



Impac Mortgage Holdings, Inc. Announces Pricing of 3.75 Million Common Shares and 4.0 Million Preferred Shares

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NEWPORT BEACH, Calif., Nov 18, 2004 /PRNewswire-FirstCall via COMTEX/ -- Impac Mortgage Holdings, Inc. (NYSE: IMH), or the "Company," a Maryland corporation taxed as a Real Estate Investment Trust ("REIT"), announced today that it priced an offering of 3,750,000 shares of its Common Stock at a public offering price of \$23.00 per share. The aggregate net proceeds, before expenses, to the Company are estimated to be approximately \$81.9 million.

IMH also priced 4,000,000 shares of its 9.125% Series C Cumulative Redeemable Preferred Stock at a public offering price of \$25.00 per share. Investors will receive cumulative cash dividends on the Series C Preferred Stock from November 23, 2004 (the expected closing date), in the amount of \$2.28125 per share per year, which is the equivalent to 9.125% of the \$25.00 liquidation preference per share. Dividends on the Series C Preferred Stock will be payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year beginning on December 31, 2004. The shares of Series C Cumulative Redeemable Preferred Stock have no stated maturity, will not be subject to any sinking fund or mandatory redemption, are redeemable at the Company's option commencing November 23, 2009 and will not be convertible into any other securities. The aggregate net proceeds, before expenses, to the Company are estimated to be approximately \$96.9 million. Net proceeds from the sales of the Common Stock and Preferred Stock are expected to be used for general corporate purposes.

The sales of Common Stock and Preferred Stock are scheduled to close concurrently on November 23, 2004 and the closing of one sale is subject to the closing of the other sale.

The Company has granted the underwriters of the common share transaction an option to purchase up to a maximum of 562,500 additional shares of Common Stock to cover over-allotments. If the underwriters' option for the common shares is exercised in full, the additional net proceeds will be approximately \$12.3 million. The Company has also granted to underwriters of the preferred share transaction an option to purchase up to a maximum of 300,000 additional shares of Series C Cumulative Redeemable Preferred Stock to cover over-allotments. If the underwriters' option for the preferred shares is exercised in full, the additional net proceeds will be approximately \$7.3 million. Both sales will be made under effective shelf registration statements of Impac Mortgage Holdings, Inc.

The public common stock transaction is managed by UBS Investment Bank. Bear, Stearns & Co. Inc. is joint lead manager. Deutsche Bank Securities and JMP Securities are acting as co-managers. Copies of the prospectus supplement and related prospectus relating to the offering may be obtained, when available, from the offices of UBS Securities LLC, 299 Park Avenue, New York, NY 10171 (212-821-3000).

The public preferred stock transaction is managed by Bear, Stearns & Co. Inc. Stifel, Nicolaus & Company Incorporated acted as a co-manager. Copies of the prospectus supplement and related prospectus relating to the offering may be obtained, when available, from the offices of Bear, Stearns & Co. Inc., 383 Madison Avenue, New York, NY 10179 (212-272-2000).

About Impac Mortgage Holdings, Inc.

Impac Mortgage Holdings, Inc. is a mortgage real estate investment trust, which operates three core businesses: (1) the Long-Term Investment Operations, (2) the Mortgage Operations and (3) the Warehouse Lending Operations. The Long-Term Investment Operations invests primarily in Alt-A mortgage loans. The Mortgage Operations acquires, originates, sells and securitizes primarily Alt-A mortgage loans and the Warehouse Lending Operations provides short-term financing to mortgage loan originators. 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.

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SOURCE Impac Mortgage Holdings, Inc.

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