

ASSET PURCHASE AGREEMENT

STATION K02DC, CHANNEL 2

This Asset Purchase Agreement (the "**Agreement**") is entered into by and between **MIRAGE MEDIA 2, LLC**, a California limited liability company, ("**Buyer**") and the **ARROYO SECO CITIZENS ASSOCIATION**, an unincorporated California association, ("**Seller**") to be effective on and as of October 21, 2004 (the "**Effective Date**").

Recitals

- A. The Seller is an unincorporated association comprised only of those persons identified as "Members" (the "**Members**") on the attached and incorporated Schedule A ("**Schedule A**"). Seller is governed by a board comprised of those Members identified on **Schedule A** as the "Board Members" (collectively the "**Board**"), and Seller is managed by those persons identified on **Schedule A** as the "Officers" (collectively the "**Officers**").
- B. Seller is the owner and licensee of a television translator station identified as "Station K02DC, Channel 2" licensed to "Sycamore, etc., CA" (the "**Station**") pursuant to certain licenses, authorizations and approvals issued by the Federal Communications Commission (the "**FCC**").
- C. Seller desires to provide for the sale, assignment and transfer to Buyer of the FCC Licenses (as that term is defined hereinbelow) and all rights associated therewith and to provide for the sale, assignment and transfer by Seller to Buyer of all of the other assets used or held for use in connection with the operation of the Station, all on the terms and conditions described herein.
- D. The consummation of this transaction is subject, among other things, to the prior approval of the FCC.

Operative Provisions

In consideration of the above recitals and of the covenants, agreements and conditions set forth herein, all of which are operative provisions of this Agreement, the parties now agree as follows:

1. Purchase and Sale of Assets.

1.1 Station Assets. Subject to the terms and conditions of this Agreement, on the Closing Date (as that term is defined hereinbelow) Seller shall sell, convey, assign, transfer and deliver to Buyer, free and clear of all liabilities, liens and encumbrances, and Buyer shall purchase and accept, all of Seller's right, title and interest in the business, rights, properties and assets, tangible and intangible, of every type and description of Seller used or held for use in

connection with the business and operations of the Station, together with all rights and privileges associated with such assets and the business of the Station, except for the Excluded Assets (as defined in **Section 1.2**), (all collectively, the **"Station Assets"**). Without limiting the generality of the foregoing, the Station Assets include the assets identified below in this **Section 1.1**, except to the extent that any of the assets identified are Excluded Assets. The asset categories identified below are meant by the parties to be comprehensive in their descriptions but no representations are made by the Seller that the Seller owns or makes use of any particular assets meeting such asset category descriptions. Neither shall such asset category descriptions be deemed to impose any duty, obligation or liability on the Seller or its members to acquire or create assets (including documents, intellectual property, data or records) of any kind which are not already owned by the Seller or which do not exist at the Effective Date. Except for the express warranties and representations made by Seller in this Agreement, the Station Assets are sold, assigned and transferred on an "as is" and "where is" basis without any warranties as to merchantability, or as to fitness or suitability for purpose.

(a) **FCC Licenses and Authorizations.** All of the FCC licenses and authorizations issued or to be issued to Seller, including without limitation all rights in and to any call letters and channel designations and any variations thereof, and all applications therefor, together with any renewals, extensions or modifications thereof and additions thereto or applications filed between the Effective Date and the Closing Date (all collectively the **"FCC Licenses"**).

(b) **Station Equipment.** All equipment, electrical devices, antennas, transmitters, translators, boosters, cables, wiring, towers and other personal property owned by Seller and used in connection with its operation of the Station on the Closing Date (all collectively the **"Station Equipment"**).

(c) **Trade Rights.** All of Seller's interest on the Closing Date in any Trade Rights (as hereinafter defined) owned by Seller or used or held for use or licensed to Seller in connection with the Seller's business and operations of the Station. As used herein, the term **"Trade Rights"** shall mean and include: (1) the call letters of the Station, the channel designation of the Station, all trademark rights, business identifiers, trade dress, service marks, trade names, brand names, all registrations thereof and applications therefor and all goodwill associated with the foregoing; and (2) all registrations of any of the foregoing, all applications therefor, and all goodwill associated with the foregoing.

(d) **FCC Records.** All technical logs and other records that relate to the operation of the Station as are required to be maintained under the rules and regulations of the FCC.

(e) **Files and Records.** All files and other records relating to the business and operations of the Station, including without limitation all available schematics, blueprints, engineering data, reports, specifications, warranties, equipment specifications and manuals, permits and licenses, and all other data and information concerning the Station and the Station Assets.

(f) **Claims.** Any and all claims and rights against third parties if and to the extent they relate to the condition or suitability for use of the Station Assets, including, without limitation, all rights under manufacturers' and vendors' applicable warranties and guarantees.

(g) **Transmitter Site Lease.** All of Seller's interest as a tenant under that lease between Seller and the United States Bureau of Land Management, as landlord, for the Sycamore Flats, California, transmitter site where the Station transmitter, translator and related equipment are located (the "BLM Lease").

(h) **Goodwill.** All of Seller's goodwill in, and going concern value of, the Station.

(i) **Other Licenses and Permits.** To the extent assignable or transferable under applicable law, all licenses, permits, conditional use permits, authorizations, approvals, certifications and listings of Seller related to the Station or the Station Assets, other than those covered by Sections 1.1(a), 1.1(c) or 1.1(g).

1.2 Excluded Assets. All assets owned by Seller which are not within the definition of the Station Assets set forth in Section 1.1 are deemed to be excluded assets (all collectively the "Excluded Assets"). All rights and title to the Excluded Assets are retained by Seller, and Buyer shall not acquire any right or title therein as a result of this Agreement or the transactions to be consummated hereunder.

1.3 Liabilities Not Assumed. The Station Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type. Buyer assumes no obligations or liabilities of Seller of any kind.

1.4 Purchase Price.

(a) The purchase price to be paid by Buyer to Seller for the Station Assets shall be: \$95,000.00 (the "**Purchase Price**"). The Purchase Price shall be paid as follows: (1) upon the Seller's execution of this Agreement the sum of \$3,500.00 (the "**Deposit**") shall be paid by Buyer to Seller's legal counsel, John Kesecker of King City, California, ("**Mr. Kesecker**") and shall be deposited by Mr. Kesecker to his trust account, where the Deposit shall be deemed to be held in escrow subject to the provisions of this Agreement until the Closing, at which time Deposit shall be delivered by Mr. Kesecker to Seller; and (2) the balance of the Purchase Price in the amount of \$91,500.00 shall be paid by Buyer to Seller at the Closing.

(b) If the Closing should fail to occur by the Final Date (as that term is defined elsewhere in this Agreement) through no fault of Buyer, Mr. Kesecker shall refund the full amount of the Deposit to Buyer within ten days after Buyer's request for such refund. If the Closing fails to occur by the Final Date as a direct result of Buyer's unremedied breach of this Agreement, Mr. Kesecker shall deliver the Deposit to Seller, for Seller to retain as liquidated damages, and Buyer shall have no other obligation or liability to Seller under this Agreement.

(c) Within 20 days after the Closing, Buyer shall provide to Seller a written schedule approved by Buyer's accountants and allocating the Purchase Price among the Station Assets (the "**Allocation Schedule**"). Buyer and Seller agree to follow and utilize the Allocation Schedule in all income, sales, registration, and other tax returns, filings, and other related reports made by them to any governmental agencies with respect to the transactions consummated under this Agreement.

1.5 Closing. The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the "**Closing**") shall take place at the location, date and time mutually agreed upon between Buyer and Seller which Closing shall be conducted within ten business days after the FCC Consent (as that term is defined elsewhere in this Agreement) has become a final order. The date on which the Closing is to occur is referred to herein as the "**Closing Date**". If, in any event, the Closing has not occurred on or before October 31, 2005 (the "**Final Date**") this Agreement shall terminate unless Buyer and Seller shall have agreed in writing to an extension of the Final Date.

2. Representations and Warranties of Seller. Seller represents and warrants to Buyer that:

2.1 Seller Status. Seller is an unincorporated association duly organized, validly existing and in good standing under the laws of the State of California. Seller is qualified to conduct business in the State of California and has the requisite legal power and authority to enter into and complete the transactions contemplated by this Agreement. All of the Members, all of the duly elected members of the Board, and all of the duly appointed Officers of Seller and their official capacities are fully and accurately set forth and identified on the attached and incorporated **Schedule A**.

2.2 Authority. All actions necessary to be taken by or on the part of Seller and its Members, Board, and Officers to approve this Agreement and the transactions contemplated herein by Seller 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 and its Members, Board, and Officers enforceable against Seller and its Members, Board, and Officers in accordance with its terms, subject to (1) applicable bankruptcy, insolvency, reorganization and moratorium laws, (2) other laws of general application affecting the enforcement of creditors' rights generally and general principles of equity, and (3) the discretion of the court before which any proceeding therefor may be brought.

2.3 No Conflict. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not in any material respect (1) conflict with or violate the organizational articles, charter, or bylaws of Seller; (2) conflict with or violate or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under, any contract to which Seller is a party or by which it is bound; or (3) violate any judgment, decree, order, statute, law, rule or regulation application to Seller.

2.4 Litigation. There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or, to Seller's knowledge and the knowledge of its Members, Board, and Officers threatened against, Seller that seek to enjoin the transactions contemplated hereby or that could otherwise materially adversely affect Buyer or the Station Assets, nor, to Seller's knowledge and the knowledge of its Members, Board, and Officers, is there any basis for any such suit, arbitration, administrative charge or other legal proceeding, claim or governmental investigation.

2.5 Brokers. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Seller or its Members, Board, or Officers.

2.6 Equipment. Subject to the provisions of **Section 1.1** above, the Station Equipment is operable and adequate for the operation of the Station as the Station has been operated by Seller prior to the Effective Date.

3. Representations and Warranties of Buyer. Buyer represents and warrants to Seller:

3.1 Buyer Status. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of California. Buyer is duly qualified to do business and is in good standing in the State of California. Buyer has the requisite power and authority to enter into and complete the transactions contemplated by this Agreement.

3.2 Authority. All actions necessary to be taken by or on the part of Buyer, its members, its managers, and its officers in approving this Agreement and the transactions contemplated herein by Buyer 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 its terms, subject to (1) applicable bankruptcy, insolvency, reorganization and moratorium laws, (2) other laws of general application affecting the enforcement of creditors' rights generally and general principals of equity, and (3) the discretion of the court before which any proceeding thereof may be brought.

3.3 No Conflict. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not in any material respect (1) conflict with or violate the certificate or articles of organization of Buyer, (2) conflict with or violate or result in any breach of any default under, result in any termination or modification of, or cause any acceleration of any obligation under, any contract to which Buyer is a party or by which it is bound; or (3) violate any judgment, decree, order, statute, law, rule or regulation application to Buyer.

3.4 Litigation. There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or, to Buyer's

knowledge, threatened against, Buyer that seek to enjoin the transactions contemplated hereby or that could otherwise materially adversely affect Buyer or the Station Assets, nor, to Buyer's knowledge, is there any basis for any such suit, arbitration, administrative charge or other legal proceeding, claim or governmental investigation.

3.5 Brokers. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Buyer.

3.6 Qualifications. Buyer is qualified under the Communications Act and the existing rules, regulations and policies of the FCC to hold the FCC Licenses for the Station. Buyer knows of no facts that would disqualify it as the assignee of the licenses for the Station under the FCC Rules or policies or the Communications Act of 1934, as amended. Without limiting the foregoing, Buyer has determined that the FCC's ownership rules permit its acquisition of the Station without need for any waiver of FCC rules or policies. At Closing, Buyer will have the financial capacity to perform all of its obligations under this Agreement, including without limitation the payment of the Purchase Price.

3.7 Transmitter Site. From and after the Closing, Buyer shall maintain the transmitter site in a clean and orderly condition so long as Buyer makes use of the site. If Buyer should later move the Station's transmitter to another location with FCC approval, Buyer shall leave the old transmitter site in a neat and orderly condition free of rubbish and debris.

4. Covenants of Seller. Seller covenants and agrees that, from the Effective Date until the Closing or the termination of this Agreement as provided elsewhere herein, Seller shall perform and accomplish each and all of the following:

4.1 Operation of Station. Seller shall operate the Station on a continuous basis from the Effective Date to the Closing without material interruption. Such operation by Seller shall make use of the Station Assets and shall be effected in a manner consistent with Seller's operation of the Station before the Effective Date. Such operations by Seller shall be effected in material compliance with applicable law.

4.2 Representations and Warranties. Seller shall promptly notify Buyer upon learning of the occurrence of any event that would cause or constitute a breach (or would have caused a breach had such event occurred or been known to Seller prior to the date hereof) of any of Seller's representations or warranties contained in this Agreement.

4.3 Application for FCC Consent. As soon as possible (but in no event later than ten business days after the date of this Agreement) Buyer and Seller shall file an application with the FCC (the "**Application**") requesting the FCC's written consent to the assignment of the Station's FCC Licenses to Buyer. The FCC's initial consent to the Application is referred to herein as the "**FCC Consent**".

4.4 Consents. The parties shall use all commercially reasonable efforts to obtain all of the consents necessary to assign and convey to Buyer the Station Assets.

4.5 Notice of Proceedings. Seller will promptly notify Buyer in writing upon: (1) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement; (2) receiving any notice from any governmental department, court, agency or commission of its intention (a) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement, or (b) to nullify or render ineffective this Agreement if consummated.

4.6 Consummation of Agreement. Subject to the provisions of this Agreement pertaining to termination: (1) Seller shall use all reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and cause the transactions contemplated by this Agreement to be fully carried out; and (2) Seller shall not take any action that would make the consummation of this Agreement contrary to the Communications Act or the rules, regulations or policies of the FCC.

4.7 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Buyer or its business or properties disclosed to Seller in connection with the negotiation, preparation or performance of this Agreement shall be deemed confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except Seller's Members, Officers, attorneys and accountants on a need-to-know basis for the purpose of consummating the transactions contemplated by this Agreement.

5. Covenants of Buyer. Buyer covenants and agrees that from the Effective Date until the Closing or the termination of this Agreement as provided elsewhere herein, Buyer shall perform and accomplish each and all of the following:

5.1 Representations and Warranties. Buyer shall promptly notify Seller upon learning of the occurrence of any event that would cause or constitute a breach (or would have caused a breach had such event occurred or been known to Buyer prior to the Effective Date) of any of the representations and warranties of Buyer contained in this Agreement.

5.2 Application for FCC Consent. Buyer will diligently take, or cooperate in the taking of, all steps that are necessary, proper or desirable to expedite the prosecution of the Application to a favorable conclusion. Buyer shall furnish all information required by the FCC. Buyer will promptly provide Seller with copies of any pleading, order or other document served on it relating to the Application.

5.3 Notice of Proceedings. Buyer will promptly notify Seller in writing upon: (1) 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 (2) receiving any notice from any governmental department, court, agency or commission of its intention (a) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin the consummation of this Agreement, or (b) to nullify or render ineffective this Agreement if consummated.

5.4 Consummation of Agreement. Subject to the provisions of this Agreement pertaining to termination: (1) Buyer shall use all reasonable efforts to fulfill and

perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transactions contemplated by this Agreement to be fully carried out; and (2) Buyer shall not take any action that would make the consummation of this Agreement contrary to the Communications Act or the rules, regulations or policies of the FCC.

5.5 Control of Station. Until Closing, Buyer shall not directly or indirectly control or attempt to control the operation of the Station. Operation and control of the Station shall remain the sole responsibility of Seller until Closing, subject to compliance with the Communications Act and all applicable rules, regulations and policies of the FCC.

5.6 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Seller, the Members, the Officers, and the Station which are disclosed to Buyer in connection with the negotiation, preparation or performance of this Agreement shall be confidential, shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Buyer's employees, members, managers, officers, attorneys and accountants on a need-to-know basis for the purpose of consummating the transactions contemplated by this Agreement.

6. Conditions to the Obligations of Seller. The obligations of Seller under this Agreement are, at Seller's option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

6.1 Representations, Warranties and Covenants. The representations and warranties of Buyer contained in this Agreement shall have been true and correct in all material respects 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 in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement, and Buyer shall have performed and complied in all material respects with the covenants and agreements required by this Agreement to be performed or complied with by it prior to or on the Closing Date. Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed by an authorized officer of Buyer, to the effect that the conditions set forth in this Section have been satisfied. The representations and warranties of Buyer shall survive the Closing.

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated by this Agreement.

6.3 FCC Consent. The FCC Consent shall have been granted by initial order of the FCC and shall have become a final order.

6.4 Deliveries. Buyer shall have complied with its obligations set forth in Section 8.2.

7. Conditions to the Obligations of Buyer. The obligations of Buyer under this Agreement are, at Buyer's option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

7.1 Representations, Warranties and Covenants. The representations and warranties of Seller contained in this Agreement shall have been true and correct in all material respects 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 in all material respects except to the extent changes are permitted or contemplated pursuant to this Agreement. Seller shall have performed and complied in all material respects with the covenants and agreements required by this Agreement to be performed or complied with by it prior to or on the Closing Date. Seller shall have furnished Buyer with a certificate, dated the Closing Date and duly executed by an authorized officer of Seller to the effect that the conditions set forth in this Section have been satisfied. The representations and warranties of Seller shall survive the Closing.

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated by this Agreement.

7.3 FCC Consent. The FCC Consent shall have been granted by initial order of the FCC and shall have become a final order.

7.4 Deliveries. Seller shall have complied with its obligations set forth in Section 8.1.

7.5 FCC Filing Fees and Related Costs. Buyer shall be responsible for paying all FCC filing fees and related professional fees and costs.

8. Items to be Delivered at the Closing.

8.1 Deliveries by Seller. At Closing, Seller shall deliver to Buyer duly executed by Seller or such other signatory as may be required by the nature of the document each and all of the following:

(a) A bill of sale and assignment of the FCC License of the Station in form satisfactory to counsel for Buyer;

(b) A bill of sale of all other Station Assets in form satisfactory to counsel for Buyer;

(c) An assignment of the BLM Lease to Buyer in form satisfactory to counsel for Buyer;

(d) 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 transactions contemplated hereby, and, further, identifying and certifying the identities of all of the Members, the Board, and the Officers of Seller on the day preceding the Closing Date; and

(e) The certificate referred to in **Section 7.1.**

8.2 Deliveries by Buyer. At Closing, Buyer shall deliver to Seller:

(a) The unpaid balance of the Purchase Price (the funds representing the Deposit held in escrow by Mr. Kesecker to be delivered by him separately at the Closing;

(b) Certified copies of resolutions duly adopted by the Manager of Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement and the consummation of the transactions contemplated hereby; and

(c) The certificate referred to in **Section 6.1.**

9. Survival; Indemnification. Buyer hereby agrees to indemnify, defend and hold harmless Seller from and against any and all loss, liability, cost or expense arising from any breach or default by Buyer under this Agreement and from and against any and all loss, liability, cost or expense arising after the Closing with regard to the Station and the Station Assets. Seller hereby agrees to indemnify, defend and hold harmless Buyer from and against any and all loss, liability, cost or expense arising from any breach or default by Seller under this Agreement and from and against any and all loss, liability, cost or expense arising before the Closing with regard to the Station and the Station Assets.

10. Miscellaneous.

10.1 Termination. The Agreement may be terminated at any time prior to Closing: (1) by the mutual consent of Seller and Buyer; (2) by either party hereto if the FCC has denied the Application by final order; (3) by Buyer or Seller if the Closing has not taken place by the Final Date; (4) by Buyer, provided Buyer is not otherwise in default under this Agreement, if on the Closing Date, any of the conditions set forth in **Article 7** have not been satisfied; (5) by Buyer, provided Buyer is not otherwise in default under this Agreement, if Seller has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement within thirty calendar days after it receives notice from Buyer of such breach; (6) by Seller, provided Seller is not otherwise in default under this Agreement, if on the Closing Date any of the conditions set forth in **Article 6** have not been satisfied; (7) by Seller, provided Seller is not otherwise in default under this Agreement, if Buyer has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement within thirty calendar days after it receives notice from Seller of such breach. A termination pursuant to this **Section 10.1** shall not relieve any party of any liability it would otherwise have for a breach of this Agreement.

10.2 Expenses. Except as expressly provided elsewhere in this Agreement to the contrary, each party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement, including without limitation, its own accounting and legal fees incurred in connection herewith; *provided further, however*, that Buyer shall be

exclusively responsible for any sales, use, or transfer taxes that arise in connection with the transfer of the Station Assets to Buyer.

10.3 Further Assurances. From time to time prior to, on, and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any party shall reasonably request, without payment of further consideration, to carry out and effectuate the intent and purposes of this Agreement and all transactions contemplated herein. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement. Except as otherwise stated herein, the party requesting such further action shall be responsible for the reasonable fees and expenses of the party requested to take such further action.

10.4 Venue and Choice of Law.

(a) The parties hereby irrevocably and unconditionally submit to the jurisdiction of the courts of the State of California, County of Monterey, and to the United States Federal District Courts located in California for any suit, action, or other proceeding arising out of this Agreement, or the Transactions contemplated hereby, in the courts stated above, and the parties agree that service of any process, summons, notice, or document delivered by registered U. S. Mail to its address set forth herein shall be effective service of process for any action, suit, or proceeding brought against the parties in any such court. The parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit, or proceeding arising out of this Agreement or of the transactions contemplated hereby, which is brought by or against a party, in the courts described above and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit, or proceeding brought in any such court has been brought in an inconvenient forum.

(b) This Agreement shall be governed by and be construed in accordance with the laws of the State of California, without regard to that State's principles regarding choice of laws.

11. General Provisions.

11.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. Neither party may assign any of its rights or delegate any of its duties hereunder without the prior written consent of the other party, and any such attempted assignment or delegation without such consent shall be void.

11.2 Amendment and Waiver. This Agreement may be amended only by a written instrument signed by the parties hereto. No failure to exercise and no delay in exercising, on the part of any party, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are

cumulative and not exclusive of any rights, remedies, powers and privileges provided by law. The failure of any party to insist in any instance or instances upon a strict performance of any of the terms or provisions of this Agreement, or to exercise any option, right or remedy herein contained, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy, but the same shall continue and remain in full force and effect. No waiver by any party of any term or provision of this Agreement shall be deemed to have been made unless expressed in writing and signed by such party.

11.3 Notices. All notices, requests and demands to or upon the respective parties hereto shall be in writing (including by facsimile) and, unless otherwise expressly provided herein, shall be delivered during normal business hours by hand, by Federal Express, United Parcel Service or other reputable overnight commercial delivery service, or by facsimile notice addressed as follows, or to such other address as may be hereafter notified by the respective parties hereto:

If to Seller, then to: Arroyo Seco Citizens Association
Post Office Box 2085
Greenfield, CA 93927
Attention: William Powell
Facsimile: 831-674-1645 ^{W.P.}

Or to: Arroyo Seco Citizens Association
c/o Jerry Smith
45195 Arroyo Seco Road
Greenfield, CA 93927
Attention: William Powell
Facsimile: 831-674-1645

If to Buyer, then to: Mirage Media 2, LLC
1615 Orange Tree Lane, Suite 102
Redlands, CA 92374
Attention: William J. Jaeger
Facsimile: 909.798.6984

With a copy to: McPeters McAlearney Shimoff & Hatt
(which shall not
constitute notice) Post Office Box 2084
Redlands, CA 92373
Attention: John D. McAlearney, Jr.
Facsimile: 909.792.6234

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

11.4 Captions. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

11.5 Entire Agreement. This Agreement 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.

11.6 Interpretation. Should any provision of this Agreement require interpretation by a court of law, it is agreed by the parties that the court interpreting or construing this Agreement shall not apply a presumption that the terms of this Agreement shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who by itself or through its agent prepared such document, it being agreed that the agents of all parties have participated in the preparation of this Agreement.

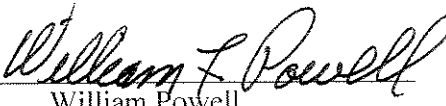
11.7 Counterparts. This Agreement and its individual Schedules may be executed by the parties in several counterparts, each of which shall be deemed to be an original, but all of such counterparts together shall constitute one and the same instrument. A copy of this Agreement or any Schedule, or any amendment thereto, or any separate signature page which is delivered by facsimile transmission or by digital image via e-mail and which reflects the signing of a copy of such document by any party shall constitute a valid and binding counterpart, notwithstanding that the original copy bearing the party's original signature and used to generate the facsimile transmission is not delivered.

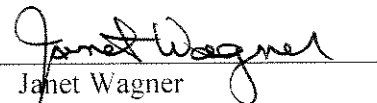
**END OF AGREEMENT
SIGNATURE PROVISIONS FOLLOW**

The parties have signed this Agreement to be effective on and as of the Effective Date set forth hereinabove.

"Seller"

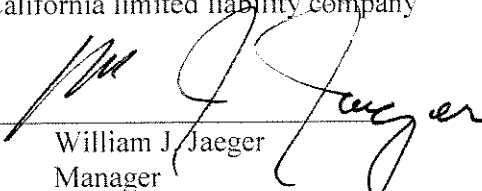
Arroyo Seco Citizens Association
an unincorporated California association

By 
William Powell
President

And 
Janet Wagner
Secretary

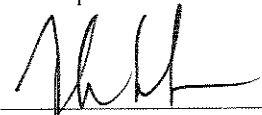
"Buyer"

Mirage Media 2, LLC
a California limited liability company

By 
William J. Jaeger
Manager

Agreement re Escrow of Deposit

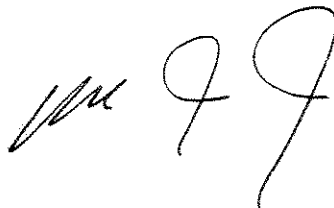
The undersigned agrees to accept payment of the Deposit as provided in the Agreement, to hold the Deposit in escrow in his trust account, and to apply and deliver the funds comprising the Deposit in accord with the provisions of the Agreement or as Buyer and Seller may otherwise direct in their written instructions to Mr. Kesecker signed by both parties.


John Kesecker

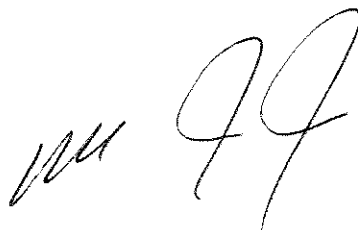
Schedule A
Arroyo Seco Citizen's Association

Members of the Seller:

1. The Abbott Family
2. Gilbert & Anna Anderson
3. June Anderson
4. Dorothy Arnold
5. Steve & Lori Atkinson
6. Diane Ausonio
7. Sally Backus
8. Bill & Karen Barr
9. The Bassetti Family
10. Sandy Bassetti
11. Allen & Sheila Bengston Family
12. Mitch & Elaine Bennett
13. Kathryn Bianchi
14. Jennie Binsacca
15. James Brandoff
16. James & Pat Caraccioli Family
17. The Clark/Noggle Family
18. Phil Coelho
19. The Combs/Shannon Family
20. David & Kerri Costa
21. David & Susan Courrejou
22. Mike & Annie Courrejou
23. Marino & Wilma Cursi
24. Kenneth & Betty Emberson
25. The Wheeler Family
26. The Fano Family
27. Alan Foster
28. Derald & Hannah Frew
29. The Garin Family
30. James Giacomazzi
31. Lloyd & Karen Gould
32. Ben Jr. Gould
33. Sumner Gould
34. Gordon & Dixie Gould
35. Paul & Danaa Guidotti
36. Randall & Gidget Guidotti
37. Gilbert Handley
38. Wayne & Karen Handley

A handwritten signature in dark ink, appearing to be 'M 79' or similar, located at the bottom right of the page.

39. Randy & Kay Handley
40. Nancy Hansen
41. Tim & Jane Headley
42. Dee Heckman
43. Pearl Heer
44. Stacie Henley
45. Dennis & Joan Kutcha
46. Trish Lynch
47. Eve Maggini
48. Louie & Agnes Manzoni
49. Bill & Laurie Massa
50. Doug & Karol Matheson
51. John & Lisa McElmoyl
52. David & Christina Morris
53. Clayton Ogan
54. Delores Palmer
55. Bob & Shirley Parker
56. Tommy & Karen Parker
57. Dan & Rita Patterson
58. Patty Patterson
59. Bill Powell
60. Mabel Pryor
61. Eldon Pura
62. Ron & Donna Reaves
63. June Reeve
64. Paul & Susan Renney
65. Harry & Barbara Rhodes
66. Janet Rianda
67. Bruce & Chris Ricker
68. Dio Roberts
69. Ivan & Velda Robertson
70. Gabriel Rosales
71. Emilio & Rosa Rossi
72. Robert & June Serrano
73. Bill Silveira
74. The Silveira Family
75. Prescott & Adele Skinner
76. Jerry & Claudia Smith
77. Herman Steinbruner
78. Garvin & Debra Stone
79. Ruth Stewart
80. Mark & Nita Thomas
81. Jim & Hilde Thorne
82. The Tidwell Family
83. Ed & Ana Tilton
84. Colette Titgen

A handwritten signature in black ink, consisting of a stylized 'M' followed by a large, flowing 'JF'.

- 85. Joseph & Elizabeth Tomchak
- 86. Bill & Donna Vaughan
- 87. Tony & Janet Wagner
- 88. Joann Wence
- 89. Bruce & Mary Williams

Board Members of the Seller:

Mary Williams
Margo Shannon
Jerry Smith
Tony Wagner
Clayton Ogan
Gilbert Handley

Officers of the Seller:

President:	Bill Powell
Vice-President:	Doug Matheson
Secretary:	Janet Wagner
Treasurer:	Elaine Bennett

mu *FF*