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## Section 1: 8-K (8-K)

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

### **FORM 8-K**

#### **CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of  
The Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): June 29, 2018**

## **HOMESTREET, INC.**

**(Exact name of registrant as specified in its charter)**

**Washington**  
**(State or other jurisdiction  
of incorporation)**

**001-35424**  
**(Commission  
File Number)**

**91-0186600**  
**(IRS Employer  
Identification No.)**

**601 Union Street, Ste. 2000, Seattle, WA 98101**  
**(Address of principal executive offices) (Zip Code)**

**(206) 623-3050**  
**(Registrant's telephone number, including area code)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark if the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- Emerging growth company

- If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.



**Item 1.01. Entry into a Material Definitive Agreement**

On June 29, 2018, HomeStreet Bank (the "Bank") a wholly owned subsidiary of HomeStreet, Inc. (the "Company") entered into an Agreement for the Bulk Purchase and Sale of Mortgage Servicing Rights (the "Sale Agreement") with Matrix Financial Services Corporation ("Matrix") pursuant to which the Bank has agreed to sell servicing rights relating to certain single family mortgage loans ("MSRs") serviced for the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac") with an aggregate unpaid principle balance of approximately \$4.9 billion (the "Servicing Rights") to Matrix effective June 29, 2018 (the "Sale Date"). Approximately \$27.2 million in deposit balances representing custodial funds and advances relating to the MSRs being sold will also be transferred to Matrix by HomeStreet on or after the Sale Date. The sale represents approximately 20% percent of the Bank's total single family mortgage servicing portfolio as of March 31, 2018. Each of Fannie Mae and Freddie Mac has consented to the transfer of the Servicing Rights pursuant to the Sale Agreement.

Pursuant to the Sale Agreement, the preponderance of the purchase price was paid at signing on the Sale Date. Matrix has agreed to reimburse the Bank for all documented advances of principal, interest, taxes, insurance and corporate expenses made by the Bank in accordance with Fannie Mae or Freddie Mac guidelines, as applicable. All legal right, title and interest in and to the MSRs were transferred to Matrix on June 29, 2018, however, the final physical transfer of the MSRs with respect to Fannie Mae loans is expected to occur on August 1, 2018 and with respect to Freddie Mac loans is expected to occur on August 16, 2018. The Bank will continue to service the loans in the portfolio underlying the Servicing Rights on behalf of Matrix from June 29, 2018 until the physical transfer of the Servicing Rights to Matrix is completed.

A copy of the Sale Agreement will be filed with the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018. The foregoing description of the Sale Agreement does not purport to be complete and is qualified in its entirety by reference to the Sale Agreement.

The Sale Agreement and description of the Sale Agreement set forth above have been included to provide investors and security holders with information regarding the terms of the Sale Agreement, and is not intended to provide any other factual information about the Company, the Bank, Matrix or their respective subsidiaries or affiliates. The representations and warranties contained in the Sale Agreement were made only for purposes of that agreement and as of specific dates; were solely for the benefit of the parties to the Sale Agreement, may be subject to a contractual standard of materiality different from what might be viewed as material to shareholders, and may be subject to limitations agreed upon by the parties, including being qualified by confidential disclosures made by the parties to each other. Investors should not rely on the representations and warranties as characterizations of the actual state of facts or condition of the Company, the Bank, Matrix or any of their respective subsidiaries, affiliates or businesses.

**Item 7.01. Regulation FD Disclosure\***

On July 3, 2018, the Company issued a press release announcing the sale of the mortgage servicing rights, a copy of which is attached as Exhibit 99.1 to this Form 8-K.

<b>Item 9.01</b>	<b>Financial Statements and Exhibits*</b>
<b>(d) Exhibits</b>	<b>Description</b>
<a href="#">Exhibit 99.1</a>	<a href="#">HomeStreet Press Release dated July 3, 2018</a>

\* The information furnished under Item 7.01 and Item 9.01 of this Current Report on Form 8-K, including the exhibit, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that Section, nor shall it be deemed incorporated by reference in any registration statement or other filings of the Company under the Securities Act of 1933, as amended, except as shall be set forth by specific reference in such filing.

## SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 3, 2018

### HomeStreet, Inc.

By: /s/ Mark K. Mason  
Mark K. Mason  
President, Chief Executive Officer

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## Section 2: EX-99.1 (EXHIBIT 99.1)



**HomeStreet**

### **Announces Partial Sale of Mortgage Servicing Rights**

SEATTLE - July 3, 2018 - (BUSINESS WIRE) - HomeStreet, Inc. (Nasdaq:HMST) (the “Company” or “HomeStreet”), the parent company of HomeStreet Bank (the “Bank”), announced today that the Bank has executed a definitive agreement to sell a portion of its single family mortgage servicing rights. The transaction provides for the sale of the rights to service approximately \$4.9 billion in total unpaid principal balance of single family mortgage loans serviced for both Fannie Mae and Freddie Mac, which represents approximately 20% of HomeStreet’s total single family mortgage loans serviced for others as of March 31, 2018. In conjunction with the sale of servicing, the Bank also expects to transfer an estimated \$27.2 million of related deposit balances to the purchaser.

“The sale of this portfolio of mortgage servicing rights is part of our ongoing balance sheet and capital management,” said Mark K. Mason, HomeStreet Chairman, President, and CEO. “This sale will provide regulatory capital relief to support the continued growth

of our Commercial and Consumer Banking business. Risk management results will also be improved through reduced convexity costs in the remaining mortgage servicing rights portfolio. Retaining servicing on most of our mortgage loans we originate and sell is an important part of our mortgage banking strategy to which we remain committed. This strategy has historically been a competitive advantage and these assets have generated strong returns on equity through the cycle.”

The physical transfer of servicing from the Bank is scheduled to be completed by August 16, 2018, and is subject to customary conditions. HomeStreet will continue to service the loans between the closing date and the final transfer date.

### **Forward-Looking Statements**

This press release contains forward-looking statements concerning HomeStreet, Inc. and HomeStreet Bank, and their operations, performance and likelihood of success. All statements other than statements of historical fact are forward-looking statements. In particular, statements regarding the Company’s anticipated future performance and financial condition, including statements regarding the expected improvement of capital ratios and convexity risk, as well as the expected closing of the transaction, which remains subject to certain conditions, are forward looking in nature and are subject to many other factors, including changes in market conditions, that may impact our ability to meet our expectations. Forward-looking statements are based on many beliefs, assumptions, estimates and expectations of our future performance, taking into account information currently available to us, and include statements about the competitiveness of the banking industry. Such statements involve inherent risks and uncertainties, many of which are difficult to predict and are generally beyond HomeStreet’s control. You should consider, among other things, the risk factors included in our periodic reports filed with the Securities and Exchange Commission, including but not limited to our most recent Quarterly Report on Form 10-Q for the second quarter of

this year. Forward-looking statements speak only as of the date made, and we do not undertake to update them to reflect changes or events that occur after that date.

### **About HomeStreet, Inc.**

HomeStreet, Inc. (Nasdaq:HMST) is a diversified financial services company headquartered in Seattle, Washington, serving consumers and businesses in the Western United States and Hawaii through its various operating subsidiaries. The company operates two primary business segments: Mortgage Banking, which originates and purchases single family residential mortgage loans, primarily for sale into secondary markets; and Commercial & Consumer Banking, including commercial real estate, commercial lending, residential construction lending, retail banking, private banking, investment, and insurance services. Its principal subsidiaries are HomeStreet Bank and HomeStreet Capital Corporation. Certain information about our business can be found on our investor relations web site, located at <http://ir.homestreet.com>.

### **HomeStreet, Inc.**

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