UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

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

Date of report (Date of earliest event reported): June 14, 2001

SALEM COMMUNICATIONS CORPORATION
(Exact Name of Registrant as Specified in Charter)

Delaware	000-26497	77-0121400
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

4880 Santa Rosa Road, Suite 300
Camarillo, California 93012
(Address of Principal Executive Offices) (Zip Code)

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

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Unless the context indicates otherwise, all references in this report or the exhibits referenced herein to "Parent" or the "Company" refer the registrant, Salem Communications Corporation, excluding its subsidiaries. Unless the context otherwise requires, all references to "we," "our," "ours" and "us" refer to Parent and its consolidated subsidiaries, including Salem Holding. All references to "Salem Holding" are to Salem Communications Holding Corporation, a wholly owned subsidiary of Parent.

Statements used in this 8-K that relate to future plans, events, financial results, prospects or performance are forward-looking statements as defined under the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those anticipated as a result of certain risks and uncertainties, including but not limited to the ability of the Company to close and integrate announced transactions, market acceptance of recently launched music formats, competition in the radio broadcast, Internet and publishing industries and from new technologies, adverse economic conditions, and other risks and uncertainties detailed from time to time in the Company's periodic reports on Forms 10-K, 10-Q and 8-K filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to update or revise any forward-looking statements to reflect new information, changed circumstances or unanticipated events.

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

(a) Financial statements of businesses acquired. Not applicable.

(b) Pro forma financial information. Not applicable.

(c) Exhibits. The following exhibits are filed with this report on Form 8-K:

<TABLE>
<CAPTION>

Exhibit No.	Description
99.1	Summary consolidated financial and other data of Salem Holding.
99.2	Unaudited pro forma condensed consolidated financial statements of Salem Holding.
99.3	Presentation slide.

</TABLE>

ITEM 9. REGULATION FD DISCLOSURE

Pursuant to Regulation FD, the Company furnishes the following information:

Pro Forma Financial Information. Pro forma financial information of Salem Holding as of March 31, 2001, for the year ended December 31, 2000 and for the three months ended March 31, 2001 relating to a dividend of Salem Holding's publishing and Internet businesses (the "Dividend") to be effected by Salem Holding to the Company prior to the closing of the previously announced proposed offering of senior subordinated notes, accrued interest income and expense related to the loan made by Salem Holding to Parent, proceeds of approximately $2.8 million to be received from the legal settlement related to the condemnation of certain real property in Seattle, Washington owned by a subsidiary of Salem Holding (the "Settlement") and the use of such proceeds to repay borrowings under Salem Holding's credit facility, and the proposed financing and the application of the net proceeds therefrom, are filed as Exhibits 99.1 and 99.2 hereto, which Exhibits are incorporated herein in their entirety by this reference.

The pro forma financial information contained in Exhibits 99.1 and 99.2 may not be indicative of what actual results would have been, nor does this information purport to present Salem Holding's financial results for future periods.

Amendment to Credit Facility. Prior to consummating the proposed financing, Salem Holding intends to amend its existing credit facility to reduce the borrowing capacity under its credit facility following completion of the proposed financing and to modify current financial ratio tests to provide Salem Holding with additional borrowing flexibility. Salem Holding intends to use the net proceeds of the proposed financing to repay approximately $145.5 million of borrowings under the credit facility.

Dividend. In connection with anticipated financing, Salem Holding will effect the Dividend to Parent of Salem Holding's publishing and Internet businesses. The Dividend will be effected as a dividend of the capital stock and membership interests, respectively, of CCM Communications, Inc. ("CCM") and OnePlace, LLC ("OnePlace"), each currently a wholly owned subsidiary of Salem Holding. As a result, CCM and OnePlace will become direct subsidiaries of Parent. CCM and OnePlace will continue to be guarantors of borrowings under Salem Holding's credit facility and of Salem Holding's existing 9-1/2% senior subordinated notes.

Settlement. In connection with the Settlement related to the condemnation of certain real property in Seattle, Washington owned by a subsidiary of Salem Holding, Salem Holding intends to use approximately $2.8 million in proceeds to repay borrowings under Salem Holding's credit facility.

Existing Notes to be Guaranteed. Parent and all of its direct and indirect subsidiaries (other than Salem Holding) are guarantors of Salem Holding's credit facility. Subject to completion of the proposed financing, Parent, along with its wholly owned subsidiaries Salem Communications Acquisition Corporation and SCA License Corporation, will become guarantors of Salem Holding's 9-1/2% senior subordinated notes due 2007.

Presentation Slide. We have used the presentation slide attached hereto as Exhibit 99.3 in connection with presentations to potential investors in the proposed financing.

SIGNATURE

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 hereunto duly authorized.

SALEM COMMUNICATIONS CORPORATION

Date: June 14, 2001

By: /s/ Jonathan L. Block

Jonathan L. Block
Vice President, General Counsel and Secretary

EXHIBIT INDEX

<TABLE>
<CAPTION>

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</TABLE>

EXHIBIT 99.1

SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA OF SALEM HOLDING

The following table presents summary historical, pro forma and other financial data of Salem Holding, the issuer in the proposed financing, and its consolidated subsidiaries. The following summary historical financial data as of and for the three years ended December 31, 2000 have been derived from Parent's and Salem Holding's audited consolidated financial statements. The summary historical financial data as of and for the three months ended March 31, 2000 and 2001 have been derived from Parent's and Salem Holding's unaudited condensed consolidated financial statements, which financial statements include all adjustments, consisting only of normal recurring adjustments, which are, in our opinion, necessary for a fair presentation of the results of operations for such periods. The results of operations for the three months ended March 31, 2001 are not necessarily indicative of the results for the full year. Pro forma data for the year ended December 31, 2000 and for the three months ended and as of March 31, 2001 are derived from the unaudited pro forma condensed consolidated financial statements of Salem Holding and give effect to the Dividend, accrued interest income and expense related to the loan made by Salem Holding to Parent, proceeds of approximately $2.8 million to be received from the Settlement and the use of such proceeds to repay borrowings under Salem Holding's credit facility, and the proposed financing and the application of the net proceeds therefrom, as if such transactions had occurred at the beginning of the relevant periods, in the case of the Statement of Operations and Other Data, and as of March 31, 2001, in the case of the Balance Sheet Data. While the pro forma data for the year ended December 31, 2000 and the three months ended March 31, 2001 are based on adjustments we deem appropriate and which are factually supported based on currently available data, the pro forma data may not be indicative of what actual results would have been, nor does this information purport to present Salem Holding's financial results for future periods.

<TABLE>
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	YEAR ENDED DECEMBER 31,			PRO FORMA YEAR ENDED DECEMBER 31,	THREE MONTHS ENDED MARCH 31,		PRO FORMA THREE MONTHS ENDED MARCH 31,
	1998(1)	1999(1)	2000	2000	2000(1)	2001	2001
	(DOLLARS IN THOUSANDS)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF OPERATIONS:							
Net broadcasting revenue........	$ 77,891	$ 87,122	$107,786	$108,236	$22,609	$29,724	$29,724
Other media revenue............	--	6,424	7,916	--	1,791	1,965	--
Total revenue..................	77,891	93,546	115,702	108,236	24,400	31,689	29,724
Broadcasting operating expenses......................	42,526	46,291	60,121	60,121	12,705	19,556	19,556
Other media operating expenses......................	--	9,985	14,863	--	4,144	2,536	--
Corporate expenses.............	7,395	8,507	10,457	9,745	2,454	3,847	3,670
Stock and related cash grant....	--	2,550	--	--	--	--	--
Depreciation and amortization...	14,058	18,233	23,243	20,753	4,939	6,964	6,392
Operating income (loss).........	13,912	7,980	7,018	17,617	158	(1,214)	106
Interest income.................	291	1,005	504	418	288	85	37
Interest income from related party(2)......................	--	--	1,249	7,734	--	1,986	1,986
Gain (loss) on sale of assets...	236	(219)	773	4,254	--	(8)	(8)
Gain on sale of assets to related party.................	--	--	28,794	28,794	--	--	--
Interest expense................	(15,941)	(14,219)	(15,572)	(23,875)	(2,520)	(6,467)	(6,973)
Other income (expense), net.....	(422)	(633)	(856)	(894)	(287)	(42)	(8)
Income (loss) before income taxes and extraordinary item.........................	(1,924)	(6,086)	21,910	34,048	(2,361)	(5,660)	(4,860)
Provision (benefit) for income taxes........................	(343)	(1,611)	8,249	13,105	(704)	(2,012)	(1,692)
Income (loss) before extraordinary item...........	(1,581)	(4,475)	13,661	20,943	(1,657)	(3,648)	(3,168)
Extraordinary loss, net of tax effect.......................	--	(3,570)	--	--	--	--	--
Net income (loss)..............	$ (1,581)	$ (8,045)	$ 13,661	$ 20,943	$(1,657)	$(3,648)	$(3,168)

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	YEAR ENDED DECEMBER 31, 1998(1)	1999(1)	2000	PRO FORMA YEAR ENDED DECEMBER 31, 2000	THREE MONTHS ENDED MARCH 31, 2000(1)	2001	PRO FORMA THREE MONTHS ENDED MARCH 31, 2001
	(DOLLARS IN THOUSANDS)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
OTHER DATA:							
Broadcast cash flow(3)	$ 35,365	$ 40,831	$ 47,665	$ 48,115	$ 9,904	$10,168	$10,168
Broadcast cash flow margin	45.4%	46.8%	44.2%	44.5%	43.8%	34.3%	34.2%
EBITDA(3)	27,970	28,763	30,261	38,370	5,097	5,750	6,498
Broadcast EBITDA(3)	27,970	32,324	37,208	38,370	7,450	6,321	6,498
Operating cash flow(4)	28,261	29,768	32,014	46,522	5,385	7,821	8,521
Pro forma as adjusted EBITDA(4)				41,463			
Pro forma as adjusted operating cash flow(4)				49,615			
Pro forma debt to pro forma as adjusted EBITDA(4)(5)				6.9x			
Pro forma debt to pro forma as adjusted operating cash flow(4)(5)				5.8x			
Pro forma ratio of earnings to fixed charges(6)				2.3x			

</TABLE>

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	AS OF MARCH 31, 2001	PRO FORMA AS OF MARCH 31, 2001
	(DOLLARS IN THOUSANDS)	
<S>	<C>	<C>
BALANCE SHEET DATA:		
Cash and cash equivalents	$ 2,674	$ 2,247
Intangible assets, net	255,810	248,613
Total assets	428,460	420,100
Total debt (including current portion)	287,124	288,792
Total stockholders' equity	121,052	115,326

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(1) Summary consolidated financial and other data of Salem Holding as of and for the two years ended December 31, 1999 and as of and for the three months ended March 31, 2000 is identical to Parent's consolidated financial results for those periods because Parent formed Salem Holding as a wholly-owned subsidiary in May 2000 and assigned substantially all of its assets and liabilities to Salem Holding in August 2000. This transaction was accounted for as an exchange of assets among entities under common control and, accordingly, the assets exchanged were recorded at their historical cost in a manner similar to the pooling of interest method of accounting.

(2) Represents accrued interest income on a promissory note from Parent. Salem Holding borrowed under its credit facility to make the related loan to Parent.

(3) We define broadcast cash flow as net operating income, excluding other media revenue and other media operating expenses, before depreciation and amortization and corporate expenses. We define EBITDA as net operating income before depreciation and amortization. We define broadcast EBITDA as EBITDA excluding other media businesses. EBITDA for the year ended December 31, 1999 excludes a $2.6 million charge ($1.9 million, net of income tax) for a one-time stock grant concurrent with our initial public offering. Although broadcast cash flow, EBITDA and broadcast EBITDA are not measures of performance calculated in accordance with generally accepted accounting principles, we believe that they are useful because they are measures widely used in the radio broadcast industry to evaluate a radio company's operating performance. However, you should not consider broadcast cash flow, EBITDA and broadcast EBITDA in isolation or as substitutes for net income, cash flows from operating activities and other statement of operations or cash flows data prepared in accordance with generally accepted accounting principles as a measure of liquidity or profitability. These measures are not necessarily comparable to similarly titled measures employed by other companies.

(4) We define operating cash flow as consolidated net income (adjusted to exclude, among other things, net gains on dispositions of assets outside

the ordinary course of business) plus specified net losses, taxes, interest expense, and depreciation, amortization and other non-cash charges, in accordance with the indenture governing the 9 1/2% notes and the proposed indenture governing the proposed financing. This includes accrued interest income. The table below sets forth certain statement of operations and other data on a pro forma basis and on a pro forma as adjusted basis. The pro forma data as of and for the year ended December 31, 2000 give effect to the Dividend, the Settlement and the use of proceeds therefrom to repay borrowings under the credit facility, accrued interest income and expense related to Salem Holding's loan to Parent, and the proposed financing and the application of the net proceeds therefrom, as if such transactions had occurred at the beginning of the period.

The pro forma as adjusted data for the year ended December 31, 2000 give further effect to certain in-format radio station acquisitions and dispositions as if such transactions had occurred at the beginning of the period. The acquisition adjustments represent management's estimate of the historical operating results of certain in-format acquisitions (stations acquired where the format was not changed immediately upon the acquisition) for the period from January 1, 2000 through the date of acquisition, based on analysis of the historical results for various periods and based on estimates of allocations received from the selling entities, all of which management believes are reasonable. The acquisition adjustments also give effect to management fees that would be payable to Salem Holding from Salem Communications Acquisition Corporation had the in-format acquisition of WROL-AM, Boston, MA, in April 2001 occurred on January 1, 2000.

The acquisition adjustments exclude all stations where the format was changed immediately upon acquisition because such pre-acquisition operating results are not meaningful.

The disposition adjustments represent historical operating results through the date of sale of certain stations sold during the relevant period and are derived from our historical financial information. The disposition adjustments exclude the effect of the sale of KPRZ-FM, Colorado Springs, CO, and KKHT-FM, Houston, TX, which were exchanged for other radio stations, because these stations had been integrated with existing stations prior to the sale. The pro forma and pro forma as adjusted information may not be indicative of what actual results would have been, nor does this information purport to present Salem Holding's financial results for future periods.

We do not provide pro forma as adjusted data for the three months ended March 31, 2001 because there were no radio station acquisitions or dispositions by Salem Holding during such period.

<TABLE>
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	PRO FORMA YEAR ENDED DECEMBER 31, 2000	ACQUISITION ADJUSTMENTS	DISPOSITION ADJUSTMENTS	PRO FORMA AS ADJUSTED YEAR ENDED DECEMBER 31, 2000
<S>	<C>	<C>	<C>	<C>
Net revenue............................	$108,236	$14,608	$(2,375)	$120,469
Operating expense......................	69,866	10,498	(1,358)	79,006
EBITDA.................................	38,370	4,110	(1,017)	41,463
Interest income........................	8,152	--	--	8,152
Operating cash flow....................	$ 46,522	$ 4,110	$(1,017)	$ 49,615

</TABLE>

(5) Pro forma debt to pro forma as adjusted EBITDA and pro forma debt to pro forma as adjusted operating cash flow represent total pro forma debt, including current portion and the effects of this offering, outstanding at the end of the relevant period, divided by pro forma as adjusted EBITDA and pro forma as adjusted operating cash flow, respectively.

(6) For purposes of computing the pro forma ratio of earnings to fixed charges, "earnings" consist of income (loss) before income taxes and extraordinary item plus fixed charges, and "fixed charges" consist of interest expense plus an allocation of a portion of rent expense representing interest. The pro forma earnings to fixed charges ratio assumes the issuance of the notes offered hereby and the repayment of borrowings under Salem Holding's credit facility as if each occurred at the beginning of the period presented.

EXHIBIT 99.2

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF SALEM HOLDING

The following unaudited pro forma condensed consolidated financial statements of Salem Holding give effect to the Dividend, the accrued interest income and expense relating to the November 30, 2000 loan of $48.3 million from Salem Holding to Parent, proceeds of $2.8 million from the Settlement and use of such proceeds to repay borrowings under Salem Holding's credit facility, and the proposed financing, including the application of the net proceeds therefrom. The Dividend and loan to Parent transactions have no impact on the Parent's financial statements since these transactions are eliminated by consolidation.

Prior to the closing of the proposed financing, Salem Holding will effect the Dividend. The Dividend will be accounted for as an exchange of assets among entities under common control and accordingly, the assets exchanged are recorded at their historical cost in a manner similar to the pooling of interest method of accounting.

On June 1, 2001, Salem Radio Properties, Inc., a wholly owned subsidiary of Salem Holding, entered into an agreement with the Port of Seattle to settle the Port of Seattle's Petition in Eminent Domain seeking condemnation of the property rights used in the operation of radio station KKOL-AM, Seattle, Washington. Pursuant to the settlement agreement, Salem Radio Properties, Inc. will be paid approximately $2.8 million as just compensation for the property rights taken by the Port of Seattle and must surrender the property rights on or before December 31, 2001. Salem Holding does not anticipate that the Settlement will have a significant impact the operations of KKOL-AM. Salem Holding intends to use the $2.8 million from the settlement to repay borrowings under its credit facility.

The accompanying unaudited pro forma condensed consolidated balance sheet gives effect to the Dividend, proceeds of $2.8 million from the Settlement and use of such proceeds to reduce Salem Holding's debt, and this offering, including the application of the net proceeds therefrom, as if they occurred at March 31, 2001.

The accompanying unaudited pro forma condensed consolidated statements of operations for the year ended December 31, 2000 and the three months ended March 31, 2001 give effect to the Dividend, the interest income and expense related to the loan to Parent, proceeds of $2.8 million from the Settlement and use of such proceeds to reduce Salem Holding's debt, and the proposed financing, including the application of the net proceeds therefrom, as if these transactions had occurred as of January 1, 2000.

The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the historical financial statements of Parent and Salem Holding. The unaudited pro forma condensed consolidated financial statements are not necessarily indicative of the actual results of operations or financial position that would have occurred had these transactions occurred on the dates indicated nor are they necessarily indicative of future operating results.

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	AS OF MARCH 31, 2001					
	ACTUAL	DIVIDEND ADJUSTMENT(1)	PRO FORMA FOR DIVIDEND	SETTLEMENT ADJUSTMENTS	OFFERING ADJUSTMENTS	PRO FORMA
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE SHEET:						
Current assets:						
Cash and equivalents.................	$ 2,674	$ (427)	$ 2,247	$ 2,758(2) (2,758)(2)	$ --	$ 2,247
Accounts receivable..................	21,505	(1,620)	19,885	--	--	19,885
Other receivables....................	1,032	(427)	605	--	--	605
Prepaid expenses.....................	1,989	(335)	1,654	--	--	1,654
Due from stockholders................	450	--	450	--	--	450
Deferred income taxes................	170	(170)	--	--	--	--

Total current assets	27,820	(2,979)	24,841	--	--	24,841
Property, plant, equipment and software, net	74,142	(2,164)	71,978	--	--	71,978
Intangible assets, net	255,810	(7,197)	248,613	--	--	248,613
Bond issue costs	2,307	--	2,307	--	4,500(3)	6,807
Deferred income taxes	7,912	(282)	7,630	(1,103)(4)	--	6,527
Other assets	60,469	865	61,334	--	--	61,334
Total assets	$428,460	$(11,757)	$416,703	$(1,103)	$ 4,500	$420,100
Current liabilities:						
Accounts payable and accrued expenses	$ 5,908	$ (889)	$ 5,019	$ --	$ --	$ 5,019
Accrued compensation and other	3,565	(272)	3,293	--	--	3,293
Accrued interest	7,847	--	7,847	--	--	7,847
Deferred subscription revenue	1,529	(1,529)	--	--	--	--
Income taxes	74	--	74	--	--	74
Capital lease obligations	74	(74)	--	--	--	--
Total current liabilities	18,997	(2,764)	16,233	--	--	16,233
Long-term debt	287,050	--	287,050	(2,758)(2)	150,000(3)	288,792
			--	--	(145,500)(3)	
Other liabilities	1,361	(1,612)	(251)	--	--	(251)
Stockholder's equity	121,052	(7,381)	113,671	1,655(4)	--	115,326
Total liabilities and stockholder's equity	$428,460	$(11,757)	$416,703	$(1,103)	$ 4,500	$420,100

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	YEAR ENDED DECEMBER 31, 2000					
	ACTUAL	DIVIDEND ADJUSTMENT(1)	PRO FORMA FOR DIVIDEND	LOAN TO PARENT ADJUSTMENTS	SETTLEMENT AND OFFERING ADJUSTMENTS	PRO FORMA
	(DOLLARS IN THOUSANDS)					
<S>	<C>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF OPERATIONS:						
Net broadcasting revenue	$107,786	$ 450(5)	$108,236	$ --	$ --	$108,236
Other media revenue	7,916	(7,916)	--	--	--	--
Total revenue	115,702	(7,466)	108,236	--	--	108,236
Operating expenses:						
Broadcasting operating expenses	60,121	--	60,121	--	--	60,121
Other media operating expenses	14,863	(14,863)	--	--	--	--
Corporate expenses	10,457	(712)(6)	9,745	--	--	

						9,745
Depreciation and amortization....	23,243	(2,490)	20,753	--	--	20,753
	--------	--------	--------	-------	-------	--------
Total operating expenses...........	108,684	(18,065)	90,619	--	--	90,619
	--------	--------	--------	-------	-------	--------
Operating income (loss)............	7,018	10,599	17,617	--	--	17,617
Interest income..................	504	(86)	418	--	--	418
Interest income from related parties........................	1,249	--	1,249	6,485(7)		7,734
Gain (loss) on sale of assets....	773	3,481	4,254	--	--	4,254
Gain on sale of assets to related party..........................	28,794	--	28,794	--	--	28,794
Interest expense.................	(15,572)	66	(15,506)	(3,911)(8)	263(9) (4,721)(10)	(23,875)
Other income (expense), net......	(856)	(38)	(894)	--	--	(894)
	--------	--------	--------	-------	-------	--------
Total other income (expense).......	14,892	3,423	18,315	2,574	(4,458)	16,431
	--------	--------	--------	-------	-------	--------
Income (loss) before income taxes............................	21,910	14,022	35,932	2,574	(4,458)	34,048
Provision (benefit) for income taxes............................	8,249	5,609	13,858	1,030(11)	(1,783)(11)	13,105
	--------	--------	--------	-------	-------	--------
Net income (loss)..................	$ 13,661	$ 8,413	$ 22,074	$ 1,544	$(2,675)	$ 20,943
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	THREE MONTHS ENDED MARCH 31, 2001				
	ACTUAL	DIVIDEND ADJUSTMENT(1)	PRO FORMA FOR DIVIDEND	SETTLEMENT AND OFFERING ADJUSTMENTS	PRO FORMA
	--------	-------------	-------------	-----------	--------
			(DOLLARS IN THOUSANDS)		
<S>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF OPERATIONS:					
Net broadcasting revenue..............................	$ 29,724	$ --	$ 29,724	$ --	$ 29,724
Other media revenue...................................	1,965	(1,965)	--	--	--
	--------	--------	--------	-------	--------
Total revenue...	31,689	(1,965)	29,724	--	29,724
Operating expenses:					
Broadcasting operating expenses...................	19,556	--	19,556	--	19,556
Other media operating expenses....................	2,536	(2,536)	--	--	--
Corporate expenses................................	3,847	(177)(6)	3,670	--	3,670
Depreciation and amortization.....................	6,964	(572)	6,392	--	6,392
	--------	--------	--------	-------	--------
Total operating expenses..............................	32,903	(3,285)	29,618	--	29,618
	--------	--------	--------	-------	--------

Operating income (loss)	(1,214)	1,320	106	--	106
Interest income	85	(48)	37	--	37
Interest income from related parties	1,986	--	1,986	--	1,986
Gain (loss) on sale of assets	(8)	--	(8)	--	(8)
Gain on sale of assets to related party	--	--	--	--	--
Interest expense	(6,467)	--	(6,467)	57(9)	(6,973)
				(563)(10)	
Other income (expense), net	(42)	34	(8)	--	(8)
Total other income (expense)	(4,446)	(14)	(4,460)	(506)	(4,966)
Income (loss) before income taxes	(5,660)	1,306	(4,354)	(506)	(4,860)
Provision (benefit) for income taxes	(2,012)	522	(1,490)	(202)(11)	(1,692)
Net income (loss)	$ (3,648)	$ 784	$ (2,864)	$ (304)	$ (3,168)

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(1) Represents the adjustment to remove the revenues, operating expenses, other income and expense and the related tax effects and the assets, liabilities and net equity of OnePlace and CCM for the applicable period.

(2) Represents the receipt of the proceeds from the Settlement and use of the proceeds therefrom to repay debt under the credit facility.

(3) Represents the proposed financing, repayment of $145.5 million of borrowings under Salem Holding's credit facility and $4.5 million in estimated expenses related to the proposed financing.

(4) Represents the recording of deferred tax effects associated with the gain on the Settlement and the related increase to retained earnings for the gain, net of income tax effect.

(5) Represents revenue for the sale of advertising to OnePlace that was previously eliminated in consolidation.

(6) Represents adjustment to reflect intercompany charge to OnePlace and CCM for management costs incurred on behalf of OnePlace and CCM based upon management's estimate of such costs and anticipated future charges for such management services as a result of the Dividend.

(7) Reflects additional interest income on the $48.3 million promissory note from Parent, based on the interest rate of 15.8%, as if the promissory note was executed at January 1, 2000.

(8) Reflects additional interest expense on Salem Holding's borrowing of $48.3 million under its credit facility to fund the loan to Parent, based on a weighted average borrowing rate of approximately 9.5% as if the borrowing occurred as of January 1, 2000.

(9) Represents the reduction of interest expense resulting from the use of the proceeds from the Settlement to repay debt under the credit facility based on a weighted average interest rate of 9.5% for the year ended December 31, 2000 and 8.4% for the three months ended March 31, 2001.

(10) Represents the incremental interest expense assuming the issuance of $150.0 million of notes under the proposed financing and the application of the proceeds therefrom to pay down $145.5 million of borrowings under Salem Holding's credit facility occurred as of January 1, 2000. The amount for the year ended December 31, 2000 is net of the interest expense per footnote 8 to avoid duplication since the $48.3 million would not have been borrowed had the $150 million from the proposed financing been received.

(11) Represents tax effect of incremental interest expense described in footnotes 9 and 10 above and the tax effects of adjustments described in footnotes 7 and 8 above for the loan to Parent transaction.

EXHIBIT 99.3

SUBSTANTIAL ORGANIC GROWTH POTENTIAL

CATEGORY	NUMBER OF STATIONS	TYPICAL BCF MARGINS
MATURE	16	50%+
DEVELOPED WITH UPSIDE	23	30% TO 49%
UNDERDEVELOPED	23	0% TO 29%
STICK	17	NEGATIVE

- A Q1 BCF MARGIN IMPROVEMENT FROM 34% TO 45% WOULD RESULT IN APPROXIMATELY $13 MILLION OF ANNUALIZED INCREMENTAL BCF
- FOCUS ON IMPROVING SAME STATION REVENUE AND BCF AND ACHIEVING ABOVE INDUSTRY AVERAGE CASH FLOW GROWTH
- FOCUS ON IMPROVING PERFORMANCE OF RECENTLY ACQUIRED RADIO STATIONS
- STICK AND UNDERDEVELOPED RADIO STATIONS REPRESENT SIGNIFICANT ASSET VALUE NOT YET REFLECTED IN CASH FLOWS