

[HomeStreet]

**THIRD QUARTER
2017**

Nasdaq:HMST

as of November 17, 2017

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 plans and expectations. 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 quarterly report on Form 10-Q for the quarter ended September 30, 2017, which we filed on November 3, 2017. Many of these factors and events that affect the volatility in our stock price and shareholders' response to those events and 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 limitations and risks include without limitation changes in general political and economic conditions that impact our markets and our business, actions by the Federal Reserve Board and financial market conditions that affect monetary and fiscal policy, regulatory and legislative findings or actions that may increase capital requirements or otherwise constrain our ability to do business, including restrictions that could be imposed by our regulators on certain aspects of our operations or on our growth initiatives and acquisition activities, risks related to our ability to realize the expected cost savings from our recent restructuring activities in our single family mortgage lending operations, continue to expand our commercial and consumer banking operations, grow our franchise and capitalize on market opportunities, manage our overall growth efforts cost-effectively to 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 restrictive and complex regulatory environment, and attract and retain key personnel. In addition, the volume of our mortgage banking business as well as the ratio of loan lock to closed loan volume may fluctuate due to challenges our customers may face in meeting current underwriting standards, a change in interest rates, an increase in competition for such loans, changes in general economic conditions, including housing prices and inventory levels, the job market, consumer confidence and spending habits either nationally or in the regional and local market areas in which the Company does business, and legislative or regulatory actions or reform that may affect our business or the banking or mortgage industries more generally. 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

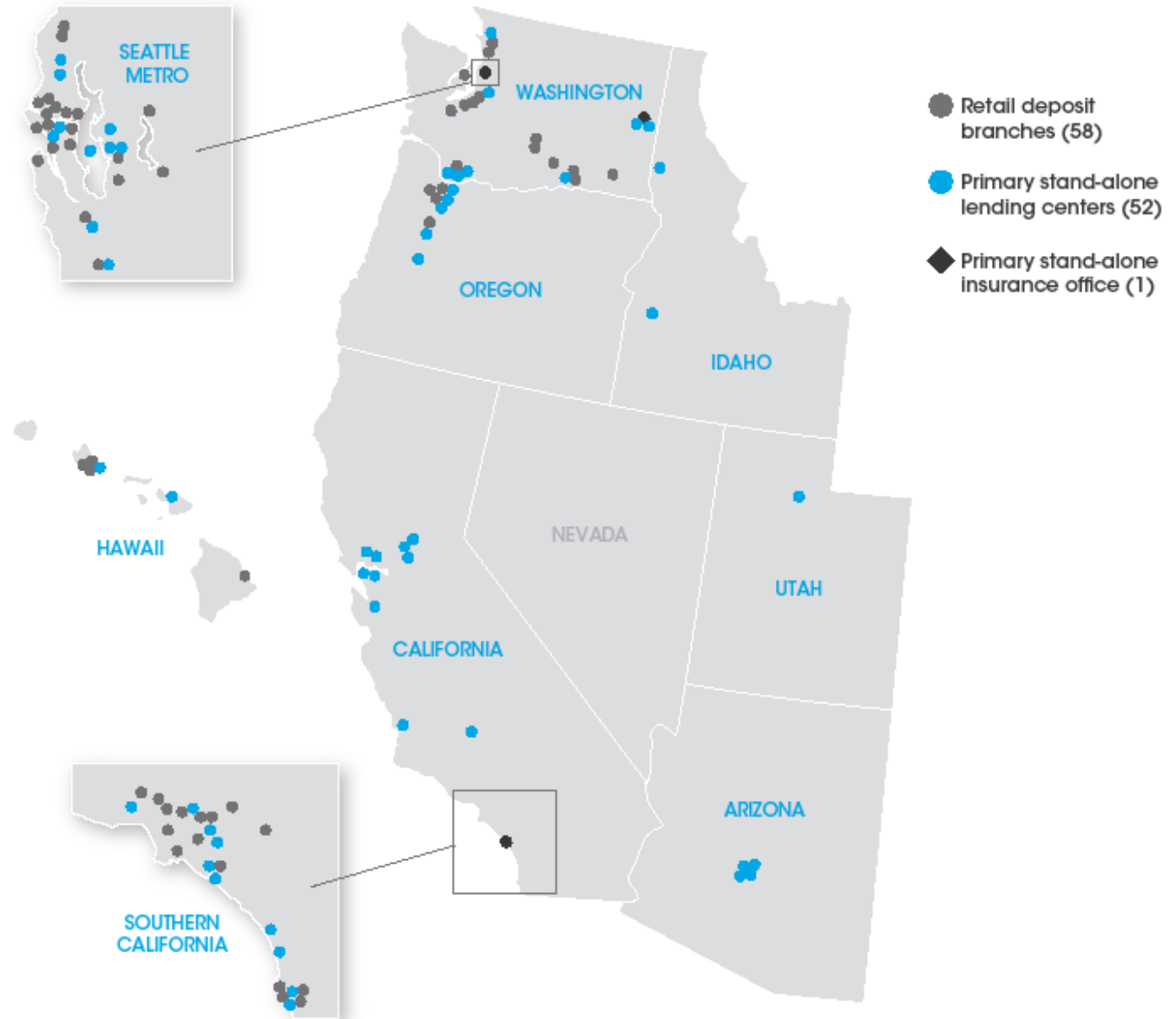
Unless noted otherwise in this presentation, all reported financial data is being presented as of the period ending September 30, 2017, and is unaudited, although certain information related to the year ended December 31, 2016, has been derived from our audited financial statements. All financial data should be read in conjunction with the notes in our consolidated financial statements.

Non-GAAP Financial Measures

Information on any non-GAAP financial measures such as core measures or tangible measures referenced in this presentation, including a reconciliation of those measures to GAAP measures, may also be found in the appendix, our SEC filings, and in the earnings release available on our web site.

Expanding West Coast Franchise

- Seattle-based diversified commercial bank - company founded in 1921
- Growing commercial & consumer bank with concentrations in major metropolitan areas of the West Coast and Hawaii
- Market leading mortgage originator and servicer
- 111 branches and primary offices ⁽¹⁾ in the Western United States and Hawaii
- Total assets \$6.8 billion



Strategy

Grow and diversify earnings with the goal of becoming a leading West Coast regional bank

Expand Commercial & Consumer Banking Segment

- **Organic growth opportunities**
 - Focused on increased Commercial Lending in large West Coast metropolitan markets
 - Increase density of commercial and consumer deposits via existing market penetration and de novo branch expansion
- **Growth via acquisition of branches and smaller institutions, primarily in Washington, Oregon, and California**

Optimize Single Family Mortgage Banking & Servicing Segment

- **Committed to being a leading mortgage originator and servicer in our markets with retail focus, broad product mix, and competitive pricing**
- **Focus on optimizing mortgage banking capacity within existing geographic footprint**
- **Strategy of converting mortgage customer to full bank customer by offering attractive products, features, and service**

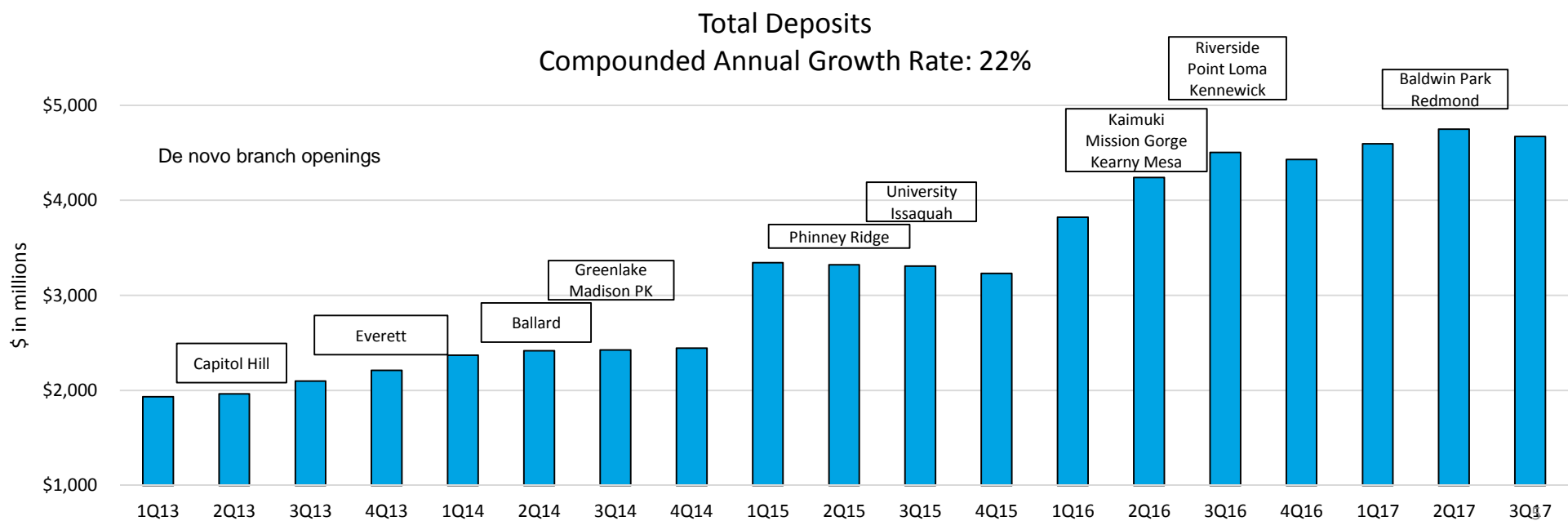
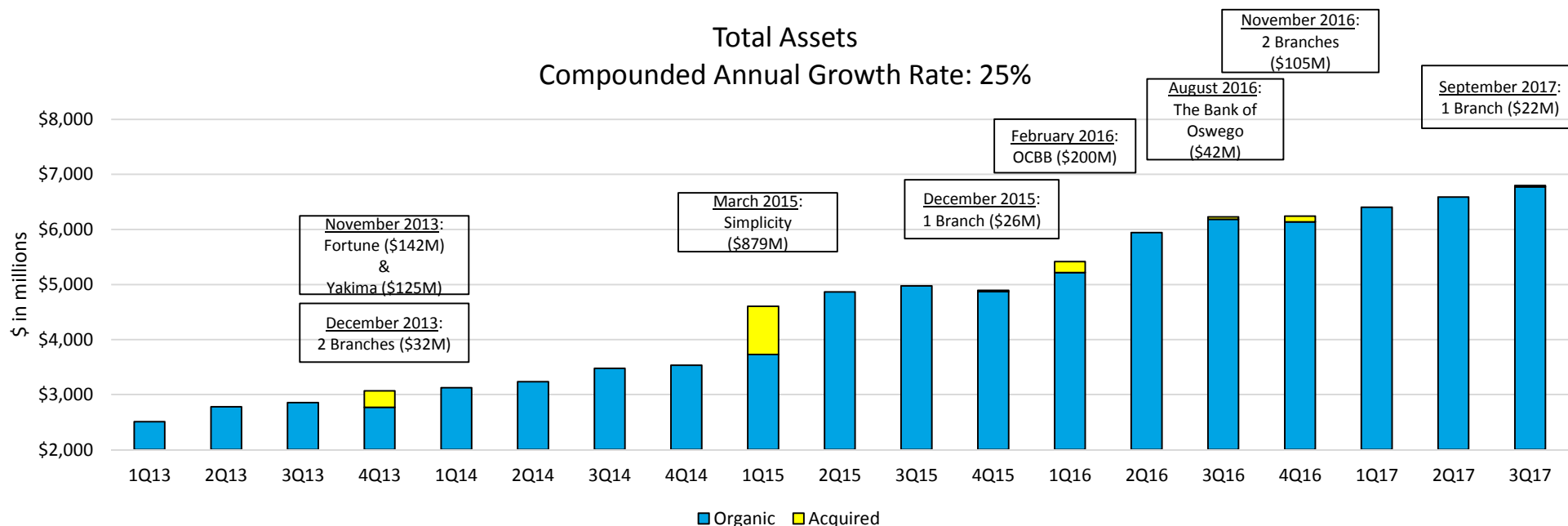
Disciplined expense management

- **Drive operating leverage through disciplined expense control**
- **Target consolidated efficiency ratio of less than 70%**
 - Commercial and Consumer segment <60% and Mortgage Banking segment <85%

Efficient use of capital

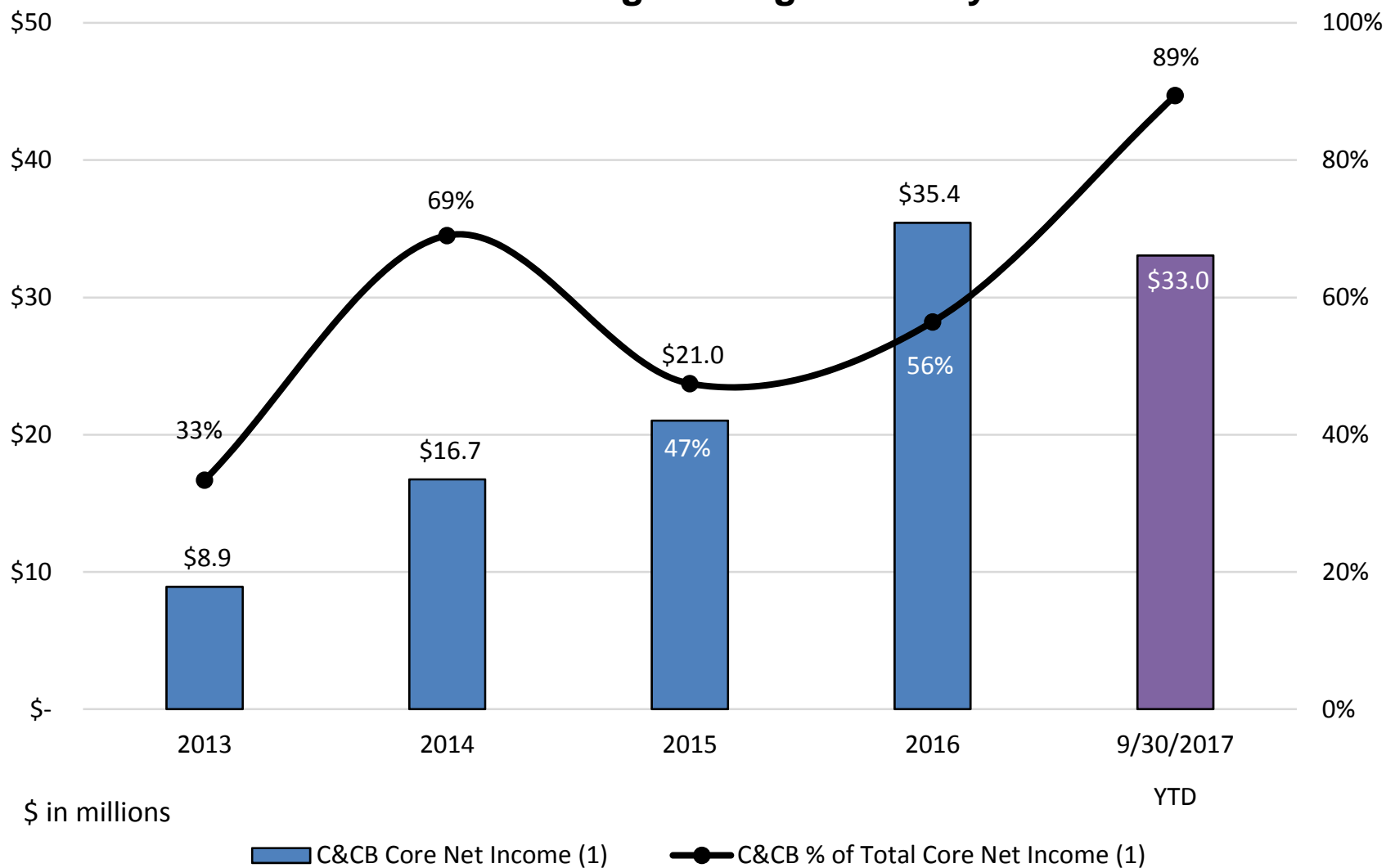
- **Prudent levels of capital above regulatory requirements**
- **ROTE target of >12%**

Delivering Consistent Growth



Diversification

Growth in our Commercial & Consumer Banking Segment is diversifying earnings and reducing earnings volatility



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

Recent Highlights

Results of Operations

- Third quarter 2017 core net income of \$16.6 million, or \$0.61 diluted EPS and ROTE of 10.2% ⁽¹⁾
- Total assets ended September 30, 2017, at \$6.8 billion, loans held for investment at \$4.3 billion, increased 4% from June 30, 2017
- Total deposits of \$4.7 billion, de novo branch deposits increased 20% during the third quarter
- Nonperforming asset ratio of 0.28%, the lowest level of problem assets since 2006

Strategic Results

- Implemented a restructuring plan in our Mortgage Banking segment, total pre-tax charge of \$3.9 million:
 - Restructured management, changed certain compensation plans, and reduction in force totaling 62 FTE during the third quarter – severance costs of \$545,000
 - Announced closure of three single family lending offices, consolidated three additional offices into nearby offices, and reduced leased space in three other offices – real estate related charges of \$3.3 million during the quarter
 - Estimated cost saves, including reduction in force completed during the second quarter of 2017, of \$13.2 million annually
- Completed the acquisition of one retail deposit branch and related deposits in El Cajon, California
- Opened one stand-alone primary single family lending center in North Scottsdale, Arizona

Recent Developments

- Proposed simplification of Basel III capital rules, if adopted, would substantially reduce the amount of regulatory capital that would be required to be held related to our mortgage servicing assets beginning in 2018 ⁽²⁾

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

(2) Other proposed changes to the Basel III capital requirements would require a small increase in capital related to commercial and residential acquisition, development, and construction lending activity which would partially offset a portion of the benefit we would expect to receive with respect to our mortgage servicing assets. If the rules are adopted without any material adverse changes to the current proposal, we would expect to benefit from a reduction in the regulatory capital requirements of approximately \$70 million to \$75 million in the aggregate beginning in 2018.

Results of Operations

(\$ in thousands)	For the three months ended		For the nine months ended	
	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Net interest income	\$ 50,840	\$ 46,802	\$ 143,359	\$ 131,975
Provision for credit losses	250	1,250	750	3,750
Noninterest income	83,884	111,745	239,353	285,929
Noninterest expense	114,697	114,399	332,815	326,783
Net income before taxes	19,777	42,898	49,147	87,371
Income taxes	5,938	15,197	15,116	31,514
Net income	\$ 13,839	\$ 27,701	\$ 34,031	\$ 55,857
Diluted EPS	\$ 0.51	\$ 1.11	\$ 1.26	\$ 2.27
Core net income ⁽¹⁾	\$ 16,588	\$ 28,034	\$ 36,962	\$ 60,234
Core EPS ⁽¹⁾	\$ 0.61	\$ 1.12	\$ 1.37	\$ 2.45
Tangible BV/share ⁽²⁾	\$ 23.86	\$ 22.45	\$ 23.86	\$ 22.45
Core ROAA ⁽¹⁾	0.99%	1.81%	0.76%	1.43%
Core ROAE ⁽¹⁾	9.71%	19.07%	7.39%	14.62%
Core ROATE ⁽¹⁾	10.15%	20.04%	7.74%	15.41%
Net Interest Margin	3.40%	3.34%	3.31%	3.46%
Core efficiency ratio ⁽¹⁾	82.0%	71.8%	85.8%	76.6%
Tier 1 Leverage Ratio (Bank)	9.86%	9.91%	9.86%	9.91%
Total Risk-Based Capital (Bank)	13.65%	14.41%	13.65%	14.41%

⁽¹⁾ Excludes restructuring and acquisition-related expenses, net of tax. See appendix for reconciliation of non-GAAP financial measures.

⁽²⁾ See appendix for reconciliation of non-GAAP financial measures.

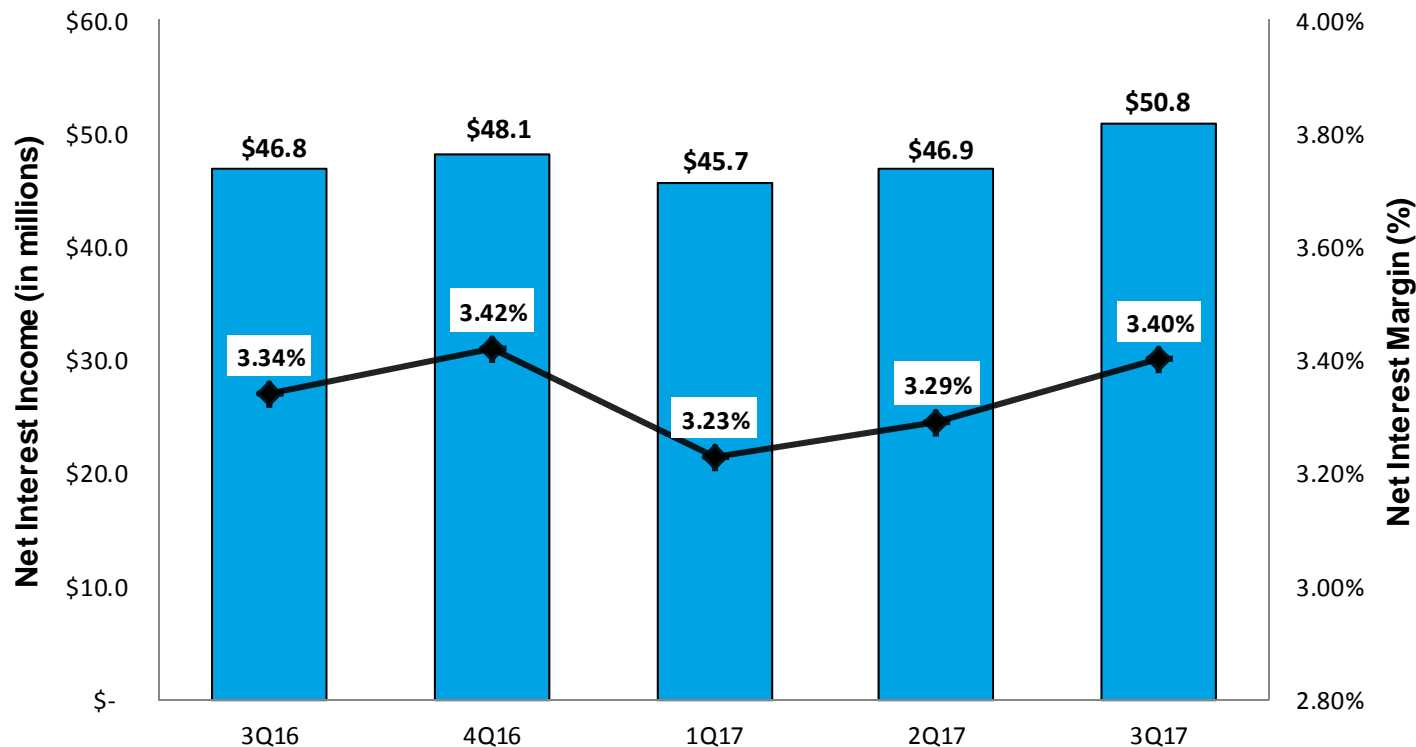
Results of Operations – Quarter Trend

	<i>For the three months ended</i>				
(\$ in thousands)	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016
Net interest income	\$ 50,840	\$ 46,868	\$ 45,651	\$ 48,074	\$ 46,802
Provision for credit losses	250	500	-	350	1,250
Noninterest income	83,884	81,008	74,461	73,221	111,745
Noninterest expense	114,697	111,244	106,874	117,539	114,399
Net income before taxes	19,777	16,132	13,238	3,406	42,898
Income taxes	5,938	4,923	4,255	1,112	15,197
Net income	\$ 13,839	\$ 11,209	\$ 8,983	\$ 2,294	\$ 27,701
Diluted EPS	\$ 0.51	\$ 0.41	\$ 0.33	\$ 0.09	\$ 1.11
Core net income ⁽¹⁾	\$ 16,588	\$ 11,391	\$ 8,983	\$ 2,555	\$ 28,034
Core EPS ⁽¹⁾	\$ 0.61	\$ 0.42	\$ 0.33	\$ 0.10	\$ 1.12
Tangible BV/share ⁽²⁾	\$ 23.86	\$ 23.30	\$ 22.73	\$ 22.33	\$ 22.45
Core ROAA ⁽¹⁾	0.99%	0.71%	0.57%	0.16%	1.81%
Core ROAE ⁽¹⁾	9.71%	6.82%	5.53%	1.67%	19.07%
Core ROATE ⁽¹⁾	10.15%	7.14%	5.81%	1.74%	20.04%
Net Interest Margin	3.40%	3.29%	3.23%	3.42%	3.34%
Core efficiency ratio ⁽¹⁾	82.0%	86.8%	89.0%	96.6%	71.8%
Tier 1 Leverage Ratio (Bank)	9.86%	10.13%	9.98%	10.26%	9.91%
Total Risk-Based Capital (Bank)	13.65%	14.01%	14.02%	14.69%	14.41%

⁽¹⁾ Excludes restructuring and acquisition-related expenses, net of tax. See appendix for reconciliation of non-GAAP financial measures.

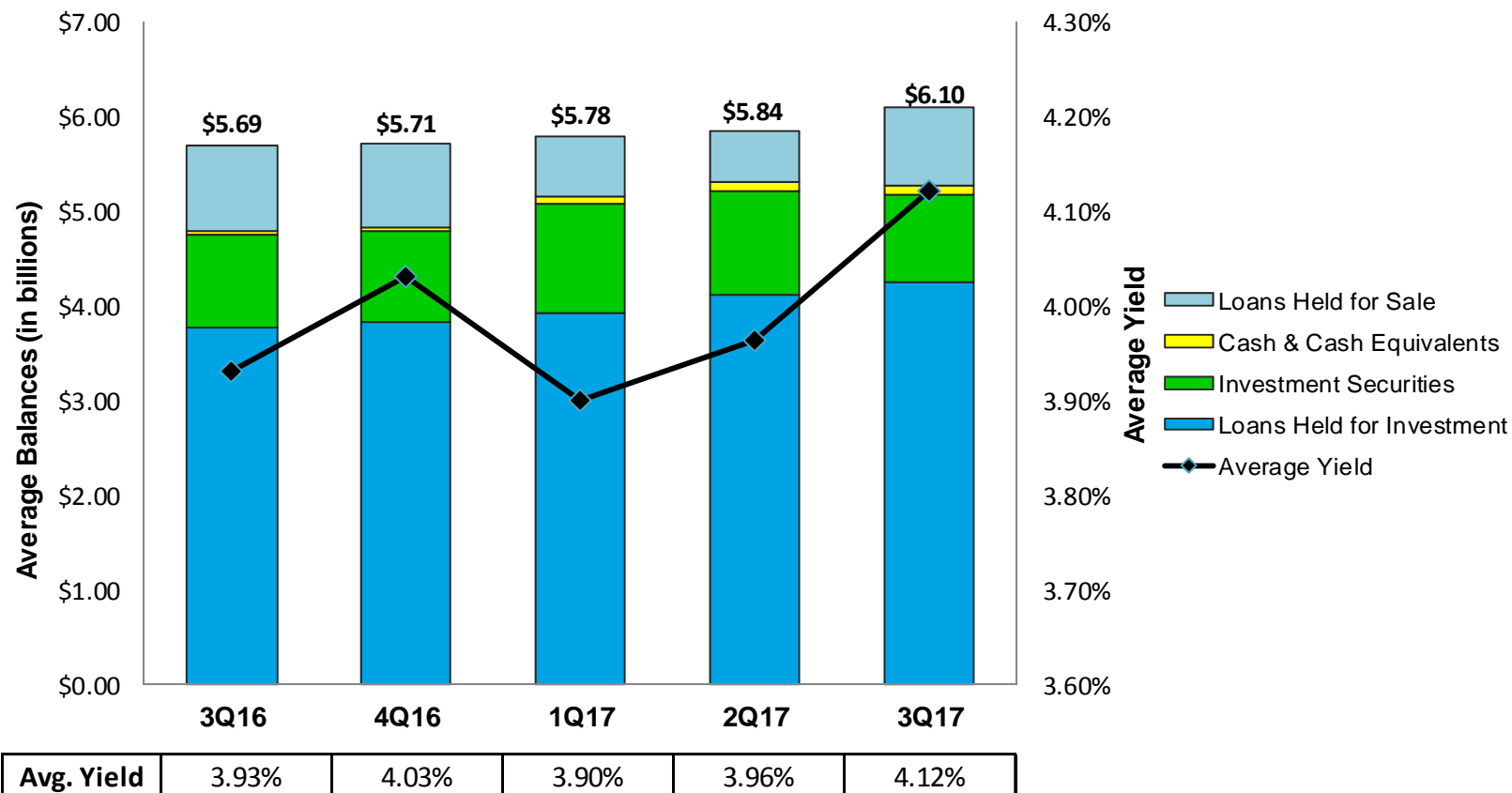
⁽²⁾ See appendix for reconciliation of non-GAAP financial measures.

Net Interest Income & Margin



- 3Q17 Net Interest Margin increased 11 bps and net interest income increased \$4.0 million compared to the prior quarter
- Net interest income growth primarily due to growth in average loans held for sale and loans held for investment balances
- NIM expanded primarily due to decrease in lower yielding investment securities that we temporarily invested the levered proceeds of our December 2016 common stock offering

Interest-Earning Assets

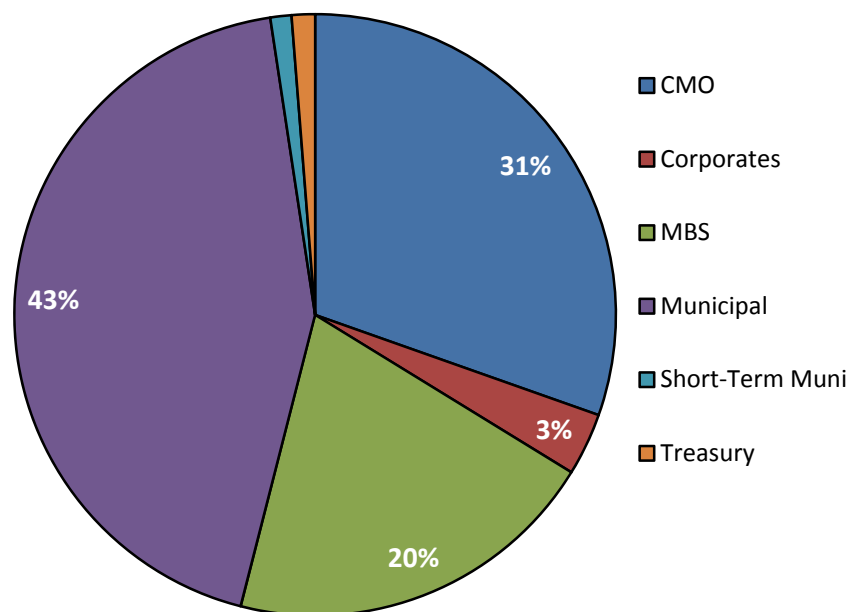


- Average total interest-earning assets increased \$260 million or 4% in 3Q
- Loans held for investment ending balances increased \$157 million or 4% in 3Q

HomeStreet Investment Securities Portfolio Yield

As of 09/30/2017	2017 YTD Total Return ⁽¹⁾	Yield ⁽²⁾	Duration ⁽²⁾
HomeStreet Investment Portfolio (AFS)	3.65	2.92	4.94
Composition Adjusted Barclays US Aggregate Index ⁽³⁾	3.63	2.92	4.98

Investment portfolio composition as of 09/30/2017



- Available for sale investment security portfolio market value is \$863m
- The investment portfolio has an average credit rating of Aa2

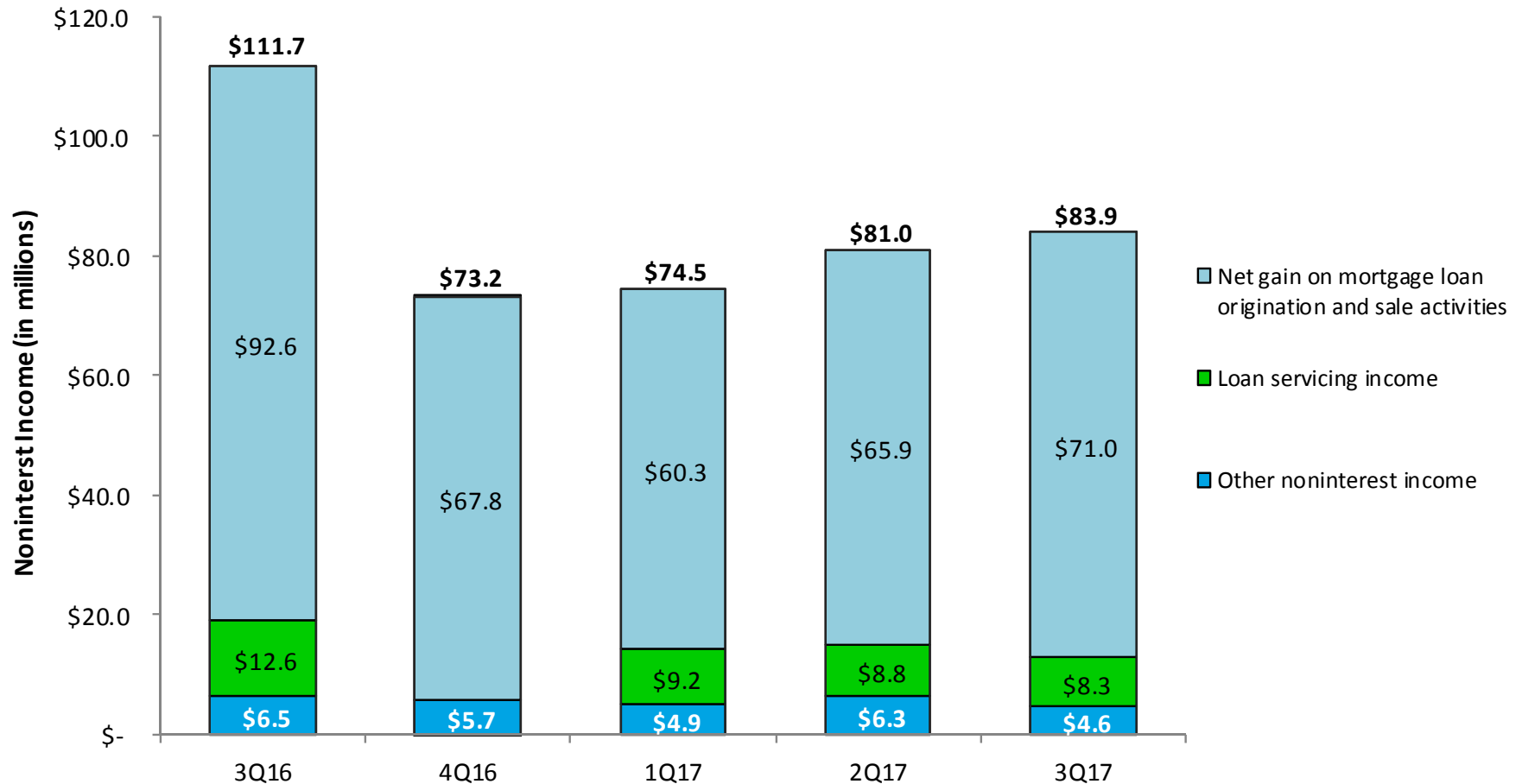
HMST performance data: Bloomberg PORT+

⁽¹⁾ As of September 30, 2017

⁽²⁾ Yield and duration Include FTE adjustment. Yields are at current market prices, not book.

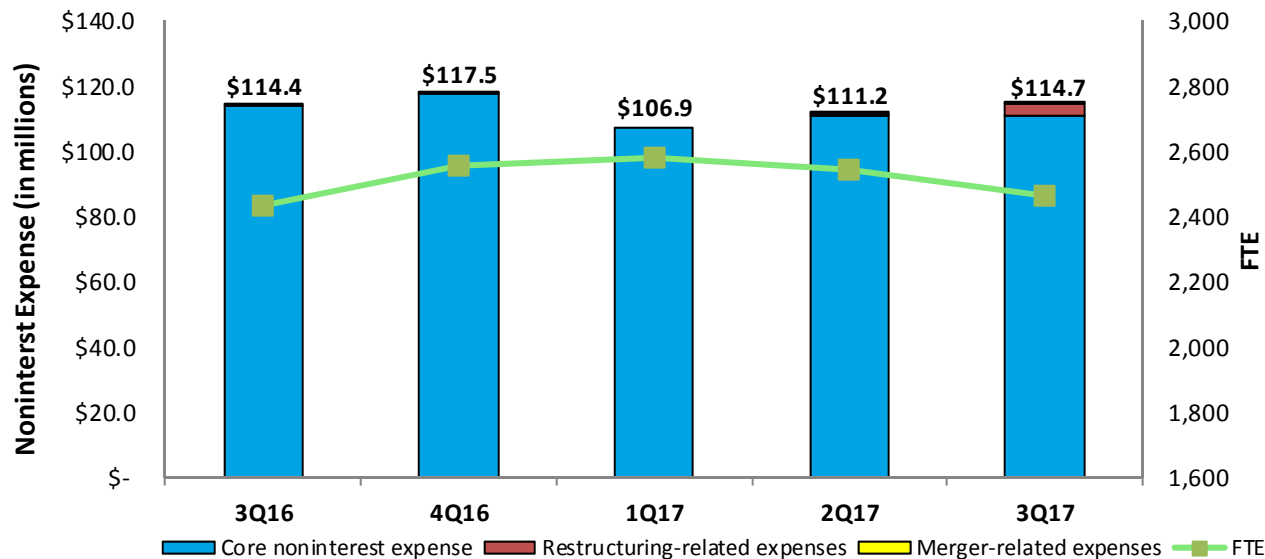
⁽³⁾ Barclays US Aggregate Index Adjusted to reflect HMST portfolio composition

Noninterest Income



- Noninterest income increased 4% to \$83.9 million in 3Q primarily due to higher net gain on loan origination and sale activities
- Net gain on loan origination and sale activities increased \$5.1 million primarily due to higher SBA and commercial real estate loan sales volume

Noninterest Expense



Total noninterest expense	\$114.4	\$117.5	\$106.9	\$111.2	\$114.7
Restructuring-related expenses	\$0.0	\$0.0	\$0.0	\$0.1	\$3.9
Merger-related expenses	\$0.5	\$0.4	\$0.0	\$0.2	\$0.4
Core noninterest expense ⁽¹⁾	\$113.9	\$117.1	\$106.9	\$111.0	\$110.5
Salaries & related costs ⁽¹⁾	\$79.2	\$81.7	\$71.3	\$76.4	\$75.4
General & administrative ⁽¹⁾	\$15.5	\$15.9	\$17.1	\$15.9	\$16.1
Other noninterest expense ⁽¹⁾	\$19.2	\$19.5	\$18.5	\$18.7	\$19.0
FTE	2,431	2,552	2,581	2,542	2,463
Core efficiency ratio ⁽¹⁾	71.8%	96.6%	89.0%	86.9%	82.0%

- Restructuring charges of \$3.9 million recorded in 3Q due to implementation of Mortgage Banking segment restructuring plan - \$3.3 million in real estate charges and \$545 thousand in severance costs
- Excluding restructuring and acquisition-related expenses, core noninterest expense declined in 3Q, primarily due to reduction in salaries and related costs from FTE reduction
- Noninterest expense will continue to vary primarily based on headcount and mortgage origination volume

Segment Overview

Commercial & Consumer Banking

Mortgage Banking

Overview

- Commercial Banking
 - Commercial lending, including SBA
 - All CRE property types with multifamily focus
 - FNMA DUS lender / servicer
 - Residential and commercial construction
 - Commercial deposit, treasury and cash management services
- Consumer Banking
 - Consumer loan and deposit products
 - Consumer investment, insurance and private banking products and services

- Regional Single Family mortgage origination and servicing platform
- Retail origination platform
- Majority of production sold into secondary market
- Fannie Mae, Freddie Mac, FHA, VA lender since programs' inceptions
- Portfolio products: jumbo, HELOC and custom home construction
- Servicing retained on majority of originated loans sold to secondary markets
- Optimize existing investment in infrastructure and personnel

Strategic Objectives

- Strategic focus on major coastal markets of Western U.S
- Diversify and grow loan portfolio average of 2-4% per quarter⁽¹⁾
- Manage revenue growth to exceed non-interest expense growth, creating operating leverage
- Credit strategy of generally competing on price and not on credit terms
- Manage credit risk by monitoring portfolio and geographic early warning indicators
- Long-term efficiency ratio target of <60%
- Long-term targeted ROE > 10%

- Optimize operations and origination capacity to match market conditions
- Use retail focus, broad product mix, technology, and competitive pricing to increase market share
- Long-term efficiency ratio target of <85%
- Long-term targeted ROE of >20%

Commercial & Consumer Banking

Commercial & Consumer Banking Segment

(\$ in thousands)	For the three months ended		For the nine months ended	
	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Net interest income	\$ 45,314	\$ 39,339	\$ 128,666	\$ 113,378
Provision for credit losses	250	1,250	750	3,750
Noninterest income	11,962	9,771	29,663	22,595
Noninterest expense	37,160	32,170	110,261	102,903
Net income before taxes	19,866	15,690	47,318	29,320
Income taxes	5,904	5,557	14,618	10,566
Net income	\$ 13,962	\$ 10,133	\$ 32,700	\$ 18,754
Core net income ⁽¹⁾	\$ 14,191	\$ 10,466	\$ 33,044	\$ 23,131
Core ROAA ⁽¹⁾	1.00%	0.83%	0.80%	0.66%
Core ROAE ⁽¹⁾	10.35%	8.56%	8.33%	6.81%
Core ROATE ⁽¹⁾	10.95%	9.10%	8.84%	7.26%
Core efficiency ratio ⁽¹⁾	64.3%	64.5%	69.3%	70.7%
Net Interest Margin	3.33%	3.30%	3.25%	3.41%
Total average earning assets	\$5,305,367	\$4,793,035	\$ 5,210,923	\$ 4,436,608
FTE	1,071	948	1,071	948

⁽¹⁾ Excludes acquisition-related expenses, net of tax. See appendix for reconciliation of non-GAAP financial measures.

Commercial & Consumer Banking Segment – Quarter Trend

(\$ in thousands)	For the three months ended				
	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016
Net interest income	\$ 45,314	\$ 42,448	\$ 40,904	\$ 40,637	\$ 39,339
Provision for credit losses	250	500	-	350	1,250
Noninterest income	11,962	8,276	9,425	13,087	9,771
Noninterest expense	37,160	36,631	36,470	35,482	32,170
Net income before taxes	19,866	13,593	13,859	17,892	15,690
Income taxes	5,904	4,147	4,567	5,846	5,557
Net income	\$ 13,962	\$ 9,446	\$ 9,292	\$ 12,046	\$ 10,133
Core net income ⁽¹⁾	\$ 14,191	\$ 9,561	\$ 9,292	\$ 12,307	\$ 10,466
Core ROAA ⁽¹⁾	1.00%	0.69%	0.69%	0.95%	0.83%
Core ROAE ⁽¹⁾	10.35%	7.16%	7.38%	9.89%	8.56%
Core ROATE ⁽¹⁾	10.95%	7.59%	7.85%	10.54%	9.10%
Core efficiency ratio ⁽¹⁾	64.3%	71.9%	72.5%	65.3%	64.5%
Net Interest Margin	3.33%	3.22%	3.19%	3.37%	3.30%
Total average earning assets	\$5,305,367	\$5,229,120	\$5,095,982	\$4,832,575	\$4,793,035
FTE	1,071	1,055	1,022	998	948

Loan Production/Loan Balance Trend

Commitments

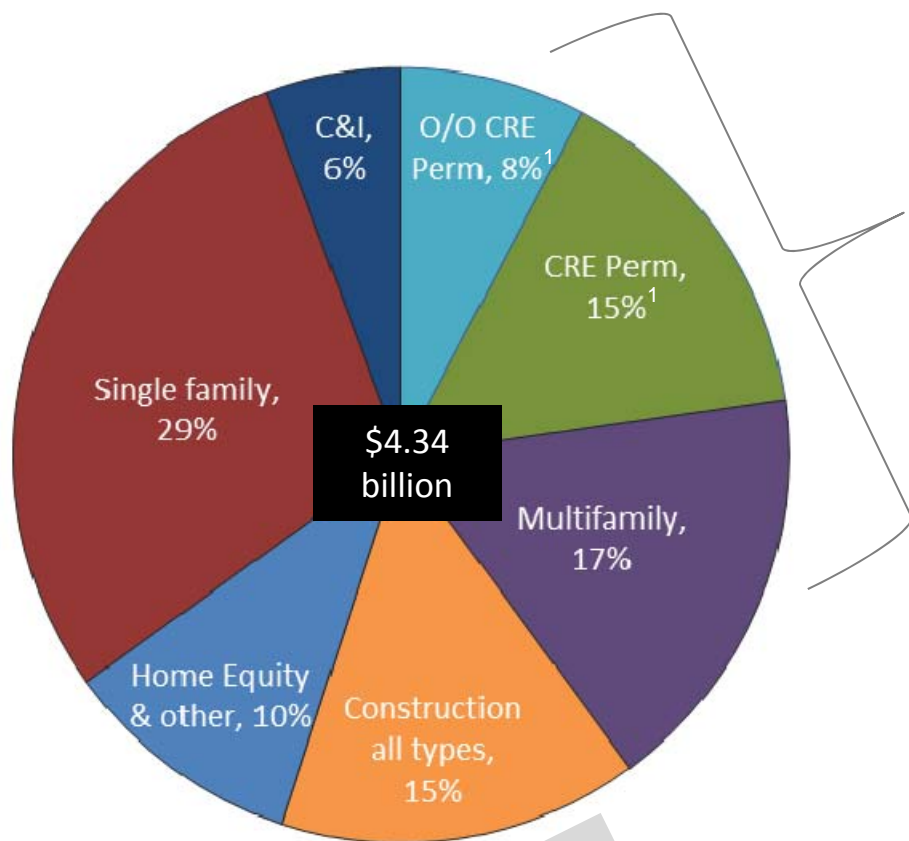
(\$ in millions)	Sept. 30, 2017		Jun. 30, 2017		Mar. 31, 2017		Dec. 31, 2016		Sept. 30, 2016	
Single Family	\$188	23%	\$143	18%	\$75	14%	\$55	8%	\$60	10%
Single Family Custom Home Construction	\$61	8%	\$63	8%	\$48	9%	\$58	8%	\$55	9%
Home Equity and other	\$81	10%	\$92	11%	\$80	15%	\$68	10%	\$71	12%
Total Consumer Loans	\$330	41%	\$298	37%	\$203	37%	\$181	26%	\$186	31%
Commercial Real Estate ⁽¹⁾	\$54	7%	\$80	10%	\$29	5%	\$79	11%	\$36	6%
Multifamily	\$122	15%	\$122	15%	\$107	20%	\$140	20%	\$63	10%
Residential Construction	\$167	21%	\$154	19%	\$133	24%	\$132	19%	\$173	29%
Commercial Real Estate/Multifamily Construction	\$72	9%	\$65	8%	\$21	4%	\$95	13%	\$69	11%
Total Commercial Real Estate Loans ⁽¹⁾	\$415	52%	\$421	52%	\$291	53%	\$447	63%	\$341	57%
Secured by Owner Occupied Real Estate ⁽¹⁾	\$31	4%	\$27	3%	\$22	4%	\$47	7%	\$48	8%
Unsecured or Secured by Other Business Assets	\$29	4%	\$62	8%	\$28	5%	\$29	4%	\$26	4%
Total Commercial and Industrial Loans ⁽¹⁾	\$60	7%	\$89	11%	\$50	9%	\$76	11%	\$74	12%
Total	\$805	100%	\$808	100%	\$544	100%	\$704	100%	\$601	100%

Balances

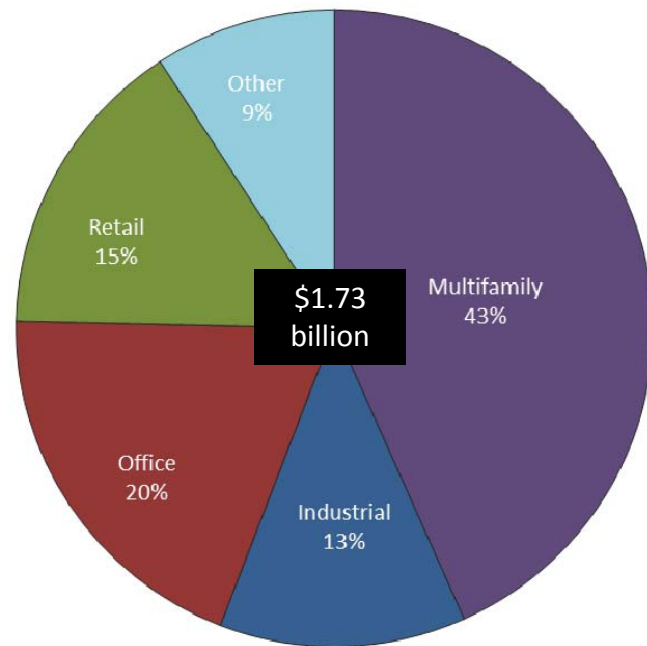
(\$ in millions)	Sept. 30, 2017		Jun. 30, 2017		Mar. 31, 2017		Dec. 31, 2016		Sept. 30, 2016	
Single Family	\$1,269	29%	\$1,148	27%	\$1,100	28%	\$1,083	28%	\$1,186	31%
Single Family Custom Home Construction	\$138	3%	\$149	4%	\$134	3%	\$150	4%	\$144	4%
Home Equity and other	\$437	10%	\$414	10%	\$381	10%	\$360	9%	\$338	9%
Total Consumer Loans	\$1,844	42%	\$1,711	41%	\$1,615	41%	\$1,593	41%	\$1,668	44%
Commercial Real Estate ⁽¹⁾	\$651	15%	\$617	15%	\$600	15%	\$588	15%	\$533	14%
Multifamily	\$747	17%	\$781	19%	\$748	19%	\$674	18%	\$562	15%
Residential Construction	\$285	7%	\$281	7%	\$263	7%	\$259	7%	\$245	6%
Commercial Real Estate/Multifamily Construction	\$231	5%	\$219	5%	\$214	5%	\$228	6%	\$273	7%
Total Commercial Real Estate Loans ⁽¹⁾	\$1,914	44%	\$1,898	45%	\$1,825	46%	\$1,749	45%	\$1,613	42%
Secured by Owner Occupied Real Estate ⁽¹⁾	\$335	8%	\$325	8%	\$323	8%	\$283	7%	\$278	7%
Unsecured or Secured by Other Business Assets	\$246	6%	\$249	6%	\$223	6%	\$224	6%	\$237	6%
Total Commercial and Industrial Loans ⁽¹⁾	\$581	13%	\$574	14%	\$546	14%	\$507	13%	\$515	14%
Total Loans Held for Investment (before Deferred Fees and Allowance)	\$4,339	100%	\$4,183	100%	\$3,986	100%	\$3,849	100%	\$3,796	100%

Loan Portfolio

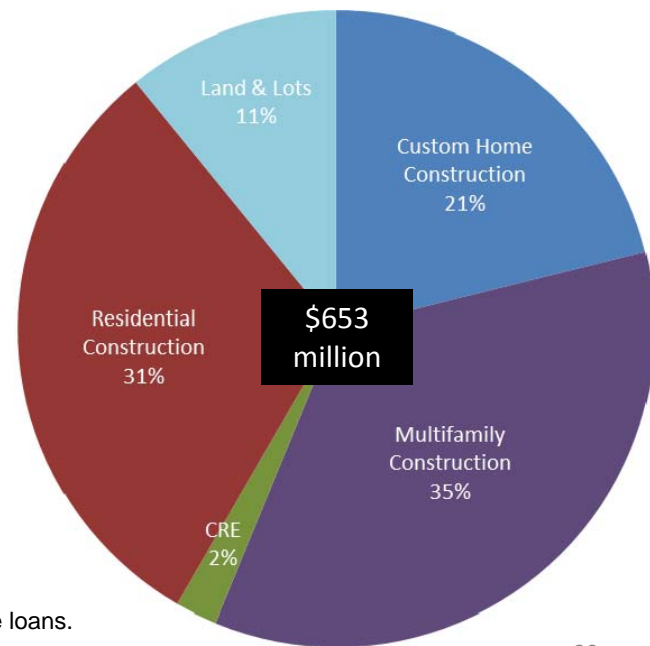
Highly diversified loan portfolio by product and geography



CRE by property type



Construction by property type



Commercial Real Estate Perm Lending Overview

HomeStreet lends within the full spectrum of commercial real estate lending types, but is deliberate in achieving diversification among property types and geographic areas to mitigate concentration risk

Commercial Real Estate Property Types				
Multifamily	Industrial/ Warehouse	Office	Retail	Other
Loan Characteristics				
<ul style="list-style-type: none"> • Up To 30 Year Term • \$30MM Loan Amt. Max • ≥ 1.15 DSCR • Avg. LTV @ Orig. ~ 62% 	<ul style="list-style-type: none"> • Up To 15 Year Term • \$30MM Loan Amt. Max • ≥ 1.25 DSCR • Avg. LTV @ Orig. ~ 62% 	<ul style="list-style-type: none"> • Up To 15 Year Term • \$30MM Loan Amt. Max • ≥ 1.25 DSCR • Avg. LTV @ Orig. ~ 68% 	<ul style="list-style-type: none"> • Up To 15 Year Term • \$30MM Loan Amt. Max • ≥ 1.25 DSCR • Avg. LTV @ Orig. ~ 62% 	<ul style="list-style-type: none"> • Additional property types are reviewed on a case by case basis • Includes acquired loan types • Examples include: Self Storage & Hotel
9/30/17 Balances Outstanding totaling \$1.73 billion				
Balance: \$750M % of Balances: 43% Portfolio Avg. LTV ~ 56% ⁽¹⁾ Portfolio Avg. DSCR ~ 1.50x Avg. Loan Size: \$3.3M Largest Dollar Loan: \$25.1M	Balance: \$217M % of Balances: 13% % Owner Occupied: 47% Portfolio LTV ~ 50% ⁽¹⁾ Portfolio Avg. DSCR ~ 1.68x Avg. Loan Size: \$1.6M Largest Dollar Loan: \$11.8M	Balance: \$338M % of Balances: 20% % Owner Occupied: 26% Portfolio LTV ~ 58% ⁽¹⁾ Portfolio Avg. DSCR ~ 1.74x Avg. Loan Size: \$3.6M Largest Dollar Loan: \$25.4M	Balance: \$268M % of Balances: 15% % Owner Occupied: 22% Portfolio LTV ~ 53% ⁽¹⁾ Portfolio Avg. DSCR ~ 1.72x Avg. Loan Size: \$1.8M Largest Dollar Loan: \$19.5M	Balance: \$160M % of Balances: 9% % of Owner Occupied: 56% Portfolio LTV ~ 44% ⁽¹⁾ Portfolio Avg. DSCR ~ 1.85x Avg. Loan Size: \$2.3M Largest Dollar Loan: \$27.5M
Geographical Distribution (balances)				

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 geographic expansion has provided an opportunity to increase diversification.

Construction Lending Types				
Custom Home Construction	Multifamily	Commercial	Residential Construction	Land & Lots
Loan Characteristics				
<ul style="list-style-type: none"> • 12 Month Term • Consumer Owner Occupied • Borrower Underwritten similar to Single Family 	<ul style="list-style-type: none"> • 18-36 Month Term • ≤ 80% LTC • Minimum 15% Cash Equity • ≥ 1.15 DSC • Portfolio LTV ~ 61% 	<ul style="list-style-type: none"> • 18-36 Month Term • ≤ 80% LTC • Minimum 15% Cash Equity • ≥ 1.25 DSC • ≥ 50% pre-leased office/retail • Portfolio LTV ~ 66% 	<ul style="list-style-type: none"> • 12-18 Month Term • LTC: ≤ 95% Presale & Spec • Leverage, Liquid. & Net Worth Covenants as appropriate • Portfolio LTV ~ 67% 	<ul style="list-style-type: none"> • 12-24 Month Term • ≤ 50% -80% LTC • Strong, experienced, vertically integrated builders • Portfolio LTV ~ 65%
9/30/17 Balances and Commitments totaling \$653 million				
Balance: \$138M Unfunded Commitments: \$128M % of Balances: 21% % of Unfunded Commitments: 19% Avg. Loan Size: \$454K Largest Dollar Loan: \$2.1M	Balance: \$229M Unfunded Commitments: \$195M % of Balances: 35% % of Unfunded Commitments: 29% Avg. Loan Size: \$3.8M Largest Dollar Loan: \$22.8M	Balance: \$14M Unfunded Commitments: \$73M % of Balances: 2% % of Unfunded Commitments: 11% Avg. Loan Size: \$3.7M Largest Dollar Loan: \$8.0M	Balance: \$201M Unfunded Commitments: \$258M % of Balances: 31% % of Unfunded Commitments: 38% Avg. Loan Size: \$593K Largest Dollar Loan: \$7.4M	Balance: \$71M Unfunded Commitments: \$27M % of Balances: 11% % of Commitments: 4% Avg. Loan Size: \$1.5M Largest Dollar Loan: \$4.3M
Geographical Distribution (balances)				

Credit Quality

(\$ in thousands)	Sept. 30, 2017		Jun. 30, 2017		Mar. 31, 2017		Dec. 31, 2016		Sept. 30, 2016	
	HMST	Peer Mdn	HMST	Peer Mdn	HMST	Peer Mdn	HMST	Peer Mdn	HMST	Peer Mdn
Nonperforming assets ⁽¹⁾	\$18,827	--	\$20,073	--	\$24,322	--	\$25,785	--	\$32,361	--
Nonperforming loans	\$15,123	--	\$15,476	--	\$18,676	--	\$20,542	--	\$25,921	--
OREO	\$3,704	--	\$4,597	--	\$5,646	--	\$5,243	--	\$6,440	--
Nonperforming assets/total assets ⁽¹⁾	0.28%	(3)	0.30%	0.33%	0.38%	0.31%	0.41%	0.35%	0.52%	0.33%
Nonperforming loans/total loans	0.35%	(3)	0.37%	0.33%	0.47%	0.28%	0.53%	0.35%	0.68%	0.38%
Total delinquencies/total loans	1.60%	(3)	1.56%	0.69%	1.67%	0.67%	1.88%	0.74%	1.89%	0.66%
Total delinquencies/total loans - adjusted ⁽²⁾	0.44%	(3)	0.45%	0.67%	0.50%	0.67%	0.58%	0.74%	0.77%	0.66%
ALLL / total loans	0.85%	(3)	0.86%	1.09%	0.87%	1.19%	0.88%	1.20%	0.89%	1.23%
ALLL / Nonperforming loans (NPLs)	245.02%	(3)	233.50%	277.19%	185.99%	345.22%	165.52%	334.43%	131.07%	329.53%
ALLL / total loans, excluding purchased loans	0.93%	--	0.95%	--	0.97%	--	1.00%	--	1.05%	--
Purchased Discount & Reserves/Gross Purchased Loans ⁽⁴⁾	2.98%	--	3.03%	--	2.93%	--	2.96%	--	2.92%	--

- Credit Quality continues to reflect excellent loan quality:
 - Nonperforming assets declined to 0.28% of total assets compared to 0.30% in 2Q17
 - Nonperforming loans declined to \$15.1 million compared to \$15.5 million in 2Q17
 - OREO balances decreased to \$3.7 million compared to \$4.6 million in 2Q17
 - Total delinquencies (adjusted²) declined to 0.44% compared to 0.45% in 2Q17

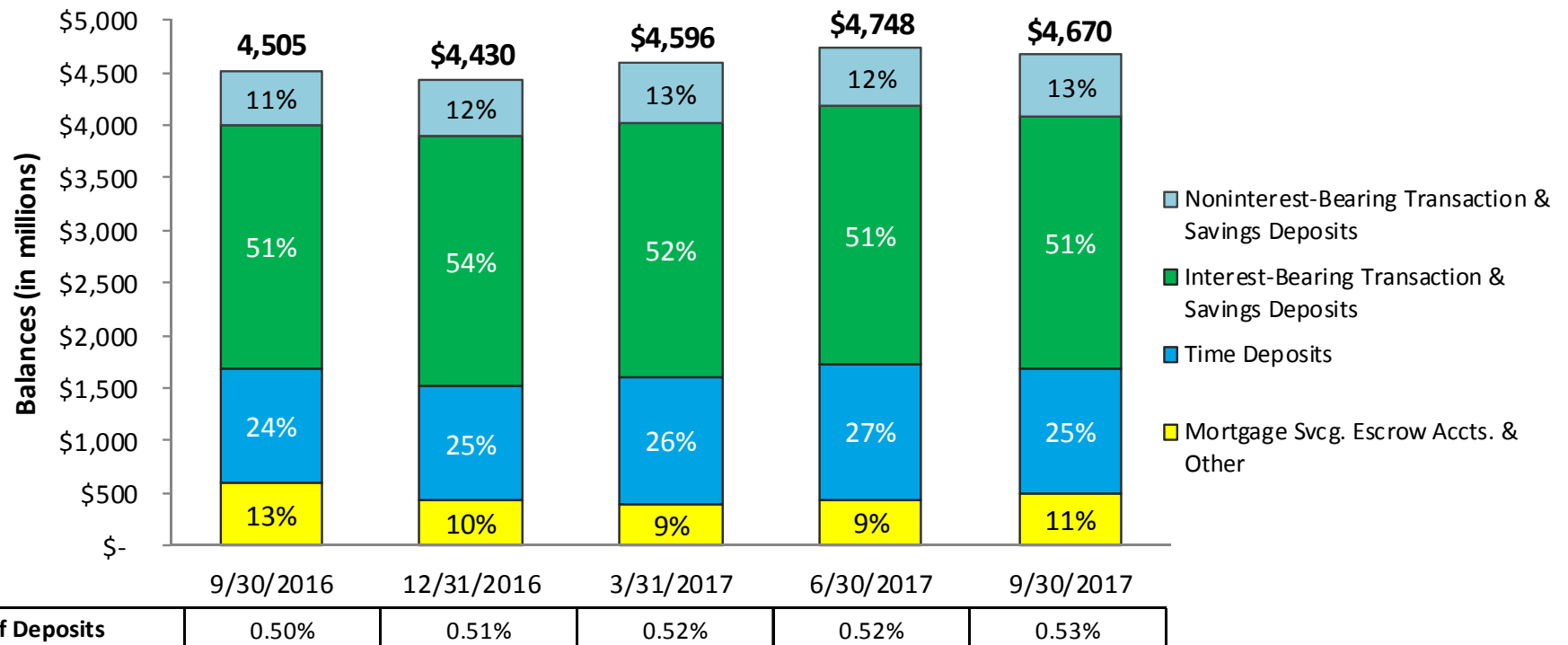
⁽¹⁾ Nonperforming assets includes nonaccrual loans and OREO, excludes performing TDRs and SBAs

⁽²⁾ Total delinquencies and total loans - adjusted (net of Ginnie Mae EBO loans (FHA/VA loans) guaranteed portion of SBA loans)

⁽³⁾ Not available at time of publishing

⁽⁴⁾ While not a loss reserve, purchase discounts are available to absorb credit related losses on loans purchased with discounts

Deposits



- Total deposits of \$4.67 billion at September 30, 2017 declined \$77 million or 2% from June 30, 2017 and increased \$166 million or 4% from September 30, 2016
- Transaction and savings accounts decreased 1% from the prior quarter, primarily due to fewer deposit promotions during the quarter, as well as several large depositors withdrawing funds to meet seasonal cash needs
- Deposit growth during the quarter of 20% in our de novo branches opened since 2012. Opened 18 branches, or 31% of our total network, since 2012



Mortgage Banking

West Coast Housing Shortage

- December 2016 forecast by the Mortgage Bankers Association predicted sales of existing homes to increase 5% during 2017
- According to Zillow, the seasonally adjusted number of homes listed for sale in September 2017 is actually down 13% nationwide compared to September 2016
 - Down 26% in Washington
 - Down 25% in California
- New home development and construction timeline exceeds five years and is constrained by:
 - Geography of West Coast
 - Lack of suitable land or zoning restrictions
 - Municipal planning departments that shrank following the recession leaving them unable to process increased demand
- Supply constraints reducing inventory and marketing time of homes to historical lows in major west coast markets
- However, our application volume without property information, which represents customers seeking pre-qualification to shop for a home, remains a substantial part of our single family mortgage loan pipeline
- ***Consequently, we lowered our expectations for mortgage lock volume by 21% and mortgage closing volume by 20% since the beginning of 2017, and we also implemented cost reduction strategies that included changing certain compensation structures, reducing mortgage origination personnel, and closing or consolidating office space***

Mortgage Banking Segment

(\$ in thousands)	For the three months ended		For the nine months ended	
	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Net interest income	\$ 5,526	\$ 7,463	\$ 14,693	\$ 18,597
Noninterest income	71,922	101,974	209,690	263,334
Noninterest expense	77,537	82,229	222,554	223,880
Net income (loss) before taxes	(89)	27,208	1,829	58,051
Income taxes	34	9,640	498	20,948
Net income (loss)	\$ (123)	\$ 17,568	\$ 1,331	\$ 37,103
Core net income ⁽¹⁾	\$ 2,397	\$ 17,568	\$ 3,918	\$ 37,103
Core ROAA ⁽¹⁾	0.92%	6.04%	0.56%	5.26%
Core ROATE ⁽¹⁾	6.82%	68.36%	3.82%	51.85%
Core efficiency ratio ⁽¹⁾	95.1%	75.1%	97.4%	79.4%
FTE	1,392	1,483	1,392	1,483

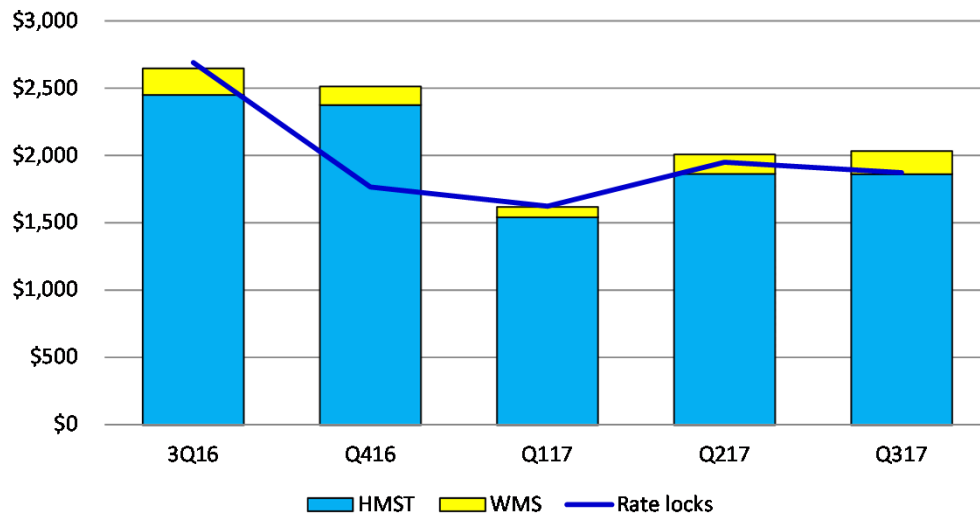
⁽¹⁾ Excludes restructuring-related expenses, net of tax. See appendix for reconciliation of non-GAAP financial measures.

Mortgage Banking Segment – Quarter Trend

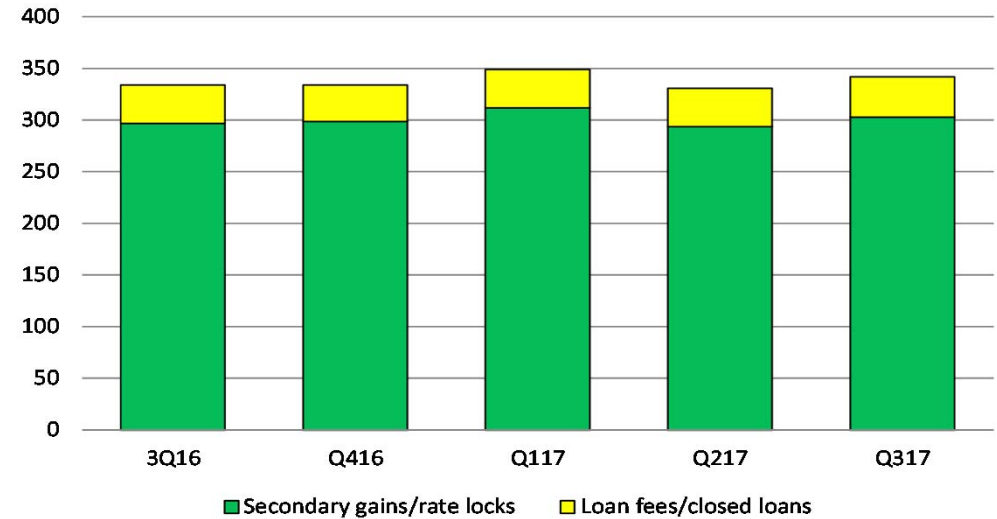
(\$ in thousands)	For the three months ended				
	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016
Net interest income	\$ 5,526	\$ 4,420	\$ 4,747	\$ 7,437	\$ 7,463
Noninterest income	71,922	72,732	65,036	60,134	101,974
Noninterest expense	77,537	74,613	70,404	82,057	82,229
Net income (loss) before taxes	(89)	2,539	(621)	(14,486)	27,208
Income taxes	34	776	(312)	(4,734)	9,640
Net income (loss)	\$ (123)	\$ 1,763	\$ (309)	\$ (9,752)	\$ 17,568
Core net income (loss) ⁽¹⁾	\$ 2,397	\$ 1,830	\$ (309)	\$ (9,752)	\$ 17,568
Core ROAA ⁽¹⁾	0.92%	0.83%	(0.14)%	(3.55)%	6.04%
Core ROATE ⁽¹⁾	6.82%	5.52%	(0.90)%	(31.91)%	68.36%
Core efficiency ratio ⁽¹⁾	95.1%	96.6%	100.9%	121.4%	75.1%
FTE	1,392	1,487	1,558	1,554	1,483

Mortgage Origination

Held for Sale Closed Loan Production
(\$ in millions)



Single Family Composite Margin
(bps)



	3Q16	Q416	Q117	Q217	Q317
HMST	\$2,451	\$2,377	\$1,544	\$1,866	\$1,863
WMS	\$197	\$138	\$77	\$145	\$172
Closed Loans	\$2,648	\$2,515	\$1,621	\$2,011	\$2,035
Purchase %	64%	57%	67%	78%	77%
Refinance %	36%	43%	33%	22%	23%
Rate locks	\$2,690	\$1,766	\$1,623	\$1,950	\$1,873
Purchase %	53%	63%	73%	77%	71%
Refinance %	47%	37%	27%	23%	29%

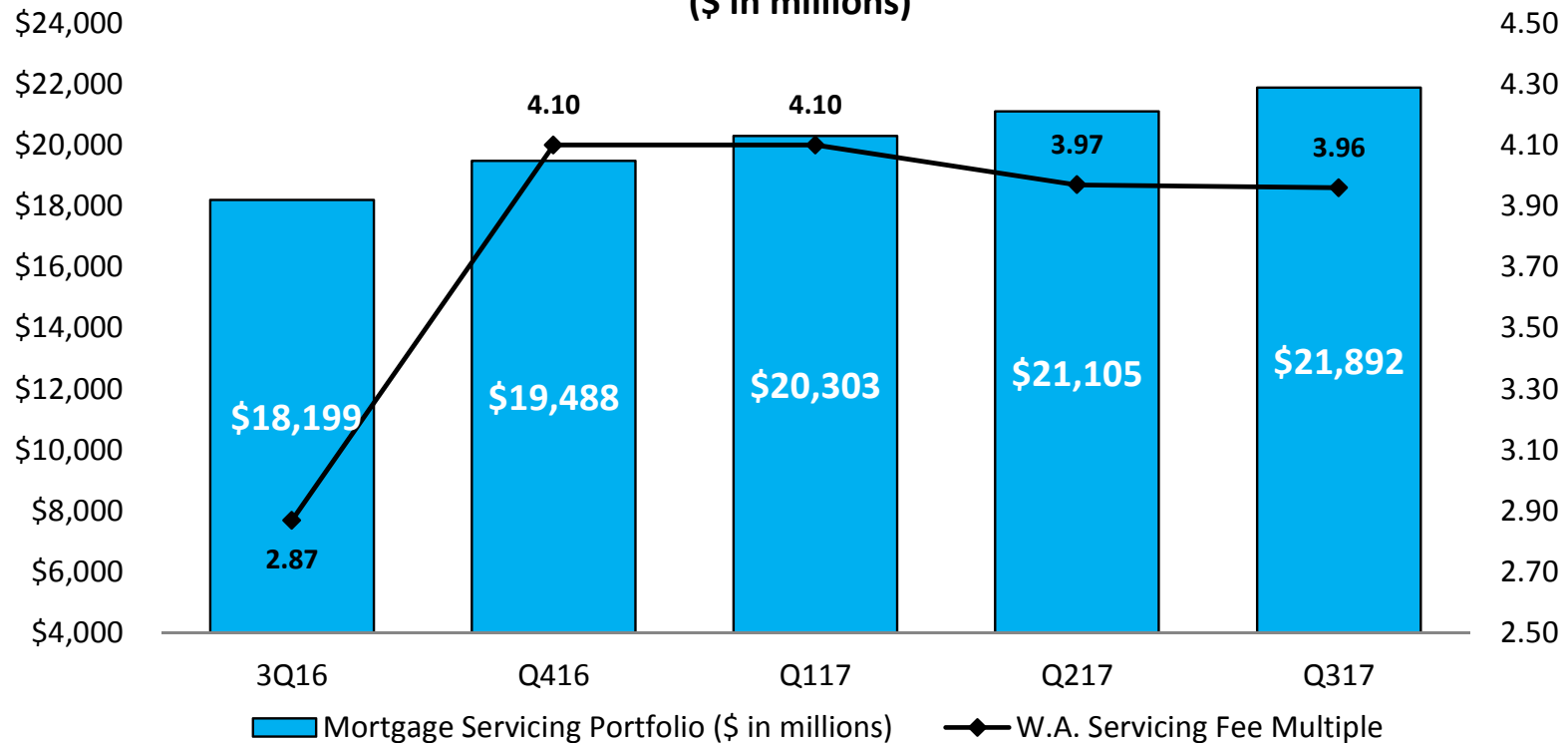
	3Q16	Q416	Q117	Q217	Q317
Secondary gains/rate locks ⁽¹⁾	297	299	312	294	303
Loan fees/closed loans ⁽²⁾	37	35	37	37	39
Composite Margin	334	334	349	331	342

⁽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.

Mortgage Servicing

Mortgage Servicing Portfolio (\$ in millions)



As of September 30, 2017

- Constant Prepayment Rate (CPR) – 13.3% for Q3 2017
- W.A. servicing fee – 28.2 bps
- MSR's represent 1.12% of ending UPB – 3.96 W.A. servicing fee multiple
- W.A. age – 28.4 months
- W.A. expected life – 69.2 months as of 9/30/17
- Composition of government – 24.9%
- Total delinquency – 1.2% (including foreclosures)
- W.A. note rate – 3.99%

Mortgage Market & Competitive Landscape

Mortgage Market

- The most recent Mortgage Bankers Association monthly forecast projects total loan originations to decrease 17.7% in 2017 over last year, and to decrease 5.4% in 2018.
- Despite the recent increase in mortgage rates, rates remain historically low on an absolute basis. Low rates should continue to support housing affordability. Nationally, purchases are expected to increase by 3.4% from 2016 and comprise 64% of volume in 2017.
- Purchases comprised 68% of originations nationally and 60% in the Pacific Northwest in the third quarter. HomeStreet continues to perform above the national and regional averages, with purchases accounting for 77% of our closed loans and 71% of our interest rate lock commitments in the quarter.

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, and increased market share to number one for total originations in the same areas.
- Purchase demand continues to remain strong in many of our markets, however limited inventory continues to be a significant constraining issue. Months supply of inventory and time on the market are both down significantly in most of our major markets.
- New home construction in our markets is constrained by the geography of the West Coast and the lingering effects of the last recession.



Outlook



Outlook

Revenue Growth Outpacing Expense Growth, Driving Operating Efficiencies and Strong Returns

- Locations in the high-growth markets of the Western United States and Hawaii
- Above average loan growth while containing credit risk
- Invest in de novo branch openings to grow core, relationship-based deposits
- Optimizing existing investment in Mortgage Banking segment
- Augment organic growth with acquisitions in our target markets

Key Drivers Guidance

Metric	4Q17	1Q18	2018
Mortgage loan locks and forward sale commitments	\$1.7B	\$1.8B	\$7.7B
Mortgage loan held for sale closing volume	\$1.8B	\$1.6B	\$7.8B
Mortgage banking gain on sale composite margin	315-325 bps	315-325 bps	318-328 bps
Average quarterly net loan portfolio growth	2% - 4%	2% - 4%	2% - 4%
Net interest margin	3.35% - 3.40%	3.40% - 3.45%	3.40% - 3.45%
Average quarterly noninterest expense growth	No material change	No material change	1.5%

[Appendix]

Statements of Financial Condition

(\$ in thousands)	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016
Cash and cash equivalents	\$ 55,050	\$ 54,447	\$ 61,492	\$ 53,932	\$ 55,998
Investment securities	919,459	936,522	1,185,654	1,043,851	991,325
Loans held for sale	851,126	784,556	537,959	714,559	893,513
Loans held for investment, net	4,313,225	4,156,424	3,957,959	3,819,027	3,764,178
Mortgage servicing rights	268,072	258,222	257,421	245,860	167,501
Other real estate owned	3,704	4,597	5,646	5,243	6,440
Federal Home Loan Bank stock, at cost	52,486	41,769	41,656	40,347	39,783
Premises and equipment, net	104,389	101,797	97,349	77,636	72,951
Goodwill	22,564	22,175	22,175	22,175	19,900
Other assets	206,271	226,048	233,832	221,070	215,012
Total assets	\$ 6,796,346	\$ 6,586,557	\$ 6,401,143	\$ 6,243,700	\$ 6,226,601
Deposits	\$ 4,670,486	\$ 4,747,771	\$ 4,595,809	\$ 4,429,701	\$ 4,504,560
Federal Home Loan Bank advances	1,135,245	867,290	862,335	868,379	858,923
Accounts payable and other liabilities	193,866	190,421	176,891	191,189	151,968
Long-term debt	125,280	125,234	125,189	125,147	125,122
Total liabilities	6,124,877	5,930,716	5,760,224	5,614,416	5,640,573
Preferred stock	-	-	-	-	-
Common stock	511	511	511	511	511
Additional paid-in capital	338,283	337,515	336,875	336,149	276,844
Retained earnings	337,067	323,228	312,019	303,036	300,742
Accumulated other comprehensive income (loss)	(4,392)	(5,413)	(8,486)	(10,412)	7,931
Total shareholders' equity	671,469	655,841	640,919	629,284	586,028
Total liabilities and shareholders' equity	\$ 6,796,346	\$ 6,586,557	\$ 6,401,143	\$ 6,243,700	\$ 6,226,601

Non-GAAP Financial Measures

Tangible Book Value:

	Quarter Ended				Nine Months Ended		
	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	Sept. 30, 2016	
(dollars in thousands, except share data)							
Shareholders' equity	\$671,469	\$655,841	\$640,919	\$629,284	\$586,028	\$671,469	\$586,028
Less: Goodwill and other intangibles	(29,893)	(29,783)	(30,275)	(30,789)	(28,573)	(29,893)	(28,573)
Tangible shareholders' equity	<u>\$641,576</u>	<u>\$626,058</u>	<u>\$610,644</u>	<u>\$598,495</u>	<u>\$557,455</u>	<u>\$641,576</u>	<u>\$557,455</u>
Common shares outstanding	26,884,402	26,874,871	26,862,744	26,800,183	24,833,008	26,884,402	24,833,008
Book value per share	\$24.98	\$24.40	\$23.86	\$23.48	\$23.60	\$24.98	\$23.60
Impact of goodwill and other intangibles	(1.12)	(1.10)	(1.13)	(1.15)	(1.15)	(1.12)	(1.15)
Tangible book value per share	<u>\$23.86</u>	<u>\$23.30</u>	<u>\$22.73</u>	<u>\$22.33</u>	<u>\$22.45</u>	<u>\$23.86</u>	<u>\$22.45</u>
Average shareholders' equity	\$683,186	\$668,377	\$649,439	\$616,497	\$588,335	\$667,124	\$549,242
Less: Average goodwill and other intangibles	(29,722)	(30,104)	(30,611)	(29,943)	(28,769)	(30,142)	(28,122)
Average tangible shareholders' equity	<u>\$653,464</u>	<u>\$638,273</u>	<u>\$618,828</u>	<u>\$586,554</u>	<u>\$559,566</u>	<u>\$636,982</u>	<u>\$521,120</u>
Return on average shareholders' equity	8.10%	6.71%	5.53%	1.49%	18.83%	6.80%	13.56%
Impact of goodwill and other intangibles	0.37%	0.31%	0.28%	0.07%	0.97%	0.32%	0.73%
Return on average tangible shareholders' equity	<u>8.47%</u>	<u>7.02%</u>	<u>5.81%</u>	<u>1.56%</u>	<u>19.80%</u>	<u>7.12%</u>	<u>14.29%</u>

Non-GAAP Financial Measures

Core Net Income:

(dollars in thousands)	Quarter Ended				Nine Months Ended		
	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	Sept. 30, 2016	
Net income	\$13,839	\$11,209	\$8,983	\$2,294	\$27,701	\$34,031	\$55,857
Impact of restructuring-related items (net of tax)	2,520	67	-	-	-	2,587	-
Impact of acquisition-related items (net of tax)	229	115	-	261	333	344	4,377
Net income, excluding restructuring and acquisition-related items (net of tax)	<u>\$16,588</u>	<u>\$11,391</u>	<u>\$8,983</u>	<u>\$2,555</u>	<u>\$28,034</u>	<u>\$36,962</u>	<u>\$60,234</u>
Noninterest expense	\$114,697	\$111,244	\$106,874	\$117,539	\$114,399	\$332,815	\$326,783
Impact of restructuring-related expenses	(3,877)	(103)	-	-	-	(3,980)	-
Impact of acquisition-related expenses	(353)	(177)	-	(401)	(512)	(530)	(6,735)
Noninterest expense, excluding restructuring and acquisition-related expenses	<u>\$110,467</u>	<u>\$110,964</u>	<u>\$106,874</u>	<u>\$117,138</u>	<u>\$113,887</u>	<u>\$328,305</u>	<u>\$320,048</u>
Diluted earnings per common share	\$0.51	\$0.41	\$0.33	\$0.09	\$1.11	\$1.26	\$2.27
Impact of restructuring-related items (net of tax)	0.09	-	-	-	-	0.10	-
Impact of acquisition-related items (net of tax)	0.01	0.01	-	0.01	0.01	0.01	0.18
Diluted earnings per common share, excluding restructuring and acquisition-related items (net of tax)	<u>\$0.61</u>	<u>\$0.42</u>	<u>\$0.33</u>	<u>\$0.10</u>	<u>\$1.12</u>	<u>\$1.37</u>	<u>\$2.45</u>
Return on average assets	0.83%	0.70%	0.57%	0.15%	1.79%	0.70%	1.33%
Impact of restructuring-related items (net of tax)	0.15%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%
Impact of acquisition-related items (net of tax)	0.01%	0.01%	0.00%	0.01%	0.02%	0.01%	0.10%
Return on average assets excluding restructuring and acquisition-related items (net of tax)	<u>0.99%</u>	<u>0.71%</u>	<u>0.57%</u>	<u>0.16%</u>	<u>1.81%</u>	<u>0.76%</u>	<u>1.43%</u>
Return on average shareholders' equity	8.10%	6.71%	5.53%	1.49%	18.83%	6.80%	13.56%
Impact of restructuring-related items (net of tax)	1.49%	0.04%	0.00%	0.00%	0.00%	0.52%	0.00%
Impact of acquisition-related items (net of tax)	0.12%	0.07%	0.00%	0.18%	0.24%	0.07%	1.06%
Return on average shareholders' equity, excluding restructuring and acquisition-related items (net of tax)	<u>9.71%</u>	<u>6.82%</u>	<u>5.53%</u>	<u>1.67%</u>	<u>19.07%</u>	<u>7.39%</u>	<u>14.62%</u>

Non-GAAP Financial Measures

Core Net Income (continued):

(dollars in thousands)	Quarter Ended				Nine Months Ended		
	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	Sept. 30, 2016	
Return on average tangible shareholders' equity	8.47%	7.02%	5.81%	1.56%	19.80%	7.12%	14.29%
Impact of restructuring-related items (net of tax)	1.54%	0.05%	0.00%	0.00%	0.00%	0.54%	0.00%
Impact of acquisition-related items (net of tax)	0.14%	0.07%	0.00%	0.18%	0.24%	0.08%	1.12%
Return on average tangible shareholders' equity, excluding restructuring and acquisition-related items (net of tax)	10.15%	7.14%	5.81%	1.74%	20.04%	7.74%	15.41%
Efficiency ratio	85.13%	86.99%	88.98%	96.90%	72.15%	86.96%	78.20%
Impact of restructuring-related items	(2.87)%	(0.08)%	0.00%	0.00%	0.00%	(1.04)%	0.00%
Impact of acquisition-related items	(0.26)%	(0.14)%	0.00%	(0.33)%	(0.32)%	(0.14)%	(1.62)%
Efficiency ratio, excluding restructuring and acquisition-related items	82.00%	86.77%	88.98%	96.57%	71.83%	85.78%	76.58%

Non-GAAP Financial Measures

Core Net Income – Commercial & Consumer Banking:

(dollars in thousands)	Quarter Ended				Nine Months Ended		
	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	Sept. 30, 2016	
Commercial and Consumer Banking Segment:							
Net income	\$13,962	\$9,446	\$9,292	\$12,046	\$10,133	\$32,700	\$18,754
Impact of acquisition-related items (net of tax)	229	115	-	261	333	344	4,377
Net income, excluding acquisition-related items (net of tax)	\$14,191	\$9,561	\$9,292	\$12,307	\$10,466	\$33,044	\$23,131
ROAA	0.98%	0.68%	0.69%	0.93%	0.81%	0.79%	0.54%
Impact of acquisition-related items (net of tax)	0.02%	0.01%	0.00%	0.02%	0.03%	0.01%	0.13%
ROAA, excluding acquisition-related items (net of tax)	1.00%	0.69%	0.69%	0.95%	0.83%	0.80%	0.66%
ROAE	10.19%	7.08%	7.38%	9.68%	8.29%	8.25%	5.52%
Impact of acquisition-related items (net of tax)	0.17%	0.09%	0.00%	0.21%	0.27%	0.09%	1.29%
ROAE, excluding acquisition-related items (net of tax)	10.35%	7.16%	7.38%	9.89%	8.56%	8.33%	6.81%
ROATE	10.77%	7.50%	7.85%	10.31%	8.81%	8.74%	5.89%
Impact of acquisition-related items (net of tax)	0.18%	0.09%	0.00%	0.22%	0.29%	0.09%	1.37%
ROATE, excluding acquisition-related items (net of tax)	10.95%	7.59%	7.85%	10.54%	9.10%	8.84%	7.26%
Efficiency ratio	64.88%	72.22%	72.46%	66.04%	65.51%	69.64%	75.68%
Impact of acquisition-related items (net of tax)	(0.62)%	(0.35)%	0.00%	(0.74)%	(1.05)%	(0.33)%	(4.95)%
Efficiency ratio, excluding acquisition-related items (net of tax)	64.26%	71.87%	72.46%	65.30%	64.46%	69.31%	70.73%

Non-GAAP Financial Measures

Core Net Income – Mortgage Banking:

(dollars in thousands)	Quarter Ended				Nine Months Ended		
	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sept. 30, 2016	Sept. 30, 2016	
Mortgage Banking Segment:							
Net income	(\$123)	\$1,763	(\$309)	(\$9,752)	\$17,568	\$1,331	\$37,103
Impact of restructuring-related items (net of tax)	2,520	67	-	-	-	2,587	-
Net income, excluding restructuring-related items (net of tax)	<u>\$2,397</u>	<u>\$1,830</u>	<u>(\$309)</u>	<u>(\$9,752)</u>	<u>\$17,568</u>	<u>\$3,918</u>	<u>\$37,103</u>
ROAA	(0.05)%	0.80%	(0.14)%	(3.55)%	6.04%	0.19%	5.26%
Impact of restructuring-related items (net of tax)	0.96%	0.03%	0.00%	0.00%	0.00%	0.37%	0.00%
ROAA, excluding restructuring-related items (net of tax)	<u>0.92%</u>	<u>0.83%</u>	<u>(0.14)%</u>	<u>(3.55)%</u>	<u>6.04%</u>	<u>0.56%</u>	<u>5.26%</u>
ROATE	(0.35)%	5.32%	(0.90)%	(31.91)%	68.36%	1.30%	51.85%
Impact of restructuring-related items (net of tax)	7.17%	0.20%	0.00%	0.00%	0.00%	2.53%	0.00%
ROATE, excluding restructuring-related items (net of tax)	<u>6.82%</u>	<u>5.52%</u>	<u>(0.90)%</u>	<u>(31.91)%</u>	<u>68.36%</u>	<u>3.82%</u>	<u>51.85%</u>
Efficiency ratio	100.11%	96.71%	100.89%	121.44%	75.14%	99.18%	79.41%
Impact of restructuring-related items	(5.00)%	(0.13)%	0.00%	0.00%	0.00%	(1.77)%	0.00%
Efficiency ratio, excluding restructuring-related items (net of tax)	<u>95.11%</u>	<u>96.58%</u>	<u>100.89%</u>	<u>121.44%</u>	<u>75.14%</u>	<u>97.41%</u>	<u>79.41%</u>