

ASSET PURCHASE AGREEMENT

Asset Purchase Agreement ("APA"), made and entered into this 27th day of May, 2010, by and between Calvary Chapel of Costa Mesa, Inc., a California not-for-profit corporation ("Seller"), and Calvary Chapel Monmouth-Independence, an Oregon not-for-profit corporation ("Buyer").

WITNESSETH:

WHEREAS, Seller is the owner and holds licenses issued by the Federal Communications Commission ("FCC") for the operation of Non-Commercial Educational FM Broadcast Station KAJC, FCC Facility ID No. 91565, Millersburg, Oregon (the "Station"); and

WHEREAS, Seller desires to sell the Station to Buyer as a going business on the terms and conditions hereinafter set forth, and Buyer desires to purchase same.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, it is agreed as follows:

1. **Assets to Be Sold.** The assets to be sold consist of all of the personal property owned by Seller and used in the operation of the Station, an inventory of which is attached and marked Schedule A; the transmitter site lease held by Seller and used in the operation of the Station (the "Lease"), which Lease is described in Schedule B attached hereto, and will be assigned to Buyer and fully assumed by Buyer at the Closing as hereinafter defined; the licenses issued by the FCC for the operation of the Station, subject to FCC consent to the assignment of such licenses from Seller to Buyer; and the Station's accounts receivable.

2. **Purchase Price.** The Purchase Price for the assets described in paragraph 1 shall consist of the sum of One Hundred Thousand Dollars (\$100,000.00), evidenced by a Promissory Note of Buyer in that amount, bearing interest at the rate of six percent (6%) per annum and payable in thirty-three (33) equal, consecutive, monthly payments of principal and interest, each in the sum of Three Thousand Two Hundred Fifty Dollars (\$3,250.00), plus a final thirty-fourth (34th) monthly payment in the sum of One Thousand Six Hundred Eight Dollars and Fifty-Eight Cents (\$1,608.58), and secured by a security agreement providing for the sale of the Station in the event of a default, and for a first security interest in favor of Seller in the proceeds of that sale, evidenced by the filing of a Form UCC-1. The agreement will require the unpaid portion of the Promissory Note to become due and payable in a lump sum in readily available funds in the event that Buyer sells the Station to a third party without the written consent of Seller.

3. **Application for FCC Consent.** Within five (5) days of the date of execution of this APA, the parties will file an application with the FCC for FCC consent to the transactions contemplated by this APA. The parties will vigorously prosecute the application and do all things reasonably necessary and/or appropriate to obtain a grant thereof.

4. **Closing Following FCC Consent.** Closing of the transactions contemplated in this Agreement will occur no later than ten (10) days after FCC approval of the Assignment Application becomes final as a matter of law, provided, however, Buyer may waive finality and close at any time after such FCC approval upon five (5) business days' written notice to Seller. Closing shall take place by an exchange of documents either electronically and/or by the use of Federal Express. At Closing, Seller will deliver to Buyer, (i) a bill of sale for the Station's personal property, accounts receivable and intangibles; (ii) an assignment of the Station's licenses to Buyer; (iii) an assignment of the Lease to Buyer; and (iv) a written landlord consent to assignment of the Lease to Buyer. At the Closing Buyer will deliver to Seller (w) a written assumption of the Lease, (x) a written assumption of its obligations set forth in Schedule C, and (y) the Purchase Price in the manner specified in Section 2.

5. **Seller's Warranties and Covenants.** All of the broadcast equipment and other personal property being conveyed to Buyer is being conveyed "as is" and "where is". Seller makes absolutely no warranties of any kind with respect to the condition of such personal property. Seller warrants that (i) the FCC licenses being conveyed to Buyer are and at Closing will be in good standing; (ii) it has, or will have on the Closing Date, legal capacity and authority to enter into and consummate the transactions provided for in this APA, and that such consummation will not violate any term of Seller's organizational documents or any contract to which Seller is bound; (iii) as of the date of Closing all rents and other obligations under the Lease will be fully paid and discharged; and (iv) all taxes due on the assets being conveyed will be fully paid or prorated among Buyer and Seller as of the Closing Date. Seller covenants that it will pay any fine and any associated legal fees incurred by Buyer that result from any FCC notice of apparent liability that is initiated prior to the Closing Date or is attributable to Seller's actions or omissions prior thereto. Seller makes absolutely no warranties and/or representations other than those set forth in this paragraph.

6. **Buyer's Warranties.** Buyer warrants and represents that it is a corporation in good standing in the State of Oregon and that it knows of no reason why the FCC will not consent to the transactions contemplated by this APA.

7. **Legal Expenses, Closing Costs and Filing Fees.** Each party will bear its own legal expenses connected with this transaction. If there are any FCC filing fees, they will also be paid by Buyer.

8. **California Contract.** This APA is a California contract and shall be construed and interpreted in accordance with the laws of the State of California (other than those laws relating to conflict of laws).

9. **Counterparts.** This APA may be executed in counterpart and/or by telecopy and, when so executed the counterparts taken together shall constitute a complete and binding agreement.

10. **Notices:** Any notice required hereunder shall be in writing and any payment, notice or other communications shall be deemed given when delivered personally, or mailed by certified mail or Federal Express, postage prepaid, with return receipt request, and addressed as follows:

If to Calvary Chapel of Costa Mesa, Inc.:

Calvary Chapel of Costa Mesa, Inc.
ATTN: Charles W. Smith, President
3000 W. MacArthur Boulevard
Suite 500
Santa Ana, CA 92704

With a Copy to:

Lauren A. Colby, Esq.
Law Office of Lauren A. Colby
10 E. Fourth Street
P.O. Box 113
Frederick, MD 21701

If to Calvary Chapel Monmouth-Independence:

Calvary Chapel Monmouth-Independence
ATTN: Rick Hopkins, President
1399 Monmouth Street
Independence, OR 97351

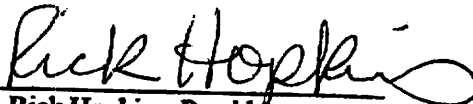
With a Copy to:

Harry C. Martin, Esq.
Fletcher, Heald & Hildreth, P.L.C.
1300 North 17th Street
11th Floor
Arlington, VA 22

[SIGNATURE PAGE TO FOLLOW]

WHEREFORE, the premises considered, the parties to this APA have set the hands and seals of their authorized representatives on the day and year above written.

**CALVARY CHAPEL MONMOUTH-
INDEPENDENCE**

By: 
Rick Hopkins, President
"Buyer"

CALVARY CHAPEL OF COSTA MESA, INC.

By: 
Charles W. Smith, President
"Seller"