

Impac Mortgage Corp. is providing the Note, Note Addendum and Security Instrument Riders requirements when using Impac's AltQM™ Adjustable Rate loan programs.

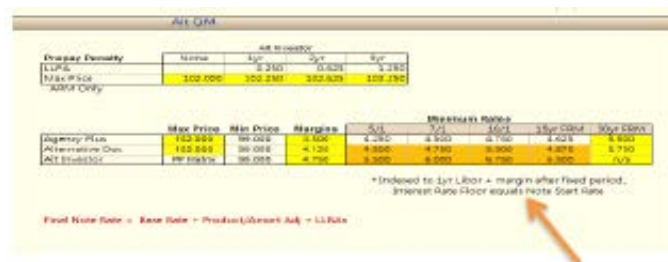
- Exhibit A the Note, Note Addendum and Security Instrument Riders matrix details the documents to be used.
- Impac created custom documents/forms and has associated these with the applicable Impac loan program code in Exhibit A.
- If your document vendor is able to provide the Fannie Mae documents, as indicated below, ensure Section 4D of each of the Fannie Mae documents is amended in the example below.

Fixed/Adjustable Rate Note Fannie Mae 3528
Security Instrument ARM Rider Fannie Mae 3187
Interest-Only Period Adjustable Rate Note Fannie Mae 3530

- For example modify Section 4D to include: My interest rate will never be less than the start rate or _____%.
- Correspondents may use the above example verbiage as stated or a variation thereof.
- If your document vendor is unable to provide the Fannie Mae documents, as indicated above, with the example wording or a variation thereof, then the Impac Note and Security Instrument Rider documents will be required to be used, along with the additional documents/forms listed in Exhibit A.
- When the loan is an AltQM™ Investor loan program, and the loan may include a prepayment penalty, Section 5 Borrower's Right to Prepay of the Note must include a reference to *See Attached Prepayment Addendum or Rider*, or a variation thereof.

The documents/forms listed in Exhibit A Note, Note Addendum, Security Instrument Riders have been posted to the Correspondent Lending website at: <https://impaccorrespondent.com>

As a reminder, Impac's AltQM™ ARM loan products must use the initial interest rate (Note Start Rate) found on the Note as the floor rate, which is required to be stated in Section 4D of the Note and Security Instrument Riders.



Program	Rate	Min Drive	Margin	5yr	7yr	10yr	15yr	30yr
Agency Plus	1.00000	30.000	4.125	4.500	4.750	5.000	5.250	5.500
Alternative Chn	1.00000	30.000	4.125	4.500	4.750	5.000	5.250	5.500
Alt Adjustable	1.00000	30.000	4.125	4.500	4.750	5.000	5.250	5.500

* Included to 1yr Libor + margin after fixed period.
Interest Rate floor equals note start rate.

Final Note Rate = Base Rate + Product/Interest Adj + LLRate

Correspondent Seller AltQM™ Fixed/Adjustable Interest-Only Loan Programs December 17, 2015

The adjustable rate specifics are available in each of the applicable loan program underwriting guidelines posted to the Correspondent Lending website at: <https://impaccorrespondent.com>

Interest Rate Adjustment Caps	5/1, 7/1 & 10/1 ARM (2/2/5) Initial: 2% up/down – Subsequent 2% up/down – Lifetime: 5% up
Margin	Refer to rate sheet
Index	1-Year LIBOR (London InterBank Offer Rate)
Index Establish Date	45 days prior to the change date (aka "look back period")
Interest Rate Floor	Note Start Rate
Conversion Option	None
Assumption	ARM products are assumable to a qualified borrower after the fixed term
Negative Amortization	None
Interest Only Option	Available for fixed period of ARMs

Updated Borrower Affirmations:

Additionally, updated Borrower Affirmation forms have been posted to the Impac Correspondent website:

- Borrower Affirmation – Assets (IMC Form 0006)
- Borrower Affirmation – Agency/Bank Statements (IMC Form 0007).
- <https://impaccorrespondent.com/pages/forms-and-resources>

Power of Attorney requirements:

If a Power of Attorney is being used when signing any of Impac's Borrower Affirmations, the following verbiage must be added to the Borrower Affirmation:

- I, as an attorney-in-fact for (*borrower name*), hereby confirm that I am signing this Affirmation on behalf of (*borrower name*) after having made an inquiry to (*borrower name*) concerning the information and after (*borrower name*) confirmed to me that the information in the Affirmation is true, correct and acceptable to (*borrower name*).

Impac thanks you for your continued business.

If you have any questions, contact your salesperson or relationship manager at 888-850-0259 Option 1.

**Exhibit A
Note, Note Addendum, Security Instrument Riders**

Loan Document Name/Number	Applicable Loan Program Codes
Fixed/Adjustable Rate Note Fannie Mae 3528 (Modified Section 4D to include: My interest rate will never be less than the start rate or _____ %.)	NA51AD, NA71AD, NA101AD NA51AP, NA71AP, NA101AP NA51IN, NA71IN, NA101IN
Security Instrument ARM Rider Fannie Mae 3187 (Modified Section 4D to include: My interest rate will never be less than the start rate or _____ %.)	NA51AD, NA71AD, NA101AD NA51AP, NA71AP, NA101AP NA51IN, NA71IN, NA101IN
Interest-Only Period Adjustable Rate Note Fannie Mae 3530 Impac Form IMC-0009 11/15 (Modified Section 4D to include: My interest rate will never be less than the start rate or _____ %.) NOTE: Interest only is ineligible in the State of Illinois.	NA51ADIO, NA71ADIO, NA101ADIO NA51APIO, NA71APIO, NA101APIO NA51INIO
Security Instrument IO ARM Rider Impac required Form IMC-0001 11/15 NOTE: Interest only is ineligible in the State of Illinois.	NA51ADIO, NA71ADIO, NA101ADIO NA51APIO, NA71APIO, NA101APIO NA51INIO
Early Arm Disclosure Statement Interest Only Program Impac required Form IMC-0002 11/15 NOTE: Interest only is ineligible in the State of Illinois.	NA51ADIO, NA71ADIO, NA101ADIO NA51APIO, NA71APIO, NA101APIO NA51INIO
Early ARM Disclosure Statement Non Interest Only Program Impac required Form IMC-0010 11/15	NA51AD, NA71AD, NA101AD NA51AP, NA71AP, NA101AP NA51IN, NA71IN, NA101IN
Prepayment Note Addendum ¹ Impac required Form IMC-0003 11/15	NA51IN, NA71IN, NA101IN, NA51INIO
Prepayment Security Instrument Rider ¹ Impac required Form IMC-0004 11/15	NA51IN, NA71IN, NA101IN, NA51INIO
Borrower's Intent to Proceed with Loan and Business Purpose Loan Certificate Rev. 8/11/14 (no changes to current form being used) This is a required form as it applies to the loan program chosen.	NA51IN, NA71IN, NA101IN, NA51INIO NF15IN, NF30IN
Borrower Affirmation- Assets v1 – Rev 11/15 (IMC-0006) required, as (Amended to add ARM term, detailed taxes and insurance items and indicate whether the items checked are impounded) This is a required form as it applies to the loan program chosen.	NA51AD, NA71AD, NA101AD NA51ADIO, NA71ADIO, NA101ADIO NF15AD, NF30AD NA51AP, NA71AP, NA101AP NA51APIO, NA71APIO, NA101APIO NF15AP, NF30AP
Borrower Affirmation - Agency/Bank Statements v1 – Rev 11/15 (IMC-0007) (Amended to add ARM term, detailed taxes and insurance items and indicate whether the items checked are impounded) This is a required form as it applies to the loan program chosen.	NA51AD, NA71AD, NA101AD NA51ADIO, NA71ADIO, NA101ADIO NF15AD, NF30AD NA51AP, NA71AP, NA101AP NA51APIO, NA71APIO, NA101APIO NF15AP, NF30AP

Footnote:

1. The prepayment penalty is available subject to state laws. Impac will allow a prepayment in only 24 states as follows: AR, AZ, CA, CT, DC, FL, GA, IN, KY, LA, MI, MS, NC, ND, NE, NH, OK, OR, SC, TN, TX, VA, WA, WI.

The prepayment is optional prepayment penalty is available for a period of:

- 1 year, 2 years or 3 years
- See ratesheet for pricing

For additional information, refer to the AltQM™ Investor Program – Underwriting Guidelines located on the Impac Mortgage Corp.'s Correspondent Lending 's web page: <https://impaccorrespondent.com/>

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