HomeStreet

SECOND QUARTER 2015

NASDAQ:HMST

Important Disclosures

Forward-Looking Statements

This presentation includes forward-looking statements, as that term is defined for purposes of applicable securities laws, about our industry, our future financial performance and business activity. These statements are, in essence, attempts to anticipate or forecast future events, and thus subject to many risks and uncertainties. These forward-looking statements are based on our management's 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. Forward-looking statements in this release include, among other matters, statements regarding our business plans and strategies (including our expansion strategies) and the expected effects of those initiatives, general economic trends, particularly those that affect mortgage origination and refinance activity, and growth scenarios and performance targets. Readers should note, however, that all statements in this presentation other than assertions of historical fact are forward-looking in nature. These statements are subject to risks, uncertainties, assumptions and other important factors set forth in our SEC filings, including but not limited to our most recent Quarterly Report on Form 10-Q for the quarter ended June 30, 2015; and our Annual Report on Form 10-K for year ended December 31, 2014. 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. These risks include statements predicated on our ability to realize the expected value of our merger with Simplicity Bancorp and the combined entity resulting from that transaction; integrate our recent acquisition; continue to expand our banking operations geographically and across market sectors; grow our franchise and capitalize on market opportunities; manage our growth efforts cost-effectively and attain the desired operational and financial outcomes; manage the losses inherent in our loan portfolio; make accurate estimates of the value of our non-cash assets and liabilities; maintain electronic and physical security of customer data; respond to an increasingly restrictive and complex regulatory environment; and attract and retain key personnel. 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

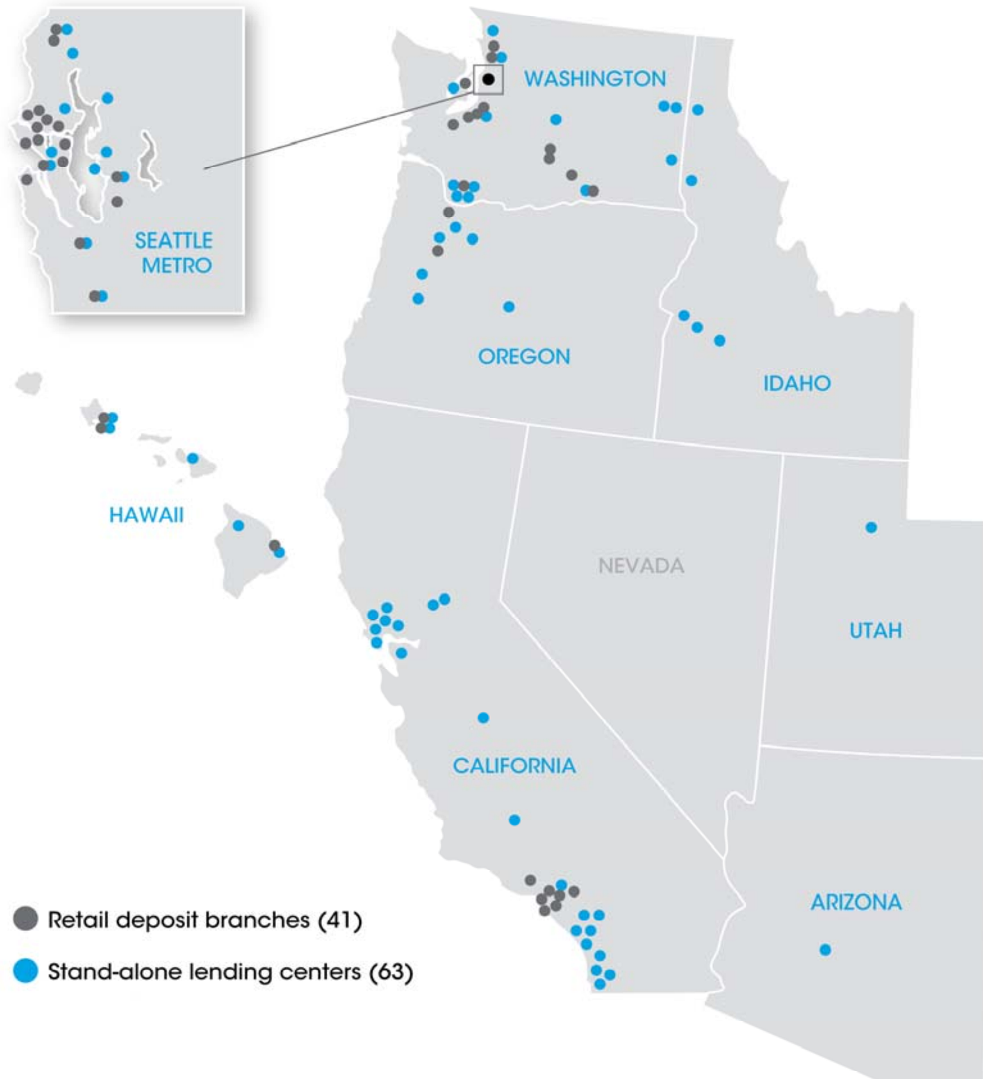
Unless noted otherwise in this presentation, all reported financial data is being presented as of the period ending June 30, 2015.

Non-GAAP Financial Measures

Information on any non-GAAP financial measures referenced in this 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.

Growing Western U.S. Franchise

- 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
- 104 retail deposit branches and lending centers in the Western United States and Hawaii
- Total assets of $4.9 billion



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**

Recent Developments

Results of Operations

- Second quarter net income of $12.4 million or $0.56 diluted EPS
- Excluding merger-related expenses, core net income of $14.5 million or $0.65 diluted EPS

Strategic Growth Activity in Q2 2015

- Completed conversion activities related to merger with Simplicity Bancorp and Simplicity Bank in Southern California
  - First full quarter of combined operations
  - 90%+ realization of planned 35% reduction of Simplicity non-interest expense savings by end of Q2
  - $3.2M in pre-tax merger related expenses in Q2
    - Approximately $1M of Simplicity operating expenses were incurred during Q2 and were subsequently eliminated throughout the quarter and will not be incurred going forward
  - Progress towards leveraging excess capital acquired in Simplicity Merger, primarily through organic loan growth
- Early results for two recently added lending teams operating out of Southern California
  - SBA lending team funded $4.5M in Q2 and current loan pipeline is $27.3M
  - HomeStreet Commercial Capital (small balance CRE lending) team funded $20.3M in Q2 and current loan pipeline is $59.7M
- Continued organic growth during Q2, including opening 2 new home loan centers in Northern California and 1 new retail deposit branch in the Puget Sound Region

Results of Operations

($ in thousands)	For the three months ended Jun. 30, 2015	Mar. 31, 2015 [(1)]	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014
Net interest income	$ 38,230	$ 30,734	$ 27,502	$ 25,308	$ 23,147
Provision for loan losses	500	3,000	500	-	-
Noninterest income	72,987	75,373	51,487	45,813	53,650
Noninterest expense	92,335	89,482	68,791	64,158	62,971
Net income (loss) before taxes	18,382	13,625	9,698	6,963	13,826
Income taxes	6,006	3,321	4,077	1,988	4,464
Net income (loss)	$ 12,376	$ 10,304	$ 5,621	$ 4,975	$ 9,362
Diluted EPS	$ 0.56	$ 0.59	$ 0.38	$ 0.33	$ 0.63
Core net income [(2)]	$ 14,541	$ 11,560	$ 6,199	$ 5,444	$ 9,756
Core EPS [(2)]	$ 0.65	$ 0.67	$ 0.41	$ 0.36	$ 0.65
Tangible BV/share [(3)]	$ 19.35	$ 18.97	$ 19.39	$ 18.86	$ 18.42
Core ROAA [(2)]	1.25%	1.21%	0.72%	0.66%	1.27%
Core ROAE [(2)]	12.76%	12.50%	8.13%	7.38%	13.72%
Net Interest Margin	3.63%	3.60%	3.53%	3.51%	3.48%
Tier 1 Leverage Ratio (Bank) [(4)]	9.46%	11.47% / 9.95% [(5)]	9.38%	9.63%	10.17%
Total Risk-Based Capital (Bank) [(4)]	13.97%	14.57%	14.03%	13.95%	14.84%

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

(2) Excludes pre-tax acquisition-related expenses of $3.2 million in Q2 2015, $12.2 million in Q1, $889 thousand in Q4 2014, $722 thousand in Q3 and $606 thousand in Q2 , and $(79) thousand bargain purchase gain adjustment in Q2 2015 and $6.6M bargain purchase gain in Q1. See appendix for reconciliation of non-GAAP financial measures.

(3) See appendix for reconciliation of non-GAAP financial measures.

(4) 2015 capital ratios under Basel III regulatory capital rules while all prior period ratios under Basel I rules.

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

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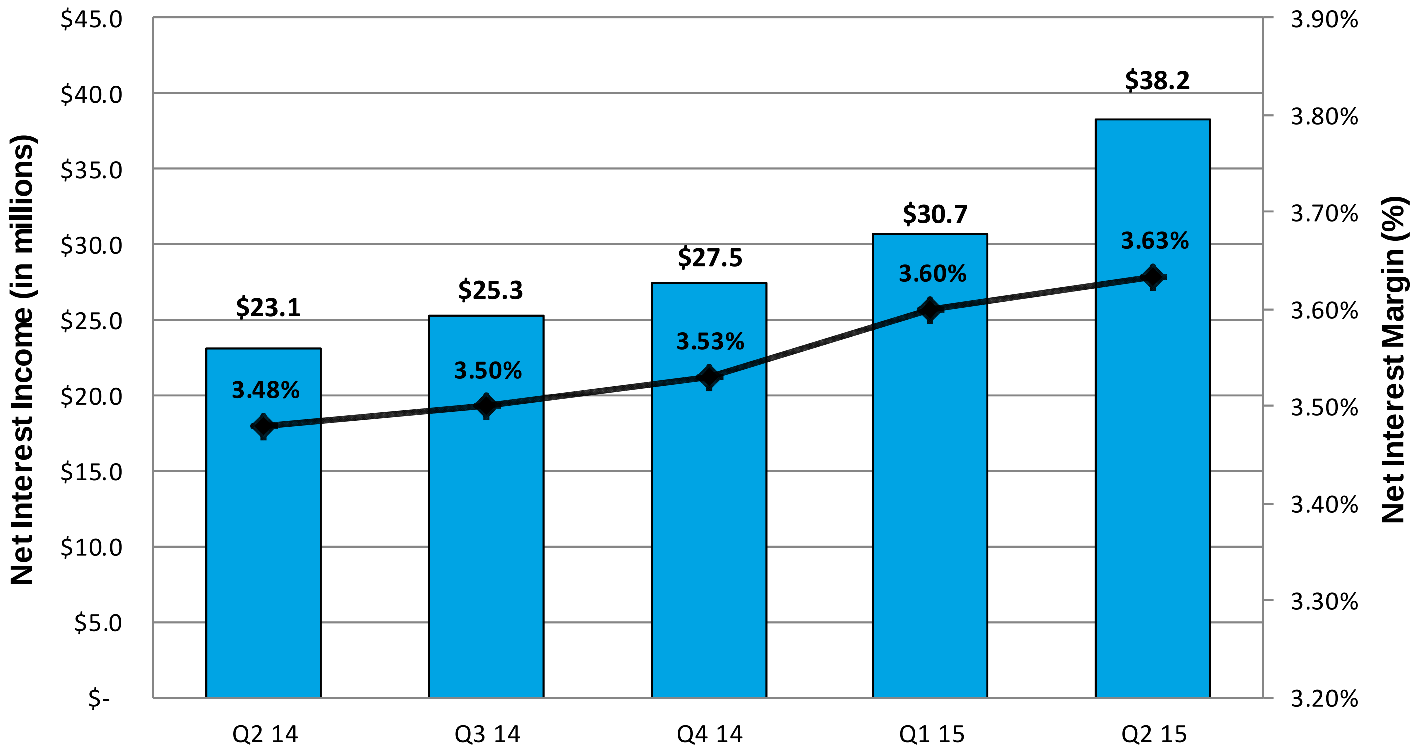
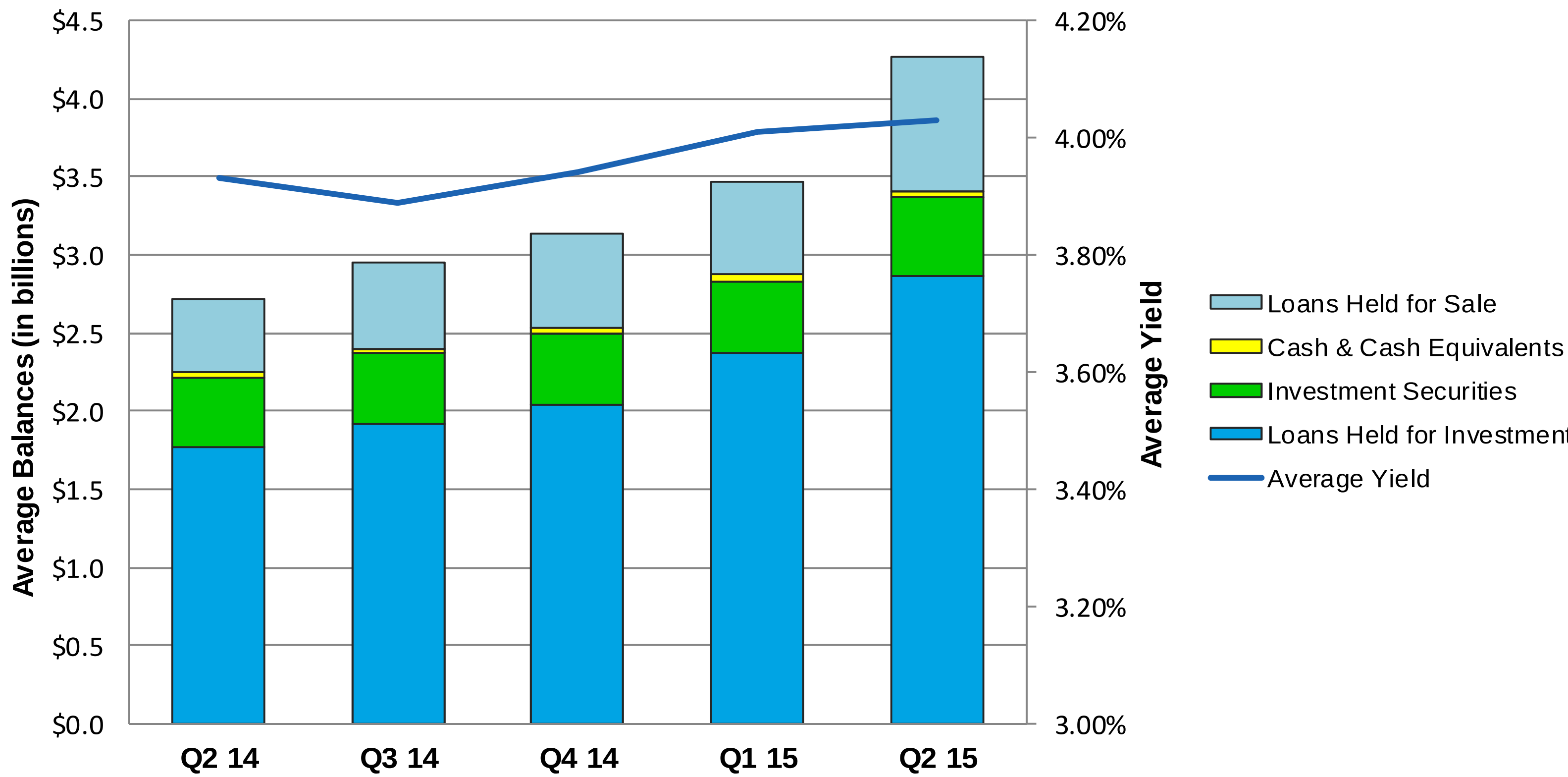
Net Interest Income & Margin



- Q2 NIM increased 3 bps and net interest income increased 12% from Q1 due to 23% increase in average interest-earning assets – primarily from inclusion of Simplicity loan portfolio for a full quarter

Interest-Earning Assets



Avg. Yield	3.93%	3.89%	3.94%	4.01%	4.03%

- Total average interest-earning assets increased $793 million or 23% in Q2, primarily from $490 million increase in loans held for investment and $271 million increase in loans held for sale
  - Approximately 70% of the total increase in average interest-earning assets is the result of the Simplicity merger completed on March 1, 2015
- Excluding run-off, loans held for investment ending balances increased $330 million or 12% in Q2
  - New commitments of $312 million in mortgage, commercial lending, commercial real estate and residential construction
  - Run-off continued to occur at an accelerated pace of approximately 9% of Q2 beginning balance

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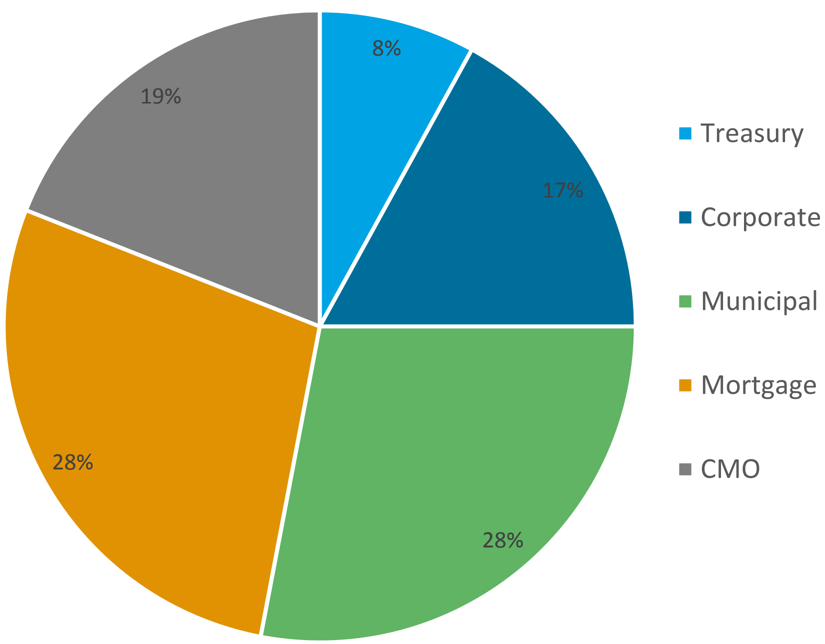
HomeStreet Investment Securities Portfolio Yield

As of 06/30/2015	YTD 2015 Total Return (1)	Yield (2)	Duration (2)
HomeStreet Investment Portfolio	.33%	2.74%	4.03
Composition Adjusted Barclays US Aggregate Index (4)	.09%	2.71%	4.38

Investment Securities Portfolio Composition as of 6/30/2015



- The Investment Portfolio has an average duration of 4.03(2) and an average rating of Aa2
- The Portfolio total return ranks in the 93rd percentile compared to other banks (3)

HMST performance data: BondEdge
(1) As of June 30, 2015
(2) Yield and duration Include FTE adjustment
(3) Performance Trust proprietary models as of 03/31/15, YOY
(4) Barclays US Aggregate Index Adjusted to reflect HMST Securities Composition

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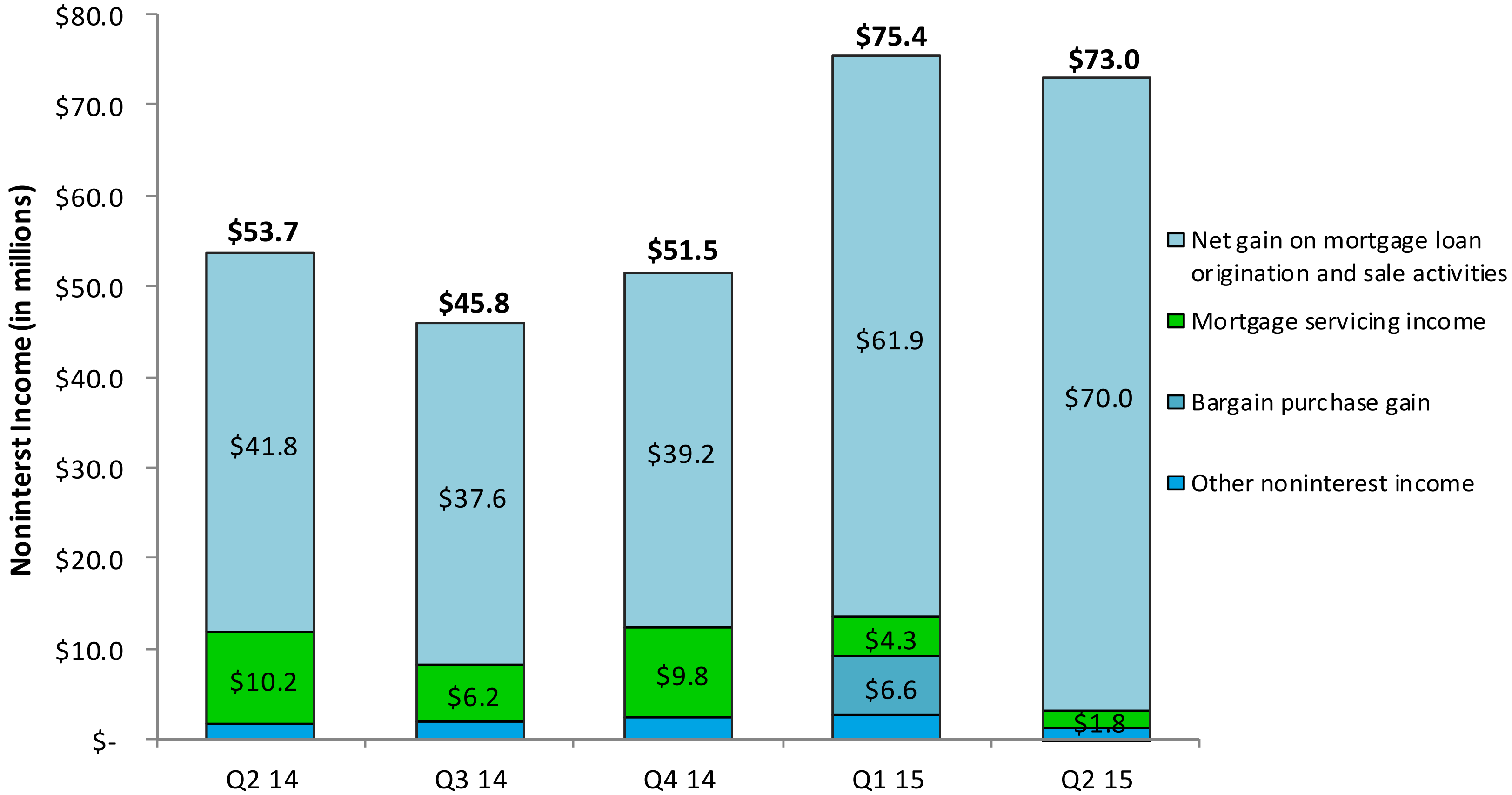
Noninterest Income



- Noninterest income declined 3% to $73.0 million in Q2 compared to Q1. Excluding $6.6 million bargain purchase gain recorded on Simplicity merger in Q1, noninterest income increased 6%
- Mortgage Banking mortgage origination and sale revenue increased $6.8 million primarily due to 10% higher composite margin
- Mortgage servicing income decreased $1.8 million due to lower risk management results primarily related to higher prepayment speeds

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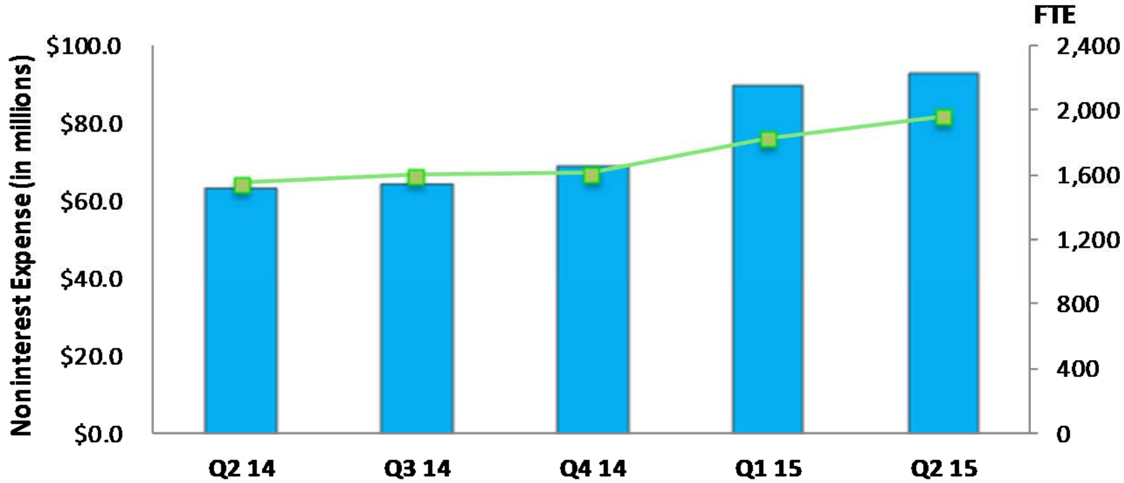
Noninterest Expense



	Q2 14	Q3 14	Q4 14	Q1 15	Q2 15
Total noninterest expense	**$63.0**	**$64.2**	**$68.8**	**$89.5**	**$92.3**
Salaries & related costs	$40.6	$42.6	$44.7	$57.6	$61.7
General & administrative	$11.1	$10.3	$11.2	$13.2	$14.5
Occupancy	$4.7	$4.9	$4.6	$5.8	$6.1
Information services	$4.9	$4.2	$6.5	$6.1	$7.7
Other noninterest expense	$1.7	$2.1	$1.8	$6.8	$2.4

FTE	**1,546**	**1,598**	**1,611**	**1,829**	**1,964**
Core efficiency ratio (1)	81.21%	89.19%	85.96%	77.72%	79.71%

- Noninterest expense included $3.2M of merger-related expenses in Q2 2015, $12.2M in Q1, $889 thousand in Q4 2014, $722 thousand in Q3 and $606 thousand in Q2
- Full-time equivalent employees increased by 7% in Q2
- Increased salaries and related costs due primarily to increased headcount and higher commissions paid on higher mortgage closed loan volume
- Noninterest expense will continue to vary primarily based on headcount and mortgage origination volume

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(1) Excludes merger-related expenses. See appendix for reconciliation of non-GAAP financial measures.

Segment Overview

Mortgage Banking	Commercial & Consumer Banking
Overview	
• Regional Single Family mortgage origination platform • 100% direct retail origination • Majority of production sold into secondary market • Fannie Mae, Freddie Mac, FHA, VA lender since programs' inception • Portfolio products: jumbo and custom home construction • Servicing retained on majority of originated loans sold to secondary markets	• Commercial Banking – Commercial lending, including SBA – All CRE property types with multifamily focus – Residential construction – Commercial deposit, treasury and cash management services • Consumer Banking – Consumer loan and deposit products – Consumer investment, insurance and private banking products and services
Strategic Objectives	
• Build Western U.S. major market retail franchise • Dynamic personnel management in relation to changes in market conditions • Fixed/Semi/Variable cost management • Long-term targeted ROE of >25%	• Expand market/grow market share in current and new markets – Follow mortgage expansion • Diversify and grow loan portfolio 5% or more per quarter [1] • Manage non-interest expense increase to 1-2% per quarter • Long-term targeted ROE range of 8-12% – Commercial lending – 8-12% – Commercial real estate – 10-15% – Residential construction – 20-30% – Single Family residential – 10-15%

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[1] Actual growth of loan portfolio is subject to, among other things, actual loan production volumes, portfolio runoff, portfolio loan sales, portfolio credit performance and net interest margin. Other portfolio management considerations include liquidity management, capital requirements and profitability.

Commercial & Consumer Banking

Commercial & Consumer Banking Segment

($ in thousands)	For the three months ended Jun. 30, 2015	Mar. 31, 2015 [1]	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014
Net interest income	$ 30,645	$ 25,107	$ 22,187	$ 20,163	$ 19,403
Provision for loan losses	500	3,000	500	-	-
Noninterest income	3,624	10,081	5,434	3,660	6,614
Noninterest expense	29,280	35,666	21,155	18,930	20,434
Net income before taxes	4,489	(3,478)	5,966	4,893	5,583
Income taxes	1,635	(3,464)	2,621	1,359	1,830
Net income (loss)	$ 2,854	$ (14)	$ 3,345	$ 3,534	$ 3,753
Core net income [2]	$ 5,019	$ 1,242	$ 3,923	$ 4,003	$ 4,147
Core ROAA [2]	0.56%	0.47%	0.57%	0.61%	0.65%
Core ROAE [2]	6.47%	5.80%	7.89%	8.35%	9.25%
Core efficiency ratio [2]	75.90%	66.79%	73.37%	76.43%	76.21%
Net Interest Margin	3.65%	3.60%	3.49%	3.41%	3.40%
Total average earning assets	$3,385,008	$2,840,601	$2,535,712	$2,403,436	$2,302,277
FTE	757	768	608	605	599

- Simplicity merger closed on 3/1/15 and added $664 million in loans held for investment and $651 million in deposits. Q2 reflects first full quarter of combined operations.
- Q2 NIM of 3.65% an increase of 5 basis points from last quarter
- Continued strong credit performance including reductions in classified assets, nonperforming assets and delinquencies

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

(2) Excludes pre-tax merger-related expenses of $3.2 million in Q2 2015, $12.2 million in Q1, $889 thousand in Q4 2014, $722 thousand in Q3 and $606 thousand in Q2 , and $($79) thousand bargain purchase gain adjustment in Q2 2015 and $6.6M bargain purchase gain in Q1. See appendix for reconciliation of non-GAAP financial measures.

Loan Production/Loan Balance Trend

Commitments

($ in thousands)	Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014
Single Family	$52,819	$50,093	$66,822	$54,879	$90,028
Single Family One-Steps	$39,788	$31,666	$33,592	$24,703	$29,874
Home Equity and other	$32,691	$14,675	$5,706	$5,445	$6,274
Total Consumer Loans	$125,298	$96,434	$106,120	$85,027	$126,176
Commercial Real Estate/Multifamily	$53,221	$14,562	$20,966	$64,026	$19,485
Residential Construction	$95,468	$56,735	$75,646	$92,081	$74,330
CRE Construction	$27,900	$37,713	$91,451	$70,258	$41,903
Commercial Business	$11,243	$16,063	$13,453	$12,581	$10,325
Total Commercial Loans	$187,832	$125,073	$201,516	$238,946	$146,043
Total	$313,130	$221,507	$307,636	$323,973	$272,219

Balances

($ in thousands)	Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014
Single Family	$1,182,542	$1,198,605	$896,665	$788,232	$749,204
Single Family One-Steps	$75,665	$66,422	$59,261	$62,336	$58,808
Home Equity and other	$216,635	$205,200	$135,598	$138,276	$136,181
Total Consumer Loans	$1,474,842	$1,470,227	$1,091,524	$988,844	$944,193
Commercial Real Estate	$547,571	$535,546	$523,464	$530,335	$476,411
Multifamily	$366,187	$352,193	$55,088	$62,498	$72,327
Residential Construction	$130,586	$122,311	$104,679	$82,122	$69,594
CRE Construction	$248,566	$213,660	$203,994	$153,332	$90,880
Commercial Business	$166,216	$164,259	$147,449	$173,226	$185,177
Total Commercial Loans	$1,459,126	$1,387,969	$1,034,674	$1,001,513	$894,389
Total Loans Held for Investment (before Deferred Fees and Allowance)	$2,933,968	$2,858,196	$2,126,198	$1,990,357	$1,838,582

- New loan commitments averaged $292 million per quarter over the last four quarters with Commercial loans leading the way with an average of $188 million over the last four quarters.
- Loans held for investment balances have grown 59.6% year-over-year and included $660 million of loans added during the quarter due to the Simplicity merger

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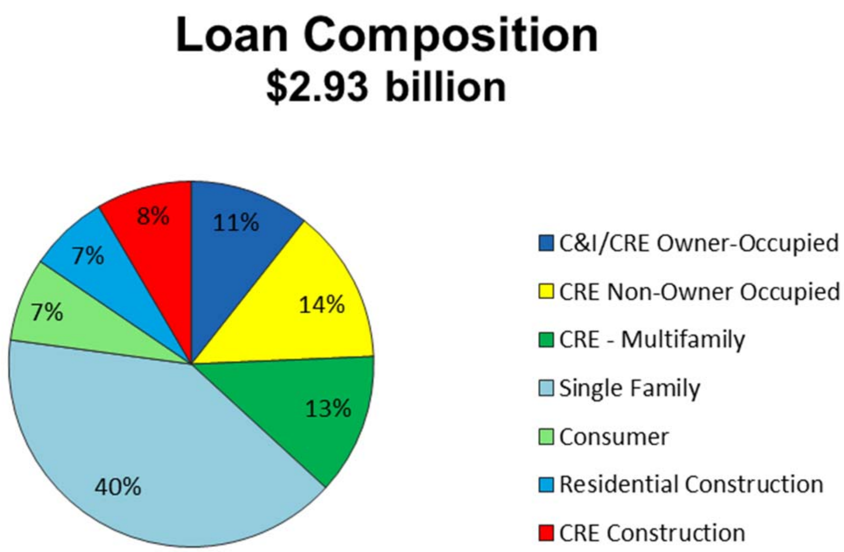
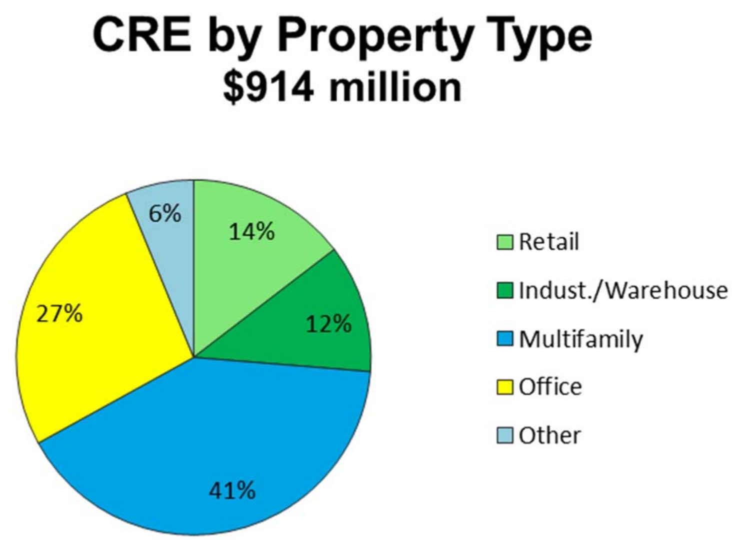
Loan Portfolio

- Loans held for investment, net, increased 2.6% to $2.91 billion from $2.83 billion at March 31, 2015, an increase of $72 million primarily due to increase in Commercial loan originations
- New loan commitments totaled $313 million in the quarter compared to $222 million in the first quarter
- Total Commercial loans increased to 52% of the total loans held for investment portfolio in the quarter





Construction Lending Overview

Construction lending is a broad category that includes many different loan types which are often characterized by different risk profiles. HomeStreet lends within the full spectrum of construction lending types, but is deliberate in achieving diversification among the types to mitigate risk. Additionally, recent geographical expansion has provided an opportunity to reduce concentrations in any particular market.

Construction Lending Types

Custom Home Construction	***Multifamily***	***Commercial***	***Residential Construction***	***Land***

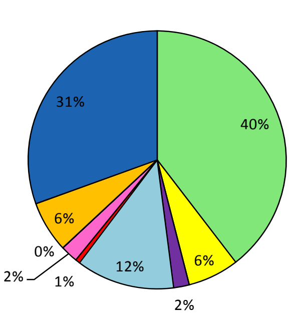
Typical Loan Characteristics

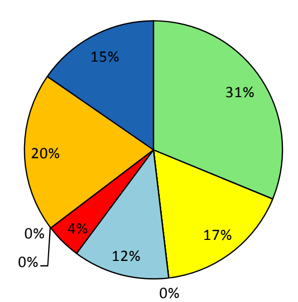
Custom Home Construction	Multifamily	Commercial	Residential Construction	Land
• 12 Month Term • Consumer Owner Occupied • Borrower Underwritten similar to Single Family	• 18-36 Month Term • ≤ 80% LTV / ≤ 80% LTC • Minimum 15% Cash Equity • ≥ 120 DSC	• 18-36 Month Term • ≤ 75% LTV / ≤ 80% LTC • Minimum 15% Cash Equity • ≥ 125 DSC • ≥ 50% pre-leased	• 12-18 Month Term • LTC: ≤ 95% Presale, 90% Spec • Leverage & Net Worth Covenants • ≤ 75% - 80% LTV	• 12-24 Month Term • ≤ 50% LTV / ≤ 50% LTC • Strong, experienced, vertically integrated developers & guarantors

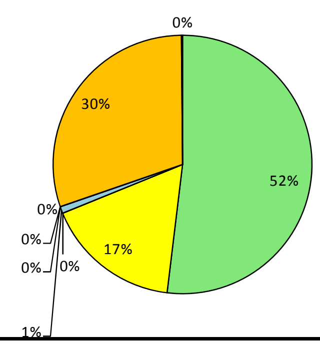
6/30/15 Balances and Commitments

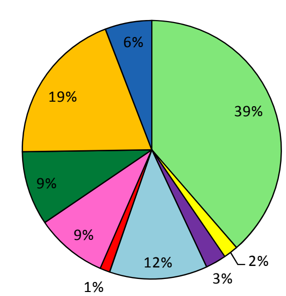
Custom Home Construction	Multifamily	Commercial	Residential Construction	Land
Balance: $74M **Commitments: $63M** **% of Balances: 16%** **% of Commitments: 16%**	**Balance: $126M** **Commitments: $126M** **% of Balances: 28%** **% of Commitments: 31%**	**Balance: $119M** **Commitments: $63M** **% of Balances: 26%** **% of Commitments: 16%**	**Balance: $93M** **Commitments: $123M** **% of Balances: 21%** **% of Commitments: 31%**	**Balance: $42M** **Commitments: $26M** **% of Balances: 9%** **% of Commitments: 6%**

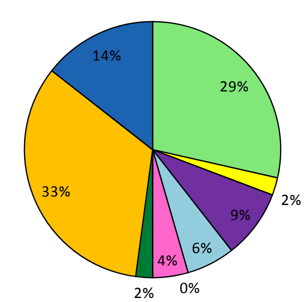
Geographical Distribution (balances)











Seattle Metro | Puget Sound Other | WA Other | Portland Metro | OR Other | Hawaii | California | Utah | Idaho

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Credit Quality

($ in thousands)	Jun. 30, 2015		Mar. 31, 2015		Dec. 31, 2014		Sept. 30, 2014		Jun. 30, 2014	
	HMST	Peer Avg [3]	HMST	Peer Avg [3]	HMST	Peer Avg [3]	HMST	Peer Avg [3]	HMST	Peer Avg [3]
Nonperforming assets [1]	$32,735	--	$32,798	--	$25,462	--	$30,384	--	$32,280	--
Nonperforming loans	$21,308	--	$21,209	--	$16,014	--	$19,906	--	$21,197	--
OREO	$11,427	--	$11,589	--	$9,448	--	$10,478	--	$11,083	--
Nonperforming assets/total assets [1]	0.67%	[4]	0.71%	0.91%	0.72%	0.98%	0.87%	1.09%	1.00%	1.19%
Nonperforming loans/total loans	0.73%	[4]	0.74%	0.78%	0.75%	0.82%	1.00%	0.91%	1.16%	0.99%
Total delinquencies/total loans	2.25%	[4]	2.37%	1.33%	3.00%	1.35%	3.29%	1.49%	3.84%	1.59%
Total delinquencies/total loans - adjusted [2]	0.92%	[4]	1.04%	1.31%	1.11%	1.34%	1.29%	1.47%	1.59%	1.58%
ALLL/total loans	0.88%	[4]	0.87%	1.16%	1.04%	1.18%	1.10%	1.23%	1.19%	1.28%
ALLL/total loans (excluding acquired loans)	1.16%		1.19%		1.10%		1.18%		1.31%	
ALLL/Nonperforming loans (NPLs)	120.97%	[4]	117.48%	424.00%	137.51%	374.81%	109.75%	376.70%	103.44%	339.70%

- Nonperforming assets declined to 0.67% of total assets
- Nonperforming assets were $32.7 million at quarter-end including $5.3 million of Simplicity acquired loans
- Total Delinquencies/totals loans-adjusted declined to less than 1% and totaled $26.0 million, excluding $39.8 million of loans insured or guaranteed by FHA or VA that were still accruing at quarter-end

[1] Nonperforming assets includes nonaccrual loans and OREO, excludes TDRs and SBAs
[2] Total delinquencies and total loans - adjusted are both net of Ginnie Mae EBO loans (FHA/VA loans)
[3] Peer group revised 1Q15. Source: SNL
[4] Not available at time of publishing

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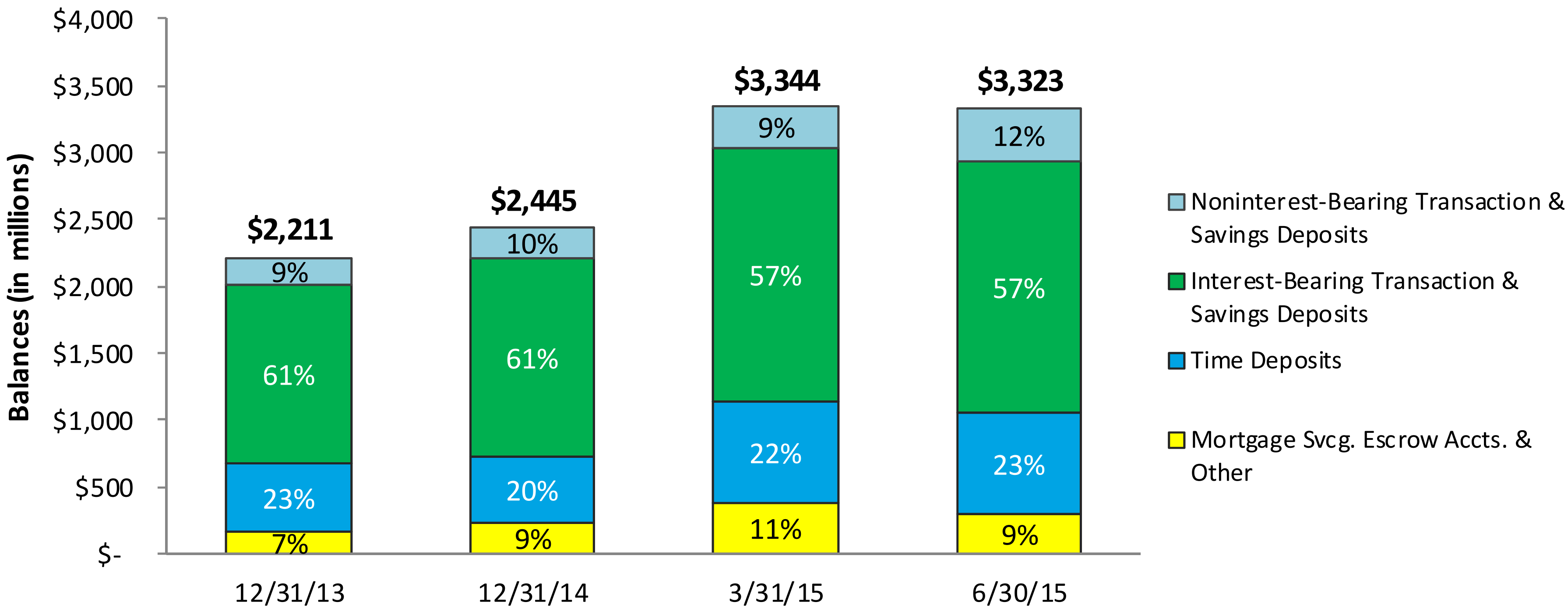
Deposits



Total Cost of Deposits	0.43%	0.39%	0.39%	0.37%

- Total deposits of $3.3 billion at June 30, 2015, a slight decrease from Q1. Transaction and savings deposits of $2.3 billion increased 3% over Q1.
- One de novo retail branches opened in Q2 in Seattle; targeting three total new de novo Seattle-area retail branches in 2015
- De novo branches opened since 2012 have generated net new accounts at approximately two times the rate of mature branches this year
- The deposit account open/close ratio for mature branches is approximately 50% better than the peer median for 2015 to date

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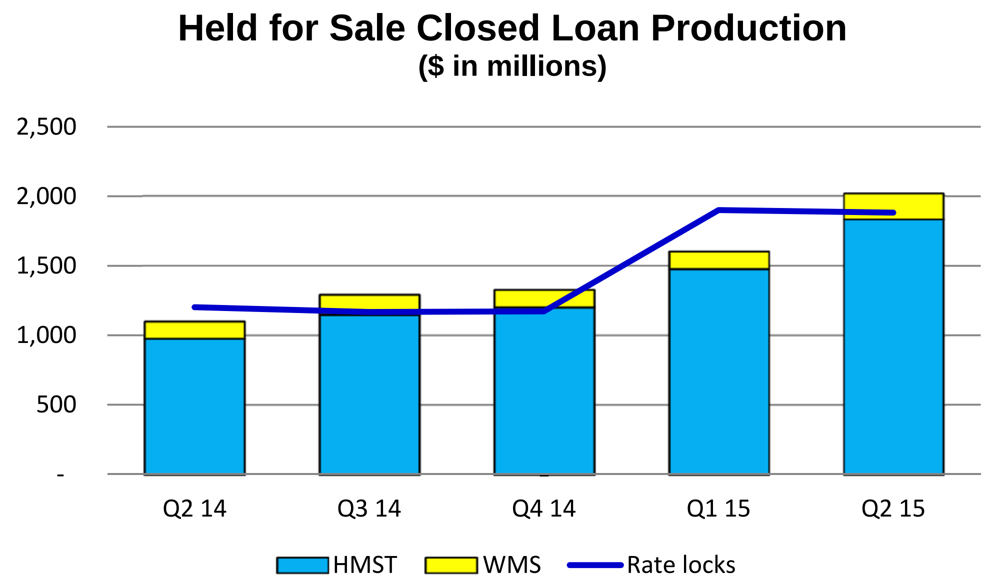
Mortgage Banking

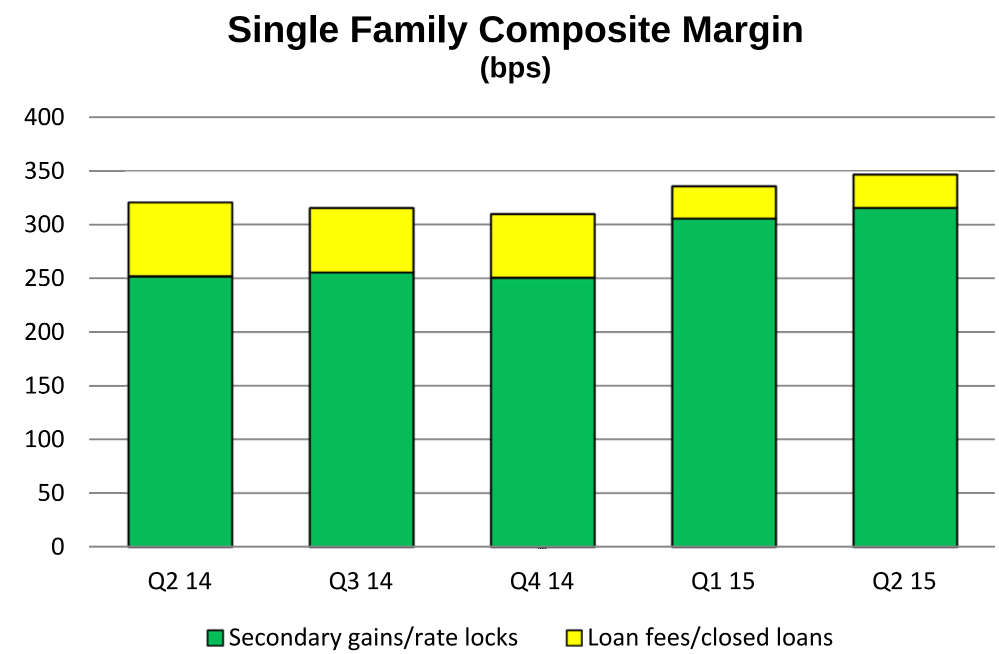
Mortgage Banking Segment

($ in thousands)	For the three months ended Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014
Net interest income	$ 7,585	$ 5,627	$ 5,315	$ 5,145	$ 3,744
Noninterest income	69,363	65,292	46,053	42,153	47,036
Noninterest expense	63,055	53,816	47,636	45,228	42,537
Net income (loss) before taxes	13,893	17,103	3,732	2,070	8,243
Income taxes	4,371	6,785	1,456	629	2,634
Net income (loss)	$ 9,522	$ 10,318	$ 2,276	$ 1,441	$ 5,609
ROAA	3.44%	5.22%	1.15%	0.77%	3.66%
ROAE	26.84%	40.26%	8.93%	5.65%	22.28%
Efficiency Ratio	81.94%	75.88%	92.73%	95.62%	83.77%
FTE	1,207	1,061	1,003	993	947

- Interest rate lock commitment volume of $1.9 billion was 1% lower than in Q1 while closed loan volume of $2.0 billion was 26% higher than in Q1
- Mortgage servicing income of $1.2 million declined $2.7 million from the prior quarter due to lower risk management results primarily related to increases in long-term prepayment speed expectations

Mortgage Origination





	Q2 14	Q3 14	Q4 14	Q1 15	Q2 15
HMST	$979	$1,150	$1,205	$1,479	$1,837
WMS	$122	$144	$125	$127	$186
Closed Loans	$1,101	$1,295	$1,331	$1,607	$2,023
Purchase %	*83%*	*78%*	*68%*	*51%*	*69%*
Refinance %	*17%*	*22%*	*32%*	*49%*	*31%*
Rate locks	$1,202	$1,168	$1,172	$1,901	$1,883
Purchase %	*78%*	*76%*	*62%*	*50%*	*73%*
Refinance %	*22%*	*24%*	*38%*	*50%*	*27%*

	Q2 14	Q3 14	Q4 14	Q1 15 [3] [4]	Q2 15 [4]
Secondary gains/rate locks [1]	252	256	251	306	316
Loan fees/closed loans [2]	69	60	59	30	31
Composite Margin	321	316	310	336	347

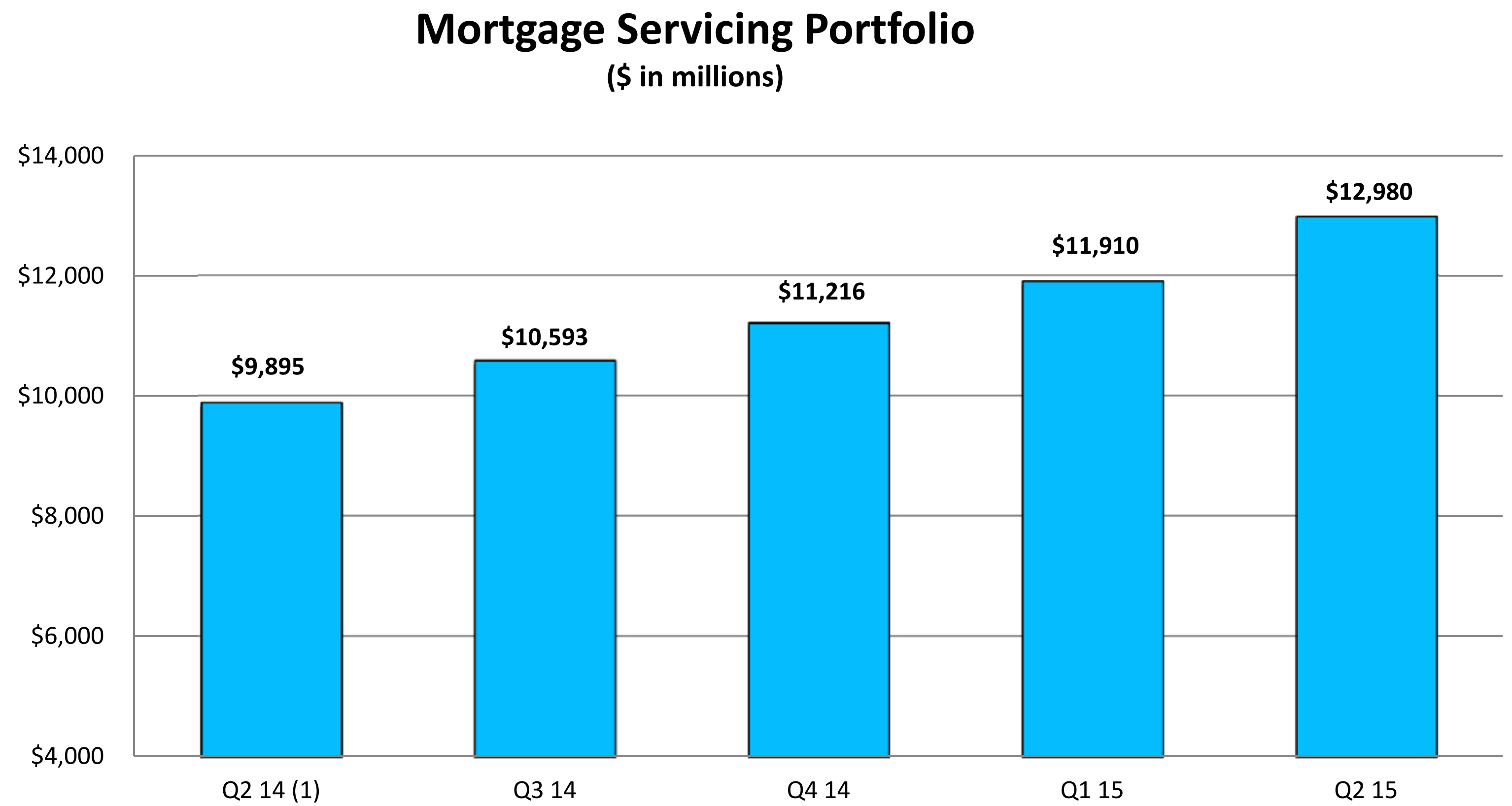
[1] Represents combined value of secondary market gains and originated mortgage servicing rights stated as a percentage of interest rate lock commitments.

[2] Loan origination and funding fees stated as a percentage of mortgage originations from the retail channel and excludes loans purchased from WMS.

[3] Implemented a new pricing structure in the first quarter of 2015 where origination fees will no longer be charged at funding as the fee will be included in the rate/price of a loan.

[4] In the second quarter, we recognized an additional $2.4 million of gain on mortgage loan origination and sale revenue related to the correction of an error in the mortgage loan pipeline valuation. The Composite Margin in the table above has been adjusted to eliminate the impact of this correction.

Mortgage Servicing



(1) Sold the rights to service approximately $3 billion of single family mortgage loans in Q2 2014

As of June 30, 2015

- Constant Prepayment Rate (CPR) – 17.58% for Q2 2015
- W.A. servicing fee - 29.16 bps
- MSRs represent 1.09% of ending UPB - 3.72 W.A. servicing fee multiple
- W.A age - 28.8 months
- W.A. expected life – 62.5 months as of 6/30/15
- Composition - 29% government
- Total delinquency - 1.34% (including foreclosures)
- W.A. note rate - 4.10%

Mortgage Market & Competitive Landscape

Mortgage Market

- MBA estimates second quarter mortgage origination nationally to increase 20% over first quarter. By contrast, HomeStreet's originations increased 26% over the prior quarter.
- The most recent MBA monthly forecast anticipates total originations to increase 20% in 2015 over the past year, an upward revision from its earlier forecast of 11%. Purchase mortgages and refinances are expected to increase 26% and 14% in 2015, respectively.
- Mortgage rates continue near historic lows, and nationally purchases are expected to comprise 59% of volume this year.
- Housing starts are expected to continue to climb, but remain short of the long run annual average.

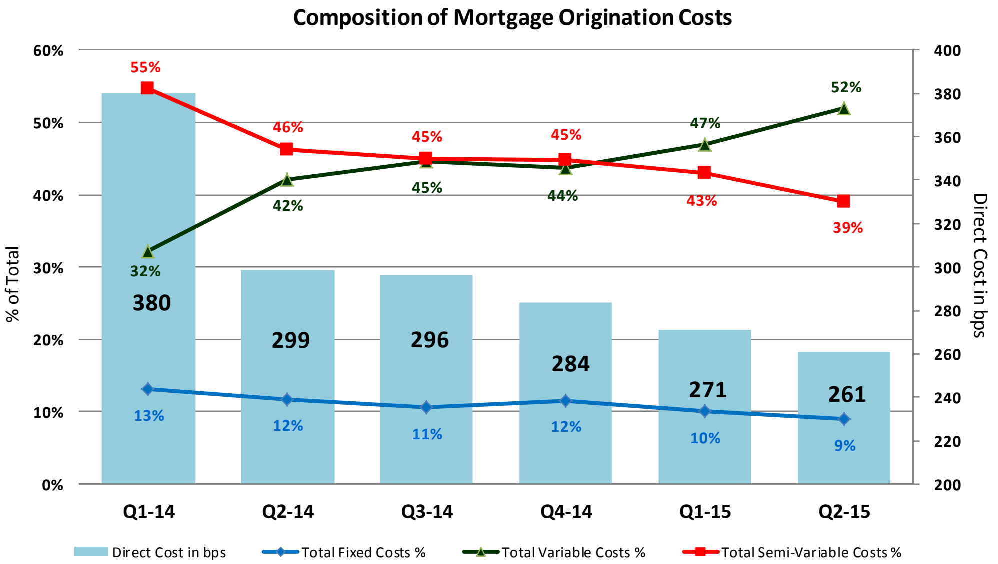
Competitive Landscape

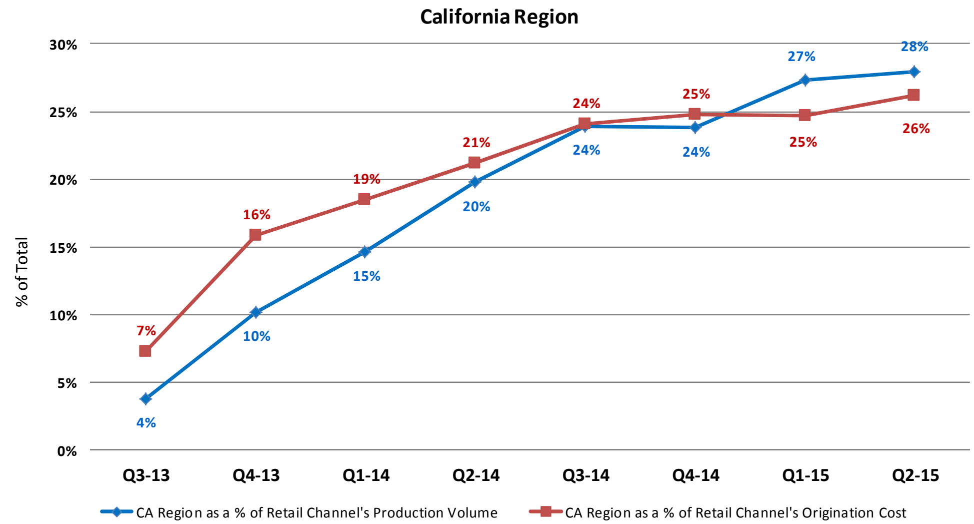
- HomeStreet maintained its position as the number one loan originator by volume of purchase mortgages in the Pacific Northwest and in the Puget Sound region.
- Purchases comprised 57% of originations both nationally and in the Pacific Northwest in the second quarter. HomeStreet continues to perform above the national and regional averages, with purchases accounting for 69% of our closed loans and 73% of our interest rate lock commitments in the quarter.
- Purchase demand continues to remain strong in many of our our markets, however limited inventory continues to be a significant constraining issue.
- The Pacific Northwest is expected to continue to grow more quickly than the rest of the country, consistent with the past fifteen months.

Origination Growth Strategy

- Grow market share in many of our existing and new regions. The California region accounted for 28% of retail channel’s closed loans volume in the second quarter, up slightly from 27% in the first quarter.
- In the second quarter, added two new home loan production offices to our home loan center network.
- Leverage synergistic opportunities in Southern California with the acquisition of Simplicity Bank.
- Our strategy of continuing to grow our retail mortgage banking franchise and mitigating the effects of a constrained market through this growth helped us increase our closed loan production 26% in the second quarter versus the national industry’s increase of 21%.

Production Costs





- Direct cost to originate a loan has decreased 119 basis points from the first quarter of 2014 and we expect continued production efficiency improvement through 2015. Substantial decrease attributable to:
  - Maturation of new markets, most significantly in California, where expansion has resulted in loan production volumes rising to levels which provide expected cost efficiency.
  - Continued active management of production and operations personnel as part of ongoing effort to upgrade production performance and improve overall operating efficiency.
  - Improved loan origination productivity; closed loans per loan officer of 5.3 in the second quarter of 2015, compared to 2.4 loans in the first quarter of 2014.
  - Absorption of semi-variable cost (51% improvement since Q1 2014).
  - Completion of implementation of new loan origination system to streamline workflow and improve cost efficiency.

HomeStreet

Franchise Value

- Established and growing financial institution concentrated in the Pacific Northwest with growing presence in California
- Leading regional Single Family mortgage lender
- Focus on business diversification: growth of Commercial & Consumer Banking to mitigate cyclicality of Mortgage Banking earnings
- High historical returns on equity due to high noninterest income
- Attractive valuation transition opportunity as company diversifies

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Appendix

Management Team

Executive	Joined Company	Years in Industry	Relevant Experience
Mark K. Mason *Director, Chairman, President and Chief Executive Officer*	September 2009	29	• Seasoned banking executive with demonstrated success implementing turnaround and growth strategies • Former Chairman and CEO of Fidelity Federal Bank of Los Angeles
Melba A. Bartels *Executive Vice President, Chief Financial Officer*	August 2015	25	• Former CFO of Auto Finance & Student Lending Division for JP Morgan Chase • Served in various Finance leadership roles at Washington Mutual
Darrell van Amen *Executive Vice President, Chief Investment Officer*	March 2003	26	• Manages bank's MSR and pipeline risk, secondary marketing and investment portfolio • Formerly with Royal Bank of Canada and Old Kent Financial
Jay C. Iseman *Executive Vice President, Chief Credit Officer*	August 2009	24	• Significant experience in credit administration, special assets and loan origination for Bank of America and Key Bank • Chairs Bank Loan Committee
Godfrey B. Evans *Executive Vice President, General Counsel and Chief Administrative Officer*	November 2009	34	• Significant experience in banking, regulation, M&A and corporate securities law • Previously General Counsel and CAO at Fidelity Federal Bank and corporate lawyer at Gibson, Dunn & Crutcher

Management Team (cont.)

Executive	Joined Company	Years in Industry	Relevant Experience
Rose Marie David *Executive Vice President, Single Family Lending*	March 2012	30	• Responsible for all aspects of mortgage banking originations, operations and servicing • Previously with MetLife Home Loans
Richard W. H. Bennion *Executive Vice President, Residential Lending*	June 1977	38	• Responsible for residential construction lending production • Chairman of the board of WMS Series LLC • Member of Fannie Mae Western Business Center Advisory Board • Member of MBA Board of Governors
Randy Daniels *Executive Vice President, Commercial Real Estate Lending*	September 2012	29	• Oversees commercial real estate lending activities through portfolio and Fannie Mae DUS programs • Includes construction and bridge lending
David Straus *Executive Vice President, Commercial Banking*	November 2013	46	• Responsible for all aspects of commercial lending • Founder and past CEO of Fortune Bank • Past chairman of Wash. Bankers Association
William D. Endresen *Executive Vice President, HomeStreet Commercial Capital President*	March 2015	40	• Leads commercial real estate small balance permanent lending

Non-GAAP Financial Measures

Tangible Book Value:

(dollars in thousands, except share data)	Quarter Ended Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014
Shareholders' equity	$447,726	$439,395	$302,238	$294,568	$288,249
Less: Goodwill and other intangibles	(20,778)	(21,324)	(14,211)	(14,444)	(14,690)
Tangible shareholders' equity	$426,948	$418,071	$288,027	$280,124	$273,559
Book value per share	$20.29	$19.94	$20.34	$19.83	$19.41
Impact of goodwill and other intangibles	(0.94)	(0.97)	(0.95)	(0.97)	(0.99)
Tangible book value per share	$19.35	$18.97	$19.39	$18.86	$18.42
Average shareholders' equity	$455,721	$370,008	$305,068	$295,229	$284,365
Less: Average goodwill and other intangibles	(21,135)	(16,698)	(14,363)	(14,604)	(14,049)
Average tangible shareholders' equity	$434,586	$353,310	$290,705	$280,625	$270,316
Return on average shareholders’ equity	10.86%	11.14%	7.37%	6.74%	13.17%
Impact of goodwill and other intangibles	0.53%	0.53%	0.36%	0.35%	0.68%
Return on average tangible shareholders' equity	11.39%	11.67%	7.73%	7.09%	13.85%

[HomeStreet]

Non-GAAP Financial Measures

Core Net Income:

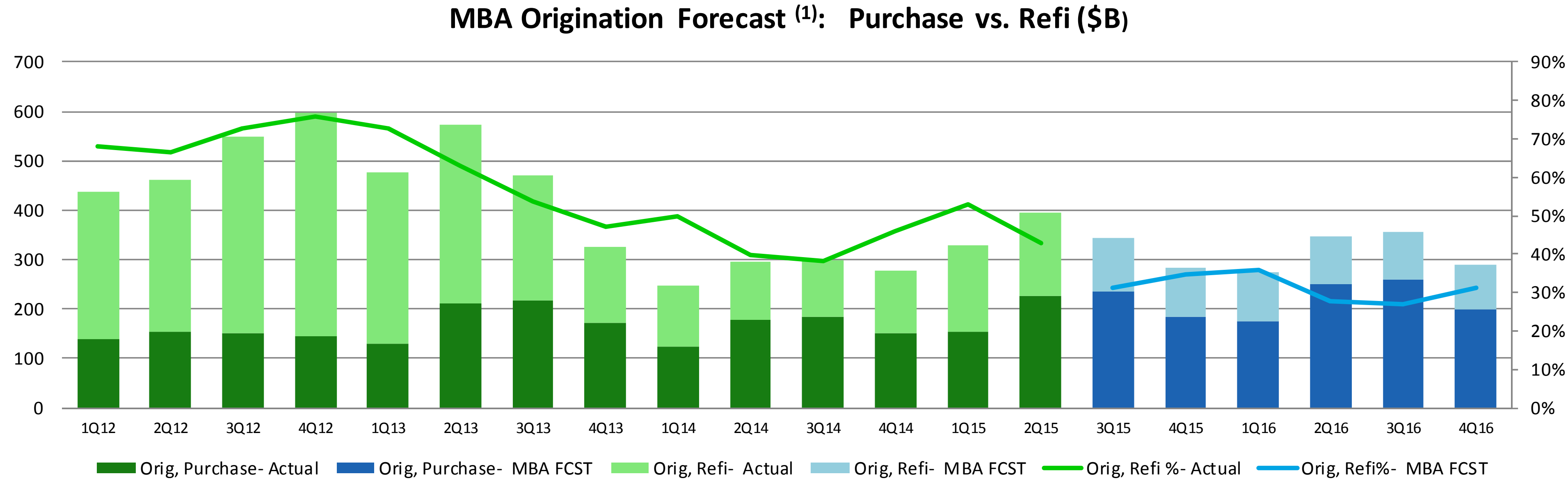
(dollars in thousands)	Quarter Ended Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014
Net income	$12,376	$10,304	$5,621	$4,975	$9,362
Impact of merger-related expenses (net of tax) and bargain purchase gain	2,165	1,256	578	469	394
Net income, excluding merger-related expenses (net of tax) and bargain purchase gain	$14,541	$11,560	$6,199	$5,444	$9,756
Noninterest expense	$92,335	$89,482	$68,791	$64,158	$62,971
Deduct: merger-related expenses	(3,208)	(12,165)	(889)	(722)	(606)
Noninterest expense, excluding merger-related expenses	$89,127	$77,317	$67,902	$63,436	$62,365
Diluted earnings per common share	$0.56	$0.59	$0.38	$0.33	$0.63
Impact of merger-related expenses (net of tax) and bargain purchase gain	0.09	0.08	0.03	0.03	0.02
Diluted earnings per common share, excluding merger-related expenses (net of tax) and bargain purchase gain	$0.65	$0.67	$0.41	$0.36	$0.65
ROAA	1.06%	1.08%	0.65%	0.61%	1.22%
Impact of acquisition-related expenses, net of tax	0.19%	0.13%	0.07%	0.05%	0.05%
ROAA, excluding acquisition-related costs	1.25%	1.21%	0.72%	0.66%	1.27%
ROAE	10.86%	11.14%	7.37%	6.74%	13.17%
Impact of acquisition-related expenses, net of tax	1.90%	1.36%	0.76%	0.64%	0.55%
ROAE, excluding acquisition-related costs	12.76%	12.50%	8.13%	7.38%	13.72%
Efficiency ratio	83.02%	84.33%	87.09%	90.21%	82.00%
Impact of acquisition-related expenses, net of tax	(2.94)%	(6.61)%	(1.13)%	(1.02)%	(0.79)%
Efficiency ratio, excluding acquisition-related costs	80.08%	77.72%	85.96%	89.19%	81.21%

Non-GAAP Financial Measures

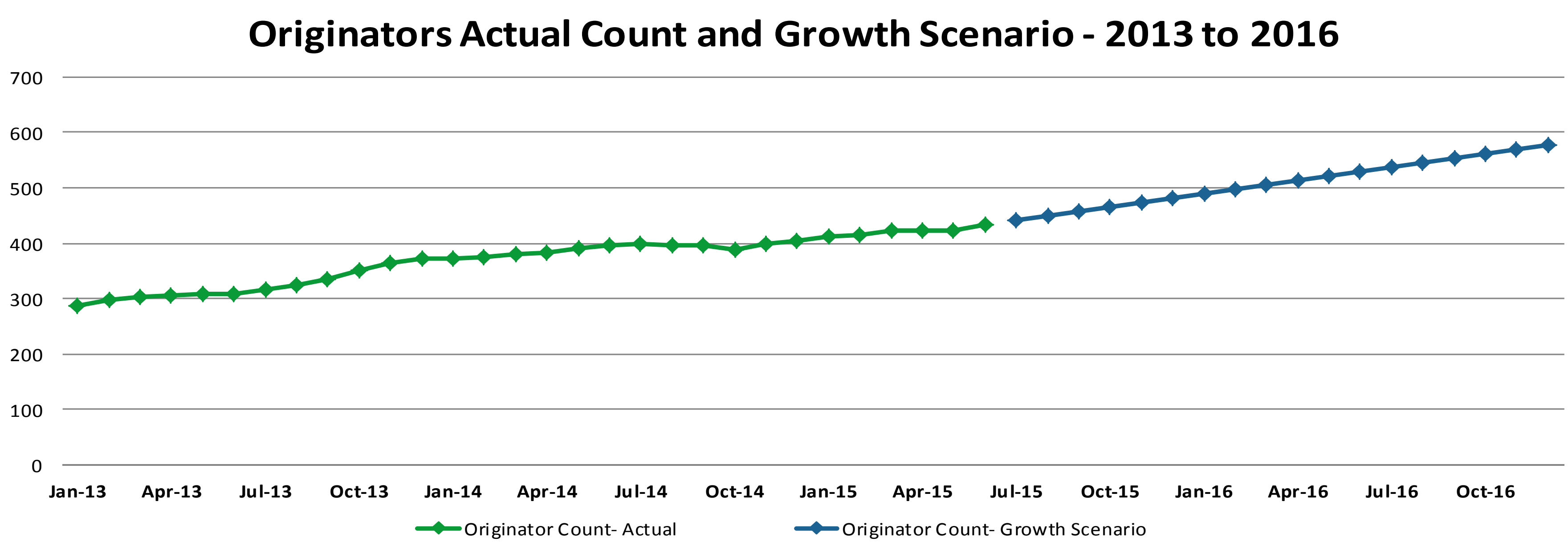
Core Net Income:

(dollars in thousands)	Quarter Ended Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sept. 30, 2014	Jun. 30, 2014
Commercial and Consumer Banking Segment:					
Net (loss) income	$2,854	($14)	$3,345	$3,534	$3,753
Impact of merger-related expenses (net of tax) and bargain purchase gain	2,165	1,256	578	469	394
Net income, excluding merger-related expenses (net of tax) and bargain purchase gain	$5,019	$1,242	$3,923	$4,003	$4,147
ROAA	0.32%	(0.01)%	0.49%	0.17%	0.59%
Impact of acquisition-related expenses, net of tax	0.24%	0.48%	0.08%	0.44%	0.06%
ROAA, excluding acquisition-related costs	0.56%	0.47%	0.57%	0.61%	0.65%
ROAE	3.68%	(0.07)%	6.73%	7.37%	8.37%
Impact of acquisition-related expenses, net of tax	2.79%	5.87%	1.16%	0.98%	0.88%
ROAE, excluding acquisition-related costs	6.47%	5.80%	7.89%	8.35%	9.25%
Efficiency ratio	85.44%	101.36%	76.59%	79.46%	78.54%
Impact of acquisition-related expenses, net of tax	(9.54)%	(34.57)%	(3.22)%	(3.03)%	(2.33)%
Efficiency ratio, excluding acquisition-related costs	75.90%	66.79%	73.37%	76.43%	76.21%

MBA Mortgage Forecast and Originator Growth



(1) Source: MBA Forecast July 22, 2015



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