



Estimated First Year Income and Operation Expenses for a 3000 watt FM Station

This schedule lists estimated first year operation expenses for a station broadcasting 24 hours per day, 168 hours per week. Salaries given are sufficient to obtain qualified personnel in most areas. It must be emphasized that the success of any station depends in large measure upon obtaining the best possible personnel.

Operating Expenses (by month/year)

Manager	\$ 2,000.00	\$24,000.00
1 Announcer	2,000.00	24,000.00
1 Part Time Announcer	1,000.00	12,000.00
1 Secretary/Salesman	2,000.00	24,000.00
1 Chief Engineer (contract)	200.00	2,400.00
Phone	200.00	2,400.00
Utilities	150.00	1,800.00
Rent	400.00	4,800.00
Wire Service	250.00	3,000.00
Postage and Supplies	125.00	1,500.00
Electric Power (Transmitter)	352.00	4,224.00
Commissions	2,000.00	24,000.00
Equipment Amortization	925.00	11,100.00
Music License Fees (approx. 4% net)	262.00	3,144.00
TOTAL:	\$11,864.00	\$142,368.00

Possible Income

Announcement Sales (commissionable)	\$14,000.00	\$168,000.00
Program Sales	2,000.00	24,000.00
Contributions (<i>This includes sponsored sporting events, share-a-thons, and benefits.</i>)	15,483.00	185,805.00
TOTAL:	\$31,483.00	\$377,805.00

Estimated Gross Profit

TOTAL:	\$19,619.00	\$235,428.00
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Sterling Communications, Inc., does not guarantee that these income figures will be attained by your station. However, we do state that the income calculations given here are reasonable figures which may be obtained in an average community by a well run station with good programming and active, well-planned promotion.

This list is effective July 1, 2006, but is subject to change in accordance with cost increases and other conditions.