

LEASE AGREEMENT

THIS LEASE AGREEMENT made as of the ___ day of _____, 2002, between BRIDGE BROADCASTING, INC. ("Lessor"); and EDUCATIONAL MEDIA FOUNDATION ("Lessee").

RECITALS

WHEREAS, Lessor is the lessee of a parcel real property in Umatilla County, Oregon, which is described in Exhibit A hereto (the "Site") pursuant to a Lease Agreement between Lessor and Thomas and Cynthia Beechinor (the "Ground Lease") and is the owner of the broadcast tower (the "Tower") and a transmitter building (the "Transmitter Building") located at the Site;

WHEREAS, on the date hereof, Lessee is acquiring from Lessor the FCC licenses and certain of the assets used or useful in the operation of Station KTWY-FM, Walla Walla, Washington (the "Station") pursuant to an Asset Purchase Agreement ("Purchase Agreement") between Lessor and Lessee date as of January __, 2002;

WHEREAS, it is a condition of the Closing pursuant to the Purchase Agreement that the parties enter into this Lease;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises set forth herein, the parties hereto agree as follows:

1. Leased Property. Lessor hereby leases to Lessee the following property ("Leased Property"):

A. Space in the Transmitter Building to house the transmitter for the Station and other equipment used or useful in the operation of the Station.

B. Space on the Tower at the levels specified herein for the following items of equipment:

- ! A ___ bay FM Antenna with radiation center situated at ___ meters above ground level; and
- ! STL dish mounted at ___ meters above ground level.
- ⊘ Transmission line and other cables as necessary to connect all of the foregoing equipment to Lessee's transmission and reception equipment.

2. Lessee's Equipment. The term "Equipment" as used herein shall be deemed to refer to Lessee's broadcast transmitter and antenna, transmission line, STL antenna and transmitter, and associated equipment, cabinets and materials, located at the Site.

3. Term. The term of this Lease shall commence on the date hereof and shall continue until December 31, 2011, provided, however, if Lessor exercises its option pursuant to Section 3 of the Ground Lease to renew such lease for an additional ten years, the term of this Lease shall automatically be extended to the new expiration date of the Ground Lease.

4. Rent. A. Lessee shall pay to Lessor, in advance, on the date this Lease commences and thereafter on each anniversary of this Lease a rental of One Dollar (\$1.00) per year, which rental shall not be prorated for any partial year.

B. As additional rent, Lessee shall reimburse Lessor for one half of all reasonable and necessary costs and expenses incurred by Lessor in the maintenance and repair of the Tower and Transmitter Building within thirty (30) days after Lessor submits to Lessee a request for such reimbursement accompanied by an itemized list of the costs and expenses for which reimbursement is sought; provided, however, that Lessor shall not submit such requests for reimbursement more frequently than once per month.

5. Uses of Leased Property.

A. Lessee shall use the Leased Property only for activities directly related to the operation of the Station. Such operations shall be conducted in accordance with the standards imposed by the FCC and any other governmental body or agency as shall have jurisdiction over the installation, repair, alteration, operation or replacement of Lessee's Equipment or with any activities of Lessee on the Leased Property.

B. Lessor shall have the right to lease space at the Site and on the Tower to any other person or persons desiring to engage in any form of broadcasting and/or electromagnetic communication, subject to the condition that the operation of the equipment of any such other person or persons shall not cause interference, as defined in Section 6 hereof, to the operation of Lessee's Equipment or to the operation of the Station. The installation of other facilities on the Tower and

at the Site, and all maintenance and repair work with respect to the Tower and Transmitter building shall be done in a manner so as to cause the least possible disruption to Lessee's operations from the Site. Lessee agrees to reduce the Station's operating power or to suspend operations from the Site to the extent necessary to permit antennas and associated equipment to be mounted on the Tower, maintained and repaired and to permit Tower maintenance and repairs; provided, that, except in emergency situations, Lessor shall consult with Lessee at least three (3) days in advance of any work on or in the vicinity of the Tower that would require the Station to reduce power or suspend operations and, to the extent feasible, any work requiring the Station to reduce power or suspend operations shall be scheduled during the hours between midnight and 5:30 a.m. or mutually agreeable times that would cause the least disruption to the Station's broadcast service.

7. Interference Defined. As used in this Lease, the term "interference" shall have the meaning given to that term in Section 2.1 of the Rules and Regulations of the FCC. Any dispute as to whether interference as so defined is being caused by, or to, Lessee's equipment or the operation of the Station shall be referred to, and resolved by, a communications consulting engineer mutually acceptable to Lessor and Lessee whose decision will be binding on the parties. The fee of such consulting engineer shall be paid by the losing party in the dispute. Lessee shall have no responsibility whatsoever for the costs of resolving problems of interference between the Station's operations and the operations of facilities that were located on the Tower at any time after the Station's facilities in existence as of the date of this Lease were originally installed; however, Lessee will reasonably cooperate with other tenants and Lessor in efforts to resolve any interference problems that might arise, provided that Lessee shall not be obligated to change or relocate its antenna as a means of resolving such problems and that Lessee shall be reimbursed for any costs that it reasonably incurs, including, without limitation, legal and engineering fees, in connection with efforts to resolve interference problems.

8. Lessee's Right of Access. Lessor hereby grants to Lessee a nonexclusive right of access to the Leased Property at all times for the employees, agents or representatives designated by Lessee to the extent reasonably necessary and at any time to enable Lessee to install, operate, maintain and monitor its Equipment; provided, that prior to permitting any person hired or employed by Lessee to perform and work on the

Tower, Lessee shall submit to Lessor evidence reasonably satisfactory to Lessor that such person or persons are adequately covered by insurance both for injuries to themselves and to third parties, and damage to property, resulting from their work on the Tower.

9. Tower Maintenance and Lighting and Transmitter Building Maintenance.

Pursuant to Section 73.1213 of the Rules and Regulations of the Federal Communications Commission ("FCC"), Lessor agrees to assume full and exclusive responsibility for assuring compliance with all of the requirements under Part 17 of the Rules and Regulations of the FCC relating to the obstruction lighting and marking of the Tower, and Lessor shall be solely responsible for maintaining and repairing the Tower and the Transmitter Building in all other respects.

10. Taxes and Utilities.

A. Lessor shall be responsible for, and shall pay when due, all taxes assessed or imposed with respect to the Tower and the Site; except that Lessee shall be responsible for, and shall pay when due all taxes assessed or imposed with respect to Lessee's Equipment.

B. Lessor shall pay for all utilities at the Site, except For (i) electricity used solely in connection with Lessee's operations, including electricity for a de-icing system for Lessee's antenna, if installed, which shall be separately metered and (ii) Lessee's telephone line and use charges.

11. Hold Harmless. The Lessee hereby assumes all risk of and responsibility for, and agrees to indemnify and save harmless the Lessor, from and against any and all claims, demands, suits, damages, actions, recoveries, judgments and costs of any nature whatsoever, brought or obtained on account of the loss of life, personal injury, or damage to property whether such loss, injury or damage be suffered by the Lessor, its agents or employees, or the Lessee, its agents or employees, any contractors, or subcontractors employed by the Lessee, their agents or employees, or any third person in no way connected with the parties hereto, which loss of life or property, or injury or damage to persons or property, shall be due to or arise out of, result from, or be in any way connected with the conduct of the Lessee, its employees or agents with respect to

the Leased Property or any work done by such persons thereupon. Lessor shall defend, indemnify and save harmless the Lessee from and against any and all claims, demands, suites, damages, actions, recoveries, judgments, and costs of any nature whatsoever, brought or obtained on account of the loss of life, personal injury or damage to property arising out of or in anyway connected with Lessor's negligence or other fault in using, owning, or occupying the Site, including, without limitation, any fines assessed against Lessee as a result of Lessor's failure to comply with its obligation to light and paint the Tower.

12. Insurance. The Lessee shall procure and maintain comprehensive public liability and property damage insurance covering the Transmitter Building and Lessee's Equipment located at or on the Site and all of Lessee's operations and activities on or at the Site with a single limit of not less than One Million Dollars (\$1,000,000), which policy shall name Lessee as an additional insured. Such insurance shall be purchased from a responsible insurance company legally entitled to do business in the State of Oregon. Upon signing this Lease and annually thereafter, Lessee shall furnish Lessor with a certificate or certificates evidencing such insurance and stating that such coverage may not be cancelled or changed accept after thirty (30) days' notice in writing to Lessor. The insurance must be carried throughout the term of this Lease, including any renewal term.

13. Alterations by Lessee. Lessee shall have the right, at its own cost and expense, to make such changes and alterations in its Equipment in or on the Site as its operations may require, including the renovation or replacement of its antenna; provided, however, that (1) such changes or alterations are in conformance with standards of good engineering practice and, if necessary, have been approved by the FCC and any other governmental body or agency having jurisdiction with respect thereto, and provided further, (2) plans and specifications are first submitted to and approved in writing by Lessor, which approval shall not be unreasonably withheld or delayed, and (3) any proposed changes or alterations do not increase the "wind loading" of the Tower. Lessee will provide at Lessor's request an independent professional analysis of "wind loading" and stress to determine any changes that equipment replacements and/or alterations would cause if any such equipment changes and/or alterations reasonably could be expected to increase the Tower's windloading.

14. Tower Damage. In the event that the Tower and/or the Transmitter Building is fully or partially destroyed or damaged by fire, lightning, windstorm, explosion, collapse, vandalism, civil disturbance, aircraft or other vehicle damage or other casualty, Lessor shall use its best efforts to repair or replace the Tower and/or Transmitter Building as expeditiously as possible; provided, however, that Lessor shall have no liability to Lessee as a consequence of Lessee not being able to operate its Station from the Site during the period while the Tower and/or Transmitter Building is being repaired or replaced.

15. Eminent Domain. If the Site, or any portion thereof, is acquired or condemned under the power of eminent domain whether by public authority, public utility or otherwise, this Lease shall cease and be terminated as of the date title shall have vested in public authority; provided, however, that if only that portion of the Site on which the Transmitter Building is situated is taken and it is possible for Lessor to make space available for Lessee's transmitter(s) and associated Equipment in other structures at the Site, or to make available sufficient space at the Site for Lessee to erect its own new transmitter building, this Lease shall not cease and Lessor shall make such space available without increasing the rent due hereunder. Lessor shall be entitled to the entire amount of any condemnation award, except that the Lessee shall be entitled to make a separate claim for and retain a condemnation award based on and attributable to its expenses of removing its Equipment from the Site and such other expenses and damages as it may suffer as a result of the condemnation.

16. Costs. Lessee and Lessor shall each bear their own costs and expenses in connection with the preparation and negotiation of this Lease Agreement.

17. Assignment. Lessee shall not assign, mortgage or encumber this Lease; provided, however, that Lessee may assign this Lease to any purchaser of the Station subject to the assignee agreeing, in writing, to accept the assignment and to be bound by the terms of this Lease. Lessee shall not sublet or permit the Site or any part thereof to be used by others without the express written approval of Lessor, which approval may be withheld by Lessor for any reason. No sublet or use by others, except for an assignment of this Lease to a purchaser of the Station, shall relieve Lessee of its obligation under this Lease. In the event that Lessor assigns its rights under the Ground Lease or sells the Tower, Lessor shall as a condition of such assignment or sale require that the assignee or purchaser

agree in writing to be bound by all of the terms of this Lease.

18. Termination. In the event that the Lessee shall violate any of the provisions of this Lease Agreement, the Lessor shall so notify the Lessee, in writing, and in the event that the Lessee shall not commence and proceed with reasonable diligence to complete such actions as are necessary and appropriate to remedy any such violations within ten (10) days from the time of the mailing of the aforesaid notice by the Lessor, then and in that event the Lessee shall be required to remove without contest all of the Equipment and all rights in favor of the Lessee hereunder shall forthwith cease.

19. Removal of Lessee's Equipment. At the termination of this Lease, whether it expires by its own terms or is canceled for any reason, Lessor agrees to give Lessee reasonable access to remove its Equipment for a reasonable period, the duration of which shall be at least thirty (30) days after such termination. Lessee agrees at the termination of this Lease to remove its Equipment and to pay all costs in connection with such removal. Upon termination of this Lease, title to the Transmitter Building shall pass to and vest in Lessor.

20. Remedies Cumulative. The remedies provided herein shall be cumulative and shall not preclude the assertion by any party hereto of any other rights or the seeking of any other remedies against the other parties hereto.

21. No Waiver. Should Lessor permit a continuing default of Lessee in Lessee's performance of the terms of this Agreement, the obligations of Lessee hereunder shall continue and such permissive default shall not be construed as a renewal of the term hereof nor as a waiver of any of the rights of Lessor or obligations of Lessee hereunder.

22. Entire Agreement. This Agreement, including the exhibits, schedules, lists and other documents referred to herein or delivered pursuant hereto, which form a part hereof, contains the entire understanding of the parties with respect to its subject matter. There are no restrictions, agreements, promises, warranties, covenants or undertakings other than expressly set forth herein or therein. This Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. No modification of this Agreement shall be effective unless contained in a writing signed by the authorized representative of both parties.

23. Headings. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

24. Notices. All notices, requests, demands, and other communications pertaining to this Agreement shall be in writing and shall be deemed duly given when delivered personally (which shall include delivery by Federal Express or other recognized overnight courier service that issues a receipt or other confirmation of delivery) to the party for whom such communication is intended, or three (3) business days after the date mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

To Lessor: Bridge Broadcasting, Inc.
 1111 Fishhook Park Road
 Prescott, WA 99348
 Fax: 509-749-2354
 Attn: Ralph Broetje, Chairman

To Lessee: Educational Media Foundation
 1425 North Market Blvd, Suite 9
 Sacramento, CA 95834
 Attn: Richard Jenkins, President

Either party may change its address for notices by written notice to the other given pursuant to this Section. Any notice purportedly given by a means other than as set forth in this Section shall be deemed ineffective.

25. Attorney's Fees. If Lessee or Lessor will bring any action or arbitration for any relief against the other, declaratory or otherwise, arising out of this Agreement, including any suit by Lessor for the recovery of Rent or possession of the Leased Premises, the prevailing party will be entitled to recover from the other party reasonable attorneys' fees and court costs.

26. Law Governing. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Washington without regard to its conflict of laws rules.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the Lessor and the Lessee on the date first above written.

WITNESS:

LESSEE:

EDUCATIONAL MEDIA FOUNDATION

By: _____
Richard Jenkins, President

WITNESS:

LESSOR:

BRIDGE BROADCASTING, INC.

By: _____
Ralph Broetje, Chairman