

[HomeStreet]

**Annual Meeting
of Shareholders
Seattle, Washington
May 28, 2015**

NASDAQ:HMST

Welcome

- Introductory remarks
- Notice
- Appointment of Inspector of Election & confirmation of quorum
- Description of proposals
- Proceed to voting
- Report on 2014
- Results of voting
- Adjournment

Proposals

- I. Elect five directors, three Class I directors to serve for a term of three years or until their respective successors are elected and qualified, and two Class II directors to serve for one year or until their respective successors are elected and qualified:

Three-year term:

- Scott M. Boggs
- Timothy R. Chrisman
- Douglas I. Smith

One-year term:

- Mark K. Mason
- Donald R. Voss

- II. Ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2015

Preliminary results will be announced following the vote.

Report on 2014

Presentation by Mark K. Mason, Chairman,
President and CEO of HomeStreet, Inc.

Important Disclosures

Forward-Looking Statements

In accordance with the Private Securities Litigation Reform Act of 1995, we caution you that we may make forward-looking statements about our industry, our future financial performance and business activity in this presentation that are subject to many risks and uncertainties. These forward-looking statements are based on our management's and other experts' current expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts, as well as a number of assumptions concerning future events. These statements are subject to risks, uncertainties, assumptions and other important factors set forth in our SEC filings, including but not limited to our 2014 Annual Report on Form 10-K and our most recent Quarterly Report on Form 10-Q for the quarter ended March 31, 2015. Many of these factors are beyond our control. Such factors could cause actual results to differ materially from the results discussed or implied in the forward-looking statements. For instance, our ability to expand our banking operations geographically and across market sectors, grow our franchise and capitalize on market opportunities may be limited due to future risks and uncertainties. Actual results may fall materially short of our expectations and projections, and we may change our plans or take additional actions that differ in material ways from our current intentions. Accordingly, we can give no assurance of future performance, and you should not rely unduly on forward-looking statements. All forward looking statements are based on information available to the Company as of the date hereof, and we do not undertake to update or revise any forward looking statements, for any reason.

Basis of Presentation of Financial Data

Unless noted otherwise in this presentation, all reported financial data is being presented as of the period ending December 31, 2014.

Non-GAAP Financial Measures

Information on any non-GAAP financial measures referenced in today's presentation, including a reconciliation of those measures to GAAP measures, may also be found in our SEC filings and in the earnings release available on our web site.

Overview

- 2014 Highlights
- 2014 Results of Operations
- Our Business Strategy
- Looking Ahead
- Questions

Strategic Growth Activity

Strategic Growth Activity – 2014

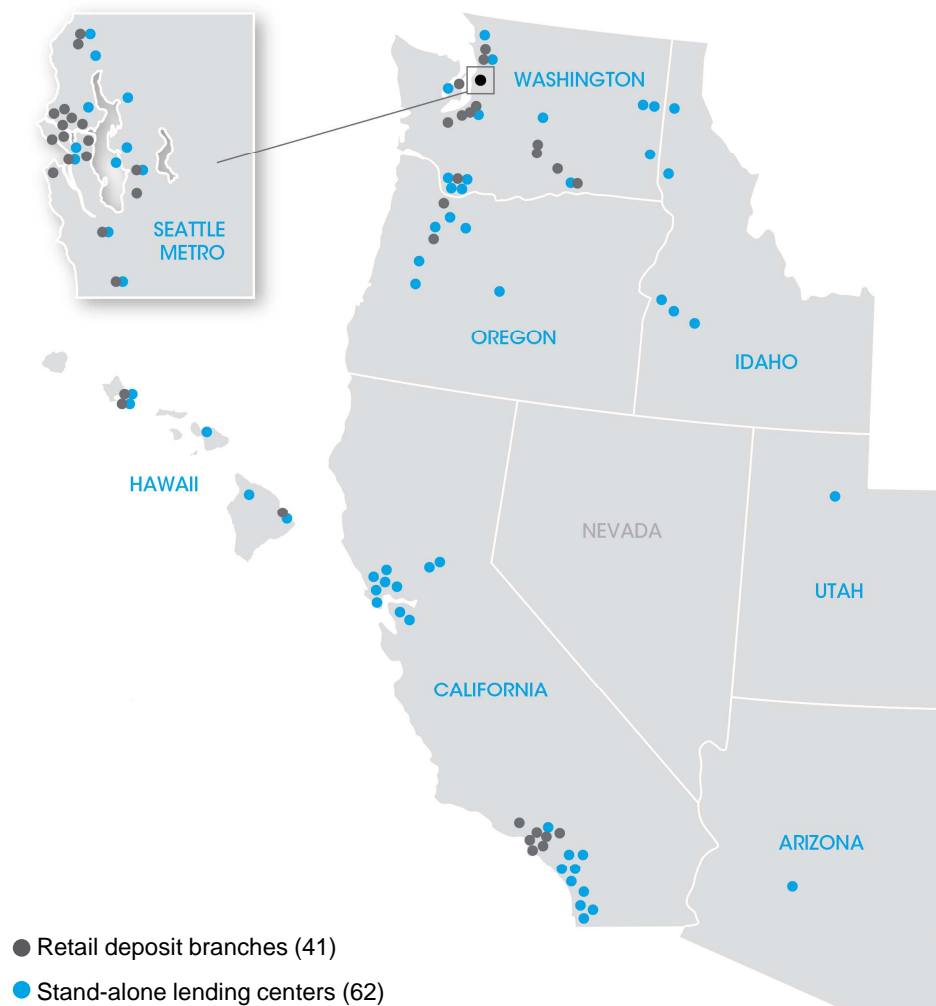
- Grew branch network organically
 - Opened 11 new home loan centers, including first location in Arizona (Phoenix)
 - Added 3 de novo retail deposit branches in Seattle
 - Added residential construction lending teams in Salt Lake City and Southern California
- Became rated originator and servicer, allowing us to pool and sell non-conforming loans
- Average interest-earning assets grew by approximately 18%, net interest income by 33%
- Loan portfolio growth of 23%, excluding portfolio loan sales
- Deposits increased by 11%
- Ended year with #1 ranking for purchase mortgage origination in the three-state Pacific Northwest region

First Quarter 2015 – Merger with Simplicity

- Merger with Simplicity Bancorp and Simplicity Bank in Southern California
 - Announced on September 29, 2014; completed on March 1, 2015
 - Expands Commercial & Consumer Banking business into Southern California
 - Added \$850 million in assets, including \$664 million in loans, \$651 million in deposits, and seven retail branches
 - Bargain purchase gain of \$6.6 million (not taxable)
 - Significant step toward goal of earnings diversification
- Launched HomeStreet Commercial Capital, small balance commercial real estate lending team
- Added SBA lending team in Southern California

Growing Western U.S. Franchise *(at 3/31/15)*

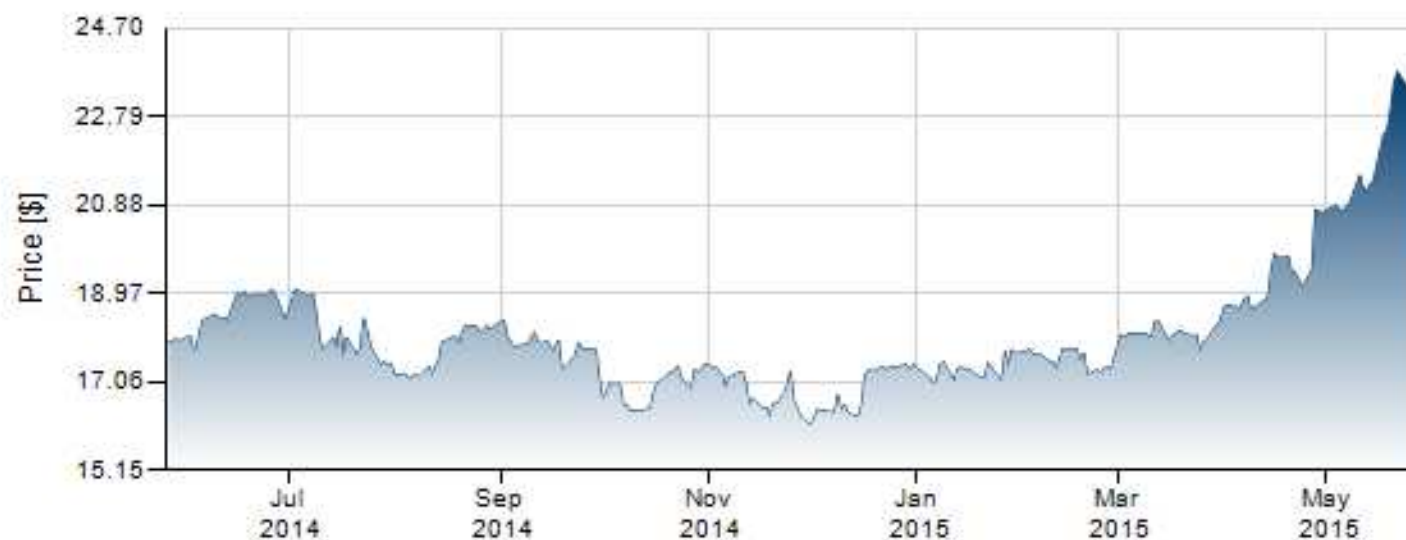
- Seattle-based diversified financial services company founded in 1921 with concentrations in demographically desirable Pacific Northwest and Southern California
- Leading Northwest mortgage lender and commercial & consumer bank with growing presence in California
- 103 retail deposit branches and lending centers in the Western United States and Hawaii
 - Seven retail deposit branches in Southern California acquired in Simplicity merger
- Total assets of \$4.6 billion



Historical Stock Price

- Total return of 97% since IPO on February 10, 2012

HMST Historical Stock Price ⁽¹⁾ (as of May 27, 2015)



Results of Operations *(\$ in thousands except per share data)*

(\$ in thousands)	For the quarter ended		For the year ended		
		Mar. 31, 2015 ⁽¹⁾	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2012
Net interest income	\$	30,734	\$ 98,669	\$ 74,444	\$ 60,743
Provision for loan losses		3,000	(1,000)	900	11,500
Noninterest income		75,373	185,657	190,745	238,020
Noninterest expense		89,482	252,011	229,495	183,591
Net income before taxes		13,625	33,315	34,794	103,672
Income taxes		3,321	11,056	10,985	21,546
Net income	\$	10,304	\$ 22,259	\$ 23,809	\$ 82,126
Diluted EPS	\$	0.59	\$ 1.49	\$ 1.61	\$ 5.98
Pro forma net income ⁽²⁾	\$	11,560	\$ 24,245	\$ 26,766	\$ 82,126
Pro forma EPS ⁽²⁾	\$	0.67	\$ 1.62	\$ 1.81	\$ 5.98
Tangible BV/share	\$	18.97	\$ 19.39	\$ 17.00	\$ 18.31
Pro forma ROAA ⁽²⁾		1.21%	0.76%	0.98%	3.42%
Pro forma ROAE ⁽²⁾		12.50%	8.38%	10.75%	38.86%
Net Interest Margin		3.60%	3.51%	3.17%	2.89%
Tier 1 Leverage Ratio (Bank) ⁽³⁾		11.47% / 9.95% ⁽⁴⁾	9.38%	9.96%	11.78%
Total Risk-Based Capital (Bank) ⁽³⁾		14.57%	14.03%	15.28%	19.31%

⁽¹⁾ Includes only one month of Simplicity's results of operations.

⁽²⁾ Excludes pre-tax acquisition-related expenses of \$12.2 million in Q1 2015, \$3.1 million in 2014, and \$4.5 million in 2013, and a \$6.6 million bargain purchase gain in Q1 2015.

⁽³⁾ Q1 2015 capital ratios under Basel III regulatory capital rules while all prior period ratios under Basel I rules.

⁽⁴⁾ Quarterly average assets used to calculate Tier 1 Leverage ratio normalized for Simplicity Bank merger effective 3/1/15

Our Business Strategy

To grow and diversify earnings by expanding our Commercial & Consumer Banking business and continue to build Mortgage Banking market share in new and existing markets

Expand Commercial & Consumer Banking

- **Organic growth opportunities**
 - Grow portfolio lending – Commercial Lending, Commercial Real Estate and Construction
 - Increase density of retail deposit branch network
- **Growth via acquisition of smaller institutions in-market and in new markets**

Build Single Family Mortgage origination market share

- **Continue opportunistic expansion (market share and footprint) of Single Family mortgage banking activities**
- **Target major markets in Western United States**

Ongoing expense management

- **Grow earning assets while containing operating expenses to improve operating efficiencies**
- **Long-term target efficiency ratio in the mid-to-low 60% range**

Optimize use of capital

- **Target long-term 15%+ ROE, subject to achievement of targeted segment contributions**
- **Future potential dividend upon stabilization of earnings**

Commercial & Consumer Banking Business Segment

Commercial and Consumer Banking business continues to expand consistent with our strategic plan. We continue to target net growth in our loans held for investment portfolio of 5% or more per quarter, subject to liquidity and capital constraints.

Key Results

- Net segment income of \$14.7 million compared to \$6.0 million in 2013
 - Excluding one-time merger-related expenses, 2014 segment net income was \$16.7 million
- Segment net interest income was \$82.0 million in 2014 compared to \$59.2 million in 2013
- Deposit balances of \$2.45 billion, an increase of 11% over 12/31/13
- Loans held for investment were \$2.1 billion at December 31, 2014, an increase of 12% from one year earlier
- Nonperforming assets were 0.72% of total assets at December 31, 2014 compared to 1.26% at December 31, 2013

Mortgage Banking Business Segment

- Expanded home loan center network by 11 offices and grew mortgage personnel by 18% in 2014
- Despite decrease of 39% in industry loan volume in 2014, our single family volume was approximately the same as in 2013
 - Effect of mitigating decrease in origination volume by growing market share in existing markets and entering new markets
- Net segment income of \$7.5 million, compared to segment net income of \$17.8 million in 2013
- Mortgage servicing income of \$31.6 million, compared to \$15.7 million in 2013
 - On January 1, 2015, HomeStreet became subject to new Basel III-based regulatory capital standards
 - In preparation for new standards, sold 25% of mortgage servicing rights in Q2 2014

Long-Term Outlook

- Diversification of revenue under way
 - Earning assets/loan portfolio growing average of 5% or more per quarter
 - Simplicity merger accelerates earnings diversification and provides foundation for growth
- Mortgage market share and market footprint expansion on track
 - Opportunistic addition of strong originators
 - Origination volume strong in Q1 2015
 - Mortgage Bankers Association anticipates total industry originations to increase 11% in 2015 over 2014
- Earnings multiple expansion expected as a result of growth of commercial and consumer banking

Questions?

Results of Votes

Final tally of vote (if available)

Thank you for attending

HomeStreet, Inc.
NASDAQ:HMST

<http://ir.homestreet.com>

(Electronic copies of this presentation available upon request)