

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report September 1, 2000  
(Date of earliest event reported)

Commission File No. 333-76649

SALEM COMMUNICATIONS CORPORATION  
(Exact name of registrant as specified in its charter)

DELAWARE  
(State or other jurisdiction of  
incorporation or organization)

77-0121400  
(I.R.S. Employer Identification No.)

4880 SANTA ROSA ROAD, SUITE 300  
CAMARILLO, CALIFORNIA 93012  
(Address of principal executive offices)

(805) 987-0400  
Registrant's telephone number, including area code

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ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

On September 1, 2000, Salem Communications Corporation, ("Salem"), completed its asset exchange with Cox Radio, Inc. to exchange certain assets of radio station KKHT-FM (Houston, Texas) for certain assets of radio stations WALR-FM (Atlanta, Georgia), KLUP-AM (San Antonio, Texas) and WSUN-AM (Tampa, Florida). The acquired assets consist principally of FCC licenses and tangible assets used in the radio broadcasting business. Salem did not acquire the format or intellectual property of WALR-FM or WSUN-AM. The parties have estimated the value of assets exchanged by each party to be approximately \$80 million.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(a) Financial Statements of Businesses Acquired.

Since the substantial portion of the assets acquired relate to WALR-FM and Salem did not acquire the related format or intellectual property, and accordingly, the source and nature of revenue and operating expenses will be significantly different than they were prior to the acquisition, historical financial statements would not be meaningful to readers of this report.

(b) Pro Forma Financial Information.

UNAUDITED PRO FORMA COMBINED CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma combined condensed consolidated financial statements give effect to disposition of KKHT-FM as part of the asset exchange with Cox Radio, Inc. The assets acquired by Salem consist principally of property, plant and equipment, FCC licenses and other intangible assets used in the radio broadcasting business and, in some cases, will continue to be utilized by Salem's subsidiaries for such purposes. However, since the substantial portion of the assets acquired relate to WALR-FM and Salem did not acquire the related format or intellectual property, a pro forma statement of operations reflecting the acquisition would not be meaningful to readers of this report.

For accounting purposes, Salem will account for the asset exchange as a non-monetary exchange of similar productive assets, and accordingly, the net assets of the acquired radio stations are assumed to be recorded in the accompanying unaudited pro forma combined condensed consolidated balance sheet at the historical cost basis of KKHT-FM. As a result, there are no pro forma adjustments reflected in the unaudited pro forma combined condensed consolidated balance sheet.

The unaudited pro forma combined condensed consolidated balance sheet at June 30, 2000 gives effect to the disposition of KKHT-FM as if it occurred on June 30, 2000. The unaudited pro forma combined condensed consolidated statements of operations for the year ended December 31, 1999 and for the nine months ended September 30, 2000 give effect to the disposition of KKHT-FM as if it had occurred on January 1, 1999.

The unaudited pro forma combined condensed consolidated balance sheet was prepared based upon the historical balance sheets of Salem, including the balance sheet of KKHT-FM.

The unaudited pro forma combined condensed consolidated statements of operations for the year ended December 31, 1999 and for the nine months ended September 30, 2000 was prepared based upon the historical statement of operations of Salem, including financial information of KKHT-FM.

The unaudited pro forma combined condensed consolidated financial statements should be read in conjunction with the historical financial statements of Salem and the acquired radio stations.

The unaudited pro forma combined condensed consolidated financial statements are not necessarily indicative of the actual results of operations or financial position that would have occurred had the asset exchange occurred on the dates indicated nor are they necessarily indicative of future operating results or financial position.

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<TABLE>  
<CAPTION>

(in thousands)	Salem	Pro Forma Adjustment For The Disposition of KKHT-FM (A)	Pro Forma Salem
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<S>	<C>	<C>	<C>
AS OF SEPTEMBER 30, 2000			
ASSETS			
Current assets:			
Cash and cash equivalents . . . . .	\$ 8,098	\$ -	\$ 8,098

Accounts receivable, net. . . . .	20,719	-	20,719
Other current assets. . . . .	11,083	-	11,083
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Total current assets. . . . .	39,900	-	39,900
Property, plant, equipment and software, net. . .	67,138	-	67,138
Intangible assets, net. . . . .	357,040	-	357,040
Other assets. . . . .	10,098	-	10,098
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Total assets. . . . .	\$ 474,176	\$ -	\$ 474,176
	=====	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable and other current liabilities. \$	9,982	\$ -	\$ 9,982
Current portion of long-term debt . . . . .	123	-	123
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Total current liabilities . . . . .	10,105	-	10,105
Long-term debt, less current portion. . . . .	288,750	-	288,750
Other long-term liabilities . . . . .	18,752	-	18,752
Stockholders' equity. . . . .	156,569	-	156,569
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Total liabilities and stockholders' equity. . . .	\$ 474,176	\$ -	\$ 474,176
	=====	=====	=====

(in thousands)	Salem	Pro Forma Adjustment For The Disposition of KKHT-FM (B)	Pro Forma Salem
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NINE MONTHS ENDED SEPTEMBER 30, 2000			
Net revenues. . . . .	\$ 81,035	\$ (1,916) (1)	\$ 79,119
Operating expenses. . . . .	53,395	(765) (2)	52,630
Depreciation and amortization expense . . . . .	16,993	- (3)	16,993
Corporate expenses. . . . .	7,790	-	7,790
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Operating income. . . . .	2,857	(1,151)	1,706
Other income (expense)			
Interest expense, net . . . . .	(9,590)	-	(9,590)
Gain on disposal of assets. . . . .	29,985	-	29,985
Other expense, net. . . . .	(775)	-	(775)
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Income (loss) before income taxes . . . . .	22,477	(1,151)	21,326
Provision (benefit) for income taxes. . . . .	8,747	(449) (4)	8,298
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Net income (loss) . . . . .	\$ 13,730	\$ (702)	\$ 13,028
	=====	=====	=====
Basic and diluted income per share. . . . .	\$ 0.59		\$ 0.56
	=====		=====
Basic and diluted average shares outstanding. . .	23,456,088		23,456,088
	=====		=====

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(in thousands)	Salem	Pro Forma Adjustment For The Disposition of KKHT-FM (B)	Pro Forma Salem
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YEAR ENDED DECEMBER 31, 1999			
Net revenues. . . . .	\$ 93,546	\$ (2,668) (1)	\$ 90,878
Operating expenses. . . . .	56,276	(1,020) (2)	55,256
Depreciation and amortization expense . . . . .	18,233	- (3)	18,233
Corporate expenses. . . . .	8,507	-	8,507
Stock and related cash grant. . . . .	2,550	-	2,550

Operating income. . . . .	7,980	(1,648)	6,332
Other income (expense)			
Interest expense, net . . . . .	(13,214)	-	(13,214)
Loss on disposal of assets. . . . .	(219)	-	(219)
Other expense, net. . . . .	(633)	-	(633)
Loss before income taxes. . . . .	(6,086)	(1,648)	(7,734)
Benefit for income taxes. . . . .	(1,611)	(643) (4)	(2,254)
Loss from continuing operations . . . . .	\$ (4,475)	\$ (1,005)	\$ (5,480)
Basic and diluted loss per share. . . . .	\$ (0.22)		\$ (0.27)
Basic and diluted average shares outstanding. . . . .	20,066,006		20,066,006

</TABLE>

NOTES TO UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL STATEMENTS

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(A) There are no pro forma adjustments for the disposition of KKHT-FM at September 30, 2000 as the disposition is a part of a non-monetary exchange of similar productive assets that will not result in the recognition of a gain or loss or in any change of the recorded amounts of property, plant, equipment and software and intangible assets being exchanged.

(B) The pro forma adjustments for the disposition of KKHT-FM for the year ended December 31, 1999 and for the nine months ended September 30, 2000 are as follows:

	INCREASE (DECREASE) TO INCOME	
	12/31/99	9/30/00
	<C>	<C>
(1) Decrease in net revenues resulting from the exchange of KKHT-FM . . . . .	\$ (2,668)	\$ (1,916)
(2) Decrease in operating expenses resulting from the exchange of KKHT-FM . . . . .	1,020	765
(3) The pro forma adjustments for the disposition of KKHT-FM do not include any adjustment for depreciation and amortization expense as the disposition is part of a non-monetary exchange of similar productive assets and will not change the recorded amounts of property, plant, equipment and software and intangible assets. . . . .	--	--
(4) Increase in benefit for income taxes resulting from a decrease in operating income related to the exchange of KKHT-FM . . . . .	643	449

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(c) Exhibits.

EXHIBITS

10.08.06 Asset Exchange Agreement dated as of May 31, 2000 by and among Salem; South Texas Broadcasting, Inc.; Cox Radio, Inc.; and CXR Holdings, Inc. (WALR-FM, Athens, GA; WSUN-AM, Plant City, FL, KLUP-AM, Terrell Hills, TX, KKHT-FM, Conroe, TX). (1)

(1) Incorporated by reference to the exhibit of the same number of Salem's Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission on August 14, 2000.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SALEM COMMUNICATIONS CORPORATION

Date: November 15, 2000

By: /s/ EDWARD G. ATSINGER III

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Edward G. Atsinger III  
President and Chief Executive Officer

Date: November 15, 2000

By: /s/ David A.R. Evans

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David A.R.Evans  
Senior Vice President and  
Chief Financial Officer  
(Principal Financial Officer)