

News Release

FOR IMMEDIATE RELEASE

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BROADWAY FINANCIAL CORPORATION ANNOUNCES THIRD QUARTER DIVIDEND

LOS ANGELES, CA – (BUSINESS WIRE) – September 21, 2007 – Broadway Financial Corporation (“Company”) (NASDAQ Small-Cap: BYFC), the holding company of Broadway Federal Bank, f.s.b. (“Bank”), today announced that its Board of Directors has approved the payment of the Company’s cash dividend for the third quarter. A dividend of \$0.05 cents per share of the Company’s Common Stock will be paid on October 31, 2007 to stockholders of record as of October 8, 2007.

Broadway Federal Bank, celebrating its 60th anniversary, is a community-oriented savings bank, which primarily originates residential and commercial mortgage loans in the greater Los Angeles area. The Bank operates four full service branches, three in the city of Los Angeles, and one in the nearby city of Inglewood, California. Shareholders, analysts and others seeking information about the Company or the Bank are invited to write to: Broadway Financial Corporation, Investor Relations, 4800 Wilshire Blvd., Los Angeles, CA 90010, or visit our website at www.broadwayfederalbank.com.