SALEM COMMUNICATIONS CORP /DE/
Form 424B3
February 04, 2010

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Filed pursuant to Rule 424(b)(3)
File No. 333-164002

PROSPECTUS

$300,000,000

Salem Communications Corporation

9.625% Senior Secured Second Lien Notes due 2016

Offer to Exchange All of Our Outstanding

9.625% Senior Secured Second Lien Notes due 2016

(CUSIP Nos. 794093 AE4 and U78735 AA2)

For

Our new 9.625% Senior Secured Second Lien Notes due 2016

That Have Been Registered

Under the Securities Act of 1933

This exchange offer will expire at 5:00 p.m., New York City time,

on Monday, March 8, 2010, unless extended.

The Exchange Notes:

The terms of the registered 9.625% Senior Secured Second Lien Notes due 2016 to be issued in the exchange offer are substantially identical to the terms of the outstanding 9.625% Senior Secured Second Lien Notes due 2016, except that provisions relating to transfer restrictions, registration rights, and additional interest will not apply to the exchange notes.

We are offering the exchange notes pursuant to a registration rights agreement that we entered into in connection with the issuance of the outstanding notes.

The exchange notes will bear interest at the rate of 9.625% per year, payable on June 15 and December 15 of each year, commencing on June 15, 2010. The exchange notes will mature on December 15, 2016.

The exchange notes will be fully and unconditionally guaranteed on a joint and several basis by all of Salem Communications Corporation s existing subsidiaries and certain future domestic restricted subsidiaries.

We may redeem some or all of the notes as described more fully in this prospectus.

Material Terms of the Exchange Offer:

The exchange offer expires at 5:00 p.m., New York City time, on Monday, March 8, 2010, unless extended.

Upon completion of the exchange offer, all outstanding notes that are validly tendered and not properly withdrawn will be exchanged for an equal principal amount of exchange notes, the issuance of which are registered under the Securities Act of 1933, as amended (the Securities Act).

Tenders of outstanding notes may be withdrawn at any time prior to the expiration of the exchange offer.

Completion of the exchange offer is subject to customary conditions, some of which we may waive.

The exchange of exchange notes for outstanding notes will not be a taxable exchange for U.S. Federal income tax purposes.

We will not receive any proceeds from the exchange offer.

Each broker-dealer that receives exchange notes for its own account in the exchange offer must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where such exchange notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. Salem Communications Corporation has agreed that, starting on the effective date of the registration statement to which this prospectus relates and ending on the close of business 90 days after such date, it will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

There is no existing public market for the outstanding notes or the exchange notes. We do not intend to list the exchange notes on any securities exchange or quotation system.

See Risk Factors beginning on page 14

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or the accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 2, 2010

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You should rely only upon the information in this prospectus. We have not authorized anyone to give any information or make any representation about us that is different from or in addition to, that contained in this prospectus. Therefore, if anyone does give you information of this sort, you should not rely on it as authorized by us. If you are in a jurisdiction where offers to sell, or solicitations of offers to purchase, the securities offered by this prospectus are unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this prospectus does not extend to you. Neither the delivery of this prospectus, nor any sale made hereunder, shall under any circumstances create any implication that there has been no change in our affairs since the date on the front cover of this prospectus.

We have filed with the SEC a registration statement on Form S-4 (Registration No. 333-164002) with respect to the exchange notes. This prospectus, which forms part of this registration statement, does not contain all the information included in the registration statement, including its exhibits and schedules. For further information about us and the notes described in this prospectus, you should refer to the registration statement and its exhibits and schedules. Statements we make in this prospectus about certain contracts or other documents are not necessarily complete. When we make such statements, we refer you to the copies of the contracts or documents that are filed as exhibits to the registration statement, because those statements are qualified in all respects by reference to those exhibits. The registration statement, including the exhibits and schedules, is on file at the offices of the SEC and may be inspected without charge. Our SEC filings are also available to the public at the SEC s website at www.sec.gov.

You may also obtain this information without charge by writing or telephoning us at the following address and telephone number:

Salem Communications Corporation

4880 Santa Rosa Road

Camarillo, California 93012

Telephone (805) 987-0400

Attention: Christopher J. Henderson, Secretary

In order to ensure timely delivery, you must request the information no later than five business days before the expiration of the exchange offer.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

From time to time, including in this prospectus, in particular, the section captioned Management s Discussion and Analysis of Financial Condition and Results of Operations, we make forward-looking statements within the meaning of federal and state securities laws. Disclosures that use words such as the company believes, anticipates, expects, estimates, intends, will, may or plans and similar expressions are identify forward-looking statements, as defined under the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current expectations and are based upon data available to us at the time the statements are made. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from expectations. These risks, as well as other risks and uncertainties, are detailed in reports on Forms 10-K, 10-Q and 8-K filed with the SEC as well as the sections titled Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations in this prospectus. All forward-looking statements in this prospectus are qualified by these cautionary statements and are made only as of the date of this prospectus. Any such forward-looking statements, whether made in this prospectus or elsewhere, should be considered in context with the various disclosures made by us about our business. The following risks related to our business, among others, could cause actual results to differ materially from those described in the forward-looking statements:

- We have, and after issuance of the exchange notes we will have, a significant amount of debt, which could restrict our future operating and strategic flexibility and expose us to the risks of financial leverage.

- Our ability to meet our debt service obligations on the exchange notes and our other debt will depend on our future performance, which will be subject to many factors that are beyond our control.

- We depend significantly upon the success of the religious and family issues format segment of the radio broadcasting industry.

- Our ability to successfully grow through acquisitions by acquiring radio stations in new and existing markets, as well as by expanding into non-broadcast media and acquiring businesses that share our commitment to serving our targeted audience, depends on many factors, some of which are beyond our control.

- We are subject to risks of competition from other commercial and non-commercial radio stations as well as from other media, including broadcast and cable television, the Internet, newspapers, magazines, direct mail and billboard advertising.

- We are subject to risks and limitations due to government regulation of the broadcasting industry, including Federal Communications Commission (FCC or the Commission) control over the renewal and transfer of broadcasting licenses, which could materially adversely affect our operations and growth strategy.

We urge you to review carefully the section Risk Factors in this prospectus for a more complete discussion of the risks of an investment in the exchange notes.

Except as required by law, we assume no, and hereby disclaim any, obligation to update any of the foregoing or any other forward-looking statements. We nonetheless reserve the right to make such updates from time to time by press release, periodic report or other method of public disclosure without the need for specific reference to this prospectus. No such update shall be deemed to indicate that other statements not addressed by such update remain correct or create an obligation to provide any other updates.

INDUSTRY AND MARKET DATA

This prospectus includes industry data that we obtained from periodic industry publications, including the Fall 2009 Radio Market Survey Schedule & Population Rankings published by Arbitron. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable. We have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein.

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PROSPECTUS SUMMARY

The following summary highlights selected information from this prospectus and does not contain all of the information that is important to you. For a more complete understanding of our company and this exchange offer, we encourage you to read this entire prospectus, including Risk Factors and the financial statements included in this prospectus. In addition, certain statements are forward-looking statements, which involve risks and uncertainties. See Special Note Regarding Forward-Looking Statements. Unless otherwise indicated or required by the context, the terms Salem, we, our, us and the Company refer to Salem Communications Corporation and all of its subsidiaries that are consolidated under GAAP. Our fiscal years for the years 2006, 2007 and 2008 all ended on December 31, respectively. When we refer to a year, we are referring to the fiscal year ended on those respective dates. Data in this summary is as of December 30, 2009 unless indicated otherwise.

Our Company

General

In 1974, our CEO Edward G. Atsinger, III, launched his first full-time Christian format radio station, KDAR-AM in Oxnard, California. Mr. Atsinger and Stuart W. Epperson, our Chairman of the Board, then partnered together with a goal of establishing a network of radio stations focused on reaching the Christian audience. Through a series of station acquisitions starting with WEZE-AM in Boston in 1978, we developed station clusters throughout the major markets in the United States. Since our initial public offering in July 1999, we have grown from 45 stations to 94 stations.

We believe that we are the largest commercial U.S. radio broadcasting company that provides programming targeted at audiences interested in Christian and family-themed radio content, as measured by number of stations and audience coverage. Our core business is the ownership and operation of radio stations in large metropolitan markets. Upon completion of all announced transactions, we will own a national portfolio of 94 radio stations in 36 markets, which consists of 27 FM stations and 67 AM stations, including 58 stations in 22 of the top 25 markets. We are one of only three commercial radio broadcasters with radio stations in all of the top 10 markets. We are the seventh largest operator measured by number of stations overall and the third largest operator measured by number of stations in the top 25 markets. We also program the Family Talk Christian-themed talk format station on XM Radio, channel 170.

In addition to our radio broadcast business, we also own and operate a non-broadcast media division. This division consists of Salem Web Network (SWN), a provider of online Christian and conservative-themed content and streaming, Salem Publishing, a publisher of Christian magazines and Xulon Press, a provider of print-on-demand publishing services targeting the Christian audience. SWN s content, both in text and audio, can be accessed through our national portals which include OnePlace.com, Crosswalk.com®, Christianity.com and Townhall.com®. SWN s content can also be accessed through our local radio station websites, which provide content of interest to local listeners.

We also own and operate Salem Radio Network (SRN), a national radio network that syndicates music, news and talk to approximately 2,000 affiliated radio stations, in addition to our owned and operated stations and Salem Media Representatives (SMR), a national radio advertising sales firm with offices in 12 U.S. cities.

Radio Broadcasting

Our radio business is focused on the clustering of strategic formats, mainly Christian Teaching and Talk, Contemporary Christian Music and conservative News Talk. In late 2007, we introduced a fourth strategic format, Spanish language Christian Teaching and Talk.

Salem Radio Network®

We own and operate SRN as part of our overall business strategy to develop a national network of affiliated radio stations anchored by our owned and operated radio stations in major markets. SRN, which is headquartered in Dallas, Texas, develops, produces and syndicates a broad range of programming specifically targeted to Christian and family-themed talk and music stations as well as general market News Talk stations. Currently, we have rights to several full-time satellite channels to deliver SRN programs to affiliates via satellite.

SRN has approximately 2,000 affiliate stations, in addition to our owned and operated stations, which broadcast one or more of the offered programming options. These programming options feature talk shows, news and music. The principal source of network revenue is from the sale of advertising time.

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SMR is a sales representation company specializing in placing national advertising on religious format radio stations. SRN and our radio stations each have relationships with SMR for the sale of available SRN spot advertising. SMR also contracts with individual radio stations to sell air time to national advertisers desiring to include selected company stations in national buys covering multiple markets. In 2005, we established Vista Media Representatives formerly called Vista Radio Representatives, a sales representation company specializing in placing national advertising on non-religious radio stations.

Non-broadcast Media

Salem Web Network and Townhall.com®. Our online strategy centers on creating the premiere Internet platform serving the audience interested in Christian and conservative content. Leveraging our engaged and loyal radio listener base, SWN s content, both in text and audio, can be accessed through our national portals which include OnePlace.com, Crosswalk.com, Christianity.com, Townhall.com, and through our radio station websites, which provide content of interest to our local radio station listeners. In 2006 we acquired CrossDaily.com and Townhall.com. In 2008 we acquired intercristo.com and theconservativevoice.com. These acquisitions enhanced our web leadership as a provider and distributor of Christian and conservative content and services for our target audience.

Salem Publishing . Our distribution of Christian and conservative content also extends into print through Salem Publishing, a magazine publisher serving the Christian and conservative audience and Xulon Press, a provider of print-on-demand publishing services targeted to the Christian audience. Salem Publishing is well positioned to grow its magazines*: Homecoming® The Magazine, YouthWorker Journal, The Singing News, FaithTalk Magazine, Preaching* and *Townhall Magazine*. In 2006, we acquired two target segment-leading magazines, The *Singing News* magazine and *Preaching* magazine, and their respective Internet sites. In 2006, we also purchased Xulon Press. During 2007, Salem Publishing acquired the Christian Music Planet® brand, including www.ChristianMusicPlanet.com, a leading Christian music web portal and CMCentral.com, a Christian music website and online community. In 2008, we ceased the publication of *CCM Magazine* and launched *Townhall Magazine*.

Business Strategy

Our principal business strategy is to improve our national radio platform and to invest in and build non-broadcast businesses as the breadth of the media marketplace also expands to deliver compelling content to audiences interested in Christian and family-themed programming and conservative news talk. Our national presence in broadcasting, Internet and publishing gives advertisers a platform that is a powerful way to broadly reach Christian audiences.

We program 42 of our stations with our Christian Teaching and Talk format, which is talk programming with Christian and family themes. A key programming strategy on our Christian Teaching and Talk radio stations is to sell blocks of time to a variety of religious and charitable organizations that create compelling radio programs. Typically, more than 90% of our block programming partners annually renew their respective relationships with us. Based on these renewal rates, we believe that block programming provides a steady and consistent stream of revenue and cash flow. The top ten programmers have averaged over 15 years on the air and have remained relatively constant. Total programming revenue has comprised 35% to 40% of total broadcast revenue from 2006 through the last twelve months ended September 30, 2009. We also program 24 News Talk stations, 11 Contemporary Christian Music stations, and seven Spanish-language Christian Teaching and Talk stations. SRN supports our strategy by allowing us to reach listeners in markets where we do not own or operate stations. Additionally, we operate numerous Internet websites and publish periodicals and books that target similar audiences in order to provide cross-platform synergies.

We are fundamentally committed to broadcasting, Internet and publishing formats and programming emphasizing Christian, conservative news talk and family themes. As part of this business philosophy, we may choose not to switch to other formats or pursue potentially more profitable business opportunities in response to changing audience preferences.

We strive to build clusters of radio stations in each of our markets with each format targeting different demographic segments of the audience interested in Christian and family-themed programming. There are several potential benefits that result from operating multiple radio stations in the same market. First, this clustering and programming strategy allows us to achieve greater penetration into each segment of our target market, and collectively our stations afford our clients a larger percentage of advertising time in that market. We then are able to offer advertisers multiple audiences and to bundle the radio stations for advertising sales purposes when advantageous. Second, we realize cost and operating efficiencies by consolidating sales, technical and administrative support and promotional functions where possible. Finally, the purchase of additional radio stations in an existing market allows us to leverage our market expertise to better serve our advertisers and our listeners through traditional and emerging media.

Both our chief executive officer and our chairman are career radio broadcasters who have each owned and operated radio stations for more than 40 years.

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Loyal and Growing Niche Target Audience

We believe our operations focus on a highly attractive and stable market niche. We believe this market is very loyal and has significant growth potential based upon the following demographic data:

- Christian radio is one of the fastest growing radio formats with a 39% national audience share increase from 2002 to 2008;

- 46% of adults nationally read the bible at least weekly;

- 61% of Americans are members of a church or synagogue;

- 54% of Americans view religion as very important; and

- Our top 10 Christian Teaching and Talk programs have averaged over 15 consecutive years on our stations most airing in the same time slots Monday through Friday, enabling us to serve an audience that we believe sees our stations as must listen daily.

Growth and Operating Strategies

Continue to Focus on and Serve Targeted Audience. A key attribute of our success is our consistent emphasis on reaching the audiences interested in Judeo-Christian religious and family issues. We have demonstrated a long-term commitment to these audiences by operating radio stations and providing non-broadcast media outlets with formats directed to our listeners specific needs and interests. This consistent focus and commitment builds loyalty and trust from our listening audience, block program customers and advertisers.

Emphasize Compelling Program Content. As more listening, reading and viewing options become available to consumers, compelling program content is vital to expanding our listening audience and increasing audience response to block programmers and advertisers. Our national radio network will continue to seek to identify new block programming customers, compete aggressively for talk show talent, expand and refine our music formats, and develop compelling news and public affairs features.

Continue Clustering Development. We build clusters of radio stations in our markets, with each radio station targeting different demographic segments of the audience interested in religious and family issues. This strategy allows us to: (a) broaden our appeal to target audiences by broadcasting a range of formats; (b) offer customers multiple programming options to advertise; (c) achieve cost savings by integrating our operations; (d) offer advertisers multiple audiences; and (e) bundle our radio stations for advertising sales purposes when advantageous.

Build Format Awareness. We seek to build local format awareness for each of our radio stations in order to retain and increase its listening audience, expand our base of advertisers and provide increased audience response to our block program customers. We emphasize the development of a radio station s identity to allow each radio station to better compete by developing local on-air personalities, improving production quality and technical facilities, and increasing promotional activities.

Corporate Information

We are a Delaware corporation. Our executive offices are located at 4880 Santa Rosa Road, Camarillo, CA 93012, and our telephone number at that location is (805) 987-0400. Our website address is www.salem.cc. The information on our website is not a part of this prospectus.

Organizational Structure

Salem Communications Corporation was formed in 1986 as a California corporation and was reincorporated in Delaware in 1999. Salem Communications Holding Corporation (Salem Holding) was formed as a wholly-owned subsidiary of Salem Communications Corporation in May of 2000. In May of 2000, Salem Communications Corporation formed an additional wholly-owned subsidiary, Salem Communications Acquisition Corporation (AcquisitionCo), which has since acquired nine radio stations through its wholly-owned subsidiary, SCA License Corporation. In August of 2000, Salem Communications Corporation assigned substantially all of its assets and liabilities (other than the stock of each of Salem Holding and AcquisitionCo) to Salem Holding.

In June 2001, Salem Holding effected a dividend to Salem Communications Corporation of Salem Holding s publishing and Internet businesses. This transaction was effected as a dividend of the capital stock and membership interests, respectively, of Salem Holding s wholly-owned subsidiaries CCM Communications, Inc. (CCM) and OnePlace, LLC (OnePlace). As a result, CCM and OnePlace became direct subsidiaries of Salem Communications Corporation. Subsequently, the membership interests of OnePlace were contributed to SCA License Corporation, and OnePlace became an indirect subsidiary of Salem. On December 12, 2008, we formed Salem Investment Corporation (SIC), a wholly-owned subsidiary of Salem Communications Corporation. All of Salem Communications Corporation s subsidiaries are guarantors of (1) the borrowings under the new $30.0 million senior credit facility (the senior credit facility) pursuant to a credit agreement by and among Salem, as Borrower, Bank of America, N.A., as Administrative Agent, Swingline Lender, L/C Issuer and a Lender, the other Lenders party thereto, Banc of America Securities LLC, as Joint Lead Arranger and Sole Book Manager, Barclays Capital and ING Capital LLC, as Joint Lead Arrangers, Barclays Capital, as Syndication Agent, and ING Capital LLC, as Documentation Agent, and (2) the outstanding notes.

The chart below sets forth our current organizational structure.

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The Exchange Offer

The following is a summary of the principal terms of the exchange offer. A more detailed description is contained in the section The Exchange Offer. The term outstanding notes refers to our outstanding 9.625% Senior Secured Second Lien Notes due 2016, which were issued on December 1, 2009. The term exchange notes refers to our 9.625% Senior Secured Second Lien Notes due 2016 offered by this prospectus, the issuance of which have been registered under the Securities Act. The term notes refers collectively to the outstanding notes and the exchange notes. The term indenture refers to the indenture that governs both the outstanding notes and the exchange notes.

The Exchange Offer

We are offering to exchange $1,000 in principal amount of our new 9.625% Senior Secured Second Lien Notes due 2016, the issuance of which have been registered under the Securities Act, for each $1,000 in principal amount of our outstanding 9.625% Senior Secured Second Lien Notes due 2016 issued on December 1, 2009, subject to a minimum exchange denomination of $2,000. The exchange notes are substantially identical to the outstanding notes, except that the transfer restrictions, registration rights and additional interest provisions relating to the outstanding notes will not apply to the exchange notes. As of the date of this prospectus, $300,000,000 in aggregate principal amount of outstanding notes is outstanding.

Expiration Time

The exchange offer will expire at 5:00 p.m., New York City time, on Monday, March 8, 2010, unless the exchange offer is extended, in which case the expiration time will be the latest date and time to which the exchange offer is extended. See The Exchange Offer Terms of the Exchange Offer; Expiration Time.

Procedures for Tendering Outstanding Notes

In order to exchange your outstanding notes for exchange notes, you must validly tender them at or before the expiration time. You may tender your outstanding notes through book-entry transfer in accordance with The Depository Trust Company s Automated Tender Offer Program, known as ATOP. If you wish to accept the exchange offer, you must:

Complete, sign, and date the accompanying letter of transmittal, or a facsimile of the letter of transmittal, in accordance with the instructions contained in the letter of transmittal, and mail or otherwise deliver the letter of transmittal, together with your outstanding notes, to the exchange agent at the address set forth under The Exchange Offer The Exchange Agent prior to the expiration time; or

arrange for The Depository Trust Company to transmit to the exchange agent certain required information, including an agent s message forming part of a book-entry transfer in which you agree to be bound by the terms of the letter of transmittal, and transfer the outstanding notes being tendered into the exchange agent s account at The Depository Trust Company prior to the expiration time.

You may tender your outstanding notes for exchange notes in whole or in part in minimum denominations of $2,000 and integral multiples of $1,000 in excess of $2,000. See The Exchange Offer How to Tender Outstanding Notes for Exchange.

Guaranteed Delivery Procedures

If you wish to tender your outstanding notes and time will not permit your required documents to reach the exchange agent by the expiration time, or the

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procedures for book-entry transfer cannot be completed by the expiration time, you may tender your outstanding notes according to the guaranteed delivery procedures described in The Exchange Offer Guaranteed Delivery Procedures.

Withdrawal of Tenders	You may withdraw your tender of outstanding notes at any time at or prior to the expiration time by delivering a written notice of withdrawal to the exchange agent in conformity with the procedures discussed under The Exchange Offer Withdrawal Rights.
Special Procedures for Beneficial Owners	If you beneficially own outstanding notes registered in the name of a broker, dealer, commercial bank, trust company, or other nominee and you wish to tender your outstanding notes in the exchange offer, you should contact the registered holder promptly and instruct it to tender on your behalf. See The Exchange Offer How to Tender Outstanding Notes for Exchange.
Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, some of which we may waive. The exchange offer is not conditioned upon any minimum principal amount of outstanding notes being tendered. We reserve the right to terminate or amend the exchange offer at any time before the expiration time if any condition to the exchange offer is not met. See The Exchange Offer Conditions to the Exchange Offer.
Acceptance of Outstanding Notes and Delivery of Exchange Notes	Upon consummation of the exchange offer, we will accept any and all outstanding notes that are validly tendered in the exchange offer and not properly withdrawn at or prior to the expiration time. The exchange notes issued pursuant to the exchange offer will be delivered promptly after acceptance of the tendered outstanding notes. See The Exchange Offer Terms of the Exchange Offer; Expiration Time.
Registration Rights Agreement	We are making the exchange offer pursuant to the registration rights agreement that we entered into on December 1, 2009 with the initial purchasers of the outstanding notes.
Resales of Exchange Notes	We believe that the exchange notes issued in the exchange offer may be offered for resale, resold, or otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act, provided that:

- the exchange notes you receive pursuant to the exchange offer are being acquired in the ordinary course of your business;
- you have no arrangement or understanding with any person to participate, and are not participating, in the distribution of the exchange notes within the meaning of the Securities Act;
- you are not an affiliate of ours as such term is interpreted by the SEC;
- you are not holding outstanding notes that have, or that are reasonably likely to have, the status of an unsold allotment of the initial placement of the outstanding notes;

if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, a distribution of the exchange notes; and

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	if you are a broker-dealer, you will receive the exchange notes for your own account, the outstanding notes were acquired by you as a result of market-making or other trading activities, and you will deliver a prospectus in connection with any resale of such exchange notes.
	If you do not meet these requirements, your resale of the exchange notes must comply with the registration and prospectus delivery requirements of the Securities Act.
	Our belief is based on interpretations by the staff of the SEC, as set forth in no-action letters issued to third parties. The staff of the SEC has not considered the exchange offer in the context of a no-action letter, and we cannot assure you that the staff of the SEC would make a similar determination with respect to the exchange offer.
	If our belief is not accurate and you transfer an exchange note without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from these laws, you may incur liability under the federal securities laws. We do not and will not assume, or indemnify you against, this liability.
	See The Exchange Offer Consequences of Exchanging Outstanding Notes.
Broker Dealer Prospectus Delivery Requirements	Each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes, where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See Plan of Distribution.
Consequences of Failure to Exchange Your Outstanding Notes	If you do not exchange your outstanding notes in the exchange offer, your outstanding notes will continue to be subject to the restrictions on transfer provided in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold unless registered or sold in a transaction exempt from registration under the Securities Act and applicable state securities laws. If a substantial amount of the outstanding notes is exchanged for a like amount of the exchange notes, the liquidity and the trading market for your untendered outstanding notes could be adversely affected. See The Exchange Offer Consequences of Failure to Exchange Outstanding Notes.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the exchange notes. See Use of Proceeds.
Certain U.S. Federal Income Tax Considerations	The exchange of your outstanding notes for exchange notes will not be a taxable exchange for U.S. federal income tax purposes. You should consult your own tax advisor as to the tax consequences to you of the exchange offer, as well as tax consequences of the ownership and disposition of the exchange notes. See Certain U.S. Federal Income Tax Considerations.
Exchange Agent	

The exchange agent for the exchange offer is The Bank of New York Mellon Trust Company, N.A. See The Exchange Offer The Exchange Agent and the accompanying letter of transmittal.

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The Exchange Notes

The terms of the exchange notes are substantially the same as the outstanding notes, except that provisions relating to transfer restrictions, registration rights, and additional interest will not apply to the exchange notes. The following is a summary of the principal terms of the exchange notes. A more detailed description is contained in the section Description of Exchange Notes in this prospectus.

Issuer	Salem Communications Corporation
Notes Offered	$300,000,000 aggregate principal amount of new 9.625% senior secured second lien notes due 2016, the issuance of which have been registered under the Securities Act.
Maturity Date	December 15, 2016.
Interest	Interest on the exchange notes will accrue at a rate of 9.625% per annum, payable semi-annually in cash in arrears on June 15 and December 15 of each year, commencing June 15, 2010.
Guarantees	The exchange notes will be fully and unconditionally guaranteed on a joint and several basis by all of our existing and certain future domestic restricted subsidiaries.
Ranking	The exchange notes and the guarantees will be our and the guarantors senior secured obligations and will:

- rank senior in right of payment to our and the guarantors existing and future debt and other obligations that expressly provide for their subordination to the notes and the guarantees;
- be effectively senior to all of our and the guarantors existing and future unsecured debt to the extent of the value of the collateral securing the exchange notes, after giving effect to first-priority liens on the collateral and permitted liens;
- be effectively junior to our and the guarantors debt that is either (i) secured by priority liens on the collateral, including indebtedness under our senior credit facility, or (ii) secured by assets that are not part of the collateral that is securing the exchange notes, in each case to the extent of the value of the collateral securing such debt; and
- be structurally subordinated to all of the existing and future liabilities, including trade payables, of our subsidiaries that do not guarantee the exchange notes.

At December 1, 2009, the Company and the guarantors had approximately $315 million aggregate principal amount of total debt, all of which is senior debt (including the exchange notes offered hereby), of which approximately $15 million is effectively ranked senior to the notes to the extent of the assets securing such debt. All of our subsidiaries are currently guarantors of the outstanding notes.

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Security	The exchange notes and the guarantees will be secured by a second priority lien on the assets owned by us and the guarantors that also secure obligations under our senior credit facility (subject to limited exceptions) and obligations under certain hedging and cash management arrangements, subject to certain exceptions. The lenders under our senior credit facility, and such lenders and their affiliates providing hedging and cash management arrangements, benefit from first priority liens on the collateral. Under the security agreement, we and the guarantors have, subject to certain exceptions, granted security interests in substantially all of our and their real, personal and fixture property, including (i) machinery and equipment, inventory and other goods, accounts receivable, owned real estate, fixtures, bank accounts, general intangibles (other than FCC licenses), financial assets, investment property, license rights, patents, trademarks, trade names, copyrights, other intellectual property, chattel paper, insurance proceeds, contract rights, hedge agreements, documents, instruments, indemnification rights, tax refunds and cash, (ii) all of the equity interests held by us in subsidiaries (but, (a) as to the voting stock of any foreign subsidiary, not to exceed 66% of the outstanding voting stock and (b) excluding any capital stock of a subsidiary to the extent necessary for such subsidiary not to be subject to any requirement pursuant to Rule 3-16 or Rule 3-10 of Regulation S-X under the Exchange Act, due to the fact that such subsidiary s capital stock secured the notes or guarantees, to file separate financial statements with the SEC), (iii) FCC licenses except to the extent prohibited by law or regulation, and (iv) all proceeds and products of the foregoing. For more details, see Description of Notes Security.

The value of collateral at any time depends on market and other economic conditions, including the availability of suitable buyers for the collateral. The liens on the collateral may be released without the consent of the holders of the notes if collateral is disposed of in a transaction that complies with the indenture and the related security documents or in accordance with the provisions of an intercreditor agreement entered into relating to the collateral securing the notes and our senior credit facility. See Risk Factors Risks Relating to the Notes It may be difficult to realize the value of the collateral securing the notes and Description of Notes Security and Intercreditor Agreement.

Certain security interests, including mortgages on certain of our owned real properties intended to constitute collateral that secures the exchange notes, may not be in place on the date of issuance of the exchange notes. We were required to file or cause to be filed UCC financing statements to perfect the security interests in the collateral that can be perfected by such filings on the date of issuance of the outstanding notes. With respect to the portion of the collateral securing the notes for which a valid and perfected security interest in favor of the collateral agent was not created or perfected on or prior to December 1, 2009 and which cannot be perfected by the filing of UCC financing statements, we have agreed to use commercially reasonable efforts to complete those actions required to create and perfect such security interests on or before May 30, 2010.

Intercreditor Agreement	Pursuant to an intercreditor agreement, the liens securing the notes are second priority liens that are expressly junior in priority to the liens that secure obligations under our senior credit facility and obligations under certain hedging and cash management arrangements. Pursuant to the intercreditor agreement, the liens securing the exchange notes may not be enforced at any time when first priority lien obligations are outstanding, except for certain limited exceptions. The holders of the first priority lien obligations will receive all proceeds from any realization of the collateral or from the collateral or proceeds thereof in any insolvency or liquidation proceeding, in each case until the first priority lien obligations are paid in full. See Description of Notes Intercreditor Agreement.

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Optional Redemption	On or after December 15, 2013 we may redeem the exchange notes, in whole or in part, at any time at the redemption prices described under Description of Notes Optional Redemption. In addition we may redeem up to 35% of the aggregate principal amount of the exchange notes before December 15, 2012 with the net cash proceeds from certain equity offerings at a redemption price of 109.625% of the principal amount plus accrued and unpaid interest, if any, to the redemption date. We may also redeem up to $30 million in aggregate principal amount of the exchange notes per twelve month period before December 15, 2013 at a redemption price of 103% of the principal amount plus accrued and unpaid interest. We may also redeem some or all of the exchange notes before December 15, 2013 at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date, plus a make whole premium.
Change of Control	If we experience certain kinds of changes of control, we must offer to purchase the exchange notes at 101% of their principal amount, plus accrued and unpaid interest. For more details, see Description of Notes Change of Control.
Mandatory Offer to Repurchase Following Certain Asset Sales and Certain Events of Loss	If we sell certain assets, or upon certain events of loss, under certain circumstances we must offer to repurchase the exchange notes at the prices listed under Description of Notes Certain Covenants Limitation on Asset Sales and Events of Loss.
Certain Covenants	The indenture contains covenants that limit, among other things, our ability and the ability of our restricted subsidiaries to: incur additional debt; declare or pay dividends, redeem stock or make other distributions to stockholders; make investments; create liens or use assets as security in other transactions; merge or consolidate, or sell, transfer, lease or dispose of substantially all of our assets; engage in transactions with affiliates; and sell or transfer assets.

These covenants are subject to a number of important qualifications and limitations. See Description of Notes Certain Covenants.

Absence of an Established Market for the Notes	There is no existing public market for the outstanding notes or the exchange notes. We cannot assure you that a liquid market for the outstanding notes or the exchange notes

	will develop or be maintained.
Risk Factors	**See Risk Factors for a discussion of certain risks you should carefully consider.**

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Summary Historical and Consolidated Financial and Other Data

We have derived the following summary historical financial data for each of the three years ended December 31, 2006, 2007 and 2008 from our audited consolidated financial statements. We have derived the summary historical financial data for the nine months ended September 30, 2008 and 2009 from our unaudited condensed consolidated financial statements, which include all adjustments, consisting only of normal recurring adjustments, which are, in our opinion, necessary for a fair presentation of our results of operations for such periods. The results of operations for the nine months ended September 30, 2008 and September 30, 2009, are not necessarily indicative of the results for the full year. The information below should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations, and the consolidated financial statements, and notes thereto, included elsewhere in this prospectus.

The amounts presented below have been reclassified to reflect the operating results of WRFD-AM, Columbus, Ohio in continuing operations from discontinued operations. We had entered into an asset purchase agreement on July 31, 2008, to sell this radio station and exit the Columbus market. At that time, the Consolidated Balance Sheets and Statements of Operations for all periods presented were reclassified to reflect the operating results and net assets of this market as a discontinued operation as of the date of the asset purchase agreement through December 2009. The sale was expected to close in the fourth quarter of 2009. On December 30, 2009, the buyer of the radio station advised us that they would not be able to meet the terms of the asset purchase agreement. Because of the buyer terminating the agreement, and uncertainty surrounding our ability to exit the market, we have reclassified the accompanying Consolidated Balance Sheets and Statements of Operations for all periods presented to reflect the operating results and net assets of this market in continuing operations. In January 2010, we collected a $0.2 million termination fee from the buyer pursuant to the asset purchase agreement.

	Year Ended December 31, *(dollars in thousands)*			**Nine Months Ended September 30,** (Unaudited)	
	2006	**2007**	**2008**	**2008**	**2009**
Statement of Operations Data:					
Net broadcast revenue	$ 206,367	$ 206,055	$ 194,113	$ 146,583	$ 128,708
Non-broadcast revenue	17,896	24,622	28,377	20,723	19,667
Total revenue	224,263	230,677	222,490	167,306	148,375
Broadcast operating expenses	129,438	130,844	124,881	95,666	81,900