

SALE AGREEMENT

DATE: August 1, 2007

SELLERS: Leslie Ann Carson and/or Action Radio, LLC
17624 154th Ave., SE
Yelm, WA 98597

BUYERS: Toni Carson and Trevor Carson
624 N. Court
Burns, OR 97720

Recital

Whereas, Action Radio, LLC is the licensee and owner of radio stations KZZR(AM) and KQHC(FM), Burns, Oregon, and all of the assets used and useful in the operation of those stations, including the licenses and other authorizations issued by the Federal Communications Commission, and,

Whereas, Seller agrees to sell and Buyers agree to purchase from Seller the above-referenced station and associated assets and realty in exchange for the valuable consideration set forth below, the parties agree as follows:

1. **Sale and Purchase.** Buyers, Toni and Trevor Carson, agree to purchase the Property from Seller and Seller agrees to sell the Property to Buyers for the sum of \$209,700.98 (the "Purchase Price").

2. **Hold harmless.** As part of the consideration set forth above, Buyers, at their sole cost and expense, agree to defend, indemnify and hold Seller harmless from the following debts: See Exhibit C. The debt amount is deducted from the sale price set forth above.

3. **Cash to Seller.** Buyers shall deposit the sum of \$5,000.00 into an account designated by Seller at the Bank of Eastern Oregon branch located at Burns, Oregon upon receipt of Seller's notarized signature hereon. Following closing, as defined below, the sum of \$62,000.00 shall be payable to Leslie Ann Carson, as an employee/consultant to Buyers, in 24 monthly payments of \$2,500.00 less state and federal withholding and health insurance premiums, beginning on August 1, 2007, and a like payment on the first day of each consecutive month thereafter, then 1 final payment of \$2,000.00 less withholding and health insurance premium on the first day of September, 2009. Thereafter, Seller may apply for further health insurance under COBRA at her sole cost and expense.

4. **Closing.** Closing shall be held at the studios of stations KZZR/KQHC in Burns, Oregon within five (5) days after the Federal Communications Commission issues its written consent to the assignment of the stations' licenses. Until that closing the Buyers shall not direct the operations of the

stations but for those tasks which are consistent with Toni Carson's current position as the general manager. Buyer agrees to pay all legal fees in connection with the drafting and closing of this Agreement.

5. Preliminary Title Report. The parties are in receipt of a preliminary title report showing the condition of title to the Property dated July 19, 2007, together with copies of all exceptions listed therein (the "Title Report"). Exhibit D. If Buyers notify Seller of disapproval of any exceptions, Seller shall have 15 days after receiving the disapproval notice to either remove the exceptions or provide Buyers with reasonable assurances of the manner in which the exceptions will be removed before the transaction closes. If Seller does not remove the exceptions or provide Buyers with such assurances, Buyers may terminate this Agreement by written notice to Seller given within 15 days after expiration of such 15-day period, in which event the \$5,000.00 deposited to Seller's Bank of Eastern Oregon account as set forth above shall be refunded to Buyers and this Agreement shall be null and void.

6. Conditions

6.1 Buyers' obligation to purchase the Property is contingent on satisfaction of each of the following conditions:

6.1.1 Buyers' approval of their physical inspection of the Property, which may include, but shall not be limited to, structural, electrical engineering, and pest inspections. Buyers shall have until July 29, 2007 to complete their physical inspection of the Property.

6.2 Buyers and buyers' agents shall have full access to the Property for the purpose of conducting Buyers' inspections. If Buyers are not satisfied, in their sole discretion, with the result of Buyers' inspections Buyers may terminate this Agreement by written notice to Seller given at any time before the applicable date set forth above, in which event the \$5,000.00 deposited to Seller's Bank of Eastern Oregon account as set forth above shall be refunded to Buyers and this Agreement shall be null and void.. If Buyers fail to give any such notices of termination within the applicable time period, the respective condition will be deemed satisfied or waived.

6.3 Buyers obtaining conventional financing from the Bank of Eastern Oregon to replace the loan which appears as Item 12 on Preliminary Title Report issued by Amcrit Title on July 19, 2007, and which is attached hereto as Exhibit D.

7. Deed. On the Closing Date, Seller shall execute and deliver to Buyers a warranty deed, conveying the Property to Buyers, free and clear of all liens and encumbrances except the Permitted Exceptions.

8. Title Insurance. Within 15 days after closing, Seller shall furnish Buyers with an ALTA owner's policy of title insurance in the amount of the purchase price, standard form, insuring Buyers as the owner of the Property subject only to the usual printed exceptions and the Permitted Exceptions.

9. Assignment of Leases. The property includes a lease dated March 17, 2004, from the State of Oregon, Department of State Lands, for the placement of an electronic and antennac structure on the communications site located on Burns Butte, E1/2 of the SW1/4 of Section 16, Township 23 South, Range 30 East, Willamette Meridian in Harney County, Oregon. Sellers assigns any and all interest in said lease to Buyers and will assist Buyers in transferring said lease to Buyers as may be necessary.

10. Reserved.

11. Property Included. All built-in appliances, floor coverings, window and door screens, rolling doors, storm doors and windows, irrigation, plumbing, ventilation, cooling and heating fixtures and equipment, water heaters, attached electric light fixtures, window coverings, awnings, planted shrubs, plants and trees, and all fixtures are part of the Property and shall be left on the Property by Seller. This Agreement also includes the property identified in Exhibit B.

12. Assignment of Income. Seller agrees to assign any and all cash, accounts receivable, and income from any and all business activities conducted by Seller, her agents or assigns, on the subject property from July 1, 2007, until closing, to Buyers.

13. Representations "AS IS. WHERE IS"

13.1 GENERAL. Buyers hereby expressly acknowledges that they have thoroughly inspected and examined the property to the extent deemed necessary by the Buyers in order to enable them to evaluate the purchase of the property. Buyers represents that they are knowledgeable purchasers of developments such as the property and that they are relying solely on their own expertise and that of their consultants, and that Buyers have conducted such inspections and investigations of the property, including, but not limited to, the physical and environmental conditions thereof, and shall rely upon same, and, upon closing, shall assume the risk of any adverse matters, including, but not limited to, adverse physical and environmental conditions that may not have been revealed by their inspections and investigations. Buyers further acknowledge and agree that they are acquiring the property on an "as is, where is" and "with all faults" basis, without representation, warranties or covenants, express or implied, of any kind or nature, except for the warranty of title expressly provided in the deed. Buyers hereby waive and relinquish all rights and privileges arising out of, or with respect or in relation to, any representations, warranties or covenants, whether express or implied, which may have been made or given, or which may have been deemed to have been made or given by Seller, except with respect to the warranty of title expressly provided in the deed. Buyers hereby assume all risk and liability (and agree that Seller shall not be liable for any special, direct, indirect, consequential or other damages) resulting or arising from or relating to the ownership, use, condition, location, maintenance, repair, or operation of the property.

13.2 SPECIFIC. Without limiting the general provisions above, it is understood and agreed that Seller is not making and specifically disclaims any warranties or representations of any kind or character, express or implied, as to (a) matters of title, except as expressly provided in the deed, (b) zoning,

(c) tax consequences, (d) physical or environmental conditions, (e) availability of access, ingress or egress, (f) operating history, (g) valuation, (h) governmental appraisals, (i) governmental regulations or any other matter or thing relating to or affecting the property, including, without limitation: (i) the value, condition, merchantability, marketability, profitability, suitability, or fitness for a particular use or purpose of the property, (ii) the manner or quality of the construction or materials incorporated into any of the property, and (iii) the manner, quality, state of repair or lack of repair of the property. Buyers further expressly acknowledges and agrees that Seller is not representing or warranting that the property now or in the future will meet or comply with the requirements of any safety code, environmental law or regulation of the state of Oregon, the city of Burns, the county of Harney, or any other authority or jurisdiction.

13.3 Incorporation into deed. It is agreed and understood that the terms and provisions of this article 13 shall expressly survive the closing and not merge therein and shall be incorporated into the special warranty deed to be delivered by Seller to Buyers at closing.

13.4 Authority. Sellers are individuals who have all requisite power and authority to enter into and perform this Agreement. Each person executing this Agreement on behalf of Seller warrants that he/she has all requisite authority to do so.

13.4.1 Personal Guarantee. Seller, Leslie Ann Carson, personally guarantees that she will perform each and every obligation of any corporate entity designated as Seller herein if such corporate entity fails to perform any obligation incurred by this Agreement. Further, she agrees to be personally liable for any such obligation if any corporate entity designated as Seller herein fails to perform as required by this Agreement.

13.5 Foreign Investor Disclaimer. Seller is not a "foreign person", as such term is defined in Section 1445 of the Internal Revenue Code of 1954, as amended, and the regulations promulgated thereunder ("Code"), and the sale of the Property is not subject to the federal income tax withholding requirements of such section of the Code.

13.6 No Leases or Management Agreements. As of the Closing Date, there will be no lease agreements or management agreements granting any third party a possessory interest in the Property.

13.7 No Survival. Except as expressly provided in this Agreement or the documents of Closing, it is expressly understood and agreed that each and every representation or warranty included within this Agreement shall only remain viable during the term of this Agreement and, upon the effectuation of Closing, shall merge into the documents of Closing and thereafter have no further force or effect.

14. Environmental Provisions

14.1 Environmental Definitions. As used herein, the term "Applicable Environmental Laws" shall mean any local, state or federal law, rule or regulation, pertaining to environmental regulation,

contamination, cleanup or disclosure, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. '9601 et seq.), the Resource, Conservation and Recovery Act (42 U.S.C. '6901 et seq.), Superfund Amendments and Reauthorization Act of 1986 (Pub. L. 99-499 100 Stat. 1613), the Toxic Substances Control Act (15 U.S.C. '2601 et seq.), the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. '1101 et seq.) and all amendments of the foregoing, or any state superlien or environmental clean-up or disclosure statutes. As used herein, the term "Hazardous Substances" shall mean all substances and materials which are included under or regulated by any Applicable Environmental Law together with asbestos, polychlorinated biphenyls, petroleum products and raw materials which include hazardous constituents.

14.2 Release, Assumption and Indemnity. As a part and parcel of the consideration for Buyers' acquisition of the Property from Seller, Buyers, upon Closing, (i) agrees to take the Property subject to any and all liability, whether contractual, tortious, and whether to a governmental agency, a private entity or otherwise, with respect to a patent current violation or a patent current presence within the Property of any Hazardous Substances, (ii) expressly assume any and all liability, whether contractual, tortious, and whether to a governmental agency, a private entity or otherwise, with respect to any future violation, by the Property of any Applicable Environmental Law or any future presence within the Property of any Hazardous Substances, and (iii) releases and forever discharges Seller from and against any and all claims Buyers may have with respect to any current (whether patent or latent) violation or presence, or any future violation or presence. Furthermore, upon the effectuation of the Closing, Buyers shall indemnify, defend, and hold harmless Seller from and against any and all liability, expense, cause of action, damage or injury Seller may suffer or incur (including, without limitation, attorneys' fees and court costs incurred by Seller) arising out of a future violation by the Property with any Applicable Environmental Law or the presence within the Property of any Hazardous Substance. IT IS AGREED AND UNDERSTOOD THAT THE FOREGOING TERMS OF THIS SECTION SHALL EXPRESSLY SURVIVE THE CLOSING AND NOT MERGE THEREIN AND SHALL BE INCORPORATED INTO THE SPECIAL WARRANTY DEED TO BE DELIVERED BY SELLER TO Buyers AT CLOSING.

15. Casualty or Condemnation Prior to Closing

15.1 Casualty. In the event the Improvements or any of the items constituting the Property should be damaged by any casualty prior to Closing, within ten (10) business days of the occurrence of such damage, Seller shall give notice thereof to Buyers, together with Seller's estimates, in Seller's sole discretion of the cost of repairing such damage.

If such cost is less than or equal to FIFTEEN THOUSAND AND NO/100 DOLLARS (\$15,000.00), then Seller shall, at Seller's sole cost and expense, either (i) repair such damage as promptly as is reasonable possible, restoring the damaged property at least to its condition immediately prior to such damage; and in such event, Seller may elect to defer Closing until such repair is made; or (ii) at Closing assign all of Seller's interest in and to any insurance proceeds received or to be received by Seller by virtue of such casualty; but

If such cost is more than FIFTEEN THOUSAND AND NO/100- DOLLARS (\$15,000.00), then either Seller or Buyers may elect to terminate this Agreement within ten (10) days after Seller's notice whereupon Buyers shall immediately be provided a full refund of the Earnest Money and neither party hereto shall owe any further obligations one to the other hereunder. If neither party elects to so terminate this Agreement, then the Closing shall occur as scheduled, whereupon Seller shall assign all of Seller's interest in and to any insurance proceeds received or to be received by Seller by virtue of such casualty.

15.2 Condemnation. In the event Seller receives notice of the commencement of a condemnation proceeding or similar proceeding or action against any portion of the Property, Seller shall give prompt notice thereof to Buyers. In the event of a taking by condemnation or similar proceedings or actions of only a portion of the Land or Improvements, which Buyers believes, in her discretion, is not material to the use of the remainder, this Agreement shall not terminate, but shall remain in full force and effect, and Seller shall assign or pay to Buyers at Closing Seller's interest in and to any condemnation awards or proceeds from any such proceedings or actions in lieu thereof. In the event of a taking by condemnation or similar proceedings or actions of all of the Land and Improvements, or any portion of the Land or Improvements which Buyers believe, in their discretion, is material to the use of the remainder, Buyers shall have the option to terminate this Agreement upon written notice to Seller within ten (10) days after Seller's notice, in which event the Earnest Money shall be promptly refunded to Buyers, and neither Buyers nor Seller shall have any further rights or obligations. If Buyers do not exercise their option to so terminate this Agreement, then the Agreement shall remain in full force and effect and Seller shall assign or pay to Buyers at Closing Seller's interest in and to any and all condemnation awards or proceeds from any such proceedings or actions in lieu thereof.

16. Binding Effect/Assignment Restricted. This Agreement is binding on and will inure to the benefit of Seller, Buyers, and their respective heirs, legal representatives, successors, and assigns. Nevertheless, Buyers will not assign its rights under this Agreement without Seller's prior written consent which consent shall not be unreasonably withheld.

17. Time. TIME IS OF THE ESSENCE REGARDING THIS AGREEMENT.

18. Attorney Fees. In the event action is instituted to enforce any term of this Agreement, the prevailing party shall recover from the losing party reasonable attorney fees incurred in such action as set by the trial court and, in the event of appeal, as set by the appellate courts.

19. Notices. All notices and communications in connection with this Agreement shall be given in writing and shall be transmitted by certified or registered mail, return receipt requested, to the appropriate party at the address first set forth above. Any notice so transmitted shall be deemed effective on the date it is placed in the United States mail, postage prepaid. Either party may, by written notice, designate a different address for purposes of this Agreement.

20. Entire Agreement. This Agreement sets forth the entire understanding of the parties with

SELLER

Leslie Ann Carson
Leslie Ann Carson

8-1-07
Dated

ACTION RADIO, LLC
an Oregon limited liability company

Leslie Ann Carson
Leslie Ann Carson, Member

8-1-07
Dated

STATE OF WASHINGTON)
County of Thurston) ss.
)

On August 1st, 2007, personally appeared before me was Leslie Ann Carson, both individually and as an officer of Action Radio, LLC who affirmed that the foregoing is her voluntary act and deed.



John M. Locke
Notary Public for Washington
My Commission Expires: Nov-27th 2008