

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer			
1 Issuer's name Broadway Financial Corporation		2 Issuer's employer identification number (EIN) 95-4547287	
3 Name of contact for additional information Brenda Battey	4 Telephone No. of contact 323-556-3264	5 Email address of contact bbattey@cityfirstbroadway.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 5055 Wilshire Boulevard, Suite 500		7 City, town, or post office, state, and ZIP code of contact Los Angeles, CA 90036	
8 Date of action 04/1/2021		9 Classification and description See Statement 1	
10 CUSIP number See Statement 1	11 Serial number(s) N/A	12 Ticker symbol See Statement 1	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On April 1, 2021, Broadway Financial Corporation ("Broadway") completed a merger with CFBanc Corporation ("CFBanc") Pursuant to the terms of the merger agreement, each share of CFBanc Class A common stock was converted into 13.626 shares of Broadway voting common stock. Each share of CFBanc Class B common stock was converted into 13.626 shares of Broadway Class B non-voting common stock. Each share of CFBanc Fixed Rate Cumulative Redeemable Series B Perpetual Preferred Stock was converted into one share of Broadway Series A preferred stock. No fractional shares were issued in the merger, rather Broadway paid cash in lieu of fractional shares. Broadway was the surviving entity in the merger, and shall continue its corporate existence under the laws of the state of Delaware. Concurrently, Broadway's principal subsidiary, Broadway Federal Bank, f.s.b, was merged with and into CFBanc's principal subsidiary, City First Bank of D.C., National Association, which was the surviving bank and will continue its historic business, as well as that of Broadway Federal Bank, as a national bank.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **Pursuant to the merger agreement, each share of CFBanc Class A common stock was converted into 13.626 shares of Broadway voting common stock. Each Share of CFBanc Class B common stock was converted into 13.626 shares of Broadway Class B non-voting common stock. Each share of CFBanc Fixed Rate Cumulative Redeemable Series B Perpetual Preferred Stock was converted into one share of Broadway Series A preferred stock. No fractional shares were issued in the merger, rather Broadway paid cash in lieu of fractional shares. The aggregate tax basis of Broadway common stock and preferred stock received by former CFBanc common shareholders as a result of the merger was the same as the aggregate tax basis in the CFBanc shares surrendered in exchange, as further described in line 16.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **For federal income tax purposes, the aggregate tax basis of Broadway common stock and preferred stock received by former CFBanc common shareholders as a result of the merger was the same as the aggregate tax basis of CFBanc shares surrendered in exchange. To the extent that a former CFBanc shareholder received cash in lieu of a fractional share, a portion of the tax basis must be allocated to the fractional share and such fractional share will be deemed to be received and then exchanged for cash.**

Part II Organizational Action (continued)


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The merger with CFBanc into Broadway on April 1, 2021 qualifies as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. In general, the income tax consequences of the former CFBanc shareholders are determined under the Internal Revenue Code sections 354, 356, 358, 1001 and 1221.

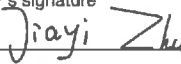
18 Can any resulting loss be recognized? ▶ Former CFBanc shareholders generally will not recognize gain or loss for US federal income tax purpose by reason of the merger pursuant to Internal Revenue Code Section 358(a)(1), though gain or loss can result with respect to the cash received in lieu of a fractional share of Broadway common stock or preferred stock. If a former CFBanc shareholder receives cash in lieu of a fractional share of Broadway common stock or preferred stock, the former CFBanc shareholder will be treated as having received a fractional share of Broadway common stock or preferred stock pursuant to the merger and then as having sold the fractional share of Broadway common stock or preferred stock for cash. As a result, the former CFBanc shareholder will recognize gain or loss equal to the difference between the amount of cash received and the former CFBanc shareholder's tax basis in the fractional share of Broadway common stock and preferred stock, pursuant to Internal Revenue Code Section 1001(a).

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The merger became effective on April 1, 2021. Any gain or loss recognized with respect to the merger should be reported by former CFBanc shareholders in the tax year which includes April 1, 2021 (e.g. calendar year shareholder would report the transaction on his or her federal income tax return filed for the 2021 calendar year).

The information contained on this form does not constitute tax advise. Former CFBanc shareholders are urged to consult with their own tax advisors with respect to their individual tax consequences of the merger.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature ▶  Date ▶ 5/13/2021
 Print your name ▶ Brenda Battey Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name <u>Jiayi Zhu</u>	Preparer's signature 	Date <u>5/13/2021</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P02018609</u>
	Firm's name ▶ <u>Moffett & Associates, Inc.</u>	Firm's EIN ▶ <u>81-4577171</u>		Phone no. <u>310-820-1025</u>	
	Firm's address ▶ <u>P.O. Box 67 El Segundo, CA 90245</u>				

Broadway Financial Corporation
FEIN: 95-4547287
Attachment to and Made Part of Form 8937

PART I: Reporting Issuer

Box 9 *Classification and description:*

Cash, common stock and preferred stock of Broadway Financial Corporation (“Broadway”) was exchanged for common stock and preferred stock of CFBanc Corporation (“CFBanc”)

Box 10 *CUSIP number* and Box 12 *Ticker symbol:*

Broadway Financial Corporation

CUSIP number: 111444105

Ticker symbol: BYFC

CFBanc Corporation

CUSIP number: N/A

Ticker symbol: N/A