



Impac Mortgage Holdings, Inc. Announces Its New 'Interest Only' Loan Program Designed to Make Adjustable Rate Mortgages Attractive Even in Rising Interest Rate Cycles

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NEWPORT BEACH, Calif., Apr 9, 2002 /PRNewswire-FirstCall via COMTEX/ -- Joseph R. Tomkinson, Chairman and CEO of Impac Mortgage Holdings, Inc. (Amex: IMH) (or the "Company"), a Maryland corporation, being taxed as a Real Estate Investment Trust ("REIT") is pleased to announce that the Company's Mortgage Operations, Impac Funding Corporation, has introduced a new adjustable rate "Interest Only" loan program. The program will be introduced this week at the Mortgage Bankers Association National Secondary Market Conference Expo in Chicago, Illinois.

Mr. Tomkinson, commented "We are very excited about the prospects of this program. With an option to pay interest only for up to the first five years, the new loan program provides borrowers with substantial monthly payment savings which can be used to offset the cost of rising rates, and offers our customers an attractive, innovative mortgage product designed to make adjustable rate mortgages attractive even in rising interest rate cycles."

Mr. Tom Golden, President of Express Capital Lending, a leading correspondent for Impac Funding Corporation also commented, "With no tax incentive to reduce principal, we believe the new program will provide our company with a tremendous mortgage vehicle to compete in either stable or rising interest rates." Mr. Golden further commented, "We believe that because borrowers will not have to pay the principal portion the net effect will be reduced payments, as a result, this program should stimulate increased refinancing activity which normally only occurs during falling interest rate cycles. Furthermore even with interest rates rising, the program will beat both adjustable and fixed rate prices allowing borrowers to qualify for more property and refinance where before there was little or no incentive."

Mr. Tomkinson further commented, "We believe that 2002 will be another strong year for mortgage originations. Even with rising interest rates potentially on the horizon, we believe the Company is positioned to increase market share and meet or exceed its targeted growth initiatives."

Impac Mortgage Holdings, Inc. is a Mortgage REIT, which operates three core businesses: (1) the Long-Term Investment Operations, (2) the Mortgage Operations, and (3) the Warehouse Lending Operation. The Long-Term Investment Operations invests primarily in non-conforming Alt-A mortgage loans. The Mortgage Operations acquires, originates, sells and securitizes primarily non-conforming Alt-A mortgage loans, and the Warehouse Lending Operation provides short-term financing to mortgage loan originators. 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 "may", "will", "intend", "expect", "anticipate", "estimate" or "continue" or the negatives thereof or other comparable terminology. The Company's actual results including the success of its new loan program and total loan production could differ materially from those anticipated in such forward-looking statements as a result of certain factors including, but not limited to economic conditions, product demand, competitive products and pricing, state and federal regulations and other risks as described under "Business Risk Factors" in our Form 10K filed for year end 2001 and other filings as filed with the Securities and Exchange Commission.

For additional information please visit our web site www.impaccompanies.com or for questions and/or comments please call Tania Jernigan, VP of Investor Relations at (949) 475-3722 or email tjernigan@impaccompanies.com.

SOURCE Impac Mortgage Holdings, Inc.

CONTACT:

Tania Jernigan, VP of Investor Relations of Impac Mortgage Holdings, Inc., +1-949-475-3722, tjernigan@impaccompanies.com

URL: <http://www.impaccompanies.com>

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