

ASSET PURCHASE AGREEMENT

THIS AGREEMENT, made this 22nd day of April 2003, by and between COLUMBIA HEIGHTS ASSEMBLY OF GOD, (hereinafter referred to as Seller), and WAY-FM MEDIA GROUP, INC. (hereinafter referred to as Buyer):

WITNESSETH

WHEREAS, Seller is the licensee to of non-commercial, educational, radio broadcast stations KZOE(FM), licensed to Longview, Washington, FCC Facility Identification number 12440; KZNX(FM), licensed to Astoria, Oregon, FCC Facility Identification number 81807; and translator K227AJ(FX), licensed to Woodland, Washington, FCC Facility Identification number 87066 (the "Station" or "Stations") pursuant to certain licenses, authorizations and approvals (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, subject to the terms and conditions set forth herein, (i) Seller desires to assign to Buyer and Buyer desires to acquire from Seller, the FCC Authorizations and (ii) Seller desires to convey to Buyer, and Buyer desires to acquire from Seller, the other tangible and intangible assets and properties used or held for use in the operation of the Stations (the "Subject Transactions").

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE I SALE AND PURCHASE

Section 1.1 Stations Assets. Subject to and in reliance upon the representations, warranties and agreements herein set forth, and subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined) the following interests of Seller used or held for use in the business and operations of the Stations (collectively, the "Stations Assets"):

(a) Licenses and Authorizations. All of the FCC Authorizations issued with respect to the Stations including, without limitation, all rights in and to the Stations' call letters and all of those FCC Authorizations listed and described on Schedule 1.1(a) attached hereto, and all applications therefor, together with any renewals or extensions thereof and additions thereto.

(b) Tangible Personal Property. All interests of Seller as of the date of this Agreement in (i) all broadcast equipment used or held for use in connection with the business and operations of the Stations and (ii) the furniture, fixtures, and other tangible personal property described in Schedule 1.1(b), and any additions and improvements between the date of this Agreement and the Closing Date (collectively, "Tangible Personal Property").

(c) Real Property. All interests of Seller as of the date of this Agreement in the leaseholds and leasehold improvements described on Schedule 1.1(c) attached hereto.

(d) Files and Records. All FCC logs and other records that relate to the operation of the Stations, and all files and other records of Seller relating to the business and operations of the Stations (other than duplicate copies of such files “Duplicate Records”) including, without limitation, engineering data, and all other technical and financial information concerning the Stations and the Stations Assets.

(e) Other Contracts. All other contracts and agreements which are (1) set forth on Schedule 1.1(e) to be assumed, or (2) consented to in writing by Buyer.

(f) Intangible Assets. All intangible assets of the Stations listed and described on Schedule 1.1(f) attached hereto, and any additions thereto between the date of this Agreement and the Closing Date.

Section 1.2 Excluded Assets. Except for the Stations Assets specified Section 1.1, Seller shall retain all other assets it currently owns or hereafter acquires, including, but not limited to, all cash, cash equivalents, publicly traded securities, insurance policies, pension, profit sharing and all other employee benefit plans, and any Duplicate Records of the Seller.

Section 1.3 Liabilities.

(a) The Stations Assets shall be sold and conveyed to Buyer free and clear of all liens, security interests, pledges, restrictions, prior assignments, charges, claims, and encumbrances of any kind or type whatsoever (collectively, “Liens”) except: the post-Closing obligations of Seller which Buyer will assume under leases and contracts assigned to Buyer that are listed on Schedule 1.1(c), Schedule 1.1 (e) or consented to in writing by Buyer (“Permitted Encumbrances”).

(b) Buyer shall not assume or be liable for, and does not undertake to attempt to, assume or discharge: (i) any liability or obligation of Seller arising out of or relating to any contract, lease agreement, or instrument; (ii) any liability or obligation of Seller arising out of or relating to any employee benefit plan otherwise relating to employment (all employment obligations shall be brought current by Seller as of the Closing Date, including the payment of all accrued benefits and severance pay and all bonuses, whether or not such benefits or bonuses are due as of the Closing Date); (iii) any liability or obligation of Seller arising out of or relating to any litigation, proceeding or claim (whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date); (iv) any other liabilities, obligations, debts or commitments of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown; or (v) any claims asserted against the Stations or any of the Stations Assets relating to any event (whether act or omission) prior to the Closing Date including, without limitation, the payment of all taxes.

(c) Buyer shall in no event assume any liability or obligation arising (i) from the assignment to Buyer of any Contract in violation of its terms or (ii) from any other breach or default by Seller upon or prior to Closing under any Contract.

(d) Seller retains and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations and liabilities not expressly assumed by Buyer hereunder as they become due, without any charge or cost to Buyer, and Seller agrees to indemnify and hold Buyer and its successors and assigns harmless from and against any and all such liabilities in accordance with the terms of the Indemnification provisions, herein.

Section 1.4 Purchase Price.

(a) Purchase Price. The purchase price to be paid for the Stations Assets will be **ONE HUNDRED AND THIRTY FIVE THOUSAND DOLLARS (\$135,000.00)** (the "Purchase Price").

(b) Method of Payment. The Purchase Price shall be paid by Buyer as follows:

(1) Seventy Five Thousand Dollars (\$75,000) in immediately available funds on the Closing Date;

(2) A promissory note substantially in the form as Schedule 1.4(b) for Sixty Thousand Dollars (\$60,000), which balance (i) shall accrue interest at the rate of eight percent (8%) per annum beginning as of the Closing Date, (ii) shall be paid in **48** equal monthly installments with the first installment due six months after the Closing, and (iii) may be prepaid without penalty or premium

Section 1.5 Closing. Closing shall take place at a mutually agreeable place and time, not more than ten (10) business days subsequent to the date on which FCC Consent (as hereinafter defined) has become a final order (*i.e.*, not subject to timely FCC or judicial reconsideration, review or appeal). Alternatively, the Closing may take place at such other place, time or date as the parties may mutually agree upon in writing. The date on which the Closing is to occur is referred to herein as the "Closing Date" or "Closing." In no event shall the Closing Date occur later than one year after the date of this Agreement (such date, the "Final Closing Date").

Section 1.6 Closing Date Adjustments.

(a) Generally, the income and expenses attributable to the operation of the Stations up to 12:01 a.m. on the Closing Date (the "Adjustment Time") shall, except as otherwise expressly provided in this Agreement, be for the account of Seller and thereafter shall be for the account of Buyer. Income and expenses such as power and utility charges, lease rents, prepaid agreements, wages, commissions, payroll and property taxes, vacation pay and other fringe benefits of employees of Seller who enter the employment of Buyer, and similar prepaid and deferred items shall be prorated between Seller and Buyer as of the Adjustment Time.

Revenues, expenses, taxes, costs and liabilities earned or incurred in connection with particular programs and announcements, shall be allocated to the time of performance of such programs and announcements without regard to the date of payment therefor. If any taxes are not known at the Closing Date, they shall be prorated as of the Adjustment Time on the Basis of taxes assessed for the preceding year. All other prorations shall, to the extent feasible, be determined and set forth in a writing executed by the parties hereto and paid on the Closing Date, with a final settlement thereof to be made within 90 days after the Closing Date.

(b) Disputes. In the event of any disputes between the parties as to such adjustments, the amounts not in dispute shall nonetheless be paid at the time provided in Section 1.6(a) and such disputes shall be determined by an independent certified public accountant mutually acceptable to the parties, and the fees and expenses of such accountant shall be paid one-half by Seller and one-half by Buyer. Notwithstanding the foregoing, if the aggregate amount in dispute is \$2,000 or less, the disputed amount shall be shared equally by Buyer and Seller.

(c) Trade Agreements. At Closing there shall exist no obligation on Stations to air announcements or programming under trade or other agreements executed by Seller pre-Closing except for trade agreements as provided in Schedule 1.6(c).

ARTICLE II REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby warrants as follows, which shall be effective now and shall survive the Closing:

Section 2.1 Authorizations. Seller is the holder of the FCC Authorizations listed and described on Schedule 1.1(a). Such FCC Authorizations constitute all of the licenses, authorizations and approvals required under the Communications Act of 1934, as amended (the "Communications Act"), or the rules, regulations and policies of the FCC for, and used in the operation of, the Stations. The FCC Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Authorizations (other than proceedings to amend FCC rules of general applicability), and there is not now issued or outstanding or pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller or any Stations. The Stations are operating in compliance with the FCC Authorizations, the Communications Act, and the rules, regulations and policies of the FCC.

Section 2.2 Authority. All actions necessary to be taken by or on the part of Seller in connection with this transactions have been duly and validly taken, and this Agreement has been duly and validly authorized, executed, and delivered by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

Section 2.3. Governmental Action. There are no outstanding unsatisfied FCC citations or cease and desist orders against the Stations and any such subsequently issued shall be satisfied prior to Closing, and that Seller is aware of no ongoing investigation of the Stations by the FCC or by any other federal or state governmental agency, or any conditions at the Stations which violate any FCC rule or policy.

Section 2.4 Litigation. Seller is aware of no litigation, proceeding or investigation whatsoever pending or threatened against or relating to Seller, its business, or the assets to be transferred hereunder and that it knows of no reason why the FCC would not find it qualified to assign the Stations Assets.

Section 2.5 Liens. That it will deliver the Stations Assets at Closing free and clear of all debts, liens and other encumbrances;

Section 2.6 Filings.

(a) All material reports and filings required to be filed with the FCC by Seller with respect to the Stations have been timely filed. All such reports and filings are materially accurate and complete. Seller maintains public files for the Stations as required by FCC rules.

(b) Seller is aware of no facts indicating that Seller is not in compliance with all requirements of the FCC, the Communications Act, or any other applicable federal, state and local statutes, regulations and ordinances. Seller is aware of no facts and Seller has received no notice or communication, formal or informal, indicating that the FCC is considering revoking, suspending, canceling, rescinding or terminating any FCC Authorization.

Section 2.7 Disclosure. No provision of this Agreement relating to Seller, the Stations or the Stations Assets or any other document, Schedule, Exhibit or other information furnished by Seller to Buyer in connection with the execution, delivery and performance of this Agreement, or the consummation of the Subject Transactions, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated in order to make the statement, in light of the circumstances in which it is made, not misleading. Seller will disclose to Buyer any fact known to Seller which Seller knows or believes would affect Buyer's decision to proceed with the execution of this Agreement. Except for facts affecting the radio industry generally, there is no adverse fact now known to Seller relating to the Stations or the Stations Assets which has not been disclosed to Buyer.

Section 2.8 Taxes. Seller has filed all applicable federal, state, local and foreign tax returns required to be filed, in accordance with provisions of law pertaining thereto, and has paid all taxes, interest, penalties and assessments (including, without limitation, income, withholding, excise, unemployment, Social Security, occupation, transfer, franchise, property, sales and use taxes, import duties or charges, and all penalties and interest in respect thereof) required to have been paid with respect to or involving the Stations or the Stations Assets. Seller has not been advised that any of its returns, federal, state, local or foreign, have been or are being audited.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller:

Section 3.1 Status. Buyer is a not-for-profit corporation, which is duly organized, validly existing and in good standing under the laws of the State of Florida. Not later than the Closing Date, Buyer will have received authorization from the State of Washington to do business in that state. Buyer has the requisite power to enter into and complete the Subject Transactions.

Section 3.2 No Conflicts. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the Subject Transactions will: (a) conflict with or violate the certificate of incorporation, bylaws or operating agreement of Buyer; or (b) violate any judgment, decree, order, statute, rule or regulation applicable to Buyer.

Section 3.3 Corporate Action. All corporate actions necessary to be taken by or on the part of Buyer in connection with the Subject Transactions have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with and subject to its terms.

Section 3.4 Qualification. Buyer is qualified under the Communications Act and the existing rules, regulations and policies of the FCC to hold the FCC Authorizations. Buyer has the financial capacity to acquire the Stations.

ARTICLE IV
COVENANTS OF SELLER

Seller covenants and agrees that from the date hereof until the completion of the Closing:

Section 4.1 Operation of the Business.

(a) Seller shall operate the Stations in accordance with the terms of the FCC Authorizations and in compliance in all material respects with all applicable laws, rules and regulations and all applicable FCC rules and regulations. Seller shall maintain the FCC Authorizations in full force and effect and shall timely file and prosecute any necessary applications for renewal of the FCC Authorizations. Seller will deliver to Buyer, within ten (10) business days after filing, copies of any reports, applications or responses to the FCC related to the Stations which are filed during the period between the date of this Agreement and the Closing Date.

(b) Seller shall not, by any act or omission, cause any of the representations and warranties set forth in Article II to become untrue or incorrect and ensure that the Subject Transactions shall be consummated as set forth herein.

(c) Prior to the Closing Date, Seller shall not, without the prior written consent of Buyer, apply to the FCC for any construction permit that would restrict the present operations of the Stations, or make any change in any of the buildings, leasehold improvements or fixtures of the Stations, except in the ordinary course of business.

Section 4.2 Access to Facilities, Files and Records. At the request of Buyer, Seller shall from time to time give or cause to be given to the officers, employees, accountants, counsel, agents, consultants and representatives of Buyer: (a) full access during normal business hours to all facilities, properties, accounts, books, deeds, title papers, insurance policies, licenses, contracts, records and files of every character, equipment, machinery, fixtures, furniture, vehicles, notes and accounts payable and receivable of Seller with respect to the Stations; and (b) all such other information concerning the affairs of the Stations as Buyer may reasonably request. All such information, when provided by Seller, shall be deemed to have been represented and warranted by Seller to be correct, complete and fully responsive to Buyer's request therefor. Any investigation or examination by Buyer shall not in any way diminish or obviate any representations or warranties of Seller made in this Agreement or in connection herewith. Seller shall cause its accountants and any agent of Seller in possession of Seller's books and records to cooperate with Buyer's requests for information pursuant to this Agreement.

Section 4.3 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Buyer or its business or properties to which Seller is exposed as a result of the negotiation, preparation or performance of this Agreement shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Seller's employees, attorneys, accountants, and lenders, and their respective attorneys, on a need-to-know basis for the purpose of consummating the Subject Transactions.

ARTICLE V COVENANTS OF BUYER

Buyer covenants and agrees that from the date hereof until the completion of the Closing:

Section 5.1 Consummation of Agreement. Buyer shall use all reasonable efforts to cause the assignment of licenses contemplated in this Agreement to be fully carried out.

Section 5.2 Notice of Proceedings. Buyer will promptly notify Seller in writing upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the Subject Transactions; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

Section 5.3 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Seller, the Stations and their operation and properties derived from or resulting from

Buyer's acts or conduct (including, without limitation, acts or conduct of Buyer's officers, employees, accountants, counsel, agents, consultants or representatives, or any of them) shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Buyer's attorneys, accountants, and lenders, and their respective attorneys for the purpose of consummating the Subject Transactions.

ARTICLE VI
FCC ASSIGNMENT APPLICATION

6.1. Application. Both parties hereto agree to make application to the FCC for consent to the assignment of Stations' Authorizations within ten (10) business days after executing this Agreement, and to cooperate fully and diligently in seeking FCC's consent to assign the Stations' Authorizations from Seller to Buyer ("FCC Consent").

ARTICLE VII
CLOSING DOCUMENTS

Section 7.1. Seller's Deliveries. At the Closing, Seller shall deliver to Buyer duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) bills of sale, certificates of title, endorsements, assignments and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance reasonably satisfactory to Buyer, sufficient to sell, convey, transfer and assign the FCC Authorizations and the other Stations Assets to Buyer free and clear of any Liens and to quiet Buyer's title thereto;

(b) certified copies of resolutions, duly adopted by the Board of Seller, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the Subject Transactions; and

(c) a Seller's certificate executed by an officer of Seller that provides that (i) each of the representations and warranties of Seller contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct except to the extent changes are permitted or contemplated pursuant to this Agreement; and (ii) Seller has performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(d) a lease for sufficient space at Seller's present studio location for a period not to exceed one year, rent free, with the exception of a monthly utilities contribution not to exceed \$150.00 per month.

(e) assignments of the Contracts in Schedule 1.1(e) to be assigned and assumed hereunder, including any necessary third party consents;

(f) Such additional documents, etc. that Buyer may reasonably request.

Section 7.2 Buyer's Deliveries. At the Closing, Buyer shall deliver to Seller:

1.3; (a) the Purchase Price, which shall be paid in the manner specified in Section

(b) the Promissory Note

(c) an instrument or instruments of assumption of the Seller Contracts and real property leases to be assumed by Buyer pursuant to this Agreement;

(d) certified copies of resolutions, duly adopted by the members of Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by each Buyer of this Agreement and the consummation of the Subject Transactions;

(e) such additional documents as Seller may reasonably request.

ARTICLE VIII SURVIVAL & INDEMNIFICATION

Section 8.1 Survival. All representations, warranties, covenants and agreements contained in this Agreement, or in any certificate, agreement, or other document or instrument, delivered pursuant hereto, shall survive the Closing for a period one (1) year and not be affected in any respect by any investigation conducted by any party hereto and any information which any party may receive.

Section 8.2 Indemnification by Buyer. Subject to the provisions of this Agreement, Buyer agrees to indemnify and defend and hold Seller harmless from and against all liability, loss, damage or injury, together with all reasonable costs and expenses relating thereto, including reasonable legal and accounting fees and expenses, arising out of (i) any breach of any representation, warranty or covenant of Buyer set forth herein (whether due to commission, omission or otherwise), or (ii) any contracts Buyer had agreed to assume herein or pursuant to the Assumption Agreement (but only beginning with the date Buyer actually assumes such contracts).

Section 8.3 Indemnification by Seller. Subject to the provisions of this Agreement, Seller agrees to indemnify and defend and hold Buyer harmless from and against any and all liability, loss, damage or injury, together with all reasonable costs and expenses relating thereto, including reasonable legal and accounting fees and expenses (collectively, "Indemnifiable Costs"), arising out of (i) any breach by Seller of any representation, warranty or covenant of Seller set forth herein (whether due to commission, omission or otherwise), (ii) any contracts which Buyer does not assume pursuant to the terms of this Agreement or pursuant to the Assumption Agreement, or (iii) any other obligation or liability of Seller, whether with respect to

the Station or otherwise, not expressly assumed by Buyer hereunder or pursuant to the Assumption Agreement.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Notices. All communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given (i) on the date of personal delivery to an officer of the other party, or (ii) if sent by telecopy or facsimile machine to the number shown below, on the date of such confirmed facsimile or telecopy transmission, provided a copy is also sent by commercial overnight delivery service, prepaid, or by deposit in accordance with this Section of a change of address or change of telecopy number:

If to Seller:

Rev. LeRoy Bartel
Columbia Heights Assembly
3809 Columbia Heights Road
Longview, Washington 98632-8585
Fax: (360) 636-1357

Copy to:

Matthew McCormick, Esq.
Reddy, Begley & McCormick, LLP
2175 K Street, N.W., Ste. 350
Washington, DC 20037
Fax: (202) 659-5711

If to Buyer:

Robert Augsburg
WAY-FM Media Group, Inc
P.O. Box 64500
Colorado Springs, CO 80962
Fax: (719) 278-4339

Copy to:

A. Wray Fitch, III, Esq.
Timothy R. Obitts, Esq.
Gammon & Grange, P.C.
Seventh Floor
8280 Greensboro Drive
McLean, VA 22102-3807
Fax: (703) 761-5023

Section 9.2 Strict Compliance. No failure of a party to exercise any right or to insist upon strict compliance by the other Party with any obligations and no custom or practice of the Parties at variance with this Agreement shall constitute a waiver of the right of a Party to demand exact compliance. Waiver by one party of any particular default by the other Party shall not affect or impair a Party's rights with respect to an subsequent default of the same or of a different nature, nor shall any delay or omission of a Party to exercise any rights arising from such default affect or impair the rights of that Party as to such default or any subsequent default.

Section 9.3 Termination. This Agreement may be terminated at any time prior to Closing: (a) by the mutual consent of Seller and Buyer; (b) by Buyer or Seller, if the FCC has denied the approvals contemplated by this Agreement in an order which has become final; (c) by Buyer or Seller, if the Closing has not taken place by the Final Closing Date for reasons other than through the failure of the party seeking to terminate this Agreement to comply fully with its obligations under this Agreement;

Section 9.4 Employees. Buyer is under no obligation to hire any of Seller's employees.

Section 9.5 Severability. If any covenant or other provision of this Agreement is invalid, illegal or incapable of being enforced by reason of any result of law, administrative order, judicial decision or public policy, all other conditions and provisions shall remain in full force and effect. No covenant shall be deemed dependent upon any other covenant or provision unless so expressed in this Agreement.

Section 9.6 Entire Agreement. This Agreement, together with all Exhibits and Schedules attached hereto, constitutes the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and supersedes all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof.

Section 9.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

Section 9.8 Assignment & Governing Law. Neither Party shall assign any right under this Agreement nor delegate any duty under this Agreement unless the other Party has consented to any such assignment or delegation in writing. This document shall be binding on the heirs, successors and assigns of the parties hereto and shall be construed exclusively by the laws of the State of Washington. Any dispute arising from this Agreement shall be resolved only in the courts of or in the State of Washington, without giving effect to principles of conflicts of laws.

Section 9.9 Jointly Drafted. This Agreement shall be deemed to have been drafted by both Parties and, in the event of a dispute, shall not be construed against either party.

Section 9.10 Authority to Execute. The undersigned individuals represent and warrant that they are expressly and duly authorized by their respective entities or agencies to execute this Agreement and to legally bind their respective entities or agencies as set forth in this Agreement.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SELLER:

COLUMBIA HEIGHTS ASSEMBLY OF GOD

By: _____

BUYER:

WAY-FM MEDIA GROUP, INC.

By: _____
Robert D. Augsburg, President

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FCC AUTHORIZATIONS

1. KZOE License (BLED-930312KC)
2. KZOE Renewal (BRED-19971001ZW)
3. KZNX License (BLED-20001206ABC)
4. KZNX Main Studio Waiver (Letter Ruling Dated March 28, 2001)
5. K227AJ License (BLFT-20020807AAO)
6. WMU-377 (STL) (used in the operation of KZOE)

The Seller is preparing to file an application for an STL currently used in the operation of Station KZNX. A copy of that application will be provided to Buyer. Any authorization issued with respect to that application will be assigned to Buyer simultaneously with assignment of the FCC Authorizations listed above.

TANGIBLE PERSONAL PROPERTY

FRONT OFFICE

Computer workstation (4G) (Windows 2000, MS Office 2000, Lifeline Donor Management and Development, Quick Books 99, Simply Accounting)

16-Port LAN Hub (connected to church lan)

HP LaserJet 4000 Printer

Panasonic KX-FP 121 Fax Machine

Panasonic Electric Typewriter

Canon P200-DH 10-Key Calculator

Four-drawer file cabinets with locks (x2)

Wood three-shelf bookcase 3'x6'

Peninsula desk w/ hutch

Two wood utility carts (fax and printer stands)

Four office chairs w/ wheels

Six stackable padded chairs

MANAGER OFFICE

Computer workstation (4G) (Windows 2000XP, MS Office)

TI-5045II 10-Key Calculator

Wood L-Desk

Office chair

36-inch Equipment Rack

Wegener Unity 4000

Broadcast Tools 8x2 Stereo Switcher (AV)

Hallikainen DRC-190 Remote Control

Belar FM RF Amplifier

Belar FM Modulation Monitor

Belar Stereo Monitor

Aphex Compellor 320

Two Marti STL-10 Aural STL Transmitters

Sage Endec (EAS)

Three RS Scanners (EAS monitoring)

AM/FM Radio (EAS monitoring)

Qume CRT Terminal and Brother M1509 Printer

Two utility carts

Ark 10/100 Nway Switch (4-port)

All closet contents including stationary, office supplies, and stored files

PREP ROOM

Computer workstation (8G) (Windows 98, FrontPage 2000, AP Newsdesk, BSI Wavecart)

Workstation desk

Office chair

HP Photosmart 1115 Color Inkjet Printer

Small refrigerator

Microwave

Microwave utility cart with hutch

Air Sentry (Silence Sensor)

Computer and twin monitors (MS DOS 6, BE AudioVault/Format Sentry CD automation software)

Format Sentry Router

BT Audio Distribution Amp

Three Pioneer 101 CD Players

All BE connecting gear for automation

6-piece office partitions (cubicle, two w/ window)

Studio console (one of two parts, other used at AV Prod)

Two Wood three-shelf bookcases 3'x6'

Two padded folding chairs

Two 2'x4' folding tables

10-ft section of tower

FM Receive Antenna

Conduit

On CHAG roof ... 40-ft guyed tower, transmission antenna (original CP single bay), Scala STL Transmit Antenna, Two Scala Receive Antenna multiple-gain tuned for EAS monitor assigns.

ComTech 3-Meter Dish

FM Receive Antenna and stand

AP Sat Dish (roof) and Demod (prep)

STUDIO

BE VaultExpress (AV Air) (HD automation includes two computer workstations <each twin 40G> networked with Netgear T-100 Ethernet 4-port hub, Windows 2000, AVAir, AVSat, AVProd, Augiograber, PC Anywhere and modem, all cable and connecting gear)

U-Shape Console with Guest Bumpout

Arraikis 500SC 8-channel Board and Amp/Power Supply

Radix Audio Distribution Amp

Two Hotline POTS Codecs for remotes

Audio-Technica AT-MX 341a Automatic Mixer (4-input)

Rolls Headphone Amp (4-output)

Three Sennheiser 421 Mics

Two SM 58 Mics

One console mic boom

Two portable mic booms

Desk mic stand

Marantz Cassette PMD-222

Gentner TeleHybrid

Technics 2-Track 1520 Reel-to-Reel

ChronTrol Timer/Switcher

Two EV Sentry Studio Monitor Speakers

Panasonic Tuner ST-K550

Wire utility cart

Computer workstation w/ Recordable CD (4G) (Windows 95, MS Word 6, EZ CD Pro, SAW production, Acid 2.0 production, MusicPro for music scheduling)

PRODUCTION

BE VaultExpress (AVProd)
Mackie 1402 Mixer
Sennheiser 421 Mic
Console Mic Boom
RS-101 CD Player
Sony Mini-Disc
Studio Console (refer to Prep Room)

Tool Chest with maintenance and engineering tools, spare or leftover parts, odds and ends

Closet contains former satellite gear, Skylight interface, Audi-Cord cart machines (Two play, One Record/Play), cart racks, assorted computer connections, parts, keyboards, Thermal Fax Machine)

Promotional and prize materials including books, CDs, Videos, T-Shirts and other items

ASTORIA (WARRENTON/MEGLER)

STL Site in Warrenton

Desktop Equipment Rack and Samsonite Card Table
UPS (30-minute backup)
FM Receiver
Aphex Digicoder 2020 Audio Processing
Marti STL Transmitter
30-ft Tower
Scala STL Transmit Antenna
Scala Multi-Gain Tuned Receive Antenna on separate stand

Site use donated by Tim Gannaway/Gannaway Bros Jewelers

XMSN Site on Megler Mountain

6-ft Enclosed Equipment Rack (with locks)
Gentner Remote Control (phone and modem)
Marti STL Receiver
Scala STL Receive Antenna and mounting
QEI 600w Transmitter and power supply
Shivley Single-bay CP Transmit Antenna and Mounting

Site use through Gospel Echoes in building vacated by CenturyTel.
Antennas mounted on wood pole (GE). We pay power for KZNX and
Gospel Echoes Translators in the building (near \$40 monthly).

KELSO (MT BRINYON)

2-Element VP Transmit Antenna
Scala STL Receive Antenna
6-ft Equipment Rack
Two Marti STL-10 Aural STL Receivers
Aphex Dominator 323
Aphex Digicoder
Aphex Aural Exciter
QEI 300w Transmitter
Halkainen DRC-190
(Out of service-not operable) Collins 2.5k Transmitter

Leased tower space with Pinnacle. We built the building for our exclusive use; however, it reverts to site owner whenever we leave without compensation. (Original 10-year term was up last year, they were reviewing our account, I had requested they leave it where it is, and have not notified us of any change.)

RIDGEFIELD (XLTR)

VP Transmit Antenna
Crown 100w Transmitter
Filters
Invonics FM Receiver
(Shared receive antenna with CSN mounted to pole at Humvee)

CSN owns the Humvee that houses the equipment and equipment except that which is used for K227AJ and holds the tower lease. We pay 50% which is \$359.10. They are renegotiating the lease to reflect not having the receive antenna on the tower.

REAL PROPERTY LEASES

1. KZOE Transmitter Site (Mount Brinyon, Kelso, Washington). Leased from Pinnacle Tower (copy attached). The current monthly rent is \$320.00.
2. KZNX Off-Air Relay Site (Warrenton, Oregon). Tim Gannaway provides use of the property and payment of the utilities as a gift.
3. KZNX Transmitter Site (Megler Mountain, Chinook, Washington). Tillicum Foundation dba KMUN Community Radio rents space to Seller for the KZNX antenna and transmitter (copy attached). Tillicum Foundation leases the land from Century Telephone. Seller's current monthly rent is \$200.00.
4. K227AJ Transmitter Site (Ridgefield, Washington). CSN International, Inc., which leases the site, shares the facility with Seller in exchange for Seller paying half the monthly rent. Seller's share currently is \$364.48. The parties' Joint Use Agreement is attached.

CONTRACTS TO BE ASSUMED BY BUYER

1. Equipment Lease Agreement with Fleetwood Financial Corp. Lease covers BE Vault Express system used by Seller. The monthly payment is \$435.25, with a \$1.00 buy-out at the end of the lease. The final payment is due March 14, 2004.
2. Associated Press New Report Agreement.

INTANGIBLE ASSETS

1. The call signs **KZOE** and **KZNX**.
2. The slogan **The Life FM**, which is not registered with the State of Washington or the U.S. Patent and Trademark Office.
3. The domain names **kzoe.org** and **the lifefm.org**.

PROMISSORY NOTE

\$60,000.00 _____, 2003

FOR VALUE RECEIVED, the undersigned, WAY-FM MEDIA GROUP, INC., a _____ corporation ("Maker"), unconditionally promises to pay to COLUMBIA HEIGHTS ASSEMBLY OF GOD or its successors and assigns ("Holder"), or order, at the principal office of Holder located at 3809 Columbia Heights Road, Longview, Washington 98632, or at such other address specified by Holder to Maker, in lawful money of the United States of America and in immediately available funds, the principal sum of Sixty Thousand Dollars (\$60,000.00), together with interest accrued thereon in like money at such office, all as further provided herein.

1. Interest shall accrue on the outstanding principal balance of this Note at the rate of eight percent (8%) per annum.

2. If any payment to be made by Maker hereunder is not made on or within ten days after the day it is due, a "late charge" of One Hundred Dollars (\$100.00) may be imposed and shall be payable by Maker to Holder on demand.

3. Principal shall be paid on this Note in forty-seven equal monthly installments of One Thousand Five Hundred Twenty-four Dollars (\$1,524.35), commencing on the first day of _____, 2003 (*i.e.*, the sixth month following the date hereof) and continuing on the first day of each month thereafter through the fifty-third month after the date hereof. A final payment in an amount equal to all remaining principal and interest outstanding shall be made on the first day of the fifty-fourth month after the date hereof. Payments on this Note shall be applied first to the payment of accrued interest and next to the payment of principal.

4. This Note is issued pursuant to an Asset Purchase Agreement, dated January ____, 2003, by and between Maker and Holder (the "Asset Purchase Agreement") regarding Stations KZOE (FM), Longview, Washington; KZNX (FM), Astoria, Washington, and K227AJ (FX), Woodland, Washington (hereinafter the "Stations").

5. The principal hereof (together with accrued interest thereon) may be prepaid from time to time, in whole or in part, without premium or penalty. The obligation of Maker to pay all amounts due hereunder is absolute, and no claim, defense, counterclaim, offset or deduction of any nature, whether arising under this Note, the Asset Purchase Agreement or any other circumstances or occasion whatsoever, shall diminish in any way its obligation to make such payments in full when due.

6. If any of the following events or conditions (each an "Event of Default") shall occur:
- (a) Maker shall failed to pay any installment of principal or interest on this Note within thirty (30) after the date such installment is due and payable (whether at its stated maturity, by acceleration or otherwise); or
 - (b) Maker shall make an assignment for the benefit of creditors, or shall file a voluntary petition in bankruptcy, or shall file any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file any answer admitting or not contesting the material allegations of a petition filed against Maker in any such proceeding or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Maker; or
 - (c) There shall be filed against Maker any petition or application for relief under any bankruptcy or similar law which is not discharged or dismissed within sixty (60) days after the filing of such petition or application; or
 - (d) Maker shall dissolve or liquidate; or
 - (e) Maker shall default in the performance of its obligations with respect to any indebtedness to any other creditor, whether or not such debt has been accelerated and declared due and payable,

then the entire amount of principal and interest remaining unpaid on this Note shall be forthwith due and payable, without presentment, protest or further demand or notice of any kind, all of which are hereby expressly waived by Maker, and Holder shall have all of the rights, powers, and remedies provided in this Note and the laws of the State of Washington. Failure of Holder or any holder of this Note to exercise any right or remedy available hereunder shall not constitute a waiver of the right to exercise subsequently such right or remedy or any other right or remedy.

7. Furthermore, the entire amount of principal and interest remaining unpaid on this Note shall be due and payable upon consummation of any assignment or transfer of control of any of the Stations if that assignment or transfer requires the grant by the Federal Communications Commission of a "long form" assignment or transfer of control application (*i.e.*, an FCC Form 314, FCC Form 315 or any successor form to either).

8. To the extent permitted by law, Maker and each other party otherwise liable hereon in any capacity hereby severally waive presentment, protest and demand, notice of protest, demand, dishonor, and nonpayment, and diligence in collection.

9. If at any time the indebtedness evidenced by this Note is collected through legal proceedings or this Note is placed in the hands of attorneys for collection, Maker agrees to pay all

costs and expenses (including reasonable attorneys' fees) incurred by the Holder of this Note in collecting or attempting to collect such indebtedness.

10. Maker may not assign any rights, duties or obligations under this Note. Without the consent of Maker, Holder may, in its sole discretion, at any time and from time to time while any portion of the indebtedness evidenced hereby remains unpaid, transfer, sell, assign or pledge this Note (or any portion thereof).

11. Any notice or other required or permitted communication to Holder hereunder shall be deemed effective (a) in the case of notice by personal delivery, on the date delivered to Holder at 3809 Columbia Heights Road, Longview, Washington 98632, or such other address as Holder may hereafter designate in writing to Maker, or (b) in the case of notice by registered or certified mail, return receipt requested, postage prepaid, on the fifth day after the date on which mailed, addressed to Holder at such address. Any notice or other required or permitted communication to Maker hereunder shall be deemed effective (a) in the case of notice by personal delivery, on the date delivered to Maker at _____, or such other address as Maker may hereafter designate in writing to Holder, or (b) in the case of notice by registered or certified mail, return receipt requested, postage prepaid, on the fifth day after the date on which mailed, addressed to Maker as follows:

WAY-FM MEDIA GROUP, INC.
P.O. Box 64500
Colorado Springs, Colorado 80962

12. This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. This Note shall be governed by the laws of the State of Washington. Should any provision of this Note be held unenforceable, such provision shall be ineffective to the extent required but shall not invalidate any other provision hereof, and to the maximum extent possible, this Note shall remain binding and in full force so as to effectuate the parties' original intent.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first above written.

WITNESS:

WAY-FM MEDIA GROUP, INC.

By: _____
Robert D. Augsburg, President

TRADE AGREEMENTS

All of Seller's trade obligations have been satisfied.