

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
HOMESTREET, INC. & SUBSIDIARIES		91-0186600	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
AMERICAN STOCK TRANSFER & TRUST	1-800-937-5449	INFO@AMSTOCK.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
6201 15TH AVENUE, OPERATIONS CENTER		BROOKLYN, NY 11219	
<b>8</b> Date of action		<b>9</b> Classification and description	
11/05/2012		TWO-FOR-ONE STOCK SPLIT	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
43785V102		HMST	

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ EFFECTIVE AT THE CLOSE OF BUSINESS ON NOVEMBER 5, 2012, HOMESTREET, INC. AUTHORIZED A TWO-FOR-ONE SPLIT OF COMMON STOCK, NO PAR VALUE. AS A RESULT OF THE STOCK SPLIT, EVERY SHARE OF THE COMPANY'S COMMON STOCK ISSUED AND OUTSTANDING AT THE END OF THE EFFECTIVE DATE OF NOVEMBER 5, 2012, BECAME TWO SHARES OF COMMON STOCK. SHAREHOLDERS OF RECORD RECEIVED ONE ADDITIONAL SHARE OF COMMON STOCK FOR EACH SHARE THEN OWNED. THE DISTRIBUTION DATE FOR THE NEW SHARES WAS NOVEMBER 7, 2012. THERE WERE APPROXIMATELY 7.17 MILLION SHARES OF COMMON STOCK OUTSTANDING BEFORE THE STOCK SPLIT. UPON COMPLETION OF THE STOCK SPLIT, THERE WERE APPROXIMATELY 14.35 MILLION SHARES OF COMMON STOCK OUTSTANDING.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ THE STOCK SPLIT WILL DECREASE THE BASIS OF EACH WHOLE SHARE OF STOCK OWNED BY THE SHAREHOLDERS BY ONE-HALF. TO COMPUTE THE NEW BASIS PER SHARE, TAKE THE OLD BASIS OF EACH WHOLE SHARE OWNED AND DIVIDE BY TWO. FOR EXAMPLE, IF THE OLD BASIS PER SHARE WAS \$10, THE NEW BASIS PER SHARE WOULD BE \$5 (\$10 OLD BASIS PER SHARE DIVIDED BY 2).

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE TWO-FOR-ONE STOCK SPLIT DOES NOT CHANGE THE TOTAL BASIS OF THE WHOLE SHARES OWNED. FOR EXAMPLE, IF 100 OLD SHARES WERE OWNED WITH A BASIS OF \$10 PER SHARE FOR A TOTAL OLD BASIS OF \$1,000, THE TWO-FOR-ONE FORWARD STOCK SPLIT WILL RESULT IN 100 NEW SHARES RECEIVED FOR A TOTAL OF 200 SHARES (100 SHARES MULTIPLIED BY 2) AND THE NEW BASIS PER SHARE WOULD BE \$5 (\$10 BASIS PER SHARE DIVIDED BY 2), WITH A TOTAL BASIS OF \$1,000. NOTE THAT THE TOTAL BASIS BEFORE AND AFTER THE FORWARD STOCK SPLIT DOES NOT CHANGE.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► THE TAX TREATMENT FOR THE STOCK SPLIT IS SUPPORTED BY IRC SECTION 305(a), WHEREBY ANY DISTRIBUTION OF THE STOCK OF A CORPORATION TO ITS SHAREHOLDERS OF SUCH CORPORATION WITH RESPECT TO ITS STOCK IS NOT INCLUDED INTO GROSS INCOME.

18 Can any resulting loss be recognized? ► THE STOCK SPLIT IS A NONTAXABLE EVENT; THUS NO RESULTING LOSS CAN BE RECOGNIZED.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ►



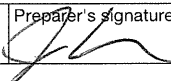
Date ►

12/13/12

Print your name ► **CORY STEWART**

Title ► **CHIEF ACCOUNTING OFFICER**

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
JASON ANDERSON		11/30/12		P00235490
Firm's name ►	Firm's address ►		Firm's EIN ►	Phone no.
DELOITTE TAX LLP	925 FOURTH AVENUE, SUITE 3300, SEATTLE, WA 98104-1126		86-1065772	206-716-7000