

**Orange County Business Bank (OTC: OCBB; Irvine, CA) has agreed to merge with HomeStreet, Inc. (NASDAQ: HMST; Seattle, WA)**

**Deal Value: \$55.3 million**

Sandler O'Neill acted as exclusive financial advisor and rendered a fairness opinion to Orange County Business Bank in this transaction. This transaction represents Sandler O'Neill's 96<sup>th</sup> bank or thrift transaction nationwide since January 1, 2014, representing \$16.8 billion in aggregate transaction value. Sandler O'Neill has served as financial advisor on more bank or thrift transactions than any other investment bank during that time period.<sup>1</sup>

Since January 1, 2013, Sandler O'Neill has advised on 23 bank or thrift transactions in the Western U.S., more than any other investment bank during that time period, representing an aggregate transaction value of \$9.8 billion.<sup>1</sup>

SEATTLE & IRVINE, Calif. HomeStreet, Inc. (NASDAQ: HMST) ("HomeStreet") has entered into a definitive agreement under which it will acquire Orange County Business Bank (OTC: OCBB) ("OCBB"), a California banking corporation.

The proposed transaction was approved by the boards of both companies and is expected to close late in the fourth quarter of 2015 or early in the first quarter of 2016, subject to certain conditions set forth in the merger agreement and the customary closing conditions, including OCBB shareholder and state and federal regulatory approvals.

Under the terms of the agreement, HomeStreet will acquire Orange County Business Bank for \$11.70 per share, or a total value of \$55.3 million with \$5.5 million paid in cash and the remainder in HomeStreet common stock. The merger agreement provides for an adjustment to the number of shares of HomeStreet stock issuable in the transaction if HomeStreet's average closing stock price, as measured during a ten-day trading day period ending on and excluding the fifth day prior to the closing date, falls outside a range of 90 percent to 115 percent of the average closing price measured during such a period prior to the signing date.

Orange County Business Bank serves businesses throughout the region with a strong customer-service focus and dedication to the local business community. This acquisition provides OCBB with substantial additional resources to better serve clients, including higher loan limits and a broader menu of commercial and consumer loan, deposit, investment and insurance products and services.

Orange County Business Bank is headquartered in Irvine, Calif. and operates one business banking office at its headquarters building in Irvine. The bank has approximately \$200 million in assets and total gross loans of more than \$128 million as of June 30, 2015. Upon completion of the merger, the Orange County Business Bank office will become an office of HomeStreet Bank.

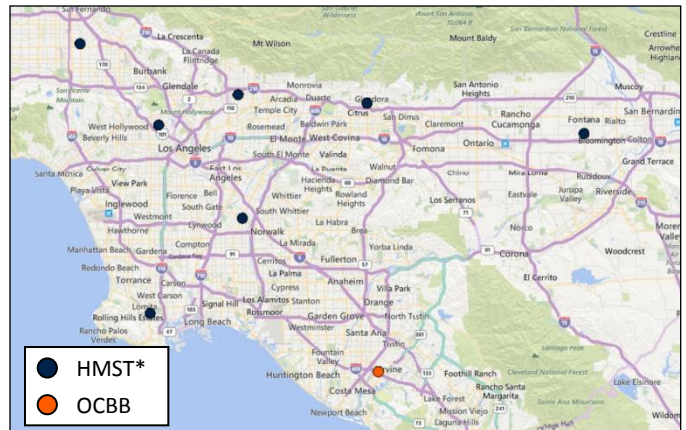
On a pro forma basis, the combined company will have approximately \$5.01 billion in assets based on June 30, 2015 balances. Currently, the two companies together have a network of 112 retail deposit branches and stand-alone lending centers in eight states.

**Financial Highlights**

<i>(Dollars in thousands)</i>	<b>HMST</b>	<b>OCBB</b>
Total Assets	\$4,866,248	\$199,991
Gross Loans	\$2,926,452	\$128,865
Total Deposits	\$3,322,653	\$126,631
TCE / TA	8.81%	23.99%
LTM ROAA	0.87%	4.14%

**Notes:**  
 \*Excludes HMST branch footprint outside California  
 Financial data as of June 30, 2015  
 1: Source: SNL Financial; Excludes terminated transactions and self-advisory roles

**Pro Forma Branch Network**



**Sandler O'Neill Contacts**

Steve Egli  
 Managing Director  
 (415) 978-5056

Bradley de Voogd  
 Associate  
 (415) 978-5055

Paul Rossi  
 Analyst  
 (415) 978-5052