

## **Description of Transaction**

The instant application is filed as the second of two applications to enable Beasley FM Acquisition Corp. (“Beasley”) to treat its acquisition of Station WJBR-FM, 99.5 MHz, Wilmington, Delaware, Facility ID No. 14374 (the “Station”) as part of a reverse “like-kind” exchange in accordance with Section 1031 of the Internal Revenue Code. On October 11, 2006, the first assignment application (FCC File No. BALH-20061011ADY, the “EAT Application,” which remains pending) was filed in connection with this transaction. The EAT Application requested Commission consent to assign the FCC licenses for the Station from NM Licensing LLC (“NM”) to WJBR License LLC, which is serving as an exchange accommodation title holder (“EAT”) under the rules and regulations of the Internal Revenue Service. The instant application is being filed to request consent to assign the FCC licenses for the Station from the EAT to WAEC License Limited Partnership (the “Assignee”), an entity of which Beasley is the sole general partner. The instant application is contingent upon the grant of the EAT Application. The transactions underlying the proposed assignment will not be consummated until other steps necessary to complete the reverse 1031 exchange have been accomplished. The specific steps involved in the transaction are described more specifically below.

1. On October 1, 2006, Beasley entered into an Asset Purchase Agreement pursuant to which Beasley (or its designee) would acquire the Station from NM and NM’s affiliate NextMedia Operating, Inc.

2. Beasley assigned its rights under the Asset Purchase Agreement to the EAT under the rules and regulations of the Internal Revenue Service pursuant to the Assignment, Acceptance and Notice (a copy of which is attached at Exhibit 4). On October 11, 2006, NM filed the EAT Application on FCC Form 314 to assign the FCC licenses for the Station to the EAT. Approval of the EAT Application will permit the use of a structure which the Treasury Department created and prescribed to facilitate like-kind exchanges.

3. By the instant application, the EAT is requesting FCC approval to assign the FCC licenses of the Station from the EAT to the Assignee.

4. Section 1031 of the Internal Revenue Code generally permits a broadcaster to defer some recognition of gain for tax purposes on the disposition of the assets of a broadcast station to the extent the broadcaster thereafter acquires like assets of another station of equal or greater value. Such a transaction is known as a “like-kind exchange.” If a broadcaster that desires to dispose of a station (the “relinquished station”) and acquire another station (the “replacement station”) has entered into a contract to acquire the replacement station but has not yet contracted for the disposition of the relinquished station, the Internal Revenue Service (“IRS”) will permit the broadcaster to assign the replacement station to an exchange accommodation titleholder to facilitate the like-kind exchange. Thereafter, the broadcaster completes the sale of the

relinquished station to an independent third party through the exchange accommodation titleholder.

5. The assignment proposed in this application follows the structure prescribed by the Internal Revenue Service in IRS Revenue Procedure 2000-37 and permits the EAT to assign the assets and licenses of the Station, as replacement property, to Assignee, which such assignment will be consummated at such time as Beasley arranges for the sale of like-kind property to the EAT in exchange for the Station. In accordance with the IRS Revenue Procedure, upon a grant of the EAT Application, the EAT and Beasley or its designee will enter into a Management and Local Marketing Agreement (in form as that attached hereto as Exhibit 4) pursuant to which Beasley or its designee shall provide the programming and sell the advertising on the Station, and provide management consulting services to enable the EAT to operate the Station pending the ultimate assignment of the Station to Assignee, and the sale of Beasley's relinquished station(s) to a yet-to-be-determined third party buyer.