDASL.com, expected to be released in the third quarter, will include a pre-qualification module that gives mortgage brokers the ability to pre-qualify borrowers for the various loan programs offered by the Company and also gives indications as to the borrower's rate and price. Phase three of IDASL.com is scheduled to be released by year-end and will include an automated interface with the scoring models of the various bond rating agencies and mortgage insurance companies. In addition, the Company expects to include in future releases, fraud detection software and statistical appraisal reviews. All of these enhancements are expected to decrease processing time along with providing a greater degree of reliability on property valuations.

IDASL.com provides many benefits to the Company. With the use of IDASL.com, the Company will maintain its centralized operations yet conduct business with more customers on a nationwide basis, increase its loan production per employee, lower its acquisition costs and provide better service to our customers. IDASL.com provides our customers with a powerful tool to conduct their business by generating faster and more reliable underwriting decisions with increased operating efficiencies. Tom Golden, President and CEO of Express Capital, stated the following regarding IDASL.com, "It will have a dramatic, positive effect on the way that we execute and deliver the Impac products, both in terms of speed and accuracy. We are aligning our business to take advantage of Impac's new and exciting technology."

Impac Mortgage Holdings, Inc. is a Mortgage REIT which operates three businesses: (1) the Long-Term Investment Operations, (2) the Conduit Operations, and (3) the Warehouse Lending Operations. The Long-Term Investment Operations invests primarily in non-conforming residential mortgage loans and securities backed by such loans. The Conduit Operations primarily purchases and sells or securitizes non-conforming mortgage loans, and the Warehouse Lending Operations provide short-term lines of credit to originators of mortgage loans. The Company is organized as a REIT for tax purposes, which allows it generally to pass through earnings to stockholders without federal income tax at the corporate level.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which can be identified by the use of forward-looking terminology such as "could", "would", "will", "intend", "expect" or the negatives thereof or other comparable terminology. The Company's actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors.

For more information on IDASL.com, please contact your mortgage representative or call Investor Relations at:

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