

**Federal Deposit Insurance Corporation  
INTERAGENCY BANK MERGER ACT APPLICATION**

**VOLUME I  
PUBLIC PORTION**

Check all that apply:

- | Type of Filing                                                           | Form of Transaction                                                | Filed Pursuant To                                     |
|--------------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------|
| <input type="checkbox"/> Affiliate/Corporate Reorganization              | <input type="checkbox"/> Merger                                    | <input checked="" type="checkbox"/> 12 U.S.C. 1828(c) |
| <input type="checkbox"/> Combination with Interim Depository Institution | <input type="checkbox"/> Consolidation                             | <input type="checkbox"/> 12 U.S.C. 215, 215a-c        |
| <input checked="" type="checkbox"/> Nonaffiliate Combination             | <input type="checkbox"/> Purchase and Assumption                   | <input type="checkbox"/> 12 U.S.C. 1815(a)            |
| <input type="checkbox"/> Other _____                                     | <input checked="" type="checkbox"/> Branch Purchase and Assumption | <input type="checkbox"/> Other _____                  |
|                                                                          | <input type="checkbox"/> Other _____                               |                                                       |

**Applicant Depository Institution**

HomeStreet Bank 32489  
 Name Charter/ Certificate Number

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601 Union Street, Suite 2000  
 Street

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Seattle Washington 98101  
 City State ZIP Code

**Target Institution**

Silvergate Bank 27330  
 Name Charter/ Certificate Number

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4250 Executive Square, Suite 300  
 Street

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La Jolla California 92037  
 City State ZIP Code

**Resultant Institution (if different than the Applicant)**

Name Charter/ Certificate Number



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Street

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City State ZIP Code


**Contact Person**

  HomeStreet Bank  
 Name Title Employer

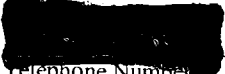
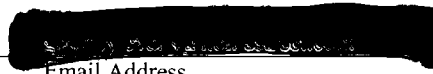
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601 Union Street, Suite 2000  
 Street

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Seattle Washington   
 City State ZIP Code

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 Telephone Number Email Address

## INTERAGENCY BANK MERGER ACT APPLICATION

- 1. Describe the transaction's purpose, structure, significant terms, conditions, and termination dates of related contracts or agreements; and financing arrangements, including any plan to raise additional equity or incur debt.**

### Overview

HomeStreet Bank (sometimes hereinafter referred to as the "Bank") is a Washington state-chartered non-member commercial bank headquartered in Seattle, Washington. Its deposit accounts are insured by the Federal Deposit Insurance Corporation (the "FDIC"). HomeStreet Bank is a wholly owned subsidiary of HomeStreet, Inc. ("HomeStreet" or "Holding Co."). HomeStreet is a bank holding company. It is incorporated under the laws of the State of Washington and is headquartered in Seattle, Washington. HomeStreet Bank conducts business from 60 retail bank branches and 67 lending and support centers located in eight Western states and Hawaii.

Silvergate Bank is a California state-chartered Federal Reserve member commercial bank headquartered in La Jolla, California. Its deposits are insured by the FDIC. It is a wholly owned subsidiary of Silvergate Capital Corporation ("Silvergate Parent"). Silvergate Parent is a bank holding company. Silvergate Bank conducts business from 3 physical branches located in California as well as from an internet branch, for a total of 4. Among Silvergate Bank's branches is a branch located at 277 Rancheros Drive, Suite 300, San Marcos, California 92069 (the "Branch"). The Branch is located in the San Diego-Carlsbad, California Metropolitan Statistical Area ("MSA").

Silvergate Bank, Silvergate Parent and HomeStreet Bank are parties to a Purchase and Assumption Agreement dated as of November 15, 2018 (the "P&A Agreement"). Under the terms of the P&A Agreement, Silvergate Bank and Silvergate Parent will sell certain of their assets related to the Branch as well as certain loan portfolios and lending operations to HomeStreet Bank and HomeStreet Bank will assume certain liabilities of Silvergate Bank and Silvergate Parent related to the Branch, the loans and the lending operations (the "Proposed Transaction"). The loans to be purchased by HomeStreet Bank (the "Purchased Loans") include commercial and industrial loans and lines of credit and commercial real estate loans made by Silvergate Bank's business lending division, as well as certain overdrafts, but will not include any of Silvergate Bank's loans to entities that finance businesses, any loans classified as special mention, doubtful, substandard or loss, nor the interest of any participants in any loan or any securitized loan. The Branch is located on certain real property (the "Real Property") which is leased by Silvergate Parent from a third party (the "Lease"). Silvergate Parent is a party to the P&A Agreement primarily in connection with its assignment of all of its rights, title and interest in the Lease to HomeStreet Bank.

Capitalized terms used in this Application and not otherwise defined have the meanings set forth in the P&A Agreement.

### The Proposed Transaction

Purpose. The Proposed Transaction will complement HomeStreet Bank's expansion over the last three years in Southern California, including its acquisition in the first quarter of 2015 of Covina-based Simplicity Bank, the addition of two commercial lending teams in the Los Angeles metropolitan area, its acquisition of Irvine-based Orange County Business Bank in the first quarter of 2016, its opening of three branches in San Diego in 2016, its acquisition of two branches of Boston Private Bank located in Burbank and Granada Hills, California, in the fourth quarter of 2016, its acquisition of one branch of Opus Bank in San Diego county (El Cajon) in the third quarter of 2017 and the existing HomeStreet Lending Center network in the region. The Proposed Transaction will further diversify HomeStreet Bank's earnings by

expanding both its commercial lending business and its consumer and commercial deposit generating capabilities.

Structure. The Proposed Transaction will be a purchase and assumption transaction, pursuant to which HomeStreet Bank will acquire certain assets and assume certain liabilities of Silvergate Bank and Silvergate Parent relating to the business and operation of the Branch, the Purchased Loans and the lending operations of Silvergate Bank's business lending division (collectively, the "Transferred Business"). After the effective time of the Proposed Transaction (the "Effective Time"), HomeStreet Bank will continue to be a wholly owned subsidiary of HomeStreet and a Washington state-chartered commercial bank. As a result of the Proposed Transaction, the assets of Silvergate Bank and Silvergate Parent purchased by HomeStreet Bank will become assets of HomeStreet Bank and the liabilities of Silvergate Bank and Silvergate Parent assumed by HomeStreet Bank (including certain deposit liabilities) will become liabilities of HomeStreet Bank. After the Effective Time, Silvergate Bank will continue to be a California state-chartered bank and will continue to operate its remaining 2 physical and 1 internet branches, and Silvergate Parent will continue to be its parent company.

Significant Terms and Conditions. At the closing of the Proposed Transaction (the "Closing"), HomeStreet Bank will purchase from Silvergate Bank and Silvergate Parent all of their right, title and interest in the following assets (the "Purchased Assets"):

- (i) the personal and fixed property located in the Branch including on-premises furniture, supplies, equipment, signage and non-branded digital signage, together with certain other assets specified in the PGA Agreement, subject to certain exclusions set forth in the P&A Agreement;
- (ii) the Lease;
- (iii) the Purchased Loans;
- (iv) deposit account overdrafts (including current interest) at the Branch not covered by an overdraft line (the "Negative Deposits");
- (v) noncompetition agreements with employees or former employees of Silvergate Bank or its affiliates;
- (vi) the maintenance, service or similar contracts related to the operations of the Branch, subject to certain exceptions set forth in the P&A Agreement;
- (vii) certain prepaid expenses, as described in the P&A Agreement (the "Prepaid Expenses");
- (viii) all physical and electronic records and documents directly relating to the deposits and other liabilities assumed and the assets purchased that are retained at the Branch or are in Silvergate Bank's or Silvergate Parent's possession or control and pertain to and are necessary for the operation at the Branch or the business lending unit following closing, subject to certain exclusions;
- (ix) Silvergate Bank's rights with respect to the assumed deposits under any agreements, contracts and instruments;
- (x) all inventories and supplies on hand at the Branch subject to certain exclusions;

- (xi) all rights of Silvergate Bank and Silvergate Parent under express or implied warranties given or made in connection with the Purchased Assets, if any, and all claims, counterclaims and causes of action with respect to the Purchased Assets and the assumed liabilities;
- (xii) certain local telephone and fax numbers associated with the Branch or the business lending unit; and
- (xiii) Silvergate Bank's and Silvergate Parent's rights under any contract to be assumed.

At the Closing, HomeStreet Bank will assume only those liabilities of Silvergate Bank and Silvergate Parent that are set forth in the P&A Agreement (the "Assumed Liabilities"). The Assumed Liabilities are the liabilities and obligations to be performed from and after the Closing with respect to the following:

- (i) (a) the deposit accounts at the Branch including all passbook accounts, statement savings accounts, checking, money market and NOW accounts, and time deposits, subject to certain exclusions and (b) certain non-Branch deposit accounts and at HomeStreet Bank's option, certain Promontory accounts listed on Schedule 3.1(a) to the P&A Agreement;
- (ii) the Purchased Assets;
- (iii) the contracts assumed by HomeStreet Bank;
- (iv) liabilities to employees of Silvergate Bank who are employed by HomeStreet Bank after the Effective Time (the "Transferred Employees") and their dependents and beneficiaries;
- (v) any other liabilities and obligations relating to or arising from the Transferred Business following, but not arising or occurring prior to, the Closing;
- (vi) the Purchased Loans and the servicing of the Purchased Loans;
- (vii) any and all liabilities and obligations relating to the Branch, the Real Property or the business lending unit under environmental laws that occur or accrue after the Effective Date; and
- (viii) liabilities for taxes of, or relating to, the Purchased Assets, the assumed liabilities or the business or operation of the Branch and the business lending division (other than certain excluded taxes).

With respect to certain non-Branch deposit accounts and off-balance sheet accounts that Seller has through a program with Promontory Interfinancial Network, LLC, Purchaser has an option on how or whether to assume such accounts as more fully set forth in Section 13.2(e) of the P&A Agreement.

The purchase price (the "Purchase Price") for the Purchased Assets will be the sum of:

- (a) an amount (the "Premium") equal to the sum of specified percentage of various types of deposits as set forth more fully in Section 3.1(a) of the P&A Agreement;
- (b) par value, plus accrued interest, for the Purchased Loans;

- (c) an amount equal to the aggregate unpaid principal balance of and accrued interest on Negative Deposits;
- (d) the sum of the net book value of purchased personal property and certain security deposits;
- (e) the aggregate amount of Prepaid Expenses; and
- (f) any proration amounts payable by HomeStreet Bank under the P&A Agreement.

The Premium is subject to a potential post-closing adjustment with respect to deposits that have been closed or substantially reduced as of 90 days following the Closing and transferred to other branches of Silvergate Bank. Silvergate Bank will reimburse HomeStreet Bank the full amount of the Premium associated with those transferred deposits.

At Closing, an estimated payment amount will be paid. The estimated payment amount means (x) the aggregate balance of the assumed deposits minus (y) an estimate of the Purchase Price. If the estimated payment amount is positive, Silvergate Bank will pay such positive amount to HomeStreet Bank; if the estimated amount is negative, HomeStreet Bank will pay the absolute value of such negative amount to Silvergate Bank. The final payment amount will be calculated following Closing. If the final payment amount exceeds the estimated payment amount, Silvergate Bank will pay such excess to HomeStreet Bank; if the estimated payment amount exceeds the final payment amount, HomeStreet Bank will pay such excess to Silvergate Bank.

HomeStreet Bank has agreed generally to offer employment to Branch employees and employees of the business lending division. One person in the business lending division whom HomeStreet Bank deems to be a key employee has already accepted an offer of employment from HomeStreet Bank, effective at closing. Silvergate Bank and HomeStreet Bank have agreed that for a period of 12 months following Closing, subject to certain exceptions, they will not, directly or indirectly, solicit for employment certain employees of the other party.

In the P&A Agreement the parties have agreed to various covenants, including such customary covenants as those dealing with activity in the normal course, access and confidentiality, regulatory approvals, obtaining necessary consents, efforts to consummate the Proposed Transaction and transitional matters. Other covenants include a covenant by Silvergate Bank that for one year following Closing, it and its affiliates will not, subject to certain exceptions, directly or indirectly, solicit any customer of the Branch or the business lending division to open a deposit account, obtain a loan, or transfer any deposit to another branch or provide any financial product or service to such customer or open a branch, loan or deposit production office or ATM within a specified radius of the Branch. HomeStreet Bank has agreed that prior to Closing, neither it nor any of its affiliates will, subject to certain exceptions, solicit holders of deposit agreements at the Branch or customers of the business lending unit through advertising specifically referencing or targeted to such depositors or customers and will not transact its business in such a way that is reasonably likely to induce such depositors to close their accounts and open an account directly with HomeStreet Bank or result in the transfer of all or a portion of their deposit account from Silvergate Bank.

Closing is subject to various conditions set forth in Article XIII of the P&A Agreement, including such customary conditions as receipt of all necessary regulatory approvals, the absence of material breaches in covenants, representations and warranties, the absence of any governmental actions or orders prohibiting or making illegal the consummation of the Proposed Transaction and the delivery of various specified documents, certificates and items at Closing.

Except as otherwise set forth in the P&A Agreement, each of Silvergate Bank and HomeStreet Bank will be responsible for all expenses (including any investment banking, appraisal, accounting, consulting, professional and legal fees) incurred by it or on its behalf in connection with the P&A Agreement. Each party will pay all of the costs and expenses for applications and filings it is required to make to obtain regulatory consents (which for HomeStreet Bank include the applications to the FDIC and the Washington Department of Financial Institutions (the “WDFI”). HomeStreet Bank will pay (i) all recording, filing or other fees, costs and expenses in connection with the transfer of any Purchased Assets, and (ii) all costs and expenses relating to the preparation, execution and recording of assignments of mortgage financing statements, notes, security agreements or other instruments in connection with the transfer, assignments or assumption of the Purchased Assets and Assumed Liabilities.

Subject to certain limits set forth in Article XIV of the P&A Agreement, each party has agreed in the P&A Agreement to indemnify the other party and related persons from certain enumerated losses. Silvergate Bank and Silvergate Parent have agreed to indemnify HomeStreet Bank and its affiliates, together with their respective directors, officers, employees and agents, from losses resulting from:

- any liability of Silvergate Bank other than the Assumed Liabilities;
- any liability of Silvergate Parent with respect to the Real Property or the Lease, other than the Assumed Liabilities;
- any Excluded Asset;
- any actions taken or omitted to be taken by Silvergate Bank on or before the date of Closing (the “Closing Date”) and relating to the Branch, the Purchased Assets, the Assumed Liabilities, or the Transferred Employees and any suits or proceedings in connection therewith;
- breaches of any of Silvergate Bank’s or Silvergate Parent’s representations or warranties;  
or
- breaches of any of Silvergate Bank’s or Silvergate Parent’s covenants.

Silvergate Bank will not be liable for or have any indemnification obligations with respect to the covenants and representations and warranties of Silvergate Parent.

HomeStreet Bank has agreed to indemnify Silvergate Bank and its affiliates, together with their respective directors, officers, employees and agents, from losses resulting from:

- any liability of HomeStreet Bank, including the Assumed Liabilities;
- the Assumed Liabilities and the ownership or operation of the Branch, the Purchased Assets or the Assumed Liabilities after the Closing;
- HomeStreet Bank’s ownership and operation of the Purchased Assets from and after the close of business on the Closing Date;
- any actions taken or omitted to be taken by HomeStreet Bank from and after the close of business on the Closing Date and relating to the Branch, the Purchased Assets, the Assumed Liabilities or the Transferred Employees and any suits or proceedings in connection therewith;

- breaches of any of HomeStreet Bank’s representations or warranties; or
- breaches of any of HomeStreet Bank’s covenants.

Termination Dates: The P&A Agreement will terminate (i) upon the mutual agreement of the parties, (ii) upon receipt by either party of a notice from any governmental authority that any required regulatory approval has been denied or revoked, (iii) by written notice by either party if Closing has not occurred by May 31, 2019, subject to an extension to June 30, 2019, if there is a delay in regulatory approval or an inability to complete data processing conversion due to circumstances outside of the parties control, or (iv) by written notice by either party if there has been an uncured material breach by the other party, including the inability of Purchaser’s core service provider to provide acceptable quality data for conversion based on when the Seller provides the initial data tape.

Plans to Raise Additional Equity or Incur Debt. The Proposed Transaction is not contingent on any financing arrangements, and neither party has any plan to raise additional equity or incur debt in connection with the Proposed Transaction.

Form of Public Notice. Exhibit A is the form of public notice to be published in connection with the Proposed Transaction. The notice will be published in a newspaper of general circulation in each of Seattle, Washington and La Jolla, California, the respective cities in which the main offices of HomeStreet Bank and Silvergate Bank are located. The notice will be published on three occasions at approximately equal intervals. The first publication will occur on the date of the filing of this Application or as close to such date as practicable, but in any event, no more than five days prior to the filing date. The last publication will be on the 25<sup>th</sup> day after the first publication (or, if either newspaper does not publish on the 25<sup>th</sup> day, then on the newspaper’s publication date that is closest to the 25<sup>th</sup> day).

Information on Anti-Money Laundering Systems. HomeStreet Bank uses the FRAML automated anti-money laundering system provided by Verafin. Upon the consummation of the Proposed Transaction, HomeStreet Bank will continue to use the Verafin solution for anti-money laundering monitoring and will integrate all relevant records with respect to the Branch, the purchased assets and the assumed liabilities.

**2. Indicate any other filings related to this transaction with other state and federal regulators.**

An application is being concurrently made with the WDFI. A courtesy copy of the Application is being filed with the California Department of Business Oversight (the “CDBO”) and the Federal Reserve Bank of San Francisco (“FRBSF”). In addition, Silvergate Bank is filing an application with the CDBO for approval to sell the Branch. At the request of the CDBO, HomeStreet Bank will provide certain information with respect to the Branch within ten days after the Effective Time.

**3. Discuss whether and how the resultant institution’s business strategy and operations will remain the same or change from that of the applicant. Identify new business lines. Provide a copy of the business plan, if available. Discuss the plan for integrating any new businesses into the resultant institution.**

HomeStreet Bank’s business strategy and operations will remain the same. The Proposed Transaction expands HomeStreet Bank’s retail branch network around the greater San Diego market to the north of San Diego and south of the Bank’s Orange County branches. The core products and services offered by the Branch are also offered in the Bank’s branches around the San Marcos market. Through the Proposed Transaction, HomeStreet Bank will also provide the community with access to mortgage and consumer lending, which the Branch currently does not offer. Please see additional discussion of products and services under Item 10.

The Proposed Transaction also includes a commercial lending team and commercial loan portfolio. The lending team expands the Bank's southern California lending presence but does not change the types of products and customers the Bank currently lends to. The Proposed Transaction's commercial loan portfolio aligns with the Bank's current product offerings.

The Proposed Transaction expands similar products and services in an already serviced market and does not require any special business or process integration.

The Proposed Transaction does not change HomeStreet's overall business plan, and a business plan specific to the acquisition of the Branch does not exist.

**4. Provide a copy of (a) the executed merger or transaction agreement, including any amendments, (b) any board of directors' resolutions related to the transaction, and (c) interim charter, names of organizers, and any other related documents.**

A copy of the executed P&A Agreement and the related schedules and exhibits is attached as Exhibit B in the Confidential Portion of the Application. Confidential treatment is hereby requested for the P&A Agreement and related schedules and exhibits since they contain business and other information which is not publicly available.

A copy of the resolutions of the board of directors of Silvergate Bank is attached as Exhibit C to the Application. A copy of the resolutions of the board of directors of HomeStreet Bank is attached as Exhibit D to the Application.

There are no interim corporations, banks or other entities being formed in connection with the Proposed Transaction.

**5. Describe any issues regarding the permissibility of the proposal with regard to applicable state or Federal laws or regulations (for example, nonbank activities, branching, qualified thrift lender's test).**

The Proposed Transaction is permissible under applicable state and Federal laws and regulations, subject to the approval of and/or filings with the FDIC, the WDFI and other governmental regulators.

As discussed in Item 2 above, an application is being concurrently made with the WDFI and a courtesy copy of the Application is being filed with the CDBO and the FRBSF. In addition, Silvergate Bank is filing an application with the CDBO for approval to sell the Branch. At the request of the CDBO, HomeStreet Bank will provide certain information with respect to the Branch within ten days after the Effective Time.

The Proposed Transaction does not raise any issues with regard to nonbank activities or branching. Neither HomeStreet Bank nor Silvergate Bank is subject to the qualified thrift lender test. Both California and Washington law permit a Washington commercial bank to acquire and operate retail bank branches in California. HomeStreet Bank currently operates retail bank branches in California.

**6. Describe any nonconforming or impermissible assets or activities that applicant or resultant institution may not be permitted to retain under relevant law or regulation, including the method of and anticipated time period for divestiture or disposal.**

Not applicable. HomeStreet Bank is unaware of any such nonconforming or impermissible assets or activities.



**7. Provide the indicated financial information.**

- a. Pro forma balance sheet, as of the end of the most recent quarter. Indicate separately for the applicant and target institution each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by footnotes) reflecting the proposed acquisition; and the resulting pro forma combined balance sheet.**
- b. Projected balance sheets and corresponding income statements as of the end of the first three years of operation following consummation. Describe the assumptions used to prepare the projected statements.**
- c. Provide a discussion on the valuation of the target entity and any anticipated goodwill and other intangible assets.**
- d. Pro forma and Projected Regulatory Capital Schedule, as of the end of the most recent quarter and each of the first three years of operation, indicating:**
  - Each component item for common equity tier 1 capital, additional tier 1 capital and tier 2 capital pursuant to the currently applicable capital requirements.**
  - Total risk-weighted assets.**
  - Common equity tier 1 capital, tier 1 capital, total capital, and leverage ratios pursuant to the capital regulations. If applicable, also provide the applicant's existing and pro forma supplementary leverage ratio pursuant to the current capital adequacy regulations.**

The required pro forma and projected financial statements and capital schedules are set forth on Exhibit E, which is included in the Confidential Portion of the Application. Exhibit E contains nonpublic information regarding Silvergate Bank and HomeStreet Bank's financial projections and, accordingly, confidential treatment is hereby requested for Exhibit E.

- 8. List the directors and senior executive officers of the resultant institution and provide the name, address, position with and shares held in resultant institution or holding company, and principal occupation (if a director). Indicate any changes to the applicant's current directors and senior executive officers that would occur at the resultant institution. Applicants should consult with the responsible regulatory agency regarding whether any biographical or financial information should be submitted with respect to any new principal shareholders, directors, and senior executive officers.**

There will be no changes to existing Directors and Executive Senior Officers of HomeStreet Bank as a result of the Proposed Transaction.

HomeStreet owns 100 percent of the outstanding shares of HomeStreet Bank.

HomeStreet Bank Directors and Senior Executive Officers own shares of the Holding Co. as follows:

## HomeStreet Bank Directors

<b>Name</b>	<b>Occupation</b>	<b>Address</b>	<b>Shares Beneficially Owned<sup>1</sup> Holding Co. Stock as of 10-31-18</b>
Boggs, Scott M.	Retired	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	21,668.40
Cavanaugh, Sandra A.	Independent Financial Consultant	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	386.00
Ederer, David A.	Chairman, Ederer Investment Company	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	40,120.60
Indiek, Victor H.	Retired	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	11,462.57
King, Thomas E.	Independent Consultant (banking and financial services)	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	18,190.00
Kirk, George W. (Judd)	Retired	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	21,520.40
Mason, Mark K. *	Chairman, President & CEO HomeStreet Bank	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	136,780.00
Patterson, Mark R.	Retired	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	95,924.00
Smith, Douglas I.	Managing Member of Miller and Smith LLC	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	75,253.00
Voss, Donald R.	Retired	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	8,176.00

\*HomeStreet Officer as well as Director

## HomeStreet Bank Senior Executive Officers<sup>2</sup>

<b>Name</b>	<b>Title</b>	<b>Address</b>	<b>Shares Beneficially Owned<sup>3</sup> Holding Co. Stock as of 10-31-18</b>
Bennion, Richard W. H.	EVP, Residential Construction & Affiliated Businesses	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	52,085.46
David, Rose Marie	Senior EVP, Mortgage Lending Director	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	23,009.00
Endresen, William	EVP, Commercial Real Estate & Commercial Capital President	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	663.57
Evans, Godfrey B.	EVP, General Counsel, Chief Administrative Officer & Corporate Secretary	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	91,113.00

<sup>1</sup> Includes deferred vesting of Restricted Stock Units.

<sup>2</sup> Senior Executive Officers are defined as Chief Executive Officer, Chief Financial Officer, Chief Credit Officer or persons holding similar positions and executives leading principal business or administrative units of HomeStreet Bank.

<sup>3</sup> Share numbers include shares subject to options that have vested, but not been exercised.

Name	Title	Address	Shares Beneficially Owned <sup>3</sup> Holding Co. Stock as of 10-31-18
Harper, Troy D.	EVP, Chief Information Officer	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	2,104.00
Iseman, Jay C.	EVP, Chief Credit Officer	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	95,341.00
Lemon, Paulette	EVP, Retail Banking Director	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	10,455.43
Ruh, Mark R.	EVP, Chief Financial Officer	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	3,677.00
Schultz, Edward	EVP, Director of Commercial Banking	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	0.00
Straus, David H. <sup>4</sup>	Senior EVP, Commercial Banking	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	15,481.00
Taylor, Pamela J.	EVP, Human Resources Director	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	36,812.19
Van Amen, Darrell	EVP, Chief Investment Officer & Treasurer	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	93,263.70
Vincent, Mary L.	EVP, Chief Risk Officer	HomeStreet Bank 601 Union St., Ste. 2000 Seattle, WA 98101	21,870.80

**9. Describe any litigation or investigation by local, state, or federal authorities involving the applicant or any of its subsidiaries or the target or any of its subsidiaries that is currently pending or was resolved within the last two years.**

Exhibit F, which is included in the Confidential Portion of the Application, contains nonpublic information regarding HomeStreet Bank's litigation activities; accordingly, confidential treatment is hereby requested for Exhibit F.

There are no litigation activities as described above to report for Silvergate Bank or its subsidiaries.

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<sup>4</sup> David Straus retired effective November 1, 2018.

**10. Describe how the proposal will meet the convenience and needs of the community to be served, including, but not limited to, the following:**

- a. Summarize efforts undertaken or contemplated by the applicant to ascertain and address the needs of the community(ies) to be served, including community outreach activities, as a result of the proposal.**
- b. For the combining institutions, list any significant anticipated changes in services or products that will result from the consummation of the transaction.**
- c. To the extent that any products or services would be offered in replacement of any products or services to be discontinued, indicate what these are and how they would assist in meeting the convenience and needs of the communities affected by the transaction.**
- d. Discuss any enhancements in products or services expected to result from the transaction.**

HomeStreet Bank has a culture and philosophy of being actively involved in the communities it serves. HomeStreet Bank and its employees contribute time and money and partner with organizations that focus on community needs, most specifically addressing housing and other basic needs of those of low and moderate incomes. Currently, HomeStreet Bank supports several community organizations in California with both contributions and leadership service, including Union Station Homeless Services, various Habitat for Humanity chapters, the Monarch Homeless School and PATH San Diego. After the Proposed Transaction is consummated, these activities will continue in all HomeStreet Bank markets, including the market surrounding the acquired Branch in the greater San Diego area.

As discussed and expanded upon in Section 11, HomeStreet Bank believes that its record of service to low- and moderate-income communities is strong, demonstrating its commitment to working with community organizations and leaders to improve their communities. Through the Proposed Transaction, HomeStreet Bank will expand its presence in San Diego County. To enable the public to evaluate the benefits communities will derive from HomeStreet Bank's San Diego County expansion, HomeStreet Bank developed community benefit targets for our California CRA Assessment Areas, as described in Section 11.

#### Product and Services Differences

Based on an initial review of Silvergate Bank's products and services, HomeStreet Bank has determined that only minor differences exist, and accordingly HomeStreet Bank does not anticipate significant changes

Silvergate Bank offers Promontory ICS Sweep Accounts to customers at the Branch. Under the P&A Agreement, HomeStreet Bank has an option as to whether to take these accounts. It is HomeStreet Bank's intention to add the capability to offer these accounts and is currently in discussions to establish the appropriate relationship with Promontory. HomeStreet Bank is optimistic that the appropriate relationship will be established; however, should it not be able to establish the relationship by the Closing Date or decide not to take the accounts, then these accounts will not be assumed by HomeStreet Bank.

#### Enhancements in Products and Services

Following consummation of the Proposed Transaction, HomeStreet Bank will retain and augment the individual and business services provided by the Branch with additional consumer banking products, lending programs, and financial resources in order to continue to meet the needs of the communities the

Branch serves. Those additional programs and services include, but are not limited to, residential mortgage loan products, consumer loans, affinity lending programs, and insurance products.

The Proposed Transaction will also enable HomeStreet Bank to increase its commercial lending team in Southern California with the addition of seasoned commercial bankers and operations staff, providing continuity in established customer relationships. HomeStreet Bank's additional programs and services will be available to this team to offer to the Branch's customers and the community.

**11. Describe how the applicant and resultant institution will assist in meeting the existing or anticipated needs of its community(ies) under the applicable criteria of the Community Reinvestment Act (CRA) and its implementing regulations, including the needs of low- and moderate-income geographies and individuals. This discussion should include, but not necessarily be limited to, a description of the following:**

**a. The significant current and anticipated programs, products, and activities, including lending, investments, and services, as appropriate, of the applicant and the resultant institution.**

**b. The anticipated CRA assessment areas of the resultant institution. If the resultant institution's CRA assessment area would not include any portion of the current assessment area of the target or the applicant, describe the excluded areas.**

**c. The plans for administering the CRA program for the resultant institution following the transaction.**

**d. For an applicant or target institution that has received a CRA composite rating of "needs to improve" or "substantial noncompliance" institution-wide or, where applicable, in a state or a multistate Metropolitan Statistical Area (MSA), or has received an evaluation of less than satisfactory performance in an MSA or in the non-MSA portion of a state in which the applicant is expanding as a result of the transaction, describe the specific actions, if any, that have been taken to address the deficiencies in the institution's CRA performance record since the rating.**

In the communities that it serves, HomeStreet Bank has a strong history of reaching out to residents of all income levels to assist in meeting their banking needs, as evidenced by its "Satisfactory" CRA Rating. HomeStreet Bank works in partnership with community organizations that target meeting the needs of those of low and moderate incomes, especially (where possible) to meet their housing needs. Those needs include the spectrum of shelter and housing needs from overnight shelter for those who are homeless or are fleeing domestic violence, through transitional and special needs housing and subsidized rental housing, to low-income home ownership. HomeStreet Bank's partnerships include providing staff in leadership and other service roles, financial assistance, and the use of its business products and services to help community organizations to be successful in achieving their goals.

Silvergate Bank is also committed to serving the entire community, as evidenced by its CRA Strategic Plan and "Satisfactory" CRA rating. Silvergate Bank supports low-and moderate-income individuals and neighborhoods in various ways, including lending and investments and charitable contributions to improve the quality of life for those that are less advantaged.

The Proposed Transaction will enhance the density of the HomeStreet presence in San Diego County, a current CRA Assessment Area for HomeStreet Bank. This Proposed retail banking branch will join a Small Business Lending Center in Carlsbad, a Home Loan Center in San Diego and four retail branches in El Cajon, Kearney Mesa, Mission Gorge and Point Loma.

The CRA program is administered through the Community Relations Department of HomeStreet Bank. HomeStreet Bank monitors CRA lending, investments and services regularly and actively looks to our employees to seek out CRA opportunities throughout their communities. A thorough evaluation of the CRA program is completed at least annually, and the CRA Steering Committee and the Board of Directors review CRA activity. Additionally, HomeStreet Bank evaluates performance against the CRA Community Benefit Commitment that was made in 2016 with our acquisition of Simplicity Bank and again in 2017 with our purchase of an Opus Bank branch in San Diego County.

HomeStreet Bank believes that its record of service to low- and moderate-income communities is strong, demonstrating its commitment to working with community organizations and leaders to improve their communities. Through the Proposed Transaction, HomeStreet Bank will deepen its presence in San Diego County. To enable the public to evaluate the benefits communities will derive from HomeStreet Bank's expansion, HomeStreet Bank developed community benefit targets for our Assessment Areas, as described below. HomeStreet Bank believes the addition of the Branch will help accomplish these targets.

For 2019, HomeStreet Bank has set the following targets for its California CRA Assessment Areas:

- HomeStreet Bank will target a level of lending, investments, and donations to low- to moderate-income communities, as well as other CRA-qualifying services, in the amount of 20% of its deposits in its California Assessment Area.
- HomeStreet Bank will target a level of community development investment that is at least 0.25% of its Assessment Area deposits. These community development investments will be devoted to affordable housing development, small business lending, California CDFIs, Community Development Corporations, non-profit community development funds, and small business investment companies.
- HomeStreet Bank will target donations at a level that is consistent with our existing practice of targeting CRA-qualified charitable contributions focused on affordable housing and related causes supporting low- to moderate-income and underserved individuals, families, and communities. These donations will be primarily to non-profit organizations where our employees serve in a leadership role.
- As an SBA-preferred lender, one of HomeStreet Bank's goals will be to meet the needs of small business owners and underserved borrowers, including borrows of color and women.

HomeStreet Bank and its employees contribute time and money and partner with organizations that focus on community needs, most specifically addressing housing and other basic needs of those of low and moderate incomes. Currently, HomeStreet Bank supports several community organizations in the greater San Diego area with both contributions and leadership service, including East County Transitional Living Center, Dignity Delivery, Monarch School Project, Junior Achievement of San Diego County and the United Way of San Diego. After the Proposed Transaction is consummated, these activities will continue in the San Diego markets, including the market surrounding the acquired branch in San Marcos, CA. The following discussion highlights the lending activities, community investment activities, and recognitions and awards that illustrate HomeStreet Bank's commitment to the communities it serves.

### **Lending Activities**

With a wide range of home loan programs, HomeStreet Bank is able to offer home ownership opportunities to those of all income levels, including low and moderate incomes. HomeStreet Bank works in partnership with many governmental entities as well as with many community organizations that have specific home ownership programs. The former include state and federal government programs, such as state bond and agency programs. HomeStreet Bank offers the California Housing Finance Agency's MCC and Down Payment Assistance programs. HomeStreet Bank also offers the USDA/RHS loan programs and

several renovation/remodeling loans, including the FHA 203k and the Fannie Mae Renovation (HomeStyle) loans. HomeStreet Bank partners with community organizations that work to provide opportunities for homeownership with those of low and moderate incomes, such as community land trusts, and those who target servicing potential homebuyers of various racial and ethnic groups.

Many of HomeStreet Bank's loan officers teach first-time home buyer classes, which enable those of low and moderate incomes to prepare to purchase a home of their own.

HomeStreet Bank will continue to provide financing for commercial real estate projects to and anticipates continuing the practice of providing lending for apartments that offer rents that are affordable to tenants of low and moderate incomes. HomeStreet Bank has been recognized in federal government CRA examinations for its significant number of community development loans.

HomeStreet Bank is strong in commercial lending, including small business loans, and is an approved Small Business Administration Preferred Lender. HomeStreet Bank intends to continue and expand full-service commercial lending focused on small- to medium-sized businesses.

### **Community Investments and Service Activities**

HomeStreet Bank invests heavily in its communities through charitable contributions as well as other financial vehicles, including mortgage-backed securities of CRA-qualified mortgages and Low Income Housing Tax Credits. Through the end of the third quarter, HomeStreet Bank contributed \$830,000 in 2018 to CRA-qualified non-profit organizations and held approximately \$72 million in CRA-qualified investments with an additional \$30 million in commitments. Specifically in California, HomeStreet Bank invested in two Low Income Housing Tax Credit funds for California properties; invested in two school district municipal bonds for districts with very high free and reduced lunch rates and an SBIC fund for small business development. In addition, HomeStreet Bank supports various community development non-profit organizations with charitable contributions, and HomeStreet Bank staff members provide volunteer service and leadership. HomeStreet Bank anticipates continuing to provide significant CRA-qualified contributions and investments to its CRA assessment areas in California.

HomeStreet Bank provides banking services for those of all incomes, with bank branches located in geographies of various income levels. More importantly, HomeStreet Bank offers various programs that target those of low and moderate incomes, such as the "Bank On" program, which provides access to banking services for individuals who are unbanked or underbanked. HomeStreet Bank offers a Bank On checking account, with its unique financial education incentive, throughout its branch system. New Bank On customers that participate in a qualified financial education class and keep their bank account in good standing for three months may receive a \$100 incentive. HomeStreet Bank believes that financial education is an important component of a successful banking relationship and will include this product in the financial offerings of the Branch to be acquired in California as part of the Proposed Transaction.

HomeStreet Bank's managers and staff provide leadership through service to a great many community organizations that target the needs of individuals and families of low and moderate incomes, such as community land trusts, Habitat for Humanity, Rebuilding Together, local housing resource centers, programs that provide shelter for the homeless, low-income families and for those with chronic mental and other health issues, as well as food banks. Some of these are very large organizations and some are quite small, but all are focus on meeting the needs of low-income members of HomeStreet Bank's communities.

HomeStreet Bank has an excellent Hometown Home Loan Program, which provides the employees of nearly 200 public- and private-sector partner organizations with comprehensive financial education, down payment assistance, and reduced closing costs. Since 1994, the program has helped thousands of

first-time and low- to moderate-income employees of its partner organizations become homeowners. In the last two years, over half of borrowers utilizing the Hometown Home Loan Program were considered of low or moderate income.

**12. The Dodd-Frank Wall Street Reform and Consumer Protection Act requires regulators to consider the risk to the stability of the United States banking and financial systems when reviewing a merger transaction between financial institutions. Discuss any effect(s) that the proposed transaction may have on the stability of the United States banking and financial systems.**

It is estimated that the Proposed Transaction will involve the transfer from Silvergate Bank to HomeStreet Bank of approximately \$123 million in deposits and the purchase by HomeStreet Bank of approximately \$123 million in loans. The total of transferred deposits will depend on which option HomeStreet Bank elects to take with regard to the Promontory accounts as described in Section 1 above. The Proposed Transaction is far too small to have any effect on the stability of the United States banking and financial systems. In addition, the Proposed Transaction would not result in any combination of the two banks, any reduction in competition, any increase in cross-border activities or any contribution to the complexity or interconnectedness of the financial system.

**13. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (12 U.S.C. Section 1831u) (R-N) imposes additional considerations for certain interstate mergers between insured banks. Savings associations are not subject to R-N. If subject to these provisions, please provide the following information:**

- a. Identify any host states involved with this transaction that require the target to be in operation for a minimum number of years and discuss compliance with the R-N age requirement (12 U.S. C. Section 1831u(a)(5)).**
- b. Indicate that (1) the applicant has complied or will comply with the applicable filing requirements of any host state(s) that will result from the transaction and (2) the applicant has sent a copy of the merger application to the state bank supervisor of the resultant host state(s).**
- c. Indicate applicability of R-N nationwide and statewide deposit concentration limits to the transaction. If applicable, discuss compliance.**
- d. Indicate applicability of state-imposed deposit caps, if any. If applicable, discuss compliance.**
- e. Address whether:**
  - i. Each bank involved in the transaction is adequately capitalized on the date of filing.**
  - ii. The resultant institution will be well capitalized and well managed upon consummation of the transaction.**
- f. Discuss compliance with the CRA requirement of R-N.**
- g. Discuss permissibility of retention of the target's main office and branches.**
- h. Discuss any other restrictions that the host states seek to apply (including state antitrust restrictions).**

HomeStreet Bank already has branches in California. Accordingly, under R-N, it is authorized to establish additional branches in California. See 12 U.S.C. 1831u(d)(2). HomeStreet Bank is currently a Washington state-chartered commercial bank, and under RCW Title 30A, Washington state-chartered



commercial banks are authorized to acquire the branches of any depository institution chartered under the laws of any state. Under California law, a California bank is authorized to sell assets and liabilities related to California branches to a Washington state-chartered depository institution with branches in California, the deposits of which are insured by the FDIC, and such a Washington state-chartered depository institution is authorized to acquire such assets and assume such liabilities. California has no state age requirements applicable to the Proposed Transaction.

**14. List all offices of the applicant or target that: (a) will be established or retained as branches, including the main office, of the target institution, (b) are approved but unopened branch(es) of the target institution, including the date the current federal and state agencies granted approval(s), and (c) are existing branches that will be closed or consolidated as a result of the proposal to the extent the information is available and indicate the effect on the branch customers served. For each branch, list the popular name, street address, city, county, state, and ZIP code, specifying any that are in low- and moderate-income geographies<sup>5</sup>.**

(a) The following table sets forth information regarding the Silvergate Bank retail bank branch that will become a branch of HomeStreet Bank upon consummation of the Proposed Transaction. See Exhibit G for a list of branches that will be retained by HomeStreet Bank and Silvergate Bank.

<u>Popular Name</u>	<u>Street Address</u>	<u>City</u>	<u>County</u>	<u>State</u>	<u>Zip</u>
San Marcos Branch	277 Rancheros Drive, Suite 300	San Marcos	San Diego	CA	92069

(b) There are no approved but unopened retail bank branches of Silvergate Bank.

(c) No existing retail bank branches of Silvergate Bank or HomeStreet Bank will be closed or consolidated as a result of the Proposed Transaction.

**15. As a result of this transaction, if the applicant will be or will become affiliated with a company engaged in insurance activities that is subject to supervision by a state insurance regulator, provide:**

- a. The name of company.**
- b. A description of the insurance activity that the company is engaged in and has plans to conduct.**
- c. A list of each state and the lines of business in that state in which the company holds, or will hold, an insurance license. Indicate the state where the company holds a resident license or charter, as applicable.**

The Proposed Transaction does not involve the acquisition of a company engaged in insurance activities. HomeStreet currently engages in insurance agency activities through HomeStreet Insurance Agency, which is a division of HomeStreet. HomeStreet Insurance Agency currently sells property and casualty insurance, primarily to HomeStreet Bank customers. HomeStreet Insurance Agency is licensed in Arizona, California, Idaho, Oregon and Washington, and has one stand-alone office in Spokane, Washington. Following the consummation of the

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<sup>5</sup> Please designate branch consolidations as those terms are used in the Joint Policy Statement on Branch Closings, FR 34844 (June 29, 1999).

Proposed Transaction, it is expected that HomeStreet Insurance Agency will also sell these products to customers of the Branch.

**If a nonaffiliate transaction, the applicant also must reply to items 16 through 18.**

**16. Discuss the effects of the proposed transaction on existing competition in the relevant geographic market(s) where applicant and target institution operate. The applicant should contact the responsible regulatory agency for specific instructions to complete the competitive analysis.**

#### HomeStreet Bank's Geographic Market

HomeStreet Bank currently operates 60 retail deposit gathering branches ("HB Branch" or "HB Branches"). Sixteen HB Branches are located in California, four HB Branches are located in Hawaii, four HB Branches are located in Oregon and 36 HB Branches are located in Washington. A list of the specific location of each of HomeStreet Bank's Branches is set forth on Exhibit G, Part A hereto.

In addition to the HB Branches, HomeStreet Bank operates a total of 67 stand-alone lending and support centers in Arizona, California, Hawaii, Idaho, Oregon, Utah and Washington. Of these, 22 lending and support centers are located in California.

HomeStreet Bank has applied for and received regulatory approval for the following unopened bank branches:

- Santa Clara Branch (CA) (Anticipated opening date is January 3, 2019)
- San Jose Branch (CA) (Anticipated opening date is January 3, 2019)
- Kirkland Branch (WA) (Anticipated opening date is in the second quarter of 2019)

#### Silvergate Bank's Geographic Market

Silvergate Bank operates three brick-and-mortar retail bank branches, one digital branch, and maintains its administrative office in California. The specific location of these branches is set forth in Exhibit G, Part B hereto. The Branch is located in the San Diego-Carlsbad, CA Metropolitan Statistical Area ("MSA").

#### Competitive Analysis

The Proposed Transaction will not present any anticompetitive effects in the MSA. As noted above, the Branch is in the MSA. HomeStreet Bank has four retail bank branches and two stand-alone lending centers (one mortgage lending and one small business lending) in the MSA. As detailed in Part C of Exhibit H, as of June 30, 2018, HomeStreet Bank has a market share of 0.10%, with total deposits of \$90,753,000 in the MSA and Silvergate Bank has a market share of 1.74%, with total deposits of \$1,555,069,000 in the MSA. The total deposits of the Branch as of June 30, 2018, were \$90,270,000. If HomeStreet Bank elects to take certain corporate and Promontory accounts, the total deposits transferred are expected to be approximately \$120 million. As explained further in Item 22 below, the Proposed Transaction would result in an insignificant change in the Herfindahl Hirschman Index ("HHI") for the MSA.

As the Proposed Transaction will result in overlap only in the MSA and the aggregate deposit volumes of HomeStreet Bank and Silvergate Bank in that MSA are small in comparison to the overall market, HomeStreet believes the Proposed Transaction will have no adverse competitive effects in the MSA or any other geographic market.

- 17. If the proposed transaction involves a branch sale or any other divestiture of all or any portion of the bank, savings association or nonbank company (in the case of a merger under 12 U.S.C. 1828(c)(1)) to mitigate competitive effects, discuss the timing, purchaser, and other specific information.**

Not applicable. No divestitures will be involved.

- 18. Describe any management interlocking relationships (12 U.S.C. 3201-3208) that currently exist or would exist following consummation. Include a discussion of the permissibility of the interlock with regard to relevant laws and regulations.**

Not applicable. No such interlocking relationships currently exist or will exist following the consummation of the Proposed Transaction.

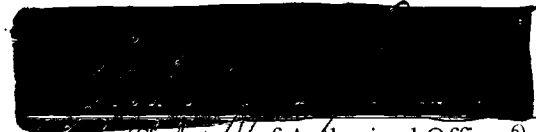
## CERTIFICATION

We hereby certify that our board of directors, by resolution, has authorized the filing of this application, and that to the best of our knowledge, it contains no misrepresentations or omissions of material facts. In addition, we agree to notify the agency if the facts described in the filing materially charge prior to receiving a decision or prior to consummation. Any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject us to legal sanctions provided by 18 U.S.C. 1001 and 1007.

We acknowledge that approval of this application is in the discretion of the appropriate federal banking agency. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. We further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

Signed this 27<sup>th</sup> day of November, 2018.

HomeStreet Bank by  
(Applicant)



(Signature of Authorized Officer<sup>6</sup>)

Godfrey B. Evans  
(Typed Name)

EVP/ General Counsel and Chief  
Administrative Officer  
(Title)

Silvergate Bank by  
(Target Institution)



(Signature of Authorized Officer<sup>6</sup>)

John M. Bonino  
(Typed Name)

Executive Vice President  
(Title)

<sup>6</sup> In multiple-step combinations, applicants should ensure that authorized officers of the combining institutions sign.

**SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION**

**COMPTROLLER OF THE CURRENCY**

All OCC Applicants should provide the following supplemental information with their application:

- 19a. If any of the combining institutions have entered into commitments with community organizations, civic associations, or similar entities concerning providing banking services to the community, describe the commitment.**
- 19b. If the resultant institution will not assume the obligations entered into by the target institution, explain the reasons and describe the impact on the communities to be affected.**
- 20. If acquiring a non-national bank subsidiary, provide the information and analysis of the subsidiary's activities that would be required if it were established pursuant to 12 C.F.R. 5.34 or 5.39.**

Not Applicable

**SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION**

**FEDERAL RESERVE SYSTEM**

The Certification on page 8 need not be provided by the target institution. Federal Reserve applicants should modify their Certification accordingly.

In addition, all Federal Reserve applicants should provide the following supplemental information with their application:

21. **Indicate whether the applicant's investment in bank premises in establishing or retaining the branches following consummation of the transaction is consistent with Section 208.321 of the Board's Regulation H.**

Not Applicable

## SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

### FEDERAL DEPOSIT INSURANCE CORPORATION

All FDIC Applicants should provide the following supplemental information with their application:

- 22. This section supplements question 16 of the Interagency Bank Merger Act Application for transactions between nonaffiliated parties. Additional guidance relating to the FDIC’s consideration of the competitive factors in a proposed merger transaction is contained in the FDIC’s Rules and Regulations (12 C.F.R. 303 Subpart D) and Statement of Policy on Bank Merger Transactions, which may be found at <http://www.fdic.gov/regulations/laws/rules/index.html>.**

**I. Delineation of the relevant geographic market(s).**

**The relevant geographic market includes the areas in which the offices to be acquired are located and from which those offices derive the predominant portion of their loans, deposits, or other business. The relevant geographic market also includes the areas where existing and potential customers impacted by the proposed merger may practically turn for alternative sources of banking services.**

- (a) Prepare schedules for the applicant institution and target institution showing the total number of accounts and total dollar volume of deposits<sup>7</sup> for each municipality or census tract, where applicable, according to the recorded address of the depositor (do not submit supporting data). Small amounts may be aggregated and identified as “other.” *If the applicant institution is a multi-office institution, applicant institution deposit information should be provided only for those offices within or proximate to the area(s) described below under paragraph (b).***

Part A of Exhibit H sets forth the deposits in Silvergate Bank’s retail bank branches located in the San Diego-Carlsbad, CA Metropolitan Statistical Area (the “MSA”) as of June 30, 2018. Part B of Exhibit H sets forth the deposits in HomeStreet Bank’s retail bank branches located in the MSA as of June 30, 2018.

In addition, there are 53 other institutions with branches in the MSA. Please see Part C of Exhibit H for a complete list of all institutions doing business in the MSA.

The deposit market shares in this MSA for HomeStreet Bank and Silvergate Bank are 0.10% and 1.74%, respectively, and are discussed below.

- (b) Identify those areas where existing and potential customers of the offices to be acquired may practically turn for alternative sources of banking services. If consideration of the availability of such alternative banking services results in a market area considerably different from that**

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<sup>7</sup> In most cases, total deposits will serve as an adequate proxy for the overall share of banking business in the relevant geographic market area; however, other analytical proxies may be appropriate in certain cases (for example, a merger transaction involving trust companies).

**indicated by the sources of deposits, discuss and provide necessary supporting information.**

This MSA is not a highly concentrated market. As set forth in Part C of Exhibit H, the FDIC website shows the HHI for the MSA at 1,212.5828 as of June 30, 2018, pre-acquisition. Based on an assumed acquisition of \$123 million in deposits from the Branch, HomeStreet's market share in the MSA would increase from 0.10% to 0.24%, Silvergate Bank's market share would decrease from 1.74% to 1.60%, and the post-acquisition HHI would be approximately 1212.1707, resulting in a small decrease in HHI of approximately 0.4121. As demonstrated in the market information provided in Part C of Exhibit H, there are many alternatives where existing or potential customers may turn when seeking banking services.

The Proposed Transaction will not have anti-competitive effects on the relevant geographic market.

- (c) Using the information collected in paragraphs (a) and (b), provide a narrative description of the delineated relevant geographic market(s).**

See description set forth in the response to item 16.

- (d) Provide any additional information necessary to support the delineated relevant geographic market(s). Supporting information may include relevant demographic information, locations of major employers, retail trade statistics, and/or information on traffic patterns. Applicants should consult with the applicable FDIC Regional Office in determining whether additional information is necessary.**

Since the Proposed Transaction will not have anti-competitive effects on the relevant geographic market, no additional information is being provided.

## **II. Competition in the relevant geographic market(s).**

- (a) Prepare a schedule of participating and competing banking institutions' offices, divided into three sections:**
- (i) Applicant institution's offices within or proximate to the relevant geographic market(s);**
  - (ii) Target institution's offices within or proximate to the relevant geographic market(s); and**
  - (iii) Competitor banking offices located or competing within the delineated relevant geographic market(s).**

**To the extent known, also include banking offices approved but not yet open. The following presentation format is suggested:**



Name and Location of Banking Office	Total Deposits	Distance and Direction From Nearest Office	
		Applicant Institution	Target Institution

Please refer to Exhibit H.

There are no approved but unopened branches of Silvergate Bank in the relevant geographic market, and there are no approved but unopened branches of HomeStreet Bank in the relevant geographic market. However, HomeStreet Bank has applied for and received regulatory approval for the following bank branches:

- Santa Clara Branch (CA) (Anticipated opening date is January 3, 2019)
- San Jose Branch (CA) (Anticipated opening date is January 3, 2019)
- Kirkland Branch (WA) (Anticipated opening date is in the second quarter of 2019)

- (b) **For each office listed in paragraph (a), provide the street address; total deposits as reported in the most recent *FDIC Summary of Deposits Data Book* (<http://www2.fdic.gov/sod/index.asp>); and distance and general direction from the nearest office of Applicant and Target Institution. *In cases where the delineated relevant geographic market includes a significant portion of a larger metropolitan area, provide only a listing of financial institutions and the aggregate total deposits of all offices operated by each within the delineated relevant geographic market(s).***

Please refer to Exhibit H and the description set forth in item 16.

- (c) **Discuss the extent and intensity of competition in the delineated relevant geographic market(s) provided by nonbank institutions, such as other depository institutions (for example, credit unions) and non-depository institutions (for example, finance companies, or government agencies). For those institutions regarded as competing in the delineated relevant geographic market(s), provide name, address, and services supplied.**

As shown in Exhibit H, Part C, the market is well served by other banks. Accordingly, analysis of nonbank institutions is not necessary to show that the Proposed Transaction will not have anti-competitive effects.

## Interagency Bank Merger Act Application Exhibits

Silvergate Bank / HomeStreet Bank

Exhibit A	Form of Public Notice	
<b>Exhibit B</b>	<b>Purchase and Assumption Agreement, Including Schedules and Exhibits</b>	In Volume II- Confidential Volume
Exhibit C	Silvergate Bank Board Resolutions	
Exhibit D	HomeStreet, Inc. and HomeStreet Bank Board Resolutions	
<b>Exhibit E</b>	<b>Pro Forma and Projected Financial Statements and Capital Schedules - Conf.</b>	In Volume II- Confidential Volume
<b>Exhibit F</b>	<b>Litigation</b>	In Volume II- Confidential Volume
Exhibit G	Branch Locations – HomeStreet Bank and Silvergate Bank	
Exhibit H	Deposit Information – HomeStreet Bank and Silvergate Bank	

# Exhibit A

## Form of Public Notice

**IBMA APPLICATION EXHIBIT A  
FORM OF PUBLIC NOTICE**

*Note: This Notice of Branch Application is scheduled to first publish on November 29, 2018, in the Official Notice category of The Seattle Times, a newspaper of general circulation in Seattle, Washington, and The Daily Transcript, a newspaper of general circulation for San Diego County, California.*

*November 29, 2018*

*December 11, 2018*

*December 24, 2018*

*Affidavits of publication will be provided when available.*

**NOTICE OF BRANCH PURCHASE AND ASSUMPTION APPLICATION**

Notice is hereby given that HomeStreet Bank, a Washington state-chartered commercial bank with headquarters at 601 Union Street, Suite 2000, Seattle, WA 98101 has filed an application with the Federal Deposit Insurance Corporation (FDIC) to acquire one branch of Silvergate Bank, California a state-chartered commercial bank with headquarters at 4250 Executive Square, Suite 200, La Jolla, CA 92037, together with certain assets and liabilities related to the operation of the branch and certain lending operations. The branch to be acquired is a full service brick and mortar office located at 277 Rancheros Drive, Suite 300, San Marcos, CA 92069.

Subject to receipt of regulatory approval and the successful closing of the transaction, it is contemplated that all offices of the institutions described above will continue to be operated.

Any person wishing to comment on this application may file his or her comments in writing with the regional director of the FDIC at its regional office at 25 Jessie Street at Ecker Square, Suite 2300, San Francisco, California, 94105 not later than December 29, 2018. The non-confidential portions of the application are on file at the appropriate FDIC office and are available for public inspection during regular business hours. Photocopies of the non-confidential portion of the application file will be made available upon request.

Exhibit C

Resolutions of the Board of Directors of  
Silvergate Bank

**CERTIFICATE OF SECRETARY  
OF  
SILVERGATE BANK**

The undersigned, being the duly elected, qualified and acting Secretary of Silvergate Bank, a California corporation (the "Bank"), hereby certifies on behalf of the Bank, and not in my personal capacity, that:

(1) Attached hereto as Exhibit A is a true, correct and complete copy of the resolutions adopted on November 15, 2018 by the Board of Directors of the Bank (the "Board") in connection with the Purchase and Assumption Agreement dated November 15, 2018, between the Bank and HomeStreet Bank and the transactions contemplated thereby (the "Board Approval"), which Board Approval was approved by the unanimous consent of the Board.

(2) The Board Approval is in full force and effect on the date hereof, in the form set forth on Exhibit A, and no other action has been taken or any other resolutions adopted by the Board or any other committee of the Board related thereto.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate of Secretary of Silvergate Bank effective as of November 16, 2018.



Name: Judith M. Knowles  
Title: Secretary

**EXHIBIT A**  
**Board Approval**

WHEREAS, the management of Silvergate Bank ("Silvergate") has previously explained to and discussed with the Board of Directors ("Board") the reasons for and consequences of a sale of certain business loans, deposits related to such loans, and the deposits and assets of Silvergate's branch banking office located in San Marcos, California; and

WHEREAS, the management of Silvergate has presented to the Board the terms of a proposed transaction in which Silvergate would enter into an agreement with HomeStreet Bank, a Washington state commercial bank ("HMST"), under which HMST would purchase the assets and assume the deposit liabilities described above (the "Transaction"), including the principal terms of a Purchase and Assumption Agreement between Silvergate and HMST (the "Agreement"); and

WHEREAS, the Board has considered the principal terms of the Transaction and the Agreement, and management's recommendations with respect thereto, and has determined that they are all in the best interests of Silvergate;

NOW THEREFORE BE IT RESOLVED that the principal terms of the Transaction and the Agreement are hereby approved and the actions of management with respect thereto are ratified; and

RESOLVED FURTHER, that Silvergate's duly appointed officers are authorized and directed to take whatever actions are necessary to consummate the Transaction including executing the Agreement, cooperating with HMST in the filing with state and federal bank regulatory agencies all necessary Transaction approval applications and related materials, and any further actions they deem necessary and appropriate to effect the purposes of these resolutions.

**Exhibit D**

**Resolutions of the Board of Directors of  
HomeStreet Bank**



CERTIFIED RESOLUTION  
*Project Pacific*

BOARDS OF DIRECTORS  
HOMESTREET, INC. AND HOMESTREET BANK

The undersigned Corporate Secretary hereby certifies that the set forth below resolution is a true and correct copy of a resolution adopted at the November 13, 2018 meeting of the Boards of Directors of HomeStreet, Inc. and HomeStreet Bank. Such resolution is included in the minutes of such meeting and has not been altered, amended, or rescinded.

DATED this 16th day of November, 2018.

  
Godfrey B. Evans, Corporate Secretary

WHEREAS, Management has discussed with the Board of the Bank a presentation, a copy of which is included in the Board Book, relating to a proposed acquisition of a bank branch in San Marcos, California from Silvergate Bank; and

WHEREAS, the Board of the Bank has been provided with and given an opportunity to discuss with management that certain Purchase and Assumption Agreement to be entered into between the Bank and Silvergate Bank in the form included in the Board Book (the "Pacific Purchase Agreement"); and

WHEREAS, the Board of the Bank now wishes approve the acquisition of such branch in San Marcos;

NOW, THEREFORE, BE IT RESOLVED, that the Bank is hereby authorized and directed to acquire the branch of Silvergate Bank located at 277 Rancheros Drive, Suite 300, San Marcos, California for a sum equal to (a) premiums on the average balances of deposit balances as follows: (i) 1.00% of noninterest bearing checking deposits; (ii) 7.30% of NOW and other interest bearing checking deposits; (iii) 3.00% on savings and money market deposit accounts, (iv) 0.75% of non-jumbo time deposits with an average daily balance not exceeding \$250,000 per deposit account; and (v) agreed to premiums of approximately 1% for certain Promontory and Corporate Deposits, as defined in the Pacific Purchase Agreement (in each case calculated as of the thirty days prior to the closing date) plus (b) the par value, plus accrued interest, of certain loans to be assumed by the Bank in the transaction, defined as Purchased Loans in the Pacific Purchase Agreement, (c) the net book value of the fixed assets, furniture and equipment plus (d) the value of all prepaid expenses assumed by the Bank, and on such other terms and conditions as set forth in the Pacific Agreement.

FURTHER RESOLVED, that management is hereby authorized and directed to negotiate and execute the Pacific Purchase Agreement and such other agreements and documents as may be necessary to facilitate the acquisition of such branch and assets, take such steps, file such applications, hire such experts and consultants, obtain such approvals and take such additional steps as may be necessary or appropriate to carry out the intent of these resolutions, the taking of such action being the conclusive evidence as to the necessity or appropriateness of such action..

FURTHER RESOLVED, that all actions heretofore taken by any officer of the Bank in connection with or otherwise in contemplation of the transactions contemplated by any of the foregoing resolutions be, and hereby are, ratified, confirmed and approved.

Exhibit G

HomeStreet Bank Branch and Lending  
Office Locations  
and  
Silvergate Bank Branch Locations

**IBMA APPLICATION EXHIBIT G**

**PART A**

**HOMESTREET BANK**

**BRANCH LOCATIONS AS OF NOVEMBER 14, 2018<sup>1</sup>**

**(Sorted by State)**

<b>Official Name</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>County</b>	<b>MSA</b>
Baldwin Park Branch	3119 Baldwin Park Blvd., Suite A	Baldwin Park	CA	91706	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
Burbank Branch	333 N Glenoaks Blvd.	Burbank	CA	91502	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
Downey Branch	8860 Apollo Way, Ste. 328	Downey	CA	90242	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
El Cajon Branch	368 Broadway	El Cajon	CA	92021	San Diego	San Diego-Carlsbad CA MSA
Fontana Branch	9714 Sierra Avenue, Suite 101	Fontana	CA	92335	San Bernardino	Riverside - San Bernardino - Ontario CA MSA
Glendora Branch	650 S. Grand Avenue, Suite 105	Glendora	CA	91741	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
Granada Hills Branch	10820 Zelzah Avenue	Granada Hills	CA	91344	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
Harbor City Branch	26640 Western Avenue, Suite N	Harbor City	CA	90710	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
Irvine Branch	17901 Von Karman Avenue, Suite 100	Irvine	CA	92614	Orange	Los Angeles-Long Beach-Anaheim CA MSA
Kearny Mesa Branch	9363 Clairemont Mesa Blvd., Ste. S	San Diego	CA	92123	San Diego	San Diego-Carlsbad CA MSA
Los Angeles Branch	1118 N. Vermont Avenue	Los Angeles	CA	90029	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
Mission Gorge Branch	6515 Mission Gorge Road, Ste. 6515	San Diego	CA	92120	San Diego	San Diego-Carlsbad CA MSA
Panorama City Branch	8501 Van Nuys Boulevard	Panorama City	CA	91402	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
Pasadena Branch	252 S. Lake Avenue	Pasadena	CA	91101	Los Angeles	Los Angeles-Long Beach-Anaheim CA MSA
Point Loma Branch	1110 Rosecrans Street, Ste. 101	San Diego	CA	92106	San Diego	San Diego-Carlsbad CA MSA
Riverside Branch	3844 La Sierra Avenue	Riverside	CA	92505	Riverside	Riverside - San Bernardino - Ontario CA MSA

<sup>1</sup> The FDIC.gov website lists branch information as of November 14, 2018, which is the most current information on that site as of the date of this Application.

Official Name	Address	City	State	Zip	County	MSA
Hilo Branch	120 Waiianuenu Avenue	Hilo	HI	96720	Hawaii	Hilo HI MSA (Micropolitan)
Honolulu Branch	2 South King Street	Honolulu	HI	96813	Honolulu	Urban Honolulu HI MSA
Kaimuki Branch	3660 Waiialae Ave., Suite 108	Honolulu	HI	96816	Honolulu	Urban Honolulu HI MSA
Pearl City Branch	98-1258 Kaahumanu Street, Suite 104	Pearl City	HI	96782	Honolulu	Urban Honolulu HI MSA
Lake Grove Branch	3970 SW Mercantile Drive, Suite 105	Lake Oswego	OR	97035	Clackamas	Portland - Vancouver - Hillsboro OR-WA MSA
Northwest Portland Branch	22 NW 23rd Avenue	Portland	OR	97210	Multnomah	Portland - Vancouver - Hillsboro OR-WA MSA
Oswego Branch	310 North State Street, Suite 218	Lake Oswego	OR	97034	Clackamas	Portland - Vancouver - Hillsboro OR-WA MSA
Tigard (King City) Branch	16200 SW Pacific Highway, Suite Z-3	Tigard	OR	97224	Washington	Portland - Vancouver - Hillsboro OR-WA MSA
Bainbridge Island Branch	921 Hildebrand Lane, Suite 100	Bainbridge Is.	WA	98110	Kitsap	Bremerton - Silverdale WA MSA
Ballard Branch	5900 - 24th Avenue NW	Seattle	WA	98107	King	Seattle - Tacoma - Bellevue WA MSA
Bellevue Branch	500 - 108th Avenue NE, Suite 1E1	Bellevue	WA	98004	King	Seattle - Tacoma - Bellevue WA MSA
Capitol Hill Branch	700 Broadway E., Unit #D	Seattle	WA	98102	King	Seattle - Tacoma - Bellevue WA MSA
Crown Hill Branch	8050 - 15th Avenue NW	Seattle	WA	98117	King	Seattle - Tacoma - Bellevue WA MSA
Dayton Branch	427 East Main	Dayton	WA	99328	Columbia	Walla Walla, WA MSA
Everett Branch	2720 Hoyt Avenue, Suite B	Everett	WA	98201	Snohomish	Seattle - Tacoma - Bellevue WA MSA
Federal Way Branch	33525 Pacific Highway South	Federal Way	WA	98003	King	Seattle - Tacoma - Bellevue WA MSA
Fremont Branch	3417 Evanston Avenue N	Seattle	WA	98103	King	Seattle - Tacoma - Bellevue WA MSA
Gig Harbor Branch	4949 Borgen Boulevard, Suite B101	Gig Harbor	WA	98332	Pierce	Seattle - Tacoma - Bellevue WA MSA
Greenlake Branch	417 NE 72nd Street	Seattle	WA	98115	King	Seattle - Tacoma - Bellevue WA MSA
Issaquah Branch	909 NE Ellis Drive	Issaquah	WA	98029	King	Seattle - Tacoma - Bellevue WA MSA
Kennewick Branch	7510 W. Clearwater Avenue	Kennewick	WA	99336	Benton	Kennewick-Richland WA MSA
Kent Branch	505 West Harrison Street	Kent	WA	98302	King	Seattle - Tacoma - Bellevue WA MSA
Lake City Branch	12513 Lake City Way NE	Seattle	WA	98125	King	Seattle - Tacoma - Bellevue WA MSA
Lakewood Branch	10802 Gravelly Lake Drive SW	Lakewood	WA	98499	Pierce	Seattle - Tacoma - Bellevue WA MSA

Official Name	Address	City	State	Zip	County	MSA
Lynnwood Branch	19405 - 44th Avenue W	Lynnwood	WA	98036	Snohomish	Seattle - Tacoma - Bellevue WA MSA
Madison Park Branch	4036 East Madison Street	Seattle	WA	98112	King	Seattle - Tacoma - Bellevue WA MSA
Marysville Branch	1238 State Avenue	Marysville	WA	98270	Snohomish	Seattle - Tacoma - Bellevue WA MSA
Mill Creek Branch	15021 Main Street, Suite C	Mill Creek	WA	98012	Snohomish	Seattle - Tacoma - Bellevue WA MSA
Mountlake Terrace Branch	22001 - 66th Avenue W	Mountlake Terrace	WA	98043	Snohomish	Seattle - Tacoma - Bellevue WA MSA
Newcastle Branch	6949 Coal Creek Parkway SE	Newcastle	WA	98059	King	Seattle - Tacoma - Bellevue WA MSA
Olympia Branch	720 Lilly Road SE	Olympia	WA	98501	Thurston	Olympia-Tumwater WA MSA
Phinney Ridge Branch	7307 Greenwood Avenue	Seattle	WA	98103	King	Seattle - Tacoma - Bellevue WA MSA
Queen Anne Branch	1835 Queen Anne Avenue North	Seattle	WA	98109	King	Seattle - Tacoma - Bellevue WA MSA
Redmond Branch	16389 Redmond Way, Suite 100	Redmond	WA	98052	King	Seattle - Tacoma - Bellevue WA MSA
Seattle Branch	1314 Sixth Avenue	Seattle	WA	98101	King	Seattle - Tacoma - Bellevue WA MSA
Southcenter Branch	130 Andover Park E., Suite 100	Tukwila	WA	98188	King	Seattle - Tacoma - Bellevue WA MSA
Spokane Branch	818 W. Riverside Avenue, Suite 120	Spokane	WA	99201	Spokane	Spokane-Spokane Valley WA MSA
Sunnyside Branch	1820 Yakima Valley Highway, Suite B	Sunnyside	WA	98944	Yakima	Yakima WA MSA
Tacoma Branch	1501 S. Union Avenue	Tacoma	WA	98405	Pierce	Seattle - Tacoma - Bellevue WA MSA
University Branch	5001 - 25th Avenue NE, Suite 100	Seattle	WA	98105	King	Seattle - Tacoma - Bellevue WA MSA

The table provided above lists HomeStreet Bank's full service "brick and mortar" bank branch offices, which total 60 as of the date of this Application. In addition to these, HomeStreet Bank operates a total of 65 stand-alone loan production offices, 2 support offices, and an insurance office (a Division of HomeStreet, Inc.) for a total of 128 active locations as of the date of this Application.

The FDIC.gov website as of November 14, 2018 (the most current information on that site as of the date of this Application), lists 84 offices. Of these offices, 60 are full-service bank branches and 24 are loan production offices. Please see further discussion below regarding the 24 loan production offices listed on FDIC.gov.

**Reconciliation of the Table Above and FDIC.gov Location Information:**

Loan Production and Support Offices:

HomeStreet Bank currently operates 65 stand-alone loan production offices and 2 support offices throughout Arizona, California, Hawaii, Idaho, Oregon, Utah and Washington, for a total of 67.

The following 24 loan production offices are listed on the FDIC.gov website; however, 8 of those locations were closed in 2017 and earlier in 2018. None of the following loan production offices are included in the table of bank branch locations above:

Open loan production offices:

- Bakersfield Home Loan Center (CA)
- Big Bear Home Loan Center (CA)
- Brea Commercial Capital Lending Center (CA)
- Carlsbad Small Business Lending Center (CA)
- Chico Home Loan Center (CA)
- Rancho Cucamonga Home Loan Center (CA)
- Riverside Central Home Loan Center (CA)
- San Jose Commercial Lending (CA)
- Victorville Home Loan Center (CA)
- Woodland Hills Home Loan Center (CA)
- Kapolei Home Loan Center (HI)
- Bellingham Home Loan Center (WA)
- Oak Harbor Home Loan Center (WA)
- Richland Commercial Lending (WA)
- Spokane Valley Home Loan Center (WA)
- Yakima Home Loan Center (WA)

Closed loan production offices:

- Mesa Home Loan Center (AZ) (Closed 6/29/18; Notice sent 7/2/18)
- Payson Home Loan Center (AZ) (Closed 9/29/17; Notice sent 10/3/17)
- Scottsdale Home Loan Center (AZ) (Closed 9/29/17; Notice sent 10/3/17)
- Fresno Home Loan Center (CA) (Closed 6/29/18; Notice sent 7/2/18)
- Redlands Home Loan Center (CA) (Closed 9/29/17; Notice sent 10/3/17)
- San Francisco Home Loan Center (Closed 6/29/18; Notice sent 7/2/18)
- Temecula Home Loan Center (CA) (Closed 9/29/17; Notice sent 10/3/17)
- Castle Rock Home Loan Center (Closed 7/24/2018; Notice sent 7/24/2018)

Full Service Bank Branches – Numbers by State:

Breakdown of HomeStreet Bank's 60 full-service bank branch locations by state:

- California – 16
- Hawaii – 4
- Oregon – 4
- Washington 36

**Other Bank Branch and M&A Activities**

Approved Bank Branch Applications

HomeStreet has applied for and received regulatory approval for the following bank branches:

- Santa Clara Branch (CA) (Anticipated opening date is January 3, 2019)
- San Jose Branch (CA) (Anticipated opening date is January 3, 2019)
- Kirkland Branch (WA) (Anticipated opening date is in the second quarter of 2019)

M&A and Bank Branch Application Activity

As of the date of this Application, HomeStreet has no unapproved M&A or bank branch applications.

**IBMA APPLICATION EXHIBIT G**

**PART B**

**SILVERGATE BANK**

**BRANCH LOCATIONS AS OF NOVEMBER 14, 2018<sup>2</sup>**

**(Sorted by State)**

<b>Official Name</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>County</b>	<b>MSA</b>
Silvergate Bank	4250 Executive Square, Suite 300	La Jolla	CA	92037	San Diego	San Diego-Carlsbad CA MSA
La Jolla Branch	4250 Executive Square, Suite 100	La Jolla	CA	92037	San Diego	San Diego-Carlsbad CA MSA
Earn.Bank/Digital Branch	4250 Executive Square, Suite 300	La Jolla	CA	92037	San Diego	San Diego-Carlsbad CA MSA
La Mesa Branch	8530 La Mesa Boulevard, Suite 300	La Mesa	CA	91942	San Diego	San Diego-Carlsbad CA MSA
San Marcos Branch	277 Rancheros Drive, Suite 300	San Marcos	CA	92069	San Diego	San Diego-Carlsbad CA MSA

Silvergate Bank operates three retail bank branches, one digital branch, and its administrative office in California, as shown above.

Subject to regulatory approval and upon consummation of the transaction, HomeStreet intends to call the acquired branch by the following popular name:

San Marcos Branch

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<sup>2</sup> The FDIC.gov website lists branch information as of November 14, 2018, which is the most current information on that site as of the date of this Application.

**Exhibit H**

**Deposit Information**

**HomeStreet Bank  
and  
Silvergate Bank**



IBMA APPLICATION EXHIBIT H  
SUMMARY OF DEPOSITS AS OF JUNE 30, 2018  
PART A – Silvergate Bank  
San Diego-Carlsbad, CA MSA

**Summary of Deposits**

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**Silvergate Bank**  
4250 Executive Square Suite 300  
La Jolla, CA 92037

Holding Company: SILVERGATE CAPITAL CORPORATION  
FDIC Certificate Number: 27330  
OTS Docket Number: 14732  
RSSDID: 1216826  
Primary Federal Regulator: FEDERAL RESERVE BOARD  
Current List of Offices

Selected Criteria  
**MSA: San Diego-Carlsbad, CA**  
City Type: USPS  
Data as of: June 30, 2018  
Sorted by: State, County, Institution Name  
[Run Report](#)

Institution Name	Cert	City, State	Charter	Service Type	Office Number	Unique Number	Deposits (\$000) for June 30, 2018
<b>CALIFORNIA</b>							
<b>San Diego County</b>							
<b>Silvergate Bank</b>							
M 4250 Executive Square Suite 300	27330	La Jolla, CA	SM				
4250 Executive Square Suite 100		La Jolla	92037	11	0	39584	48,745
4250 Executive Square Ste 300		La Jolla	92037	11	4	516694	164,021
8530 La Mesa Boulevard Ste 300		La Jolla	92037	13	7	541323	1,194,929
277 Rancheros Drive, Suite 300		La Mesa	91942	11	1	359284	57,104
		San Marcos	92069	11	8	596456	90,270
<b>Totals for Certificate Number 27330</b>		<b>5 Office(s)</b>					<b>1,555,069</b>

County Totals: San Diego, California			
Type of Institution	# of Institutions	# of Offices	Deposits June 30, 2018
Commercial Banks	1	5	1,555,069
Savings Institutions	0	0	0
US Branches of Foreign Banks	0	0	0
<b>Total</b>	<b>1</b>	<b>5</b>	<b>1,555,069</b>

IBMA APPLICATION EXHIBIT G  
SUMMARY OF DEPOSITS AS OF JUNE 30, 2018  
PART B – HOMESTREET BANK  
San Diego-Carlsbad, CA MSA

**Summary of Deposits**

[Go Back](#)

**HomeStreet Bank**  
601 Union Street, Suite 2000  
Seattle, WA 98101

Holding Company: HOMESTREET INC.  
FDIC Certificate Number: 32489  
OTS Docket Number: 8324  
RSSDID: 258771  
Primary Federal Regulator: FEDERAL DEPOSIT INSURANCE CORPORATION  
Current List of Offices

Selected Criteria  
**MSA: San Diego-Carlsbad, CA**  
City Type: USPS  
Data as of: June 30, 2018  
Sorted by: State, County, Institution Name  
[Run Report](#)

State	County	Institution Name	Cert	City, State City (USPS)	Charter Zip	Service Type Codes	Office Number	Unique Number	Deposits (\$000) for June 30, 2018	
<b>CALIFORNIA</b>										
<b>San Diego County</b>										
<b>HomeStreet Bank</b>										
		368 Broadway	<u>32489</u>	Seattle, WA		<u>NM</u>				
		1110 Rosecrans Street, Suite 101		El Cajon		92021	11	195	359872	20,155
		6515 Mission Gorge Road Suite 6515		San Diego		92106	11	181	582587	51,486
		9363 Clairemont Mesa Boulevard, Suite S		San Diego		92120	11	168	577629	15,459
				San Diego		92123	11	169	577985	3,653
		<b>Totals for Certificate Number 32489</b>		<b>4 Office(s)</b>						<b>90,753</b>

County Totals: San Diego, California			
Type of Institution	# of Institutions	# of Offices	Deposits June 30, 2018
Commercial Banks	1	4	90,753
Savings Institutions	0	0	0
US Branches of Foreign Banks	0	0	0
<b>Total</b>	<b>1</b>	<b>4</b>	<b>90,753</b>

**IBMA APPLICATION EXHIBIT G**  
**HERFINDAHL HIRSCHMAN INDEX (“HHI”) FOR MSA**

AS OF JUNE 30, 2018

**PART C**

San Diego-Carlsbad, CA MSA

Offices and Deposits of all FDIC-Insured Institutions  
Preliminary Pro Forma Deposit Market Share Report

Deposits as of:

Total Assets as of:

Sorted by:

Acq	Merged	Selected Market					Total Assets as of June 30, 2018	Market Data June 30, 2018			Squared Market Share
		Metropolitan Statistical Area(s): SAN DIEGO-CARLSBAD, CA						No. of Offices	Deposits (\$000)	Market Share	
		Institution Name	CERT	State (Hqtrd)	Bank Class	State/ Federal Charter					
<input type="checkbox"/>	<input type="checkbox"/>	Wells Fargo Bank, National Association	3511	SD	N	Federal	1,675,077,000	99	20,197,116	22.57%	539.3373
<input type="checkbox"/>	<input type="checkbox"/>	Bank of America, National Association	3510	NC	N	Federal	1,759,530,000	73	13,901,991	15.53%	241.3062
<input type="checkbox"/>	<input type="checkbox"/>	JPMorgan Chase Bank, National Association	623	OH	N	Federal	2,167,760,000	93	12,531,057	14.00%	196.0659
<input type="checkbox"/>	<input type="checkbox"/>	MUFG Union Bank, National Association	22826	CA	N	Federal	123,737,265	55	11,144,880	12.45%	156.0872
<input type="checkbox"/>	<input type="checkbox"/>	BofI Federal Bank	25546	CA	SB	Federal	9,531,165	1	6,507,805	7.27%	52.8805
<input type="checkbox"/>	<input type="checkbox"/>	U.S. Bank National Association	6542	OH	N	Federal	453,023,045	78	3,658,665	4.09%	16.7228
<input type="checkbox"/>	<input type="checkbox"/>	ZB, National Association	2270	UT	N	Federal	68,254,648	24	3,433,242	3.84%	14.7184
<input type="checkbox"/>	<input type="checkbox"/>	Western Alliance Bank	57812	AZ	SM	State	121,411,686	7	2,103,390	2.35%	5.5242
<input type="checkbox"/>	<input type="checkbox"/>	First Republic Bank	59017	CA	NM	State	93,851,480	5	1,933,694	2.22%	4.9147
<input type="checkbox"/>	<input type="checkbox"/>	Chibank, National Association	7213	SD	N	Federal	1,397,794,000	16	1,246,630	2.06%	4.2549
<input type="checkbox"/>	<input type="checkbox"/>	Pacific Western Bank	24045	CA	NM	State	24,500,257	15	1,721,858	1.92%	3.7019
<input type="checkbox"/>	<input type="checkbox"/>	Silvergate Bank	27330	CA	SM	State	1,720,830	5	1,565,090	1.74%	3.0194
<input type="checkbox"/>	<input type="checkbox"/>	Bank of the West	3514	CA	NM	State	89,587,184	5	1,064,489	1.19%	1.4148
<input type="checkbox"/>	<input type="checkbox"/>	Seacoast Commerce Bank	57428	CA	SM	State	998,802	4	682,132	0.76%	0.5910
<input type="checkbox"/>	<input type="checkbox"/>	City National Bank	17251	CA	N	Federal	48,315,571	5	535,059	0.60%	0.3675
<input type="checkbox"/>	<input type="checkbox"/>	Compass Bank	19049	AL	SM	State	97,739,409	6	533,577	0.60%	0.3555
<input type="checkbox"/>	<input type="checkbox"/>	Comerica Bank	953	TX	SM	State	72,145,314	14	528,365	0.59%	0.3486
<input type="checkbox"/>	<input type="checkbox"/>	Banner Bank	26459	WA	NM	State	10,089,551	10	490,241	0.55%	0.3002
<input type="checkbox"/>	<input type="checkbox"/>	Grandpoint Bank	59390	CA	NM	State	3,102,869	4	485,863	0.54%	0.2948
<input type="checkbox"/>	<input type="checkbox"/>	Bank of California, National Association	35492	CA	N	Federal	10,301,168	4	478,120	0.53%	0.2854
<input type="checkbox"/>	<input type="checkbox"/>	CIT Bank, National Association	52978	CA	N	Federal	41,664,755	2	410,903	0.46%	0.2108
<input type="checkbox"/>	<input type="checkbox"/>	CalPrivate Bank	58261	CA	NM	State	710,623	3	386,657	0.43%	0.1887

Acq	Merged	Selected Market					Total Assets as of June 30, 2018	Market Data June 30, 2018			Squared Market Share
		Metropolitan Statistical Area(s): SAN DIEGO-CARLSBAD, CA						No. of Offices	Deposits (\$000)	Market Share	
		Institution Name	CERT	State (Hqtrd)	Bank Class	State/ Federal Charter					
		First-Citizens Bank & Trust Company	11063	NC	NM	State	34,911,813	7	349,726	0.39%	0.1628
		Bank of Southern California, N.A.	57644	CA	N	Federal	521,437	4	275,283	0.31%	0.0946
		First National Bank of Southern California	25249	CA	N	Federal	299,224	2	203,721	0.23%	0.0616
		Umpqua Bank	17266	OR	NM	State	25,449,522	3	199,151	0.22%	0.0465
		First Bank	12229	MO	SM	State	6,179,584	3	195,590	0.22%	0.0478
		Pacific Commerce Bank	57665	CA	SM	State	552,359	2	163,279	0.20%	0.0419
		Opus Bank	23805	CA	NM	State	7,192,325	3	181,243	0.20%	0.0410
		Pacific Premier Bank	32172	CA	SM	State	3,158,224	3	177,464	0.20%	0.0393
		Balboa Thrift and Loan Association	25794	CA	NM	State	224,497	1	145,623	0.16%	0.0284
		The Northern Trust Company	913	IL	SM	State	134,558,952	1	138,300	0.15%	0.0299
		Cathay Bank	18593	CA	NM	State	16,174,710	1	130,437	0.15%	0.0212
		Home Bank of California	25271	CA	NM	State	168,215	1	129,629	0.14%	0.0208
		East West Bank	31528	CA	SM	State	32,046,465	1	121,476	0.14%	0.0184
		State Bank of India (California)	23995	CA	NM	State	737,183	1	109,061	0.12%	0.0149
		Bank of Hope	26610	CA	NM	State	14,869,532	1	99,925	0.10%	0.0103
		HomeStreet Bank	22489	WA	NM	State	7,123,992	4	99,753	0.10%	0.0103
		Mutual of Omaha Bank	22325	NE	SS	Federal	3,257,273	1	89,831	0.10%	0.0101
		Hanmi Bank	24170	CA	NM	State	5,416,018	1	87,846	0.10%	0.0096
		First Foundation Bank	58647	CA	NM	State	5,963,649	1	73,269	0.08%	0.0097
		Commerce West Bank	57176	CA	SM	State	549,853	1	70,565	0.08%	0.0082
		Shirhan Bank America	23188	NY	NM	State	1,395,519	1	59,165	0.06%	0.0042
		Rancho Santa Fe Thrift & Loan Association	25803	CA	NM	State	74,420	1	48,430	0.05%	0.0027
		Citizens Business Bank	21716	CA	NM	State	2,085,158	2	44,245	0.05%	0.0024
		Neighborhood National Bank	24548	CA	N	Federal	54,068	2	41,825	0.05%	0.0022
		Endeavor Bank	59099	CA	NM	State	59,253	1	26,911	0.03%	0.0039
		First Choice Bank	57956	CA	NM	State	982,663	1	25,587	0.03%	0.0039
		East Bank, SSB	22574	TX	SS	State	1,920,826	1	11,155	0.01%	0.0002
		Armed Forces Bank, National Association	4885	KS	N	Federal	1,079,733	5	13,004	0.01%	0.0001
		Community Valley Bank	58500	CA	NM	State	151,822	1	3,243	0.00%	0.0000
		Mechanics Bank	1768	CA	NM	State	6,133,131	1	74	0.00%	0.0000
		BNY Mellon, National Association	7948	PA	N	Federal	23,421,089	1	0	0.00%	0.0000
Number of Institutions in the Market: 53						TOTALS	8,518,708,783	560	89,492,498	100.00%	
										HHI	1,212,5828