

INVENTORY LIST OF FURNITURE

1 – 4 DRAWER HON REGULAR FILE CABINET
2 – 4 DRAWER OAK FILES CABINET
1 – 4 DRAWER HON LEGAL FILE CABINET
1 – 2 DRAWER VERTICAL OAK FILE CABINET
2 – 2 DRAWER OAK FILE CABINET
1 – GRAY DESK WITH TOP WITH LOCKING 2 DRAWER FILE
1 – OAK SECRETARY DESK WITH LEFT RETURN
1 – OAK DESK 5'
1 – BEIGE DESK 5'
2 – OAK COMPUTER DESKS
1 – EXECUTIVE OAK DESK 6'
1 – EXECUTIVE OAK DESK 6 1/2' x 6' RETURN
1 – BLACK DESK 5'
1 – BEIGE DESK 4'
1 – BEIGE DESK 40"
1 – BLACK DESK 40"
1 – BROWN CHAIR
1 – GRAY CHAIR
4 – GRAY LOBBY CHAIRS
4 – BLACK CHAIRS NO ARMS
1 – BLACK CHAIR ARMS
1 – GRAY EXECUTIVE CHAIR
2 GREEN VELVET ARROW BACK CHAIRS
2 – BROWN WICKER CHAIRS
1 – GREEN WICKER CHAIR WITH CUSHION
5 – OAK SWIVEL STUDIO CHAIRS
4 – OAK BOOKCASES
1 – OAK 7 SHELF BOOKCASE

STUDIO FURNITURE INCLUDING FILE CABINET

2 FIRE EXTINGUISHERS (1 ELECTRICAL/1 REGULAR)
1 – TYPEWRITER STAND
3 – SHELF BOOKCASES SM
7 – LAMPS
1 – SMALL 4- TABLE
WASTEBASKETS
VACUUM – KIRBY
TENT – FOR REMOTES
DIVIDER – OAK
16 DIVIDE A ROOM UNITS
RACKS
MISCELLANEOUS
DRY ERASE BOARDS

TOWER SITE

- TOWER HEIGHT 420 FT.
- ALL BEACONS INTACT AND FUNCTIONING
- COPPER RODS INSTALLED AT TOP FOR LIGHTNING STRIKES.

- TOWER AND OPERATION ROOM GROUNDED WITH COPPER.
- COAXIAL RUNS UP AND DOWN TOWER.

- TRANSMISSION LINE CHARGED WITH GAS FOR SEAL.
- MARTI AURAL STL RECEIVER MODEL R-15C
- MARTI ME-40 EXCITER
- SINE SYSTEMS RELAY PANEL MODEL RP-8
- SP8 SINE SYSTEMS SURGE
- RFC1B CONTROLLER
- AT&T PHONE MODEL 210
- (1) FLOOR FAN
- AMANA 10,000 B.T.U. AIR CONDITIONER
- WALL MOUNTED AIR CONDITIONER UNIT 1/2 TON
- HENRY RADIO TRANSMITTER (FCC ID: BAI-3000D-95 TUNED TO 92.5 MHZ)
- 1.25 HORSEPOWER SHOPVAC WET/DRY VACUUM
- (16) OUTPUT CAPS (REPLACEMENT PART) MODEL # HEC
HT57 50PF +/- 10% 9547 15KVDC NPO
- (2) EIMAC REPLACEMENT TUBES MODEL 3CX 3000 A7E1 (NEEDS REBUILD)

Z-92.5 W.J.S.Z. INVENTORY

BROADCAST STUDIO

*CUSTOM DESIGNED BROADCAST FURNITURE BY DALLAS DESIGNS. L - SHAPE, WITH ISLAND FILE CABINET. SMOKE GREY IN COLOR, WITH RUBBER MOLDING. (SEE SKETCH)

*WALLS FOAMED WITH SDG CUTTING EDGE FOAM INSUL. 12X12X2 FROM CEILING TO 2' FEET 10" INCHES FROM FLOOR. CARPET COVERS WALLS FROM FOAM TO FLOOR.

*FIDELIPAC DYNAMAX MX16 WITH MIC PREAMP KITS AND TELEPHONE INTERFACE.

*(2) DENON CD PLAYERS MODEL DN650F

~~*(1) SONY MINI-DISK PLAYER MDS-JE510~~ *AB*

*(1) SONY MINI-DISK PLAYER MDS-JE330

*(1) SAGE EAS ENDEC MODEL 1822

*(1) SMARTS BROADCAST "SMARTSCASTER" WITH TWO DOLBY AC2 SOUNDCARDS (HD SPACE- APPROX. 17,500 MINUTES OF AUDIO)

*(1) SMARTS RIDZ SWITCHER

*(1) SMARTS "SMARTTOUCH" INTERFACE

*(1) GENTNER DH30 DIGITAL HYBRID TELEPHONE INTERFACE

*(1) GENTNER TELESWITCH FIVE LINE DESKTOP PHONE MODULE

*(3) DBX PROJECT 1 MIC PREAMP PROCESSORS MODEL 286A

*(1) RANE HC5 HEADPHONE CONSOLE (6 JACKS WITH MASTER VOLUME CONTROL)

*(1) PENTIUM P.C. WITH 128MB MEMORY, 2 GIG SCSI HARDDRIVE, 10 GIG PARTITIONED SECONDARY HARDDRIVE, CD-ROM, 3 1/2" FLOPPY, VIDEO CARD, SOUNDBLASTER LIVE SOUND CARD, 10-100 BASE T ETHERNET CARD, MONITOR, KEYBOARD, MOUSE

PG. 2

- * (1) A.P. NEWSDESK COMPUTER (SIZE AND SPEED OF P.C. UNKNOWN (386 OR LESS)
- * (1) EPSON LQ-870 PRINTER
- * (2) ELECTRO-VOICE SENTRY 100A MONITOR SPEAKERS
- * (2) MONITOR SPEAKER WALL BRACKETS (MOUNTED)
- * (3) CD TOWERS (IN STUDIO)
- * (1) WALL MOUNTED INTERLOCKING CD STORAGE SYSTEM WITH CAPACITY TO HOLD APPROX. 400 CD'S
- * (3) MICROPHONE BOOM RISERS
- * (3) MICROPHONE BOOMS
- * (3) SHURE SM7 MICROPHONES
 - ALL AUDIO WIRING IS BELDEN SHIELDED
 - ALL 16 PAIR LINES FROM EQUIPMENT ROOM IS BELDEN
 - ALL XLR INTERFACE IS SWITCHCRAFT

RACK ROOM-EQUIPMENT ROOM

- * (1) BEST POWER FERRUPS UNINTERRUPTIBLE POWER SUPPLY
- * (1) MARTI STL AURAL STL TRANSMITTER (STL-15-C)
- * (1) MARTI RPC RECEIVER MODEL CR-10
- * (1) ORBAN OPTIMOD MODEL 8100A (RECENTLY REBUILT)
- * (1) ORBAN OPTIMOD MODEL 8100A/XT2 (XT CHASSIS)
- * (1) SONY FM/AM STEREO RECEIVER-TUNER MODEL STR-D511
- * (2) KENWOOD FM/AM STEREO RECEIVER-TUNER MODEL 103-AR
- * (3) PIONEER FM/AM STEREO RECEIVER-TUNERS FOR E.A.S. MONITOR MODEL SX-205
- * (1) RACK-MOUNTABLE EQUIPMENT RACK W/ REAR DOOR, DIMENSIONS: 5'6" TALL X 22" 1/2 X 18" 1/2 * (4) MIDDLE ATLANTIC SHELVES

PG.3

*(1) SMC 8 PORT HUB...EXPANDABLE
*CAT 5 RUNS TO ALL CAT 5 WALL TERMINATIONS
*(14) MOUNTED PUNCHBLOCKS (PROD. & ON-AIR)
*(2) MARTI RPU TRANSMITTER RPT- 30 SERIES
*(2) YAGI ANTENNAE FOR REMOTE BROADCAST. ONE
ANTENNA NEEDS FIRST DIPOLE REPLACED FOR PROPER
FUNCTION.

- (1) SHURE FOUR CHANNEL MICROPHONE MIXER
- (1) MACKIE MIXER 10 CHANNEL MODEL 1402VLZ

MISCELLANEOUS PARTS AND ACCESSORIES.

REPLACEMENT PARTS SUCH AS:

- XLR FEMALE FLUSHMOUNT INTERFACE, XLR FEMALE AND MALE PLUGS, MONO AND STEREO HEADPHONE JACKS, GENTNER DIGITAL HYBRID II, D-PLUGS (UNSOLDERED) FEMALE AND MALE, COAXIAL CABLE, COAXIAL ENDS, 1/8 INCH HEADPHONE JACK EXTENDER CABLE, (4) POWER EXTENSION CORDS, (1) POWER STRIP, SHRINK TUBE, HARRIS GOLD MEDALIST 12 CHANNEL CONSOLE, (3) MUFFIN FANS FOR TOWER, SHURE 4 CHANNEL MIC MIXER, PL-259 ENDS, (4) RG-8 REMOTE BROADCAST TRANSMISSION LINE (ASSORTED LENGTHS), RCA'S, CRAFTSMEN 12 VOLT CORDLESS DRILL AND CORDLESS FLASHLIGHT W/ (2) BATTERIES AND CHARGER, CRAFTSMEN 50 PC. TOOL SET, 13 WATT WORK LIGHT, ASSOTED SCREWDRIVERS, NUT, BOLTS AND SCREWS.
- (2) HENRY MATCH BOXES
- (1) DAVIS WEATHER MONITOR II

PRODUCTION ROOM

- (110) MISCELLANEOUS DATA DISCS WITH ARCHIVED PAST DATED COMMERCIALS AND WORKPARTS.
- OTARI MX-50 REEL TO REEL
- (2) SONY CD PLAYERS CDP-211
- (1) SONY MINI-DISC PLAYER MD-JE320

PG.4

- (1) TASCAM 302 DOUBLE CASSETTE RECORDER W/
HIGH SPEED DUBBING
- (1) YAMAHA 01V 16 CHANNEL DIGITAL MIXING
CONSOLE

- (1) MARANTZ PORTABLE CASSETTE RECORDER
- PRODUCTION P.C. AMD 466 MHZ. 164MB RAM, (2) HD
20 GIG AND 10 GIG, CD-ROM, CD BURNER, 3 1/2"
FLOPPY, SOUND BLASTER LIVE SOUND CARD, 10-100
BASE T ETHERNET CARD, 19" MONITOR
- (2) ELECTRO VOICE SENTRY 100A MONITOR
SPEAKERS
- FOAM INSTALLED ON WALLS
- (2) SHURE SM-7 MICROPHONES
- (2) LUXO MIC BOOMS
- (2) MIC BOOM RISERS
- (1) EPSON STYLUS 400 COLOR PRINTER
- (18) WALL MOUNTED INTERLOCKING CD RACKS WITH
STORAGE CAPACITY FOR (216) CD'S
- OVER 200 REELS WITH DATED AUDIO \$?

MISCELLANEOUS PARTS

- OUTDOOR SIGN ALUMINATION SYSTEM WITH (4) 500
WATT CANISTERS EXTENDED 4 1/2 FEET FROM
BUILDING.
- 92.5 F.M. SIGN ON BUILDING
- (6) NON-VGA MONITORS
- (1) 5 FT. RECEIVE ANTENNA
- (6) SONY JUKE BOXES MODEL CDK-006
- (1) UDS-1 AUTOMATION COMPUTER; INTERFACES
WITH JUKEBOXES \$?
- (1) 386 PRODUCTION COMPUTER SYSTEM (DATED)

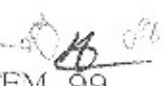
PG.5

- (1) ELECTRONIC TIME CLOCK
- (2) BROTHER FAX MACHINES
- (2) WHIP ANTENNAS, (1) NEEDS TRANSMISSION LINE RE-SOLDERED.
- (1) COLLAPSEABLE GREEN CANOPY, ALUMINUM W/ PLASTIC CORDURA ROOF
- APPROX. (150) FEET OF BELDEN SHIELDED 16 PAIR
- ASSORTED SMAAL LENGTHS OF ANDREW HELIAX COAXIAL CABLE (1/2" AND 7/8")
- (2) SONY PORTABLE MINI-DISC PLAYERS

OFFICE COMPUTERS

- (1) PENTIUM 233, 64MB RAM, CD BURNER, CD ROM, (2) HD 6 GIG AND 10 GIG, 10-100 BASE T ETHERNET CARD, 3COM 56K V90 MODEM, MONITOR
- (1) PENTIUM 3, 833, 12 12 GIG HARD DRIVE, CD ROM, IOMEGA ZIP DISK BACKUP, NEC 870 INKJET PRINTER, 256K RAM, VIDEO CARD, 19" KDS MONITOR

MISCELLANEOUS BROADCAST EQUIPMENT

- ~~(1) JVC BOOM BOX MODEL PC-X103~~ 
- (1) VEGA WIRELESS MICROPHONE SYSTEM, 99 CHANNELS, UHF
- (1) FENDER PASSPORT MOBILE P.A. SYSTEM MODEL P-250, COMES WITH MICS AND MIC CABLES, PLUS COLLAPSABLE SPEAKER STANDS.
- (1) SINGING MACHINE KARAOKE MACHINE
- (2) SHURE SM-58 MICROPHONES
- (3) SHURE SM-57 MICROPHONES
- (1) GENTNER MICROTTEL TELEPHONE BROADCAST INTERFACE WITH XLR FEMALE OUTPUT.
- (1) MIC STAND

PG.6

- (1) SONY WALKMAN MODEL WM-FX271
- (2) BEYER DYNAMICS HEADSET/BROADCAST MICROPHONES MODEL DT-290

STATION VEHICLE

- (1) 1995 CHEVY VAN G-10 W/ BED MATT AND STEREO SYSTEM; ALPINE DECK WITH 8 SPEAKERS TWO IN DOOR TWEETERS AND TWO POWER AMPLIFIERS UNDER PASSENGER SEAT.

STUDIO TOWER EQUIPMENT 103 N. WASHINGTON

- (1) ROHN BASE PLATE MODEL BPC45G
- (2) ROHN 10 FT. TOWER SECTIONS
- (1) ROHN 9 1/2 FT. TOP TOWER SECTION
- (2) WOOD LAMINATE BEAMS WITH ANCHOR BRACKETS AND SEPERATORS THAT SPAN THE ROOF GOING NORTH AND SOUTH ACROSS THE ROOF!
- GUY WIRES, ANCHORS, WOOD BRACE BEAMS, TIE DOWNS, ALL BRACKETS AFFIXED TO ROOF (5), BIG GRIPS, THIMBLES, WALL ANCHORS, TURNBUCKLES, JOINT BOLT KITS.
- DUAL YAGI RECEIVE ANTENNAS
- 6 FT. DIAMETER STL DISH FOR SIGNAL SEND TO ASHLEY TOWER
- COAXIAL RUNS FROM TOWER TO INDOORS TERMINATING IN RACK ROOM

TOWER SITE

- TOWER HEIGHT 420 FT.
- ALL BEACONS INTACT AND FUNCTIONING
- COPPER RODS INSTALLED AT TOP FOR LIGHTNING STRIKES.
-

PG. 7

- TOWER AND OPERATION ROOM GROUNDED WITH COPPER.
- COAXIAL RUNS UP AND DOWN TOWER.
- TRANSMISSION LINE CHARGED WITH GAS FOR SEAL
- MARTI AURAL STL RECEIVER MODEL R-15C
- MARTI ME-40 EXCITER
- SINE SYSTEMS RELAY PANEL MODEL RP-8
- SP8 SINE SYSTEMS SURGE
- RFC 1B CONTROLLER
- AT&T PHONE MODEL 210
- (2) FLOOR FANS
- AMANA 10,000 B.T.U. AIR CONDITIONER
- WALL MOUNTED AIR CONDITIONER UNIT 1/2 TON
- HENRY RADIO TRANSMITTER (FCC ID: BAI-3000D-95 TUNED TO 92.5 MHZ
- 1.25 HORSEPOWER SHOPVAC WET/DRY VACUUM
- (16) OUTPUT CAPS (REPLACEMENT PART)
MODEL # HEC HT57 50PF +/- 10% 9547 15KVDC NPO
- EIMAC REPLACEMENT TUBE MODEL 3CX 3000 A7E1

MISCELLANEOUS - CLOSET *12*COMPACT REFRIGERATOR *12*HOT WATER HEATER *12*

COMMERCIAL LEASE WITH OPTION TO BUY

THIS LEASE, made this 1st day of May 2004, by and between FRANCES SLAVIK, of 8933 S. Ransom Rd., Ashley, Michigan 48806, as Landlord/Lessor, hereinafter referred to as "SLAVIK" and CURWOOD BROADCASTING COMPANY, INC. of 105 N. Washington, Owosso, Michigan 48867, as Tenant/Lessee, hereinafter referred to as "CURWOOD".

In consideration of the mutual covenants contained herein, the parties agree as follows:

DESCRIPTION OF PREMISES:

SLAVIK leases to CURWOOD: A wood lot with a clearing about 800 feet West off ransom Road, in Elba Township, Gratiot County, Michigan, described as:

Commencing at the Northeast corner of the Southeast 1/4 of Section 8, Township 9 North, Range 1 West, Elba Township, Gratiot County, Michigan; thence West 50 rods, thence Southeasterly 60 rods to a point 40 rods South of the Northeast corner, thence North 40 rods to point of beginning.

Under the following terms and conditions:

1. TERM: The term of this Lease is 1 year, commencing May 1, 2004 and terminating April 30, 2005.
2. RENT: CURWOOD shall pay SLAVIK the sum of \$200.00 per month for the use and occupancy of the leased premises the first of each month, beginning on May 1, 2004.
3. OPTION TO RENEW: Provided the CURWOOD is not in default in the performance of this lease, CURWOOD shall have the option to renew this lease for an additional term of one year each year commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the monthly rent shall be adjusted as the parties agree.
4. USE OF PREMISES: It is understood and agreed between the parties hereto, that said premises shall, during the continuance of this Lease, and within its terms, only be used and occupied for purposes in connection with CURWOOD's principal broadcasting business, and CURWOOD shall not use or permit the use of the premises for any other purpose without the written consent of SLAVIK and in no case used for any business deemed extra hazardous on account of fire.
5. LEGAL COMPLIANCE: CURWOOD shall be solely responsible for and shall remain in compliance with all state and federal legislation and local ordinances, including but not limited to, zoning ordinances, clean air and water legislation, ground water contamination legislation, safety in the work place legislation and any other rule or regulation, statute or ordinance which, in any way, impacts upon the operation of CURWOOD'S business. CURWOOD shall hold SLAVIK harmless from any liability, cost, expense or damages resulting from the violation by CURWOOD of any of the foregoing, and/or from any discharge, dissemination, leakage or contamination of any substance generated by or used in conjunction with the business of CURWOOD.

6. UTILITIES: CURWOOD shall arrange and pay all utilities furnished to the premises for the term of this Lease, including electricity, gas, water, and telephone service.
7. REPAIRS AND MAINTENANCE: CURWOOD agrees that, during the term of this Lease, to be solely responsible for maintenance of the buildings and equipment. CURWOOD agrees to maintain the grounds on the premises at its sole expense, and to be solely responsible for keeping the driveway and parking lot clear from snow and ice.
8. ALTERATIONS AND IMPROVEMENTS: CURWOOD shall not make any alterations, additions or improvements without the written consent of SLAVIK. In the event that any repairs, additions or improvements are the basis for Construction Liens, CURWOOD shall promptly discharge all such Construction Liens. Further, CURWOOD shall be liable for any and all sums which SLAVIK expend for the satisfaction of such liens. Any improvements shall remain with the premises in the event of termination hereof.
9. ASSIGNMENT, SUBLEASE OR LICENSE: CURWOOD shall not assign or sublease the premises or allow any other person except agents and employees of CURWOOD to occupy the premises or any part thereof without first obtaining the written consent of SLAVIK. An unauthorized assignment, sublease or license to occupy by CURWOOD shall be void and shall terminate the Lease at the option of SLAVIK.
10. INSURANCE: CURWOOD shall keep the leased premises insured throughout the term of this Lease against the following:
 - (a) Loss or damage by fire and such other risks as may be included in the broadest form of extended coverage insurance in amount sufficient to prevent SLAVIK from becoming a co-insurer within the terms of the applicable policies, and in any event in an amount not less than 100% of the then full insurable value. The full "insurable value" shall mean the actual replacement cost, less physical depreciation, including excavation costs.
 - (b) Claims for personal injury or property damage under a policy of public liability insurance, with such limits as may be agreed upon by CURWOOD and SLAVIK from time to time, but not less than \$1,000,000.00 combined single limits.

All insurance required to be provided by CURWOOD shall be issued by insurers of recognized responsibility, licensed to do business in the State of Michigan. All policies of insurance shall name CURWOOD and SLAVIK as the insureds, as their respective interests may appear. CURWOOD shall obtain insurance insuring loss or damage by fire and such other risks concerning its personal property, equipment, and inventory kept on the premises. CURWOOD may purchase business interruption insurance; however, under no circumstances shall SLAVIK be liable for any loss of profits or business incurred by CURWOOD as a result of damage to or loss of the premises.
11. WAIVER OF SUBROGATION: CURWOOD and SLAVIK and all parties claiming under them hereby mutually release and discharge each other from all claims and liabilities arising from or caused by any hazard or peril covered by insurance on the premises or covered by insurance in connection with the premises or activities conducted on the premises, regardless of the cause of the damage or loss. In addition, CURWOOD, if it obtains insurance policies as required pursuant to this Lease, shall obtain clauses in these insurance policies whereby the insurance carriers waive all rights of subrogation against SLAVIK.

12. DAMAGE OR DESTRUCTION OF PREMISES: In the event the premises shall be damaged or destroyed in whole or in part by fire or other casualty insured under the insurance policies described above, but the same can with reasonable diligence be replaced or repaired within a period of ninety (90) days from the date of the occurrence of such destruction, then CURWOOD, at its expense, shall promptly restore the leased premises as nearly as possible to the condition which existed immediately prior to such damage or destruction. All insurance proceeds received by CURWOOD pursuant to the insurance policies described above shall be held in trust and applied by CURWOOD to the payment of such restoration, as such restoration, repair and reconstruction progresses. In the event that said premises cannot be so replaced or repaired within the ninety (90) day period, this Lease may be terminated at the option of CURWOOD or SLAVIK, provided that notice of termination shall be given within sixty (60) days after the date of the damage or destruction. If the Lease is terminated for any of the reasons set forth in this paragraph, all rent shall be apportioned to the date of termination and all insurance proceeds shall belong to CURWOOD and SLAVIK as their interests may appear.
13. CONDEMNATION: If the whole of the leased property or such portion thereof as will make the premises unsuitable for the purposes herein leased, is condemned for any public use or purpose by any legally constituted authority, then in either and such events this Lease shall cease and terminate when possession is taken by such public authority and rental shall be prorated up to the date of surrender of possession. Such termination shall be without prejudice to the rights of either CURWOOD or SLAVIK to recover compensation from the condemning authority for any loss or damage caused by such condemnation. Neither CURWOOD nor SLAVIK shall have any rights in or to any award made to the other by the condemning authority.
14. OPTION TO PURCHASE: During the term of this Lease or any renewal thereof, or if the premises are to be sold or transferred to any person or entity not a descendant of SLAVIKS, CURWOOD is to be notified by SLAVIK and SLAVIK gives CURWOOD 30 days to purchase the premises at the expected sale price. In the event CURWOOD exercises its option to purchase, real property taxes on said premises shall be prorated to date of closing of the sale.
15. PEACEFUL POSSESSION: SLAVIK does covenant that CURWOOD on paying the aforesaid installments and performing all the covenants aforesaid, shall and may peacefully and quietly have, hold and enjoy the said Leased premises for the term aforesaid and any renewal.
16. RENT ARREARAGE: CURWOOD acknowledges that CURWOOD owes SLAVIK \$1,200.00 as of April 19, 2004 under the prior, terminated lease, said rent arrearage to be paid \$100.00 each week until arrearage is paid in full. CURWOOD agrees that default in weekly payment of said arrearage will constitute a default in this Lease Agreement.
17. DEFAULT: If default shall be made by CURWOOD in the payment of said rent, or any installment or part thereof, or if CURWOOD shall fail to observe or perform any of the covenants, conditions or agreements in this Lease provided to be performed by CURWOOD and, notwithstanding the fact that CURWOOD may not be in default in the payment of rent hereunder, SLAVIK may cancel this Lease upon written notice to CURWOOD, it shall thereafter be lawful for SLAVIK to re-enter and repossess the premises and remove and put out CURWOOD. On termination of this Lease, SLAVIK may recover from CURWOOD all damages proximately resulting from the default, including the costs of recovering the premises and the worth of the balance of this Lease over the reasonable rental value of the premises for the remainder of the Lease term, which sum shall be immediately due SLAVIK from CURWOOD.

18. NOTICES: All notices required or permitted under the terms of this Agreement shall be deemed to be properly served if sent by certified mail at the addresses as set forth at the beginning of the Lease.
19. BINDING EFFECT: This Agreement shall bind and benefit the parties hereto and their respective successors and assigns.
20. ENTIRE AGREEMENT: The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

Signed this 1st day of May, 2004.

WITNESS:

LESSOR:

Frances Slavik
FRANCES SLAVIK

LESSEE:

CURWOOD BROADCASTING COMPANY
INC.

Michael Rayburn
By: Michael Rayburn
Its: President

By:
Its:

01/03/1994 02:09

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PAGE 02

COMMERCIAL LEASE AND DEPOSIT RECEIPT

RECEIVED FROM CUBAWOOD BROADCASTING COMPANY, INC. hereinafter referred to as LESSEE,
the sum of \$ 1100 (ELEVEN HUNDRED) dollars,
evidenced by CHECK #1808 as a deposit which shall belong to Lessor and shall be applied as follows:

	TOTAL	RECEIVED	BALANCE DUE PRIOR TO OCCUPANCY
Rent for the period from <u>OCT 15, 1993 to MONTH to MONTH</u>	\$ <u>550</u>	\$ <u>550</u>	\$ <u>0</u>
Security deposit (not applicable toward last month's rent)	\$ <u>550</u>	\$ <u>550</u>	\$ <u>0</u>
Other	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
TOTAL	\$ <u>1100</u>	\$ <u>1100</u>	\$ <u>0</u>

In the event this Lease is not accepted by the Lessor within 5 days, the total deposit received will be refunded.

Lessee agrees to lease from Lessor the premises situated in the City of CHICAGO County of Cook
State of ILLINOIS described as 101 N. WASHINGTON STREET (FAME HOUSE HALLMARK SHOP)
upon the following terms and conditions: 2ND AND 3RD FLOOR

1. **TERM:** The term will commence on OCTOBER 15, 1993 and end on MONTH to MONTH
2. **RENT:** The total rent will be \$ 5500 annually payable as follows: 550 PER MONTH AND EACH MONTH THEREAFTER

All rents will be paid to Lessor or his/her authorized agent, at the following address: CHICAGO HIGHLIGHTS
1022 N. DAWLEY, CHICAGO, IL 60647
or at such other places as may be designated by Lessor from time to time. In the event rent is not paid within 10 days after due date, Lessee agrees to pay a late charge of \$ 15 plus interest at 10 % per annum on the delinquent amount. Lessee further agrees to pay \$ 15 for each dishonored bank check. The late charge period is not a grace period, and Lessor is entitled to make written demand for any rent if not paid when due.

3. **USE:** The premises are to be used for the operation of CUBAWOOD BROADCASTING COMPANY, INC. and for no other purpose, without prior written consent of Lessor. Lessee will not commit any waste upon the premises, or any nuisance or act which may disturb the quiet enjoyment of any tenant in the building.

4. **USE PROHIBITED:** Lessee will not use any portion of the premises for purposes other than those specified. No use will be made or permitted to be made upon the premises, nor acts done, which will increase the existing rate of insurance upon the property, or cause cancellation of insurance policies covering the property. Lessee will not conduct or permit any sale by auction on the premises.

5. **ASSIGNMENT AND SUBLETTING:** Lessee will not assign this Lease or sublet any portion of the premises without prior written consent of the Lessor, which will not be unreasonably withheld. Any such assignment or subletting without consent will be void and, at the option of the Lessor, will terminate this Lease.

6. **ORDINANCES AND STATUTES:** Lessee will comply with all statutes, ordinances, and requirements of all municipal, state and federal authorities now in force, or which may later be in force, regarding the use of the premises. The commencement or pendency of any state or federal court statement proceeding affecting the use of the premises will, at the option of the Lessor, be deemed a breach of this Lease.

7. **MAINTENANCE, REPAIRS, ALTERATIONS:** Unless otherwise indicated, Lessee acknowledges that the premises are in good order and repair. Lessee shall, at his/her own expense, maintain the premises in a good and safe condition, including plate glass, electrical wiring, plumbing and heating and air conditioning installations, and any other system or equipment. The premises will be surrendered, at termination of the Lease, in as good condition as received, normal wear and tear excepted. Lessee will be responsible for all repairs required, except the following which will be maintained by Lessor: roof, exterior walls, structural foundations (including any retrofitting required by governmental authorities) and; TEENANT SHALL BE RESPONSIBLE FOR THE FIRST 50 HRS ELECTRICAL, PLUMBING AND HEATING. Lessee will also maintain in good condition property adjacent to the premises, such as sidewalks, driveways, lawns, and shrubbery, which would otherwise be maintained by Lessor.

No improvement or alteration of the premises will be made without the prior written consent of the Lessor. Prior to the commencement of any substantial repair, improvement, or alteration, Lessee will give Lessor at least two (2) days written notice in order that Lessor may post appropriate notices to avoid any liability for liens.

8. **ENTRY AND INSPECTION:** Lessee will permit Lessor or Lessor's agents to enter the premises at reasonable times and upon reasonable notice for the purpose of inspecting the premises, and will permit Lessor, at any time within sixty (60) days prior to the expiration of this Lease, to place upon the premises any usual "For Lease" signs, and permit persons desiring to lease the premises to inspect the premises at reasonable times.

9. **INDEMNIFICATION OF LESSOR:** Lessor will not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the premises. Lessee agrees to hold Lessor harmless from any claims for damages arising out of Lessee's use of the premises, and to indemnify Lessor for any expense incurred by Lessor in defending any such claims.

10. **POSSESSION:** If Lessor is unable to deliver possession of the premises at the commencement date set forth above, Lessor will not be liable for any damage caused by the delay, nor will this Lease be void or voidable, but Lessee will not be liable for any rent until possession is delivered. Lessee may terminate this Lease if possession is not delivered within 30 days of the commencement term in Item 1.

11. **LESSEE'S INSURANCE:** Lessee, at his/her expense, will maintain plate glass, public liability, and property damage insurance insuring Lessee and Lessor with minimum coverage as follows: AS REQUIRED PRIOR TO OCCUPANCY. Lessee will provide Lessor with a Certificate of Insurance showing Lessor as additional insured. The policy will require ten (10) day's written notice to Lessor prior to cancellation or material change of coverage.

12. **LESSOR'S INSURANCE:** Lessor will maintain hazard insurance covering one hundred percent (100%) actual cash value of the improvements throughout the Lease term. Lessor's insurance will not insure Lessee's personal property, leasehold improvements, or trade fixtures.

13. **SUBROGATION:** To the maximum extent permitted by insurance policies which may be owned by the parties, Lessor and Lessee waive any and all rights of subrogation which might otherwise exist.

14. **UTILITIES:** Lessee agrees that he/she will be responsible for the payment of all utilities, including water, gas, electricity, heat and other services delivered to the premises, except:

15. **SHOWS:** Lessee will not place, maintain, nor permit any sign or awning on any exterior door, wall, or window of the premises without the express written consent of Lessor, which will not be unreasonably withheld.

16. **ABANDONMENT OF PREMISES:** Lessee will not vacate or abandon the premises at any time during the term of this Lease. If Lessee does abandon or vacate the premises, or is dispossessed by process of law, or otherwise, any personal property belonging to Lessee left on the premises will be deemed to be abandoned, at the option of Lessor.

17. **CONDEMNATION:** If any part of the premises is condemned for public use and a part remains which is susceptible of occupation by Lessee, this Lease will, as to the part taken, terminate as of the date the condemnor acquires possession. Lessee will be required to pay such proportion of the rent for the remaining term as the value of the premises remaining bears to the total value of the premises at the date of condemnation; provided, however, that Lessor may at his/her option, terminate this Lease as of the date the condemnor acquires possession. In the event that the premises are condemned in whole, or the remainder is not susceptible for use by the Lessee, this Lease will terminate upon the date which the condemnor acquires possession. All sums which may be payable on account of any condemnation will belong solely to the Lessor; except that Lessee will be entitled to retain any amount awarded to him/her for his/her trade fixtures or moving expenses.

18. **TRADE FIXTURES:** Any and all improvements made to the premises during the term will belong to the Lessor, except trade fixtures of the Lessee. Lessee may, upon termination, remove all his/her trade fixtures, but will pay for all costs necessary to repair any damage to the premises occasioned by the removal.

19. **DESTRUCTION OF PREMISES:** In the event of a partial destruction of the premises during the term of this Lease, Lessee will promptly repair the premises, provided that such repairs can be reasonably made within sixty (60) days. Such partial destruction will not terminate this Lease, except that Lessee will be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs interferes with the business of Lessee on the premises. If the repairs cannot be made within sixty (60) days, this Lease may be terminated at the option of either party by giving written notice to the other party within the sixty (60) day period.
20. **HAZARDOUS SUBSTANCES:** Lessee will not use, store, or dispose of any hazardous substances upon the premises, except the use and storage of such substances that are customarily used in Lessee's business, and are in compliance with all environmental laws. Hazardous substance means any hazardous waste, substance or toxic material regulated under any environmental laws or regulations applicable to the property. Lessee will be responsible for the cost of removal of any toxic contamination caused by Lessee's use of the premises.
21. **INSOLVENCY:** The appointment of a receiver, an assignment for the benefit of creditors, or the filing of a petition in bankruptcy by or against Lessee, will constitute a breach of this Lease by Lessee.

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22. **DEFAULT:** In the event of any breach of this Lease by Lessee, Lessor may, at his/her option, terminate the Lease and recover from Lessee: (a) the worth at the time of award of the unpaid rent which had been earned at the time of termination; (b) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (c) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (d) any other amount necessary to compensate Lessor for all the damages proximately caused by the Lessee's failure to perform further obligations under the Lease or which in the ordinary course of things would be likely to result therefrom.

Lessor may, in the alternative, continue this Lease in effect, so long as Lessor does not terminate Lessee's right to possession, and Lessor may enforce all of Lessor's rights and remedies under the Lease, including the right to recover the rent as it becomes due under the Lease. If said breach of Lease continues, Lessor may, at any time thereafter, elect to terminate the Lease.

These provisions will not limit any other rights or remedies which Lessor may have.

23. **SECURITY:** The security deposit will secure the performance of the Lessee's obligations. Lessor may, but will not be obligated to, apply all or portions of the deposit on account of Lessee's obligations. Any balance remaining upon termination will be returned to Lessee. Lessee will not have the right to apply the security deposit in payment of the last month's rent.

24. **DEPOSIT REFUND:** The balance of all deposits will be refunded within three weeks (or as otherwise required by law), from date possession is delivered to Lessor or his/her authorized agent, together with a statement showing any charges made against the deposits by Lessor.

25. **ATTORNEY FEE:** In any action or proceeding involving a dispute between Lessor and Lessee arising out of this Lease, the prevailing party will be entitled to reasonable attorney fees.

26. **WAIVER:** No failure of Lessee to enforce any term of this Lease will be deemed to be a waiver.

27. **NOTICE:** Any notice which either party may or is required to give, will be given by mailing the notice, postage prepaid, to Lessee at the premises, or to Lessor at the address shown in Item 2, or at such other place as may be designated in writing by the parties from time to time. Notice will be effective three days after mailing, or on personal delivery, or when receipt is acknowledged in writing.

28. **HOLDING OVER:** Any holding over after the expiration of this Lease, with the consent of Owner, will be a month-to-month tenancy at a monthly rent of \$_____, payable in advance and otherwise subject to the terms of this Lease, as applicable, until either party will terminate the tenancy by giving the other party thirty (30) days written notice.

29. **TIME:** Time is of the essence of this Lease.

30. **HEIRS, ASSIGNS, SUCCESSORS:** This Lease is binding upon and inure to the benefit of the heirs, assigns, and successors of the parties.

31. **TAX INCENTIVES:** In the event there is any increase during any year of the term of this Lease in real estate taxes over and above the amount of such taxes assessed for the last year during which the term of this Lease commences, Lessee will pay to Lessor an amount equal to _____% of the increase in taxes upon the land and building in which the leased premises are situated. In the event that such taxes are assessed for a tax year extending beyond the term of the Lease, the obligation of Lessee will be prorated. Lessee will not be responsible for any tax increases received solely by virtue of transfer of the premises by Lessor.

32. **COST OF LIVING INCREASE:** The rent provided for in Item 2 will be adjusted effective upon the first day of the month immediately following expiration of 12 months from date of commencement of the term, and upon the expiration of each 12 months thereafter, in accordance with changes in the U.S. Consumer Price Index for All Urban Consumers (1982-84, U.S. GOV. PRINTING OFFICE). The monthly rent will be increased to an amount equal to the monthly rent set forth in Item 2 multiplied by the fraction the numerator of which is the CPI for the second calendar month immediately preceding the adjustment date and the denominator of which is the CPI for the second calendar month preceding the commencement of the Lease term; provided, however, that the monthly rent will not be less than the amount set forth in Item 2.

33. **OPTION TO RENEW:** Provided that Lessee is not in default in the performance of this Lease, Lessee will have the option to renew the Lease for an additional term of 36 months commencing at the expiration of the initial Lease term. All of the terms and conditions of the Lease will apply during the renewal term, except that the monthly rent will be the sum of \$5,500, which will be adjusted in accordance with the cost of living increases provision set forth in Item 32.

The option will be exercised by written notice given to Lessor not less than 30 days prior to the expiration of the initial Lease term. If notice is not given within the time specified, this Option will expire.

34. **ADHERENCE WITH CONSUMERS ACT:** The parties are advised of the existence of the Americans With Disabilities Act, which may require costly structural modifications. The parties are advised to consult with a professional familiar with the requirements of the Act.

35. **LESSOR'S LIABILITY:** In the event of a transfer of Lessor's title or interest in the property during the term of this Lease, Lessee agrees that the grantee of such title or interest will be substituted as the Lessor under this Lease, and the original Lessor will be released of all further liability, provided that all deposits will be transferred to the grantee.

36. **STANDARD DISCLOSURE:**

(a) On two (2) days' prior written notice from Lessor, Lessee will execute, acknowledge, and deliver to Lessor a statement in writing: (1) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified, is in full force and effect), the amount of any security deposit, and the date to which the rent and other charges are paid in advance, if any; and (2) acknowledging that there are no, to Lessee's knowledge, any unsecured defaults on the part of Lessor, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective buyer or encumbrancer of the premises.

(b) At Lessor's option, Lessee's failure to deliver such statement within such time will be a material breach of this Lease or will be non-exclusive upon Lessee: (1) that this Lease is in full force and effect, without modification except as may be represented by Lessor; (2) that if any are no unsecured defaults in Lessor's performance; and (3) that not more than one month's rent has been paid in advance.

(c) If Lessor desires to finance, refinance, or sell the premises, or any part thereof, Lessee agrees to deliver to any lender or buyer designated by Lessor such financial statements of Lessee as may be reasonably required by such lender or buyer. All financial statements will be received by the Lessor or the lender or buyer in confidence and will be used only for the purposes set forth.

37. **ENTIRE AGREEMENT:** The foregoing constitutes the entire agreement between the parties and may be modified only in writing signed by all parties. The following exhibits are a part of this Lease:

1. Exhibit A: Lease shall be subject to the terms and conditions set forth in the attached lease agreement.
2. Exhibit B: This Lease is subject to the terms and conditions set forth in the attached lease agreement.
3. Exhibit C: Lessee shall have the right of first refusal to purchase subject property.

The undersigned Lessee acknowledges that he/she has thoroughly read and approved each of the provisions contained in this Offer, and agreed to the terms and conditions specified.

Lessor: [Signature] Date: 7/9/92

Lessee: _____ Date: _____

Receipt for deposit acknowledged by: _____

Date: _____

ACCEPTANCE

The undersigned Lessor accepts the foregoing Offer and agrees to lease the premises on the terms and conditions set forth above.

NOTICE: The amount or rate of real estate commissions is not fixed by law. They are set by each broker individually and may be negotiable between the owner and broker.

The Lessor agrees to pay to as agreed the broker in this transaction, the sum of \$_____ for services rendered and authorized Broker to deduct said sum from the deposit received from Lessee.

In the event the Lease is extended for a definite period of time or on a month-to-month basis after expiration of the original term, Lessor will pay to Broker an additional commission of _____% of the total rental for the extended period. This commission will be due and payable at the termination of the extended period if for a fixed term, or if on a month-to-month basis, at the termination of Lessee's occupancy or one year, whichever is earlier.

In any action for commission, the reasonable costs will be added as reasonable attorney fees.

Exhibit C: FCC Licenses

FCC AUTHORIZATIONS

1. License issued to Owosso Broadcasting Co., Inc., File No. BLH-940323KB, granted February 15, 1995.
2. Renewal of License issued to Owosso Broadcasting Co., Inc., File No. BRH-960531YL, granted March 2, 1998.
3. Assignment of License to Curwood Broadcasting Company, Corp., File No. BALH-990709GE, granted September 3, 1999.
4. Renewal of License, File No. BRH-20040603ACE, pending.
5. Assignment of License to Kevin Beamish and Alana Beamish, Receivers, File No. BALH-20050223ABK, pending.

As itemized in paragraph 2.1 (d), which may include “The Castle” identity.

Exhibit E:

PROMISSORY NOTE

Principal Amount: \$200,000.00

Owosso, Michigan

Maturity Date: _____, 2008

_____, 2005

FOR VALUE RECEIVED, the undersigned, Krol Communications Inc., a Michigan corporation ("Purchaser") promises to pay to Curwood Broadcasting Co., Inc., a Michigan corporation ("Seller") at c/o Suzanne L. Gaylord, 121 Bella Vista, Apt. 21, Grand Blanc, Michigan 48439, or at such other place as the Seller may designate in writing, the principal sum of Two Hundred Thousand Dollars (\$200,000.00) with interest at the rate of six percent (6%) per annum in equal monthly installments of One Thousand Nine Hundred Fifty-One and 75/100 Dollars (\$1,951.75) per month. The first payment is to commence thirty (30) days from the date of this Promissory Note ("Note"). On the Maturity Date the Purchaser shall pay the entire unpaid principal balance of the Note plus all unpaid accrued interest, if any.

This Note is secured by a certain Security Agreement ("Security Agreement") of even date herewith and Assignment of Leases as Collateral Security.

The outstanding principal balance of this Note may be prepaid in full or in part, at any time, without payment of any prepayment fee or penalty.

The failure to pay any installment payment within seven (7) days after its due date or the failure of Purchaser to perform its obligations under the Security Agreement in accordance with the terms thereof, which failure continues after notice and the expiration of the cure period provided in the Security Agreement, shall constitute an Event of Default ("Event of Default") under this Note and the Security Agreement. Upon the occurrence of an Event of Default, the Seller, at its option, may accelerate the balance due under this Note and/or may pursue all of its rights and remedies under the Security Agreement and such other rights granted to Seller in law or equity.

Purchaser acknowledges and agrees that this Note may not be amended, waived or modified except in a writing signed by the Seller expressly stating that the writing, constitutes an amendment, waiver or modification of the terms of this Note. If any provision of this Note is unenforceable in whole or in part for any reason, the remaining provisions shall continue to be effective.

The interpretation and construction of this Note shall be governed by the laws of the State of Michigan and since this Promissory Note was negotiated it will be deemed to have been mutually drafted.

Seller may assign this Note without the prior approval of Purchaser. Purchaser may assign this Note subject to the prior approval of Seller which approval will not be unreasonably withheld.

Any notice of default required hereunder shall be sent by U.S. Mail, certified or registered, return receipt requested, to Rodney A. Krol at 103 N. Washington Street, Owosso, Michigan 48867, with a copy to Purchaser's counsel, Patrick T. Reid, REID AND REID PLLC II, 120 N. Washington Square, Suite 700, Lansing, Michigan 48933.

IN WITNESS WHEREOF, the undersigned has executed this instrument on _____, 2005.

PURCHASER:
Krol Communications Inc.

By: Rodney A. Krol
Its: President

Exhibit E:

PROMISSORY NOTE

Principal Amount: \$200,000.00
Maturity Date: _____, 2008

Owosso, Michigan
_____, 2005

FOR VALUE RECEIVED, the undersigned, Krol Communications Inc., a Michigan corporation ("Purchaser") promises to pay to Curwood Broadcasting Co., Inc., a Michigan corporation ("Seller") at c/o Arthur Grutter, of 9877 Coldale Court, White Lake, Michigan 48386, or at such other place as the Seller may designate in writing, the principal sum of Two Hundred Thousand Dollars (\$200,000.00) with interest at the rate of six percent (6%) per annum in equal monthly installments of One Thousand Nine Hundred Fifty-One and 75/100 Dollars (\$1,951.75) per month. The first payment is to commence thirty (30) days from the date of this Promissory Note ("Note"). On the Maturity Date the Purchaser shall pay the entire unpaid principal balance of the Note plus all unpaid accrued interest, if any.

This Note is secured by a certain Security Agreement ("Security Agreement") of even date herewith and Assignment of Leases as Collateral Security.

The outstanding principal balance of this Note may be prepaid in full or in part, at any time, without payment of any prepayment fee or penalty.

The failure to pay any installment payment within seven (7) days after its due date or the failure of Purchaser to perform its obligations under the Security Agreement in accordance with the terms thereof, which failure continues after notice and the expiration of the cure period provided in the Security Agreement, shall constitute an Event of Default ("Event of Default") under this Note and the Security Agreement. Upon the occurrence of an Event of Default, the Seller, at its option, may accelerate the balance due under this Note and/or may pursue all of its rights and remedies under the Security Agreement and such other rights granted to Seller in law or equity.

Purchaser acknowledges and agrees that this Note may not be amended, waived or modified except in a writing signed by the Seller expressly stating that the writing, constitutes an amendment, waiver or modification of the terms of this Note. If any provision of this Note is unenforceable in whole or in part for any reason, the remaining provisions shall continue to be effective.

The interpretation and construction of this Note shall be governed by the laws of the State of Michigan and since this Promissory Note was negotiated it will be deemed to have been mutually drafted.

Seller may assign this Note without the prior approval of Purchaser. Purchaser may assign this Note subject to the prior approval of Seller which approval will not be unreasonably withheld.

Any notice of default required hereunder shall be sent by U.S. Mail, certified or registered, return receipt requested, to Rodney A. Krol at 103 N. Washington Street, Owosso, Michigan 48867, with a copy to Purchaser's counsel, Patrick T. Reid, REID AND REID PLLC II, 120 N. Washington Square, Suite 700, Lansing, Michigan 48933.

IN WITNESS WHEREOF, the undersigned has executed this instrument on _____, 2005.

PURCHASER:
Krol Communications Inc.

By: Rodney A. Krol
Its: President

Exhibit F:

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (the "Agreement") is made effective as of the _____ day of _____, 2005, by Krol Communications Inc. of 103 N. Washington Street, Owosso, Michigan 48867 ("Debtor"), in favor of Curwood Broadcasting Co., Inc., c/o Suzanne L. Gaylord, of 121 Bella Vista, Apt. 21, Grand Blanc, Michigan, 48439 and in c/o Arthur Grutter, of 9877 Coldale Court, White Lake, Michigan 48386 ("Creditor").

1. Grant of Security Interest. Debtor hereby grants to Creditor a continuing security interest in and lien upon all Debtor's right, title and interest in all of Debtor's tangible and intangible assets (specifically excluding: accounts receivable; and FCC licenses), but including:

- (a) All items of equipment and fixtures (as such terms are defined in the Uniform Commercial Code (the "Code") and including all equipment, machinery, furnishings, fixtures, tools, supplies, furniture, and other equipment of any kind and nature together with all replacements, substitutions, modifications, additions, improvements and upgrades upon such items of equipment and fixtures ("Equipment");
- (b) All intangible assets relating to the business including the name, customer lists, good will, trade names, corporate or business records, contracts, program contracts and program rights, trademarks, trade names, copy rights, registrations, licenses, (not including the FCC licenses unless such interest is hereafter permitted by law, but including the right to receive all proceeds derived or arising from or in connection with the sale, assignment or transfer of such FCC licenses), leases with respect to personal property, franchises, tax refund claims, or tax refunds ("General Intangibles").

All of the foregoing assets of Debtor are referred to collectively in this Agreement as the ACollateral.

The Debtor is allowed to remove and dispose of items of Collateral so long as such items are replaced with Collateral of equal or greater value. Creditor agrees to provide a Discharge of the Security Interest upon Debtor's acknowledgment that it has acquired collateral of equal or greater value as replacement Collateral for the disposed Collateral.

2. Indebtedness Secured. This Agreement secures payment and performance of all obligations and indebtedness of Debtor now, and hereafter owing to Creditor including, but not limited to, all obligations and indebtedness of Debtor to Creditor under the Promissory Notes of even date herewith each in the amount of Two Hundred Thousand Dollars (\$200,000.00) for a total of Four Hundred Thousand Dollars (\$400,000.00) (A Promissory Note or "Indebtedness").

3. Warranties and Representations. Debtor warrants and represents to Creditor as follows with respect to itself and the Collateral:

- (a) Debtor owns the Collateral and none of the Collateral is subject to any lien, security interest, encumbrance, or claim in favor of any third party.
- (b) The execution, delivery and performance of this Agreement by Debtor will not violate or contravene any law, statute, rule, regulation, order, judgment or agreement to which it is a party or by which it is bound;
- (c) The Debtor will not alter, modify or diminish the value of such Collateral to the detriment of the Secured Party;
- (d) The Debtor will maintain the Collateral and keep the Collateral in good repair;
- (e) Debtor will insure the Collateral against damage and destruction in an amount equal to the Collateral's fair market value;

4. Agreements of Debtor. Until the Indebtedness has been paid in full, Debtor agrees it shall, with respect to the Collateral:

- (a) Debtor shall not cause or permit any lien, security interest or encumbrance to be placed on the Collateral, except in favor of Creditor;
- (b) Debtor shall not sell, lease or otherwise dispose of any of the Collateral except in the ordinary course of business; and
- (c) Debtor agrees to pay, before they become delinquent, all taxes, assessments and similar charges levied on or with respect to the Collateral, except for taxes, assessments and charges that Debtor is contesting in good faith.

5. Events of Default and Acceleration. After the cure period as set forth below, any part or all of the Indebtedness shall, at the option of Creditor, shall become immediately due and payable, if Debtor shall fail to perform any of its obligations under, or

to materially comply with any of the terms, conditions, and covenants contained in the Promissory Note or this Agreement ("Event of Default"). In the Event of Default and prior to acceleration, the Creditor shall provide written notice of the default to Debtor and allow Debtor a ten (10) day period to cure.

6. Creditor's Rights and Remedies. Creditor shall have all rights and remedies at law or in equity of a secured party under the laws of the State of Michigan. Without limiting these rights and remedies, upon the occurrence of an Event of Default, as defined in Paragraph 6 above:

- (a) Creditor will have the Secured Assets sold and have any FCC licenses sold either in an arms length private sale or a public auction either of which will be conducted in accordance with the provisions of the Uniform Commercial Code;
- (b) Creditor will require Debtor, and Debtor hereby agrees that it will at its own expense and upon request of Creditor assemble all or part of the Collateral owned by it as directed by Creditor and make it available to Creditor at Debtor's place of business;
- (c) Creditor shall have the right and is hereby authorized to take all actions that Creditor considers necessary or desirable to collect upon the Collateral; and
- (d) In the event any or all part of the Promissory Note is not paid at maturity or in the event of default in the payment of the amounts due under the Promissory Note by the Debtor, then the Creditor may sell the Collateral at public or private sale and apply the proceeds first to the cost of the sale, second to payment of costs and actual attorney fees arising out of the Debtor's default, third to pay the outstanding interest and forth the balance to be applied to principal. Any amount received on the sale in excess of the outstanding Indebtedness owed to Creditor will be paid to Debtor. In the event the amount from the sale is not sufficient to pay all of the amounts owed by Debtor to Creditor then Debtor's obligations for payment of the deficiency will continue. Any notification required to be given by Creditor to Debtor regarding any sale or other disposition of Collateral shall be considered reasonable if mailed at least ten (10) days before the sale or other disposition.

7. Notices. Any notices or communications required or permitted under this Agreement shall be in writing and shall be deemed given when served either personally or by certified United States mail (postage prepaid), or by overnight express courier, addressed to Debtor at its address set forth below its signature attached hereto, and to Creditor at its address set forth on the first page of this Agreement, or to such other place

as either party shall designate by notice served upon the other party in accordance with this Paragraph.

8. Miscellaneous.

- (a) Law. This Agreement and the parties' rights and obligations under it shall be governed and interpreted in accordance with the laws of the State of Michigan, without giving effect to conflicts of law principles.
- (b) Binding. This Agreement shall be binding upon and inure to the benefit of Creditor, Debtor and their respective successors and assigns. Creditor may assign this Agreement in connection with an assignment of all or any portion of the Indebtedness.
- (c) Mutuality. This Agreement has been negotiated and will be deemed to have been mutually drafted between the parties.
- (d) Non-Exclusive. All rights, remedies and powers of the Secured Party hereunder are irrevocable and accumulative, and not alternative or exclusive, and shall be in addition to all other rights, remedies and powers given hereunder or in or by any other instrument or by the provisions of the Uniform Commercial Code as adopted in Michigan, or any other law now existing or hereinafter enacted.

IN WITNESS WHEREOF, Debtor and Creditor have executed this Security Agreement as of the date first above written.

WITNESSES:

DEBTOR:

Krol Communications Inc.

By: Rodney A. Krol
Its: President

STATE OF MICHIGAN)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me a Notary Public, this _____ day of _____, 2005, personally appeared Rodney A. Krol, as President of Krol Communications Inc., who executed the above Security Agreement, and acknowledge the same to be his free act and deed.

Notary Public
_____ County, Michigan
My commission expires:

WITNESSES:

CREDITOR:

Curwood Broadcasting Co., Inc.

By:

Its:

STATE OF _____)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me a Notary Public, this day of _____, 2005, personally appeared _____, as _____ of Curwood Broadcasting Co., Inc., who executed the above Security Agreement, and acknowledge the same to be his free act and deed.

Notary Public

_____, County, Michigan

My commission expires:

Exhibit F:

ASSIGNMENT OF LEASE AS COLLATERAL SECURITY

THIS ASSIGNMENT OF LEASE AS COLLATERAL SECURITY is made this _____ day of _____, 2005 by Krol Communications Inc., of 103 N. Washington Street, Owosso, Michigan 48867 a Michigan corporation ("Assignor") to Curwood Broadcasting Co., Inc., c/o Suzanne L. Gaylord, 121 Bella Vista, Apt. 21, Grand Blanc, Michigan 48439 and in c/o Arthur Grutter, of 9877 Coldale Court, White Lake, Michigan 48386 ("Creditor").

WHEREAS, Assignor is the lessee of certain real property described on Exhibit A attached hereto and made a part hereof ("Lease"); and

WHEREAS, Assignor is indebted to Creditor under a certain Promissory Note of even date herewith ("Note"); and

WHEREAS, Assignor has agreed to assign the lease as collateral security for payment of the Promissory Note.

NOW, THEREFORE, the parties agree as follows:

1. Assignment. The Assignor hereby assigns to Creditor all of its rights, title and interest in the Lease as set forth in Exhibit A according to the terms set forth in this Assignment.
2. Continued Possession. The Assignor hereby retains continued possession and right to use and enjoy the properties under lease described in Exhibit A so long as Assignor is not in default under a certain Promissory Note of even date herewith given by Assignor to Creditor.
3. Warranties and Representations of Assignor. During the term of each Lease described in Exhibit A the Assignor represents and warrants as follows:
 - a. Assignor will maintain the insurances required in the Lease;

- b. Assignor will honor each and every covenant of the Lease terms including payment of taxes, if required, and maintaining the property in accordance with the standard as set forth in the Lease; and
 - c. Assignor will make payments in accordance with the terms of the Lease to the Landlord and will honor each and every term of the Lease so that the Lease is not in default.
- 4. Default. Subject to the Lessee's right to cure, in the event the Assignor defaults in payment under the terms of the Note then the Creditor may, at Creditor's election, exercise its rights under this Assignment by notifying the Landlord under the Lease that this Assignment is effective and the Creditor will be entitled to all of the rights and privileges and assume all of the obligations under the Lease described in Exhibit A and Assignor's interest in the Lease will terminate. In the event of default Creditor will provide to Assignor notice of the default and a ten (10) day right to cure prior to Creditor exercising any of its rights under this Agreement.
- 5. Miscellaneous.
 - a. Law. This Agreement will be construed and interpreted in accordance with the laws of the State of Michigan.
 - b. Mutuality. This Agreement was negotiated between the parties and will be deemed to have been mutually drafted.
 - c. Modifications to Agreement. This Agreement can not be altered or modified unless in writing and signed by the parties hereto.

IN WITNESS WHEREOF, the Assignor has executed this Assignment effective the _____ day of _____, 2005.

ASSIGNOR:
Krol Communications Inc.

By: Rodney A. Krol
Its: President

STATE OF MICHIGAN)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me a Notary Public, this day of _____, 2005, personally appeared Rodney A. Krol, as President of Krol Communications Inc., who executed the above Assignment, and acknowledge the same to be his free act and deed.

Notary Public
_____ County, Michigan
My commission expires:

Instrument drafted by and when recorded return to:

Patrick T. Reid, Esq.
REID AND REID PLLC II
One Michigan Avenue Building
120 N. Washington Square, Suite 700
Lansing, MI 48933
Phone: 517.487.6566

EXHIBIT A

Lease

1. Commercial lease between Krol Communications Inc. as Lessee and Francis Slavik as Lessor for property located in Elba Township, Gratiot County, Michigan and legally described as:

Commencing at the northeast corner of the southeast $\frac{1}{4}$ of Section 8, Township 9 North, Range 1 West, Elba Township, Gratiot County, Michigan: thence west 50 rods, thence southeasterly 60 rods to a point 40 rods south of the northeast corner, thence north 40 rods to the point of beginning.

c:\wkrol communications\Assignment of Lease-Elba Twp

Exhibit F:

ASSIGNMENT OF LEASE AS COLLATERAL SECURITY

THIS ASSIGNMENT OF LEASE AS COLLATERAL SECURITY is made this _____ day of _____, 2005 by Krol Communications Inc., of 103 N. Washington Street, Owosso, Michigan 48867 a Michigan corporation ("Assignor") to Curwood Broadcasting Co., Inc., of 121 Bella Vista, Apt. 21, Grand Blanc, Michigan, 48439 and 9877 Coldale Court, White Lake, Michigan 48386, a Michigan corporation ("Creditor").

WHEREAS, Assignor is the lessee of certain real property described on Exhibit A attached hereto and made a part hereof ("Lease"); and

WHEREAS, Assignor is indebted to Creditor under a certain Promissory Note of even date herewith ("Note"); and

WHEREAS, Assignor has agreed to assign the lease as collateral security for payment of the Promissory Note.

NOW, THEREFORE, the parties agree as follows:

1. Assignment. The Assignor hereby assigns to Creditor all of its rights, title and interest in the Lease as set forth in Exhibit A according to the terms set forth in this Assignment.
2. Continued Possession. The Assignor hereby retains continued possession and right to use and enjoy the properties under lease described in Exhibit A so long as Assignor is not in default under a certain Promissory Note of even date herewith given by Assignor to Creditor.
3. Warranties and Representations of Assignor. During the term of each Lease described in Exhibit A the Assignor represents and warrants as follows:
 - a. Assignor will maintain the insurances required in the Lease;

- b. Assignor will honor each and every covenant of the Lease terms including payment of taxes, if required, and maintaining the property in accordance with the standard as set forth in the Lease; and
 - c. Assignor will make payments in accordance with the terms of the Lease to the Landlord and will honor each and every term of the Lease so that the Lease is not in default.
- 4. Default. Subject to the Lessee's right to cure, in the event the Assignor defaults in payment under the terms of the Note then the Creditor may, at Creditor's election, exercise its rights under this Assignment by notifying the Landlord under the Lease that this Assignment is effective and the Creditor will be entitled to all of the rights and privileges and assume all of the obligations under the Lease described in Exhibit A and Assignor's interest in the Lease will terminate. In the event of default Creditor will provide to Assignor notice of the default and a ten (10) day right to cure prior to Creditor exercising any of its rights under this Agreement.
- 5. Miscellaneous.
 - a. Law. This Agreement will be construed and interpreted in accordance with the laws of the State of Michigan.
 - b. Mutuality. This Agreement was negotiated between the parties and will be deemed to have been mutually drafted.
 - c. Modifications to Agreement. This Agreement can not be altered or modified unless in writing and signed by the parties hereto.

IN WITNESS WHEREOF, the Assignor has executed this Assignment effective the _____ day of _____, 2005.

ASSIGNOR:
Krol Communications Inc.

By: Rodney A. Krol
Its: President

STATE OF MICHIGAN)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me a Notary Public, this day of _____, 2005, personally appeared Rodney A. Krol, as President of Krol Communications Inc., who executed the above Assignment, and acknowledge the same to be his free act and deed.

Notary Public
_____ County, Michigan
My commission expires:

Instrument drafted by and when recorded return to:

Patrick T. Reid, Esq.
REID AND REID PLLC II
One Michigan Avenue Building
120 N. Washington Square, Suite 700
Lansing, MI 48933
Phone: 517.487.6566

EXHIBIT A

Lease

1. The lease of property located at 103 N. Washington Street, Owosso, Michigan 48867 between Krol Communications Inc. as Lessee and _____ as Lessor and legally described as:

Exhibit G:

RADIO STATION WJSZ(FM) UNWIND AGREEMENT

This Agreement ("Agreement") made and entered into this ____ day of _____, 2005, by and between Kevin Beamish and Alana Beamish, receivers for Curwood Broadcasting Co., Inc., also known as Curwood Broadcasting Company, Corp., a Michigan corporation (hereinafter called the "Seller"), and Krol Communications Inc., a Michigan corporation (hereinafter called the "Purchaser").

Seller and Purchaser have entered into an Asset Purchase Agreement, pursuant to which Seller agrees to sell to Purchaser, and Purchase agrees to buy from Seller, **Radio Station WJSZ (FM)**, Ashley, Michigan, together with associated personal property, leases and other intangibles, subject to the prior approval of the Federal Communications Commission ("FCC")

The FCC gave its approval to the transactions on _____, 2005, but as of this date such approval remains subject to reconsideration and rescission for a certain period of time, after which the approval may not be reconsidered or reviewed. The first business day after the last day for FCC reconsideration or review shall be termed the "date of finality".

The parties desire to consummate the sale and purchase of WJSZ(FM) prior to the date of finality, and wish to provide for the possibility that the FCC may rescind its approval and order the WJSZ(FM) broadcast license to be returned to Seller ("FCC Order").

Accordingly, the parties agree as follows:

At the consummation of the purchase and sale, all moneys due to Seller from Purchaser on that date together with all promissory notes, and security agreements, shall be placed into an interest-bearing escrow account with the law firm of Harris, Goyette, Winterfield & Farrehi, of Flint, Michigan, ("Escrow Agent"), for the benefit of Seller. Within two business days of the date of finality, upon written notice from the parties hereto, the Escrow Agent shall release all funds and other documents in escrow to Seller.

Should the FCC order that the broadcast license of WJSZ(FM) be returned to Seller prior to the date of finality, the parties shall act as soon as possible to restore their respective positions to that prior to consummation of the transaction. In the event of such FCC Order, the escrow agent shall release all funds and promissory notes, etc., in escrow to Purchaser and Purchaser shall return all tangible and intangible property, including, but not limited to, contracts and leases, received from Seller at consummation, together with all replacements thereto. Revenue from advertising aired between the date of consummation and the date of the FCC order directing the return of the broadcast license to Seller shall belong to Purchaser and Purchaser shall be responsible for all costs of station operation during such period. Between the date of consummation and the date of finality, Purchaser shall bear the risk of loss of tangible property and insure all tangible property for its replacement value, naming Seller as an additional insured.

The parties shall review promptly the basis stated by the FCC for its Order rescinding its approval of the assignment of the license of WJSZ(FM) and take all steps possible to satisfy the concerns of the FCC. If such concerns cannot be satisfied by the actions of either or both parties hereto, the Asset Purchase Agreement shall be terminated, and appropriate default provisions therein shall govern; provided, however, that if the FCC's basis for its Order is that the Seller is unqualified to assign its license, or for any other reason causing the remedy of specific performance to be unavailable to the Purchaser, Seller shall be liable to Purchaser for the sum of \$100,000.00 as liquidated damages.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on the date written above.

SELLER:

KEVIN BEAMISH AND ALANA BEAMISH, RECEIVERS FOR CURWOOD BROADCASTING CO., INC.

By: _____

PURCHASER:

KROL COMMUNICATIONS INC.

By _____

To be provided.

3/28

None. (Exception - receiver litigation.)

Complete and correct description of all policies of liability, theft, fidelity, life, fire, and other forms of insurance held by Seller with respect to the Station or the Assets as outlined in 4.1 (i).

(Complete description to be provided.)