

Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-6

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies, top-tier savings and loan holding companies, and U.S. intermediate holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: The *Annual Report of Holding Companies* must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

Date of Report (top-tier holding company's fiscal year-end):

December 31, 2017

Month / Day / Year

N/A

Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

I, Laura Lee Stewart

Name of the Holding Company Director and Official

President/CEO

Title of the Holding Company Director and Official

Sound Financial Bancorp, Inc.

Legal Title of Holding Company

2005 Fifth Avenue, Suite 200

(Mailing Address of the Holding Company) Street / P.O. Box

Seattle

WA

98121

City

State

Zip Code

attest that the *Annual Report of Holding Companies* (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

Physical Location (if different from mailing address)

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Person to whom questions about this report should be directed:

Matthew P. Deines

EVP/CFO

Name

Title

206 436-1489

Area Code / Phone Number / Extension

866-947-0277

Area Code / FAX Number

matt.deines@soundcb.com

E-mail Address

www.soundcb.com

Address (URL) for the Holding Company's web page

Signature of Holding Company Director and Official

Date of Signature

3/27/2018

For holding companies not registered with the SEC—Indicate status of Annual Report to Shareholders:

- is included with the FR Y-6 report
- will be sent under separate cover
- is not prepared

For Federal Reserve Bank Use Only

RSSD ID 3843646

C.I. 1

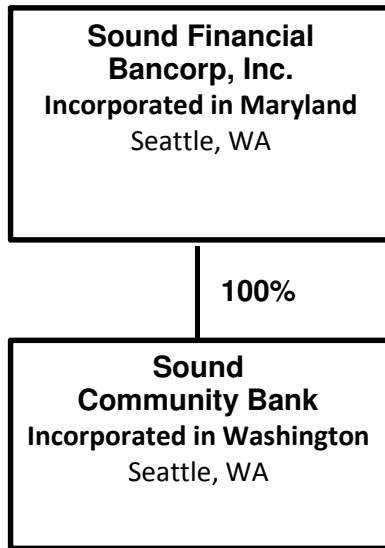
Is confidential treatment requested for any portion of this report submission? 0=No 1=Yes [0]
In accordance with the General Instructions for this report (check only one),
1. a letter justifying this request is being provided along with the report []
2. a letter justifying this request has been provided separately ... []
NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

Form FR Y-6

**Sound Financial Bancorp, Inc.
Seattle, Washington
Fiscal Year Ending December 31, 2017**

Report Item 1: The bank holding company is registered with the SEC.

Report Item 2a(a): Organizational Chart



*We do not maintain LEI information for either organization.

Report Item 2a(b): Sound Financial Bancorp, Inc. does not own any nonbanking companies, directly or indirectly, between 5% and 24.99%.

Report Item 2b: Domestic branch listing provided to the Federal Reserve Bank and reconciliation page is included on next page.

Results: A list of branches for your depository institution: [SOUND COMMUNITY BANK \(ID_RSSD: 429487\)](#).
 This depository institution is held by [SOUND FINANCIAL BANCORP, INC. \(3843646\)](#) of SEATTLE, WA.
 The data are as of [12/31/2017](#). Data reflects information that was received and processed through [01/04/2018](#).

Reconciliation and Verification Steps

1. In the **Data Action** column of each branch row, enter one or more of the actions specified below
2. If required, enter the date in the **Effective Date** column

Actions

- OK:** If the branch information is correct, enter 'OK' in the **Data Action** column.
- Change:** If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the **Data Action** column and the date when this information first became valid in the **Effective Date** column.
- Close:** If a branch listed was sold or closed, enter 'Close' in the **Data Action** column and the sale or closure date in the **Effective Date** column.
- Delete:** If a branch listed was never owned by this depository institution, enter 'Delete' in the **Data Action** column.
- Add:** If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the **Data Action** column and the opening or acquisition date in the **Effective Date** column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

Submission Procedure

When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.
 If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:

To satisfy the **FR Y-10 reporting requirements**, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a **Data Action** of **Change, Close, Delete, or Add**.
 The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - <https://y10online.federalreserve.gov>.

* FDIC UNINUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

Data Action	Effective Date	Branch Service Type	Branch ID_RSSD*	Popular Name	Street Address	City	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	429487	SOUND COMMUNITY BANK	2005 FIFTH AVENUE, SUITE 200	SEATTLE	WA	98121	KING	UNITED STATES	Not Required	Not Required	SOUND COMMUNITY BANK	429487	
OK		Full Service	4022804	CEDAR PLAZA BRANCH	22807 44TH AVENUE WEST	MOUNTLAKE TERRACE	WA	98043	SNOHOMISH	UNITED STATES	Not Required	Not Required	SOUND COMMUNITY BANK	429487	
OK		Full Service	4282970	PORT ANGELES BRANCH	110 NORTH ALDER STREET	PORT ANGELES	WA	98362	CLALLAM	UNITED STATES	Not Required	Not Required	SOUND COMMUNITY BANK	429487	
OK		Full Service	2885117	PORT LUDLOW BRANCH	9500 OAK BAY ROAD	PORT LUDLOW	WA	98365	JEFFERSON	UNITED STATES	Not Required	Not Required	SOUND COMMUNITY BANK	429487	
OK		Full Service	3498402	SEQUIM BRANCH	645 WEST WASHINGTON STREET	SEQUIM	WA	98382	CLALLAM	UNITED STATES	Not Required	Not Required	SOUND COMMUNITY BANK	429487	
OK		Full Service	4282961	TACOMA BRANCH	2941 SOUTH 38TH STREET	TACOMA	WA	98409	PIERCE	UNITED STATES	Not Required	Not Required	SOUND COMMUNITY BANK	429487	
Add	6/30/2017	Full Service	5070044	UNIVERSITY PLACE BRANCH	4922 BRIDGEPORT WAY WEST	UNIVERSITY PLACE	WA	98467	PIERCE	UNITED STATES	Not Required	Not Required	SOUND COMMUNITY BANK	429487	

**Form FR Y-6
Sound Financial Bancorp, Inc.
Fiscal Year Ending December 31, 2017**

Report item 3: Securities holders

(1)(a)(b)(c) and (2)(a)(b)(c)

Current securities holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2017			Securities holders not listed in 3(1)(a) through 3(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12/31/2017		
(1)(a) Name, City, State, Country	(1)(b) Country of citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities	(2)(a) Name, City, State, Country	(2)(b) Country of citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
Stillwell Value LLC New York, NY	USA	239,683 – 9.55% Common Stock			
Sound Financial Bancorp, Inc. Employee Stock Ownership Plan	USA	176,964- 7.05% Common Stock			

Provisions for Voting of ESOP Shares: Under the terms of the Sound Financial Bancorp Inc. ESOP, each participant instructs the trustee of the plan how to vote the shares of common stock allocated to his or her account. If a participant properly executes the

voting instruction card distributed by the trustee, the trustee will vote the participant's shares in accordance with the instructions. Where properly executed voting instruction cards are returned to the trustee with no specific instruction as to how to vote at the annual meeting, the trustee will vote the shares "FOR" each of the proposal's set forth in this proxy statement. If a participant fails to give timely voting instructions to the trustee with respect to the voting of the common stock that is allocated to his or her ESOP account, the trustee will vote such shares "FOR" each of the proposal set forth in this proxy statement. The ESOP trustee, subject to the exercise of its fiduciary duties, will vote all unallocated shares of Sound Financial Bancorp common stock held by the ESOP in the same proportion as shares for which it has received timely voting instructions.

Trustee for ESOP:

Panagiotu Pension Advisors, Inc.
7350 Cirque Drive West, Suite 201
University Place, WA 98467-2241

Address for ESOP: 2005 5th Avenue, Suite 200, Seattle, WA 98121, Attention: Matthew Deines

State of Incorporation for ESOP: The ESOP is a qualified retirement plan (not a company) and is not incorporated.

Form FR Y-6

Sound Financial Bancorp, Inc.
Fiscal Year Ending December 31, 2017

Report item 4: Insiders

(1), (2), (3)(a)(b)(c), (4)(a)(b)(c)

(1)(a) Name, City, State, Country	(2) Principal Occupation if other than Holding Company	(3)(a) Title & Position with Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
Tyler K. Myers Seattle, WA, USA	President and General Partner of The Myers Group	Chairman of the Board of Sound Financial Bancorp, Inc.	Chairman of the Board of Sound Community Bank	President and General Partner of The Myers Group	1.50%	N/A	The Myers Group (100.0% of voting shares)
David S. Haddad Green Acres, WA, USA	Retired	Vice Chairman of the Board of Sound Financial Bancorp, Inc.	Vice Chairman of the Board of Sound Community Bank	N/A	0.61%	N/A	N/A
Laura Lee Stewart Seattle, WA, USA	President, CEO & Director	President, CEO & Director	President, CEO & Director of Sound Community Bank	Vice Chair of National Arthritis Foundation and Immediate Past Chair of Woodland Park Zoo (non-profits)	2.56%	N/A	Atargatis Strategies Group LLC (100.0% of voting shares)

and
 Vice Chair of
 the American
 Bankers
 Association
 and
 Member of
 the FRB Board
 of San
 Francisco,
 Seattle Branch
 Office
 and
 Board
 Member of
 the
 Washington
 Bankers
 Association

Robert F. Carney Reno, NV, USA	Retired	Director	Director of Sound Community Bank	N/A	0.45%	N/A	N/A
Debra Jones Ferndale, WA, USA	Retired	Director	Director of Sound Community Bank	N/A	0.86%	N/A	N/A
Rogelio Riojas Seattle, WA, USA	Chief Executive Officer of Sea Mar Community Health Centers	Director	Director of Sound Community Bank	Chief Executive Officer of Sea Mar Community Health Centers and	0.99%	N/A	N/A

confidential

Member of
the Board of
Regents of
University of
Washington
(non-profit)

James E. Sweeney Seattle, WA, USA	Retired	Director	Director of Sound Community Bank	Board Member, RAFN Company	0.62%	N/A	N/A
Kathleen Cook Sequim, WA, USA	Retired	Director	Director of Sound Community Bank	N/A	0.11%	N/A	N/A
Matthew P. Deines Seattle, WA, USA	Executive Vice President and CFO	Executive Vice President and CFO and Secretary / Treasurer	Executive Vice President and CFO of Sound Community Bank	N/A	1.63%	N/A	N/A
Elliott Pierce Seattle, WA, USA	Executive Vice President and Chief Credit Officer	N/A	Executive Vice President and Chief Credit Officer of Sound Community Bank	N/A	0.06%	N/A	N/A
Christina A. Gehrke Seattle, WA. USA	Executive Vice President and Chief Administrative Officer	N/A	Executive Vice President and Chief Administrative Officer of Sound Community Bank	N/A	0.02%	N/A	N/A

confidential