



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Broadway Financial Corporation

Person to be contacted regarding this report:	Sam Sarpong, CFO
UST Sequence Number:	007
CPP Funds Received:	15,000,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	N/A
Date Repaid ¹ :	N/A

RSSD: (For Bank Holding Companies)	26176
Holding Company Docket Number: (For Thrift Holding Companies)	2589
FDIC Certificate Number: (For Depository Institutions)	30306
City:	Los Angeles
State:	California

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	We used CPP funds to increase lending. For 2009, gross loans increased by \$114.9 million or by close to 34%.
<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	SFR+ \$22.2 million; Multifamily+ \$58.6 million; CRE+ \$32.4 million; C&I+ \$0.8 million
<input checked="" type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	We purchased \$10 million of MBS.

<input checked="" type="checkbox"/>	Make other investments	N/A
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	For 2009, we increased reserves by \$17 million.
<input checked="" type="checkbox"/>	Reduce borrowings	N/A
<input checked="" type="checkbox"/>	Increase charge-offs	For 2009, charge-offs increased by \$2.7 million.
<input checked="" type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	N/A
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	N/A

What actions were you able to avoid because of the capital infusion of CPP funds?

We were able to avoid terminating our lending program. Without the additional CPP funds, we would not have been able to increase lending.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

We were able to increase gross loans by \$114.9 million, without the CPP funds, net loan growth would have been \$0.0.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

N/A