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

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **December 21, 2016**

**BROADWAY FINANCIAL CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State of Incorporation)

**000-27464**  
(Commission File Number)

**95-4547287**  
(IRS Employer Identification No.)

**5055 Wilshire Boulevard Suite 500, Los Angeles, California**  
(Address of Principal Executive Offices)

**90036**  
(Zip Code)

Registrant's telephone number, including area code: **(323) 634-1700**

**NOT APPLICABLE**  
(Former name or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01 Entry into a Material Definitive Agreement.**

On December 21, 2016, Broadway Financial Corporation (the “Company”) entered into a Securities Purchase Agreement with the U.S. Treasury Department (the “Treasury Department”), First Republic Bank (“First Republic”) and the Broadway Federal Bank, f.s.b. Employee Stock Ownership Plan Trust (the “ESOP”) providing for the sale by the Treasury Department of an aggregate of 4,702,860 shares of the common stock of the Company, par value \$.01 per share, having full voting rights (“Voting Common Stock”) owned by it to the Company, First Republic and the ESOP at a purchase price of \$1.59 per share. The stock purchases provided for in the Securities Purchase Agreement were completed on December 22, 2016.

The Company purchased 2,374,716 of shares of Voting Common Stock pursuant to the Securities Purchase Agreement, First Republic purchased 834,465 of such shares and the ESOP purchased 1,493,679 of such shares. The purchase price set forth in the Securities Purchase Agreement was negotiated by the parties on the basis of the volume-weighted average trading price of the Common Stock on the Nasdaq Capital Market over the 20 trading days ending five days prior to the closing of the stock purchase transactions.

As a result of the sales of Voting Common Stock pursuant to the Securities Purchase Agreement and the additional transactions summarized below, the Treasury Department’s stock ownership in the Company was reduced from 47.40% of the Company’s Voting Common Stock to 29.35% of the Company’s pro forma total Voting Common Stock, and from 34.89% of the Company’s total shares (Voting Common Stock plus Non-Voting Common Stock) to 19.94% of the pro forma total shares.

Also on December 21, the Company entered into a Stock Purchase Agreement with First Republic pursuant to which the Company issued and sold 737,861 shares of its non-voting common stock, par value \$.01 per share (“Non-Voting Common Stock”) to First Republic at a price of \$1.59 per share, for an aggregate purchase price of \$1,173,199. This transaction was completed on December 22, 2016 concurrently with those provided for in the Securities Purchase Agreement.

Concurrently with the Company’s repurchase of shares from the Treasury Department pursuant to the Securities Purchase Agreement, three existing stockholders of the Company exercised rights to exchange shares of Voting Common Stock for Non-Voting Common Stock or to sell a portion of their shares of Voting Common Stock to the Company, in each case to the extent necessary to maintain the stockholder’s ownership at or below certain percentages of the Company’s voting securities. These rights were negotiated by the respective stockholders in connection with the Company’s recapitalization transactions that were completed in August 2013 and October 2014. A total of 347,015 shares of Voting Common Stock were exchanged for an equal number of newly issued shares of Non-Voting Stock and 139,119 shares of Voting Common Stock were purchased by the Company at a price of \$1.59 per share in these transactions.

**Item 3.02 Unregistered Sales of Equity Securities.**

On December 22, 2016, the Company issued 737,861 shares of its Non-Voting Common Stock to First Republic Bank at a purchase price of \$1.59 per share, or \$1,173,199 in the aggregate, pursuant to the Securities Purchase Agreement described in Item 1.01 above. The Company paid a placement fee of approximately \$47,000 to BlackTorch Capital in connection with the transaction. In accordance with its terms as set forth in the Company's certificate of incorporation, the Non-Voting Common Stock is subject to restrictions on transfer and will convert automatically into an equal number of shares of Voting Common Stock in the event of permitted transfers.

The Non-Voting Common Stock is only transferrable by the initial holder thereof or an affiliate of the initial holder (i) to an affiliate of the initial holder, (ii) to the Company, (iii) in a widespread public distribution, (iv) in a transfer in which no transferee (or group of associated transferees) would receive 2% or more of any class of voting securities of the Company, or (v) to a transferee that would control more than 50% of the voting securities of the Company without any transfer from the initial holder or any affiliate of the initial holder. Pursuant to the Company's certificate of incorporation, the Non-Voting Common Stock may be made subject to additional restrictions on transfer imposed by the Company if necessary to preserve the non-voting classification of the Non-Voting Common Stock for bank regulatory purposes.

This sale transaction was privately negotiated with the purchaser and was effected without registration under the Securities Act of 1933, as amended, in reliance on the exemption from the registration requirements of that Act provided by Section 4(a)(2) thereof.

**Item 8.01 Other Events.**

The Company issued a press release on December 23, 2016 reporting the completion of the transactions described in Item. 1.01 above, which is attached as Exhibit 99.1 to this report.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

99.1 Press release dated December 23, 2016



+News Release

FOR IMMEDIATE RELEASE

**Broadway Financial Corporation Announces Repurchase of Shares from U.S. Treasury**

LOS ANGELES, CA — (BUSINESS WIRE) — December 23, 2016 — Broadway Financial Corporation (the “Company”) (NASDAQ Capital Market: BYFC), parent company of Broadway Federal Bank, f.s.b. (the “Bank”), today reported that the United States Department of the Treasury (the “Treasury”) has sold 4,702,860 shares of the Company’s voting common stock, representing 46.35% of the Treasury’s holdings, and 21.97% of the Company’s total voting shares prior to the sale. These shares were sold at a price of \$1.59 per share.

The sales reduced the U.S. Treasury’s ownership from 47.40% of the Company’s voting shares to 29.35% of the pro forma voting shares, and from 34.89% of the Company’s total shares (voting plus non-voting) to 19.94% of the pro forma total shares. As a result, the Treasury is no longer the Company’s largest stockholder.

As part of the Treasury’s sales, First Republic Bank made a minority investment of \$2.5 million in a combination of voting and non-voting shares of the Company’s common stock. The Company used the proceeds from the sale of non-voting shares to finance a portion of the shares it repurchased from the Treasury.

Chief Executive Officer, Wayne Bradshaw commented, “I am pleased to announce this major change in our stockholder mix, in which we returned almost half of the capital invested by the U.S. Treasury in 2008 and 2009. As I mentioned in our press release for the third quarter results, we have completed the transition of Broadway Financial Corporation from an institution that had been spending considerable time and resources on improving internal processes and loan quality to a healthy, sound financial institution that is focused on growth, profits, and value creation for our stockholders. Similarly, we are now transitioning our stockholder base to return the capital invested by the U.S. Treasury, and replace that capital with investments by private institutions and individuals committed to supporting Broadway’s mission.

“Also, I am pleased to announce that the Bank’s ESOP now holds almost 7% of the Company’s stock, which will provide meaningful long-term incentives for our dedicated employees, and better align their compensation with the interests of our stockholders.

“In addition, I am pleased to announce that we have obtained a minority investment from First Republic Bank, a leading financial institution based in California with a sterling reputation for providing exceptional relationship-based service, and a proven track record of supporting low-to-moderate income communities, such as those served by Broadway. We are excited to have already begun work on joint efforts to build a strong partnership that will fund loans that benefit low-to-moderate income communities in Southern California.

“Finally, I wish to thank the staff of the United States Treasury for their patient support of Broadway over the past eight years, in particular, during the Company’s transition period, and more recently as we negotiated the repurchase and sales that we are announcing today.”

Concurrently with the Company's repurchase of shares from the Treasury, three existing stockholders exercised rights to exchange or sell a portion of their shares to maintain their ownership at or below certain percentages of the Company's voting shares. These rights had been negotiated in connection with the Company's recapitalization in August 2013. In total, 347,015 voting shares were exchanged for an equal number of newly issued non-voting shares, 284,675 of which non-voting shares were issued to CJA Private Equity Financial Restructuring Master Fund I, L.P. ("CJA") and 62,340 were issued to the National Community Investment Fund ("NCIF"). In addition, the Company repurchased a total of 139,119 voting shares from Bank of Hope and NCIF at the repurchase price of \$1.59 per share.

In total, the Company repurchased 2,513,835 voting shares from the Treasury, Bank of Hope, and NCIF at a total cost of just under \$4 million.

After considering the Company's sale of non-voting shares, and the exchange of voting shares for non-voting shares by CJA and NCIF, the number of voting shares decreased by 2,860,850 shares, the number of non-voting shares increased by 1,084,876 shares, and the net change in the total number of shares outstanding was a decrease of 1,775,974 shares.

#### **About Broadway Financial Corporation**

Broadway Financial Corporation conducts its operations through its wholly-owned subsidiary, Broadway Federal Bank, f.s.b., which is a leading community-oriented savings bank in Southern California serving low-to-moderate income communities. We offer a variety of residential and commercial real estate loan products for consumers, businesses, and non-profit organizations, other loan products, and a variety of deposit products, including checking, savings and money market accounts, certificates of deposits and retirement accounts. The Bank operates three full service branches, two in the city of Los Angeles, and one located in the nearby city of Inglewood, California.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based upon our management's current expectations, and involve risks and uncertainties. Actual results or performance may differ materially from those suggested, expressed, or implied by the forward-looking statements due to a wide range of factors including, but not limited to, the general business environment, the real estate market, competitive conditions in the business and geographic areas in which the Company conducts its business, regulatory actions or changes, and other risks detailed in the Company's reports filed with the Securities and Exchange Commission, including the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. The Company undertakes no obligation to revise any forward-looking statement to reflect any future events or circumstances, except to the extent required by law.

SOURCE: Broadway Financial Corporation

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