

AMENDED AND RESTATED
AUDIT COMMITTEE CHARTER

HOMESTREET, INC.

1. Members. The Board of Directors (the “Board”) of HomeStreet, Inc. (the “Company”) has appointed an Audit Committee which shall consist of at least three members, all of whom shall be independent directors. The Board will appoint a chairperson or hereby delegates authority to the Audit Committee to designate one member as chairperson to the Audit Committee in the event the Board has not appointed one. Members of the Audit Committee are appointed by the Board, which may receive recommendations from the Human Resources and Corporate Governance Committee. For purposes hereof, the term “independent” means a director who meets (a) the Nasdaq Stock Market LLC (“Nasdaq”) standards of independence for directors and audit committee members, as determined by the Board and (b) the independence requirements set forth in Rule 10A-3(b) promulgated under the Securities Exchange Act of 1934, as amended, or any other independence standards for audit committee members subsequently promulgated by the Securities and Exchange Commission (the “SEC”).

In addition to the independence standards set forth above, each member of the Audit Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement. At least one member of the Committee must have past employment experience in finance or accounting or other comparable experience or background that leads to financial sophistication. At least one member of the Committee must be an “audit committee financial expert” in accordance with Item 407 of Regulation S-K of the SEC, which person will also be presumed to be financially sophisticated in accordance with Nasdaq listing standards. Satisfaction of each of these criteria will be determined by the Board.

2. Purpose, Duties, and Responsibilities.

The purpose of the Audit Committee, at a minimum, is to:

- represent and assist the Board in discharging its oversight responsibility relating to: (a) the accounting and financial reporting processes of the Company and its subsidiaries, including the audits of the Company's financial statements and the integrity of the financial statements, (b) the Company’s compliance with legal and regulatory requirements applicable to audit committee oversight requirements of the Company’s regulators (including, but not limited to, Designated Laws and Regulations as defined in Section 363 of FDIC Regulations, as well as those requirements that arise by virtue of the listing requirements of the securities exchange or exchanges on which the Company’s securities may be listed), (c) the outside auditor's qualifications and independence, and (d) the performance of the Company's internal audit function and the Company's outside auditor; and
- prepare the report required by the rules of the SEC to be included in the Company's annual proxy statement.

Among its specific duties and responsibilities, the Audit Committee will:

- (a) Be directly responsible, in its capacity as a committee of the Board, for the appointment, compensation, retention and oversight of the work of the outside auditor. In this regard, the Audit Committee will appoint and retain, compensate, evaluate, and terminate when appropriate, the outside auditor, which will report directly to the Audit Committee.
- (b) Obtain and review, at least annually, a written report by the outside auditor describing: (1) the outside auditor's internal quality-control procedures, (2) any material issues raised by the most recent internal quality-control review, or peer review, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the outside auditor, and (3) any steps taken to deal with any such issues.
- (c) Approve in advance all audit and permissible non-audit services to be provided by the outside auditor, and establish and annually approve policies for the pre-approval of audit and permissible non-audit services to be provided by the outside auditor.
- (d) At least annually, consider the independence of the outside auditor, and, consistent with rules of the Public Company Accounting Oversight Board, obtain and review a written report by the outside auditor describing any relationships between the outside auditor, and the Company or individuals in financial reporting oversight roles at the Company, that may reasonably be thought to bear on the outside auditor's independence and discuss with the outside auditor the potential effects of any such relationships on independence. In this regard, the Committee shall actively engage in a dialogue with the auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor and shall take, or shall recommend that the Board take, appropriate action to oversee the independence of the outside auditor.
- (e) Review and discuss with the outside auditor: (1) the scope of the audit, (2) the results of the annual audit examination by the auditor, (3) any problems or difficulties the auditor encountered in the course of its audit work and management's response, (4) any additional matters required to be discussed under Statement on Auditing Standards No. 61, as amended by SAS No. 84 and SAS No. 90 and any subsequent amendments, and (5) any reports of the outside auditor with respect to interim periods.
- (f) Meet to review and discuss with management and the outside auditor the annual audited and quarterly financial statements of the Company, including: (1) an analysis of the auditor's judgment as to the quality of the Company's accounting principles, setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, (2) the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," including accounting policies that may be regarded as critical, and (3) major issues regarding the

Company's accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles and financial statement presentations and the effects of alternative GAAP methods on the financial statements.

(g) Recommend to the Board based on the review and discussion described in paragraphs (d) - (f) above, whether the financial statements should be included in the Annual Report on Form 10-K.

(h) Receive reports from the outside auditor and management regarding, and review and discuss the adequacy and effectiveness of, the Company's internal controls, including any material weaknesses and significant deficiencies in internal controls and significant changes in internal controls reported to the Audit Committee by the outside auditor or management.

(i) Annually review and recommend approval to the Board of the Disclosure Policy and the Disclosure Committee Charter, and receive reports from management regarding, and review and discuss the adequacy and effectiveness of, the Company's disclosure controls and procedures.

(j) Annually review the performance, compensation, and independence of the Chief Audit Officer, who shall report directly to the Committee Chair. For administrative purposes only, the Chief Audit Officer shall report to the Chief Risk Officer. The Committee will also approve the replacement of this officer position if deemed necessary.

(k) Annually review and recommend approval to the Board and monitor the Internal Audit Program Policy, including the annual review of the Internal Audit Department Charter. The Committee will also approve the annual Internal Audit Plan ("Plan"), which summarizes the risk assessments upon which the plan is based, and will review the adequacy and competency of the audit resources to implement the Plan, and will review the annual budget.

(l) The Committee may consider requests for expansion of internal audit work when significant issues or changes occur. Any amendments to the plan require the approval of the Audit Committee.

(m) Additionally, the Committee will periodically review the status of the Plan and, as necessary, review internal audits and management's actions necessary to correct deficiencies noted. The Chief Audit Officer will provide the Committee with the results of internal and external quality assessment reviews of the Internal Audit function and other appropriate management information reporting to facilitate the Committee's oversight of the Internal Audit function's performance.

(n) Review related person transactions, as defined in applicable SEC rules, in accordance with established policies and procedures for the review, approval and ratification of related person transactions.

(o) Annually review all intercompany agreements, including but not limited to the tax sharing agreement, and recommend approval of changes to the Board.

- (p) Establish and oversee procedures for handling complaints regarding accounting, internal accounting controls and auditing matters, including procedures for confidential, anonymous submission of concerns by employees regarding accounting and auditing matters. Oversee and review “whistleblower” complaints received and actions taken to resolve the complaints and take, or recommend that the Board take, actions reasonably designed to prevent retaliation or unjustified actions against persons who have, or who have claimed or are believed to have, reported any such concerns to management, the Committee, the Board, or any regulatory body having authority over the Company or its subsidiaries.
- (q) Establish and annually review policies for the hiring by the Company or any of its subsidiaries of employees and former employees of the outside auditor.
- (r) Annually evaluate the performance of the Audit Committee and assess the adequacy of the Audit Committee charter.
- (s) Review and discuss with management and the outside auditor management’s assessment of the Company’s compliance with the Designated Laws and Regulations, as defined in Part 363 of the Code of Federal Regulations including review of any violations of those laws and regulations which have occurred during the year.

3. Outside Advisors. The Audit Committee will have the authority to retain such outside counsel, accountants, experts and other advisors as it determines appropriate to assist it in the performance of its functions and will receive appropriate funding, as determined by the Audit Committee, from the Company for payment of compensation to any such advisors and for the payment of ordinary administrative expenses that are necessary or appropriate in carrying out the Audit Committee's duties.

4. Meeting and Recordkeeping Requirements. The Audit Committee will meet at least quarterly, either in person or telephonically, and at such times and places as the Audit Committee determines. The Audit Committee will meet separately in executive session, at least annually, with the outside auditor, the Chief Financial Officer, and the Chief Audit Officer and as necessary with the General Counsel. The Audit Committee will report regularly to the full Board with respect to its activities. The majority of the members of the Audit Committee constitute a quorum. The Audit Committee will maintain written minutes and other relevant records of its meetings which will be maintained at HomeStreet’s Corporate Office.

Revised: March 1, 2018