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

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2016
or

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

For the transition period from __________ to ___________

Commission File Number: 001-14461

Entercom Communications Corp.
(Exact name of registrant as specified in its charter)

Pennsylvania	**23-1701044**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

401 E. City Avenue, Suite 809
Bala Cynwyd, Pennsylvania 19004
(Address of principal executive offices and zip code)

(610) 660-5610
(Registrant’s telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	Name of exchange on which registered
Class A Common Stock, par value $.01 per share	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes [ ] No [√]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes [ ] No [√]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. **Yes [√] No [ ]**

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes [√] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. **[ ]**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer.

Large accelerated filer [ ] **Accelerated filer [√]** **Non-accelerated filer [ ]**

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes [ ] No [√]

As of February 15, 2017, the aggregate market value of the Class A common stock held by non-affiliates of the registrant was $377,551,746 based on the June 30, 2016 closing price of $13.57 on the New York Stock Exchange on such date.

Class A common stock, $0.01 par value 33,495,197 shares outstanding as of February 15, 2017

(Class A shares outstanding includes 1,981,453 unvested and vested but deferred restricted stock units).

Class B common stock, $0.01 par value 7,197,532 shares outstanding as February 15, 2017.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information in the registrant's Definitive Proxy Statement for its 2017 Annual Meeting of Shareholders, pursuant to Regulation 14A, is incorporated by reference in Part III of this report, which will be filed with the Securities and Exchange Commission no later than 120 days after the end of the fiscal year.

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CERTAIN DEFINITIONS

Unless the context requires otherwise, all references in this report to “Entercom,” “we,” “us,” “our” and similar terms refer to Entercom Communications Corp. and its consolidated subsidiaries, which would include any variable interest entities that are required to be consolidated under accounting guidance.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains, in addition to historical information, statements by us with regard to our expectations as to financial results and other aspects of our business that involve risks and uncertainties and may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended.

Forward-looking statements, including certain pro forma information, are presented for illustrative purposes only and reflect our current expectations concerning future results and events. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws including, without limitation, any projections of earnings, revenues or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

We report our financial information on a calendar year basis. Any reference to activity during the year is for the year ended December 31.

You can identify forward-looking statements by our use of words such as “anticipates,” “believes,” “continues,” “expects,” “intends,” “likely,” “may,” “opportunity,” “plans,” “potential,” “project,” “will,” “could,” “would,” “should,” “seeks,” “estimates,” “predicts” and similar expressions which identify forward-looking statements, whether in the negative or the affirmative. We cannot guarantee that we actually will achieve these plans, intentions or expectations. These forward-looking statements are subject to risks, uncertainties and other factors, some of which are beyond our control, which could cause actual results to differ materially from those forecasted or anticipated in such forward-looking statements. These risks, uncertainties and factors include, but are not limited to, the factors described in Part I, Item 1A, “Risk Factors.”

Any pro forma information that may be included reflects adjustments and is presented for comparative purposes only and does not purport to be indicative of what has occurred or indicative of future operating results or financial position.

You should not place undue reliance on these forward-looking statements, which reflect our view only as of the date of this report. We do not intend, and we do not undertake any obligation, to update these statements or publicly release the result of any revision(s) to these statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

PART I

ITEM 1. BUSINESS

We are the fourth-largest radio broadcasting company in the United States with a portfolio of radio stations in 28 top markets across the country. We were organized in 1968 as a Pennsylvania corporation.

On February 2, 2017, we and our newly formed wholly owned subsidiary ("Merger Sub") entered into an Agreement and Plan of Merger (the "CBS Radio Merger Agreement") with CBS Corporation ("CBS") and its wholly owned subsidiary CBS Radio Inc. ("CBS Radio"). Pursuant to the CBS Radio Merger Agreement, Merger Sub will merge with and into CBS Radio with CBS Radio surviving as our wholly owned subsidiary (the "Merger"). The Merger is expected to be tax free to CBS and its shareholders, and will be effected through a stock for stock Reverse Morris Trust transaction. The Merger will make us a leading local media and entertainment company with a nationwide footprint of stations including positions in all of the top 10 markets and 23 of the top 25 markets. The transactions contemplated by the CBS Radio Merger Agreement are subject to approval by our shareholders and customary regulatory approvals. Such approvals will require the divestiture of stations in certain markets due to FCC ownership limitations. This transaction is expected to close during the second half of 2017.

Our Strategy

Our strategy focuses on providing compelling content in the communities we serve to enable us to offer our advertisers an effective marketing platform to reach a large targeted local audience. The principal components of our strategy are to: (i) focus on creating effective integrated marketing solutions for our customers that incorporate our audio, digital and experiential assets; (ii) build strongly-branded radio stations with highly compelling content; (iii) develop market leading station clusters; and (iv) recruit, develop, motivate and retain superior employees.

Source Of Revenue

The primary source of revenue for our radio stations is the sale of advertising time to local, regional and national advertisers and national network advertisers who purchase spot commercials in varying lengths. A growing source of revenue is from station-related digital product suites, which allow for enhanced audience interaction and participation, and integrated digital advertising solutions. A station's local sales staff generates the majority of its local and regional advertising sales through direct solicitations of local advertising agencies and businesses. We retain a national representation firm to sell to advertisers outside of our local markets.

Our stations are typically classified by their format, such as news, sports, talk, classic rock, urban, adult contemporary, alternative and country, among others. A station's format enables it to target specific segments of listeners sharing certain demographics. Advertisers and stations use data published by audience measuring services to estimate how many people within particular geographical markets and demographics listen to specific stations. Our geographically and demographically diverse portfolio of radio stations allows us to deliver targeted messages to specific audiences for advertisers on a local, regional and national basis.

Competition

The radio broadcasting industry is highly competitive. Our stations compete for listeners and advertising revenue with other radio stations within their respective markets. In addition, our stations compete for audiences and advertising revenues with other media including: digital audio streaming, satellite radio, broadcast television, digital, satellite and cable television, newspapers and magazines, outdoor advertising, direct mail, yellow pages, wireless media alternatives, cellular phones and other forms of audio entertainment and advertisement.

Federal Regulation Of Radio Broadcasting

Overview. The radio broadcasting industry is subject to extensive and changing government regulation of, among other things, ownership limitations, program content, advertising content, technical operations and business and employment practices. The ownership, operation and sale of radio stations are subject to the jurisdiction of the Federal Communications Commission (the "FCC") pursuant to the Communications Act of 1934, as amended (the "Communications Act").

The following is a brief summary of certain provisions of the Communications Act and of certain specific FCC regulations and policies. This summary is not a comprehensive listing of all of the regulations and policies affecting radio stations. For further information concerning the nature and extent of federal regulation of radio stations, you should refer to the Communications Act, FCC rules and FCC public notices and rulings.

FCC Licenses. The operation of a radio broadcast station requires a license from the FCC. Certain of our subsidiaries hold the FCC licenses for our stations. The total number of radio stations that can simultaneously operate in any given area or market is limited by the amount of spectrum allotted by the FCC within the AM and FM radio bands, and by station-to-station interference within those bands. While there are no national station ownership caps, FCC rules do limit the number of stations within the same market that a single individual or entity may own or control.

The total number of stations authorized to operate in a local market may fluctuate from time to time, and the number of stations that can be owned by a single individual or entity in a given market can therefore vary over time. Once the FCC approves the ownership of a cluster of stations in a market, that owner may continue to hold those stations under "grandfathering" policies, despite a decrease in the number of stations in the market. We are "grandfathered" with respect to one FM station in our Wilkes-Barre/Scranton market. To facilitate the consummation of the transactions contemplated by the CBS Radio Merger Agreement, we will need to sell this grandfathered station.

Ownership Rules. The FCC sets limits on the number of broadcast stations (including both radio and TV) an entity may permissibly own within a market, as well as limits on the common ownership of broadcast stations and newspapers. Same-market FCC numeric ownership limitations are based: (i) on markets as defined and rated by Nielsen Audio; and (ii) in areas outside of Nielsen Audio markets, on markets as determined by overlap of specified signal contours.

Ownership Attribution. In applying its ownership limitations, the FCC generally considers only "attributable" ownership interests. Attributable interests generally include: (i) equity and debt interests which when combined exceed 33% of a licensee's or other media entity's total asset value, if the interest holder supplies more than 15% of a station's total weekly programming or has an attributable interest in any same-market media (television, radio, cable or newspaper), with a higher threshold in the case of investments in certain "eligible entities" acquiring broadcast stations; (ii) a 5% or greater direct or indirect voting stock interest, including certain interests held in trust, unless the holder is a qualified passive investor, in which case the threshold is a 20% or greater voting stock interest; (iii) any equity interest in a limited liability company or a partnership, including a limited partnership, unless properly "insulated" from management activities; and (iv) any position as an officer or director of a licensee or of its direct or indirect parent. In our case, where there is a "single majority voting shareholder," the FCC treats as non-attributable voting stock interests held by non-single majority owners, even if they are in excess of the five percent standard described above.

Alien Ownership Rules. The Communications Act prohibits the issuance to, or holding of broadcast licenses by, foreign governments or aliens, non-U.S. citizens, whether individuals or entities, including any interest in a corporation which holds a broadcast license if more than 20% of the licensee's capital stock is owned or voted by aliens. In addition, the FCC may prohibit any corporation from holding a broadcast license if the corporation is directly or indirectly controlled by any other corporation of which more than 25% of the capital stock is owned of record or voted by aliens if the FCC finds that the prohibition is in the public interest. The Communications Act gives the FCC discretion to allow greater amounts of alien ownership. The FCC considers investment proposals from international companies or individuals on a case-by-case basis. In September 2016, the FCC announced that it was streamlining foreign ownership rules and procedures to provide for a standardized filing and review process.

License Renewal. Radio station licenses issued by the FCC are renewable ordinarily for an eight-year term. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application is pending. All of our licenses have been renewed and are current.

The FCC is required to renew a broadcast station's license if the FCC finds that the station has served the public interest, convenience and necessity; there have been no serious violations by the licensee of the Communications Act or the FCC's rules and regulations; and there have been no other violations by the licensee of the Communications Act or the FCC's rules and regulations that, taken together, constitute a pattern of abuse. If a challenge is filed against a renewal application, and, as a result of an evidentiary hearing, the FCC determines that the licensee has failed to meet certain fundamental requirements and that no mitigating factors justify the imposition of a lesser sanction, the FCC may deny a license renewal application. Historically, FCC licenses have generally been renewed.

Petitions to deny renewal applications are filed from time to time. Several petitions have been filed against us. Subject to the resolution of open FCC inquiries, we believe that our licenses will be renewed and that continuing challenges to already granted renewals will be resolved favorably to us, although there can be no assurance to that effect.

The FCC initiated an investigation in January 2007, related to a contest at one of our stations. In October 2016, the FCC designated for a hearing whether we operated this station in the public interest and whether such station's license should be renewed. In February 2017, in order to facilitate the Merger, we permanently discontinued operation of our only station subject to a petition to deny, in order to cancel the license, dismiss its renewal application and terminate the renewal hearing.

Transfer Or Assignment Of Licenses. The Communications Act prohibits the assignment of broadcast licenses or the transfer of control of a broadcast licensee without the prior approval of the FCC. In determining whether to grant such approval, the FCC considers a number of factors pertaining to the existing licensee and the proposed licensee, including:

- compliance with the various rules limiting common ownership of media properties in a given market;
- the "character" of the proposed licensee; and
- compliance with the Communications Act's limitations on alien ownership as well as general compliance with FCC regulations and policies.

To obtain FCC consent for the assignment or transfer of control of a broadcast license, appropriate applications must be filed with the FCC. Interested parties may file objections or petitions to deny such applications.

Programming And Operation. The Communications Act requires broadcasters to serve the "public interest." A licensee is required to present programming that is responsive to issues in the station's community of license and to maintain records demonstrating this responsiveness. The FCC regulates, among other things, political advertising; sponsorship identification; the advertisement of contests and lotteries; the conduct of station-run contests; obscene, indecent and profane broadcasts; certain employment practices; and certain technical operation requirements, including limits on human exposure to radio-frequency radiation. The FCC considers complaints from listeners concerning a station's public service programming, employment practices, or other operational issues when processing a renewal application filed by a station, but the FCC may consider complaints at any time and may impose fines or take other action for violations of the FCC's rules separate from its action on a renewal application.

FCC regulations prohibit the broadcast of obscene material at any time as well as the broadcast, between the hours of 6 am and 10 pm, of material it considers "indecent" or "profane". The FCC has historically enforced licensee compliance in this area through the assessment of monetary forfeitures. Such forfeitures may include: (i) imposition of the maximum authorized fine for egregious cases ($350,000 for a single violation, up to a maximum of $3,300,000 for a continuing violation); and (ii) imposition of fines on a per utterance basis instead of a single fine for an entire program. There are a number of outstanding indecency proceedings in which we are defending our stations' conduct, and there may be other complaints of this nature which have been submitted to the FCC of which we have not yet been notified.

Certain FCC rules regulate the conduct of on-air station contests, requiring in general that the material rules and terms of the contest be broadcast periodically or posted online and that the contest be conducted substantially as announced.

Enforcement Authority. The FCC has the power to impose penalties for violations of its rules under the Communications Act, including the imposition of monetary fines, the issuance of short-term licenses, the imposition of a condition on the renewal of a license, the denial of authority to acquire new stations, and the revocation of operating authority. The maximum fine for a single violation of the FCC's rules (other than indecency rules – see discussion above) is currently $75,000.

Proposed And Recent Changes. Congress, the FCC and other federal agencies are considering or may in the future consider and adopt new laws, regulations and policies regarding a wide variety of matters that could: (1) affect, directly or indirectly, the operation, ownership and profitability of our radio stations; (2) result in the loss of audience share and advertising revenues for our radio stations; and (3) affect our ability to acquire additional radio stations or to finance those acquisitions.

Federal Antitrust Laws. The federal agencies responsible for enforcing the federal antitrust laws, the Federal Trade Commission and the Department of Justice, may investigate certain acquisitions. For an acquisition meeting certain size thresholds, the Hart-Scott-Rodino Antitrust Improvements Act of 1976 requires the parties to file Notification and Report Forms with the Federal Trade Commission and the Department of Justice and to observe specified waiting-period requirements before consummating the acquisition. The transaction contemplated by the CBS Radio Merger Agreement will be subject to review by the Federal Trade Commission and the Department of Justice. On February 7, 2017, we were advised that the Department of Justice has initiated an informal investigation regarding transactions contemplated by the CBS Radio Merger Agreement.

HD Radio

AM and FM radio stations may use the FCC selected In-Band On-Channel ("IBOC") as the exclusive technology for terrestrial digital operations. IBOC, developed by iBiquity Digital Corporation, is also known as "HD Radio."

HD Radio technology permits a station to transmit radio programming in digital format. We currently use HD Radio digital technology on most of our FM stations. The advantages of digital audio broadcasting over traditional analog broadcasting technology include improved sound quality, the availability of additional channels and the ability to offer a greater variety of auxiliary services.

Employees

As of January 31, 2017, we had 1,683 full-time employees and 1,145 part-time employees. With respect to certain of our stations in our Kansas City and San Francisco markets, we are a party to collective bargaining agreements with the Screen Actors Guild - American Federation of Television and Radio Artists (known as SAG-AFTRA). Approximately 46 employees are represented by these collective bargaining agreements. We believe that our relations with our employees are good.

Corporate Governance

Code Of Business Conduct And Ethics. We have a Code of Business Conduct and Ethics that applies to each of our employees including our principal executive officers and senior members of our finance department. Our Code of Business Conduct and Ethics can be found on the "Investors" sub-page of our website located at www.entercom.com/investors.

Board Committee Charters. Each of our Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee has a committee charter as required by the rules of the New York Stock Exchange. These committee charters can be found on the "Investors" sub-page of our website located at www.entercom.com/investors.

Corporate Governance Guidelines. New York Stock Exchange rules require our Board of Directors to establish certain Corporate Governance Guidelines. These guidelines can be found on the "Investors" sub-page of our website located at www.entercom.com/investors.

Environmental Compliance

As the owner, lessee or operator of various real properties and facilities, we are subject to various federal, state and local environmental laws and regulations. Historically, compliance with these laws and regulations has not had a material adverse effect on our business.

Seasonality

Seasonal revenue fluctuations are common in the radio broadcasting industry and are due primarily to fluctuations in advertising expenditures.

Internet Address And Internet Access To Periodic And Current Reports

You can find more information about us that includes a list of our stations in each of our markets at our Internet website located at www.entercom.com. Our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and any amendments to those reports are available free of charge through our Internet website as soon as reasonably practicable after we electronically file such material with the Securities and Exchange Commission (the "SEC"). The contents of our websites are not incorporated by reference into this Annual Report on Form 10-K or in any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only. We will also provide a copy of our annual report on Form 10-K upon any written request.

ITEM 1A. RISK FACTORS

Many statements contained in this report are forward-looking in nature. See Note Regarding Forward-Looking Statements at the beginning of this Form 10-K. These statements are based on current plans, intentions or expectations, and actual results could differ materially as we cannot guarantee that we will achieve these plans, intentions or expectations. Among the factors that could cause actual results to differ are the following:

BUSINESS RISKS

Our results may be impacted by economic trends.

Our net revenues increased in 2016 as compared to the prior year primarily as a result of organic growth and acquisitions made during 2015. Excluding the net revenues from these new radio stations (net of any divestitures), net revenues increased in the low single digits for the year.

Our results of operations could be negatively impacted by economic fluctuations or by future economic downturns. Also, expenditures by advertisers tend to be cyclical, reflecting overall economic conditions. The risks associated with our business could be more acute in periods of a slowing economy or recession, which may be accompanied by a decrease in advertising. A decrease in advertising expenditures can have an adverse effect on our net revenues, profit margins, cash flow, and liquidity.

There can be no assurance that we will not experience an adverse impact on our ability to access capital, which may be material to our business, financial condition and results of operations. In addition, our ability to access the capital markets may be severely restricted at a time when we would like or need to do so, which could have an adverse impact on our capacity to react to changing economic and business conditions.

We may be unable to effectively integrate our acquisitions, including the announced Merger with CBS Radio.

The integration of acquisitions involves numerous risks.

In particular, after consummation of the Merger with CBS Radio, Entercom will have significantly more sales, assets and employees than it did prior to the Merger. The integration process will require Entercom to expend significant capital and significantly expand the scope of its operations and financial systems Entercom's management will be required to devote a significant amount of time and attention to the process of integrating the operations of the CBS Radio business. There is a significant degree of difficulty and management involvement inherent in that process. These difficulties include:

- integrating the operations of the CBS Radio business while carrying on the ongoing operations of Entercom's business;
- managing a significantly larger company than before consummation of the Merger;
- the possibility of faulty assumptions underlying Entercom's expectations regarding the integration process;
- coordinating a greater number of diverse businesses and businesses located in a greater number of geographic locations;
- retaining existing customers and attracting new customers;
- the potential diversion of management's focus and resources from other strategic opportunities and from operational matters;

- managing tax costs or inefficiencies associated with integrating the operations of the combined company;
- unforeseen expenses or delays associated with the Merger;
- integrating two separate business cultures, which may prove to be incompatible;
- attracting and retaining the necessary personnel associated with the CBS Radio business following the Merger;
- creating uniform standards, controls, procedures, policies and information systems and controlling the costs associated with such matters; and
- integrating information purchasing, accounting, finance, sales, billing, payroll and regulatory compliance systems.

There is no assurance that the CBS Radio business will be successfully or cost-effectively integrated into Entercom. The process of integrating the CBS Radio business into Entercom's operations may cause an interruption of, or loss of momentum in, the activities of Entercom's business after consummation of the Merger. If Entercom's management is not able to effectively manage the integration process, or if any significant business activities are interrupted as a result of the integration process, Entercom's business could suffer and its liquidity, results of operations and financial condition may be materially adversely impacted.

All of the risks associated with the integration process could be exacerbated by the fact that Entercom may not have a sufficient number of employees with the requisite expertise to integrate the businesses or to operate Entercom's business after consummation of the Merger. If Entercom does not hire or retain employees with the requisite skills and knowledge to run Entercom after the Transactions, it may have a material adverse effect on Entercom's business.

Our businesses may be subject to uncertainties and other operating restrictions until completion of the Merger with CBS Radio.

In connection with the Merger, our business may experience disruptions as customers, suppliers, advertisers and others may attempt to negotiate changes in existing business relationships or consider entering into business relationships with parties other than Entercom or CBS Radio. Additionally, we have agreed to refrain from taking certain actions with respect to our business and financial affairs during the pendency of the Merger, which could adversely impact our financial condition, results of operations, or cash flows.

We may have difficulty attracting, motivating and retaining key employees during the pendency of the Merger with CBS Radio.

In connection with the pending Merger with CBS Radio, current and prospective employees of Entercom may experience uncertainty about their future roles with Entercom following the Merger, which may adversely affect the ability of Entercom to attract and retain key personnel while the Merger is pending. Key employees may depart because of the uncertainty or potential difficulty of integration or a desire not to remain with the combined company following the Merger.

Failure to complete the Merger with CBS Radio could adversely affect our business, results of operations or stock price, or prevent us from realizing anticipated benefits.

The pending Merger with CBS Radio remains subject to certain closing conditions. Entercom and CBS Radio may not receive the required consents, approvals and clearances to complete the Merger or satisfy the other conditions necessary to complete the Merger. In addition, Entercom and CBS Radio may each terminate the CBS Radio Merger Agreement under certain limited circumstances. If the pending Merger with CBS Radio is not completed or is delayed, our business and the market price of our common stock may be adversely affected for a variety of reasons.

The CBS Radio Merger Agreement contains provisions that restrict our ability to pursue alternatives to the Merger, and in specified circumstances, could require us to pay CBS a termination fee.

Under the CBS Radio Merger Agreement, we are restricted, subject to certain exceptions, from soliciting, initiating, knowingly facilitating, knowingly inducing or encouraging, or negotiating, discussing or furnishing non-public information with respect to, any inquiry, proposal or offer that constitutes or would reasonably be expected to lead to an acquisition proposal pursuant to the terms of the CBS Radio Merger Agreement.

If the CBS Radio Merger Agreement is terminated in certain circumstances, we will be required to pay CBS a termination fee of $30 million.

The Merger with CBS Radio may not achieve its intended benefits.

Even if Entercom is able to successfully combine the two business operations, it may not be possible to realize the full benefits of the increased sales volume and other benefits, including the expected synergies, that we anticipate to result from the Merger, or realize these benefits within the time frame that is expected. For example, the elimination of duplicative costs may not be possible or may take longer than anticipated, or the benefits from the Merger may be offset by costs incurred or delays in integrating the companies. If Entercom fails to realize the benefits it anticipates from the acquisition, Entercom's liquidity, results of operations or financial condition may be adversely affected.

Our radio stations may be adversely affected by changes in programming and competition for advertising revenues.

We operate in a highly competitive business. Our radio stations compete for audiences with advertising revenue as our principal source of income. We compete directly with other radio stations, as well as with other media, such as broadcast, cable and satellite television, digital audio, newspapers and magazines, national and local digital services, outdoor advertising and direct mail. Audience ratings and market shares are subject to change, and any decrease in our listenership ratings or market share in a particular market could have a material adverse effect on the revenue of our stations located in that market. Audience ratings and market shares could be affected by a variety of factors, including changes in the format or content of programming (some of which may be outside of our control), personnel changes, demographic shifts and general broadcast listening trends. Adverse changes in any of these areas or trends could have a material adverse effect on our business and results of operations.

While we already compete in some of our markets with stations with similarly programmed formats, if another radio station in a market were to convert its programming format to a format similar to one of our stations or if an existing competitor were to garner additional market share, our stations could suffer a reduction in ratings and/or advertising revenue and could incur increased promotional and other expenses. Competing companies may be larger and have more financial resources than we do. We cannot be assured that any of our stations will be able to maintain or increase their current audience ratings and advertising revenues.

We cannot predict the competitive effect on the radio broadcasting industry of changes in audio content distribution, changes in technology or changes in regulations.

The radio broadcasting industry is subject to rapid technological change, evolving industry standards and the emergence of new media technologies and services. We may lack the resources to acquire new technologies or introduce new services to allow us to compete with these new offerings. Competing technologies and services, some of which are commercial free, include: personal audio devices; national and local digital audio services; satellite-delivered digital radio services; content available over the Internet; HD Radio, which provides multi-channel, multi-format digital radio services in the same bandwidth currently occupied by traditional AM and FM radio services; and low-power FM radio, which could result in additional FM radio broadcast outlets, including additional low-power FM radio signals authorized under the Local Community Radio Act of 2010.

We cannot predict the effect, if any, that competition arising from new technologies or regulatory changes may have on the radio broadcasting industry or on our financial condition and results of operations.

We are subject to extensive regulations and are dependent on federally issued licenses to operate our radio stations. Failure to comply with such regulations could damage our business.

The radio broadcasting industry is subject to extensive regulation by the FCC under the Communications Act of 1934. See Federal Regulation of Radio Broadcasting under Part I, Item 1, "Business." We are required to obtain licenses from the FCC to operate our radio stations. Licenses are normally granted for a term of eight years and are renewable. Although the vast majority of FCC radio station licenses are routinely renewed, we cannot be assured that the FCC will approve our future renewal applications or that the renewals will not include conditions or qualifications. During the periods when a renewal application is pending, informal objections and petitions to deny the renewal application can be filed by interested parties, including members of the public, on a variety of grounds. The non-renewal, or renewal with substantial conditions or modifications, of one or more of our licenses could have a material adverse effect on us.

We must comply with extensive FCC regulations and policies in the ownership and operation of our radio stations. FCC regulations limit the number of radio stations that a licensee can own in a market, which could restrict our ability to consummate future transactions and in certain circumstances could require us to divest some radio stations. The FCC's rules governing our radio station operations impose costs on our operations, and changes in those rules could have an adverse effect on our business. The FCC also requires radio stations to comply with certain technical requirements to limit interference between two or more radio stations. If the FCC relaxes these technical requirements, it could impair the signals transmitted by our radio stations and could have a material adverse effect on us. Moreover, these FCC regulations may change over time, and we cannot be assured that changes would not have a material adverse effect on us. We are currently the subject of several pending investigations by the FCC.

Congress or federal agencies that regulate us could impose new regulations or fees on our operations that could have a material adverse effect on us.

There was proposed legislation in the past and there could be again in the future that requires radio broadcasters to pay additional fees such as a spectrum fee for the use of the spectrum. In addition, there was proposed legislation which would impose a new royalty fee that would be paid to record labels and performing artists for use of their recorded music. It is currently unknown what impact any potential required royalty payments or fees would have on our results of operations, cash flows or financial position.

The loss of key personnel could have a material adverse effect on our business.

Our business depends upon the continued efforts, abilities and expertise of our executive officers and other key personnel. We believe that the loss of one or more of these individuals could have a material adverse effect on our business.

Our radio stations compete for creative and on-air talent with other radio stations and other media, such as broadcast, cable and satellite television, digital media and satellite radio. Our on-air talent are subject to change, due to competition and for other reasons. Changes in on-air talent could materially and negatively affect our ratings and our ability to attract local and national advertisers, which could in turn adversely affect our revenues.

We depend on selected market clusters of radio stations for a material portion of our revenues.

For 2016, we generated over 50% of our net revenues in 8 of our 28 markets, which were Boston, Buffalo, Denver, Kansas City, Miami, Sacramento, San Francisco and Seattle. Accordingly, we have greater exposure to adverse events or conditions in any of these markets, such as changes in the economy, shifts in population or demographics, or changes in audience tastes, which could have a material adverse effect on our financial position and results of operations and cash flows.

Impairments to our broadcasting licenses and goodwill have reduced our earnings.

We have incurred impairment losses that resulted in the non-cash write-downs of our broadcasting licenses and goodwill. A significant amount of these impairment losses were recorded in 2008 during the recession and the most recent impairment loss was recorded in 2012. As of December 31, 2016, our broadcasting licenses and goodwill comprise 80% of our total assets. The valuation of our broadcasting licenses and goodwill is subjective and based on our estimates and assumptions rather than precise calculations. The fair value measurements for both our broadcast licenses and goodwill use significant unobservable inputs and reflect our own assumptions including market share and profit margin for an average station, growth within a radio market, estimates of costs and losses during early years, potential competition within a radio market and the appropriate discount rate used in determining fair value. If events occur or circumstances change that would reduce the fair value of the broadcasting licenses and goodwill below the amount reflected on the balance sheet, we may be required to recognize impairment charges, which may be material, in future periods. Current accounting guidance does not permit a valuation increase.

We have significant obligations relating to our current operating leases.

As of December 31, 2016, we had future operating lease commitments of approximately $99.2 million that are disclosed in Note 20 in the accompanying notes to the audited consolidated financial statements. We are required to make certain estimates at the inception of a lease in order to determine whether the lease is operating or capital. In February 2016, the accounting guidance was modified to require that all leases with a term of more than one year, covering leased assets such as real estate, broadcasting towers and equipment, be reflected on the balance sheet as assets and liabilities for the rights and obligations created by these leases. While we are currently reviewing the effects of this guidance, we believe that this would result in: (1) an increase in the assets and liabilities reflected on our consolidated balance sheets; and (2) an increase in our interest expense and depreciation and amortization expense and a decrease to our station operating expense reflected on our consolidated statements of operations. This guidance is effective for us as of January 1, 2019.

Our business is dependent upon the proper functioning of our internal business processes and information systems and modification or interruption of such systems may disrupt our business, processes and internal controls.

The proper functioning of our internal business processes and information systems is critical to the efficient operation and management of our business. If these information technology systems fail or are interrupted, our operations may be adversely affected and operating results could be harmed. Our business processes and information systems need to be sufficiently scalable to support the future growth of our business and may require modifications or upgrades that expose us to a number of operational risks. Our information technology systems, and those of third-party providers, may also be vulnerable to damage or disruption caused by circumstances beyond our control. These include catastrophic events, power anomalies or outages, computer system or network failures and natural disasters. Any material disruption, malfunction or similar challenges with our business processes or information systems, or disruptions or challenges relating to the transition to new processes, systems or providers, could have a material adverse effect on our financial position, results of operations and cash flows.

The FCC has engaged in vigorous enforcement of its indecency rules against the broadcast industry, which could have a material adverse effect on our business.

FCC regulations prohibit the broadcast of obscene material at any time and indecent or profane material between the hours of 6:00 a.m. and 10:00 p.m. Over the last decade, the FCC has increased its enforcement efforts relating to the regulation of indecency and has threatened on more than one occasion to initiate license revocation proceedings against a broadcast licensee who commits a “serious” indecency violation. Congress has dramatically increased the penalties for broadcasting obscene, indecent or profane programming, and these penalties may potentially subject broadcasters to license revocation, renewal or qualification proceedings in the event that they broadcast such material. In addition, the FCC’s heightened focus on the indecency regulatory scheme, against the broadcast industry generally, may encourage third parties to oppose our license renewal applications or applications for consent to acquire broadcast stations. Several of our stations are currently subject to indecency-related inquiries and/or proposed fines at the FCC’s Enforcement Bureau as well as objections to our license renewals based on such inquiries and proposed fines, and we may in the future become subject to additional inquiries or proceedings related to our stations’ broadcast of obscene, indecent or profane material. To the extent that these inquiries or other proceedings result in the imposition of fines, a settlement with the FCC, revocation of any of our station licenses or denials of license renewal applications, our results of operations and business could be materially adversely affected.

Cybersecurity threats to our business

The use of our computers and digital technology in substantially all aspects of our business operations give rise to cybersecurity risks, including viruses or malware, physical or electronic intrusions and unauthorized access to our data. A cybersecurity attack could compromise confidential information. There can be no assurance that we, or the security systems we implement, will protect against all of these rapidly changing risks. A cyber-incident could increase our operating costs, disrupt our operations, harm our reputation, or subject us to liability under laws and regulations that protect personal data. We maintain insurance coverage against certain of such risks, but cannot guarantee that such coverage will be applicable or sufficient with respect to any given incident or on-going incidents that go undetected.

RISKS RELATED TO OUR INDEBTEDNESS

Current and future indebtedness could have an adverse impact on us.

We have substantial indebtedness. As of December 31, 2016, we have outstanding a senior secured credit facility (the "Credit Facility") of $540 million that is comprised of: (a) $60 million revolving commitment (the "Revolver"); and (b) a $480 million term loan (the "Term B Loan").

The significant amount of debt could have an adverse impact on us. For example, these obligations:

- increase our vulnerability in an economic downturn, limit our ability to withstand competitive pressures and reduce our flexibility in responding to changing business and economic conditions;
- make it more difficult for us to satisfy our financial obligations;
- limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions and general corporate or other purposes;
- require us to dedicate a substantial portion of our cash flow from operations to debt service, thereby reducing the availability of cash flow for other purposes;
- restrict us from taking advantage of opportunities to grow our business; and
- limit or prohibit our ability to pay dividends and make other distributions.

The undrawn amount of the Revolver was $59.3 million as of December 31, 2016. The amount of the Revolver available to us is a function of covenant compliance at the time of borrowing. Based on our financial covenant analysis as of December 31, 2016, we would not be limited in these borrowings.

We may from time to time seek to amend our existing debt agreements or obtain funding or additional debt financing, which may result in higher interest rates.

We must comply with the covenants in our debt agreements, which restrict our operational flexibility.

Our Credit Facility, which was entered into in November 2016, contains provisions which, under certain circumstances, limit our ability to borrow money; make acquisitions, investments or restricted payments, including without limitation dividends and the repurchase of stock; swap or sell assets; or merge or consolidate with another company. To secure the debt under our Credit Facility, we have pledged substantially all of our assets, including the stock or equity interests of our subsidiaries.

The Credit Facility requires us to maintain compliance with specific financial covenants which are defined terms within the agreement, including: (1) a maximum Consolidated Leverage Ratio that cannot exceed 5.0 times at December 31, 2016, and which decreases over time to 4.5 at March 31, 2019 and thereafter; and (2) a minimum Consolidated Interest Coverage Ratio of 2.0 times at all times.

Our ability to comply with these financial covenants can be affected by operating performance or other events beyond our control, and we cannot be assured that we will comply with these covenants. A default under our Credit Facility could have a material adverse effect on our business.

Failure to comply with our financial covenants or other terms of these financial instruments and the failure to negotiate and obtain any required relief from our lenders could result in the acceleration of the maturity of our outstanding debt and our lenders could proceed against our assets, including the equity interests of our subsidiaries. Under these circumstances, the acceleration of our debt could have a material adverse effect on our business.

Because of our holding company structure, we depend on our subsidiaries for cash flow, and our access to this cash flow is restricted.

We operate as a holding company. All of our radio stations are currently owned and operated by our subsidiaries. Entercom Radio, LLC ("Radio"), our 100% owned finance subsidiary, is the borrower under our Credit Facility. All of our station operating subsidiaries and FCC license subsidiaries are subsidiaries of Radio. Further, we guarantee Radio's obligations under the Credit Facility. Radio's subsidiaries are all full and unconditional guarantors jointly and severally under the Credit Facility.

As a holding company, our only source of cash to pay our obligations, including corporate overhead and other expenses, is cash distributed from our subsidiaries. We currently expect that the majority of the net earnings and cash flow of our subsidiaries will be retained and used by them in their operations, including servicing Radio's debt obligations. Even if our subsidiaries elect to make distributions to us, we cannot be assured that applicable state law and contractual restrictions, including the restricted payments covenants contained in our Credit Facility, would permit such dividends or distributions.

Our variable rate debt subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.

Borrowings under our Credit Facility are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations under the Credit Facility could increase even though the amount borrowed remains the same, and our net income and cash flows, including cash available for servicing our debt, could correspondingly decrease. As of December 31, 2016, and assuming the Revolver was fully drawn, a 100 basis point increase in London Interbank Offered Rate ("LIBOR") rates as of December 31, 2016 would result in a $4.3 million increase in annual interest expense on our debt (in this hypothetical assumption, a 100 basis point increase in LIBOR only partially impacted the interest on our Credit Facility's Term B Loan as the LIBOR rate on our Term B Loan is subject to a 100 basis point minimum).

In the future, we may enter into interest rate swaps that involve the exchange of floating for fixed rate interest payments in order to reduce interest rate risk. We may, however, not maintain interest rate swaps with respect to all of our variable rate debt, and any swaps we enter into may not fully mitigate our interest rate risk.

A lowering or withdrawal of the ratings assigned to our debt securities by rating agencies may increase our future borrowing costs and reduce our access to capital.

Our debt has a non-investment grade rating, and any rating assigned could be lowered or withdrawn entirely by a rating agency if, in the rating agency's judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. Any future lowering of our ratings would likely make it more difficult or more expensive for us to obtain additional debt financing.

RISKS ASSOCIATED WITH OUR STOCK

Our Chairman of the Board and our President and Chief Executive Officer own a substantial equity interest in us and effectively control our Company. Their interests may conflict with your interest.

As of February 15, 2017, Joseph M. Field, our Chairman of the Board, beneficially owned 1,366,730 shares of our Class A common stock and 6,148,282 shares of our Class B common stock, representing approximately 61.2% of the total voting power of all of our outstanding common stock. As of February 15, 2017, David J. Field, our President and Chief Executive Officer, one of our directors and the son of Joseph M. Field, beneficially owned 3,337,974 shares of our Class A common stock and 749,250 shares of our outstanding Class B common stock, representing approximately 11.0% of the total voting power of all of our outstanding common stock. Collectively, Joseph M. Field and David J. Field and other members of the Field family beneficially own all of our outstanding Class B common stock. Other members of the Field family and trusts for their benefit also own shares of Class A common stock.

Shares of Class B common stock are transferable only to Joseph M. Field, David J. Field, certain of their family members or trusts for any of their benefit. Upon any other transfer, shares of our Class B common stock automatically convert into shares of our Class A common stock on a one-for-one basis. Shares of our Class B common stock are entitled to ten votes only when Joseph M. Field or David J. Field vote them, subject to certain exceptions when they are restricted to one vote. Joseph M. Field generally is able to control the vote on all matters submitted to a vote of shareholders and, therefore, is able to direct our management and policies, except with respect to those matters when the shares of our Class B common stock are only entitled to one vote and those matters requiring a class vote under the provisions of our articles of incorporation, bylaws or applicable law, including, without limitation, the election of the two Class A directors.

Future sales by Joseph M. Field and/or David J. Field could adversely affect the price of our Class A common stock.

The price for our Class A common stock could fall substantially if Joseph M. Field and/or David J. Field sell in the public market or transfer large amounts of shares, including any shares of our Class B common stock which are automatically converted to Class A common stock when sold (as described in the above paragraph). These sales, or the possibility of such sales, could make it more difficult for us to raise capital by selling equity or equity-related securities in the future.

The Merger With CBS Radio Will Impact Your Equity Interests

Immediately after consummation of the Merger, approximately 72% of the shares of Entercom common stock are expected to be held by former holders of CBS Radio common stock on a fully diluted basis in the aggregate, and approximately 28% of the shares of Entercom common stock are expected to be held by pre-Merger holders of Entercom common stock on a fully diluted basis in the aggregate. The stock price may be volatile and there will be a change in control of our company.

The difficulties associated with any attempt to gain control of our Company could adversely affect the price of our Class A common stock.

Joseph M. Field controls the decision as to whether a change in control will occur for our Company. There are also provisions contained in our articles of incorporation, by-laws and Pennsylvania law that could make it more difficult for a third party to acquire control of our Company. In addition, FCC approval for transfers of control of FCC licenses and assignments of FCC licenses is required. These restrictions and limitations could adversely affect the trading price of our Class A common stock.

Our Class A stock price and trading volume could be volatile.

Our Class A common stock has been publicly traded on the New York Stock Exchange (“NYSE”) since January 29, 1999. The market price of our Class A common stock and our trading volume have been subject to fluctuations since the date of our initial public offering. As a result, the market price of our Class A common stock could experience volatility, regardless of our operating performance.

Our perpetual cumulative convertible preferred stock could adversely affect the price of our Class A common stock.

Our Board of Directors has the authority to issue up to 25,000,000 shares of preferred stock. We have issued 11 shares of perpetual cumulative convertible preferred stock (“Preferred”) with a liquidation preference of $2.5 million per share. Our Board of Directors has the authority to determine the price, rights, preferences, privileges and restrictions, including voting rights, of any additional preferred stock without any further vote or action by the shareholders. The rights of the holders of our common stock may be subject to, and may be adversely affected by, the rights of the holders of any preferred stock that may be issued in the future.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The types of properties required to support each of our radio stations include offices, studios and transmitter/antenna sites. We lease most of these sites. A station’s studios are generally housed with its offices in business districts. Our studio and office space leases typically contain lease terms with expiration dates of five to 15 years. Our transmitter/antenna sites, which may include an auxiliary transmitter/antenna as a back-up to the main site, contain lease terms that generally range from five to 30 years, which may include options to renew.

The transmitter/antenna site for each station is generally located so as to provide maximum market coverage. In general, we do not anticipate difficulties in renewing facility or transmitter/antenna site leases or in leasing additional space or sites if required.

We have approximately $99.2 million in future minimum rental commitments under these leases. Many of these leases contain clauses such as defined contractual increases or cost of living adjustments.

Our principal executive offices are located at 401 E. City Avenue, Suite 809, Bala Cynwyd, Pennsylvania 19004, in 14,061 square feet of leased office space. The lease on these premises is due to expire on October 31, 2021. We generally consider our facilities to be suitable and of adequate size for our current and intended purposes.

ITEM 3. LEGAL PROCEEDINGS

We currently and from time to time are involved in litigation incidental to the conduct of our business. Management anticipates that any potential liability of ours that may arise out of or with respect to these matters will not materially adversely affect our financial position, results of operations or cash flows.

Broadcast Licenses

We could face increased costs in the form of fines and a greater risk that we could lose any one or more of our broadcasting licenses if the FCC concludes that programming broadcast by our stations was obscene, indecent or profane and such conduct warrants license revocation. The FCC's authority to impose a fine for the broadcast of such material is $350,000 for a single incident, with a maximum fine of up to $3,300,000 for a continuing violation. In the past, the FCC has issued Notices of Apparent Liability and a Forfeiture Order with respect to several of our stations proposing fines for certain programming which the FCC deemed to have been indecent. These cases are the subject of pending administrative appeals. The FCC has also investigated other complaints from the public that some of our stations broadcast indecent programming. These investigations remain pending.

In connection with an administrative hearing, in early February we voluntarily cancelled one radio station license to facilitate certain regulatory approvals that are needed for the Merger.

Performance Fees

We incur fees from performing rights organizations ("PRO") to license our public performance of the musical works contained in each PRO's repertory. The Radio Music Licensing Committee, of which we are a represented participant, (1) entered into an industry-wide settlement with American Society of Composers, Authors and Publishers that was effective January 1, 2017 for a five-year term; (2) is currently seeking reasonable industry-wide fees from Broadcast Music, Inc. effective January 1, 2017; (3) is currently subject to arbitration proceedings with the Society of European Stage Authors and Composers to determine fair and reasonable fees that would be retroactive to January 1, 2016; and (4) filed in November 2016 a motion in the U.S. District Court in Pennsylvania against Global Music Rights ("GMR") arguing that GMR is a monopoly demanding monopoly prices and asking the Court to subject GMR to an antitrust consent decree. In January 2017, we obtained an interim license from GMR for fees effective January 1, 2017 to avoid any infringement claims by GMR for using GMR's repertory without a license.

ITEM 4. MINE SAFETY DISCLOSURE

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information For Our Common Stock

Our Class A common stock, $0.01 par value, is listed on the New York Stock Exchange under the symbol "ETM." The table below shows, for the quarters indicated, the reported high and low trading prices of our Class A common stock on the New York Stock Exchange.

	Price Range	
	High	Low
Calendar Year 2016		
Fourth Quarter	$ 16.45	$ 12.45
Third Quarter	$ 14.94	$ 12.65
Second Quarter	$ 13.93	$ 10.39
First Quarter	$ 12.09	$ 8.88
Calendar Year 2015		
Fourth Quarter	$ 12.45	$ 9.75
Third Quarter	$ 11.99	$ 9.62
Second Quarter	$ 13.33	$ 11.00
First Quarter	$ 13.09	$ 11.16

There is no established trading market for our Class B common stock, $0.01 par value.

Holders

As of February 15, 2017, there were approximately 243 shareholders of record of our Class A common stock. Based upon available information, we believe we have approximately 2,726 beneficial owners of our Class A common stock. There are four shareholders of record of our Class B common stock, $0.01 par value, and no shareholders of record of our Class C common stock, $0.01 par value. There is one holder of our perpetual cumulative convertible preferred stock.

Dividends

Effective with the second quarter of 2016, our Board of Directors commenced an annual common stock dividend program of $0.30 per share, with payments that approximate $2.9 million per quarter. Any future dividends will be at the discretion of the Board of Directors based upon the relevant factors at the time of such consideration, including, without limitation, compliance with the restrictions set forth in our Credit Facility and our Preferred.

A quarterly dividend on our Preferred of $0.4 million was paid in October 2015 and each of the subsequent three quarters. A quarterly dividend on our Preferred of $0.6 million was paid in October 2016 and January 2017.

For a summary of these restrictions on our ability to pay dividends, see Liquidity under Part II, Item 7, "Management's Discussion And Analysis Of Financial Condition And Results Of Operations," and Note 8 in the accompanying notes to the consolidated financial statements.

Repurchases Of Our Stock

The following table provides information on our repurchases during the quarter ended December 31, 2016:

Period [(1)]	Total Number Of Shares Purchased	Average Price Paid Per Share	Total Number Of Shares Purchased As Part Of Publicly Announced Plans Or Programs	Maximum Approximate Dollar Value Of Shares That May Yet Be Purchased Under The Plans Or Programs
October 1, 2016 - October 31, 2016	973	$ 14.00	-	$ -
November 1, 2016 - November 30, 2016	1,215	$ 13.17	-	$ -
December 1, 2016 - December 31, 2016	2,101	$ 15.60	-	$ -
Total	4,289		-	

(1) We withheld shares upon the vesting of restricted stock units ("RSUs") in order to satisfy employees' tax obligations. As a result, we are deemed to have purchased: (1) 973 shares at an average price of $14.00 per share in October 2016; (2) 1,215 shares at an average price of $13.17 in November 2016; and (3) 2,101 shares at an average price of $15.60 per share in December 2016.

On July 16, 2015, we issued 11 shares of Series A Preferred Stock in connection with an acquisition. Each share of preferred stock had an initial conversion price of $14.35 (subject to typical anti-dilution adjustments, such as for common stock dividends) and a liquidation preference of $2,500,000 per share. We previously provided the information required by Item 702 of Regulation S-K in a Current Report on Form 8-K filed with the SEC on July 17, 2015.

Equity Compensation Plan Information

The following table sets forth, as of December 31, 2016, the number of securities outstanding upon the exercise of outstanding options under our equity compensation plan, the weighted average exercise price of such securities and the number of securities available for grant under these plans:

Equity Compensation Plan Information as of December 31, 2016

	(a)	(b)	(c)
Plan Category	**Number Of Shares To Be Issued Upon Exercise Of Outstanding Options, Warrants And Rights**	**Weighted Average Exercise Price Of Outstanding Options, Warrants And Rights**	**Number Of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Column (a))**
Equity Compensation Plans Approved by Shareholders:			
Entercom Equity Compensation Plan [1]	329,562	$ 1.91	1,410,351
Equity Compensation Plans Not Approved by Shareholders:			
None	-	-	-
Total	329,562		1,410,351

[1] On January 1 of each year, the number of shares of Class A common stock authorized under the Entercom Equity Compensation Plan (the "Plan") is automatically increased by 1.5 million, or a lesser number as may be determined by our Board of Directors. The Board of Directors again elected to forego the January 1, 2017 increase. As of December 31, 2016: (i) the maximum number of shares authorized under the Plan was 10.3 million shares; and (ii) 1.4 million shares remain available for future grant under the Plan.

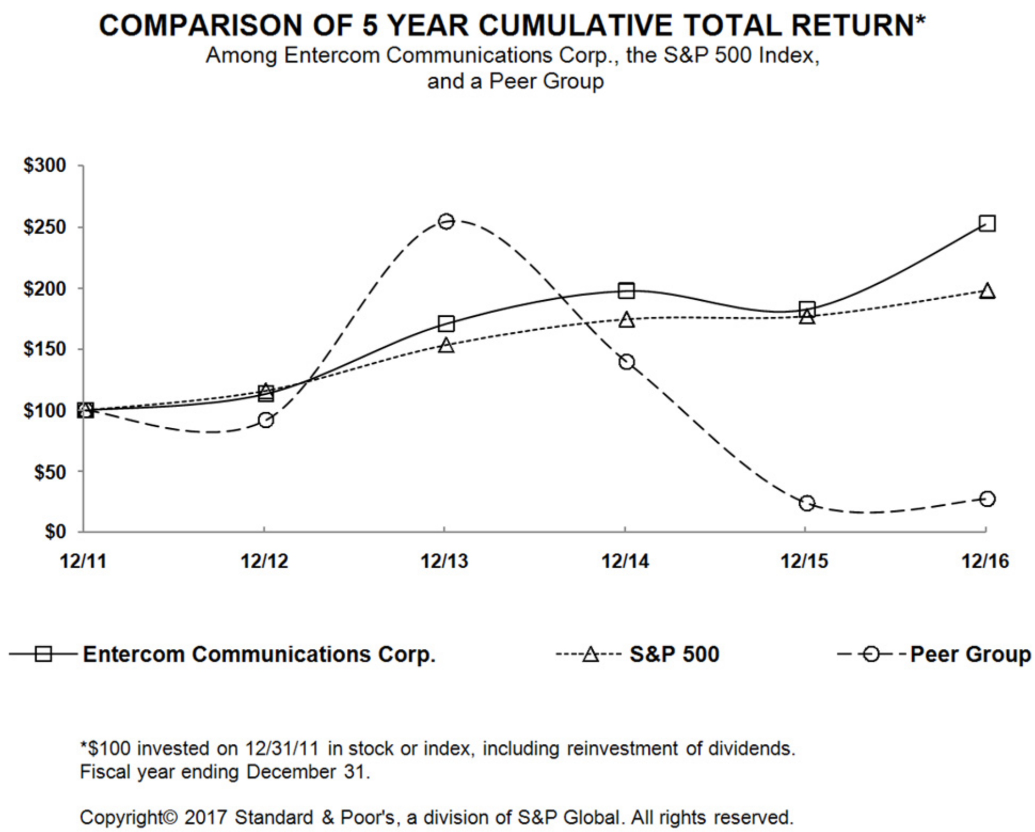
For a description of the Entercom Equity Compensation Plan refer to Note 13, Share-Based Compensation, in the accompanying notes to the consolidated financial statements.

Performance Graph

The following Comparative Stock Performance Graph shall not be deemed incorporated by reference by any general statement incorporating by reference this Form 10-K into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that we specifically incorporate this information by reference. This Comparative Stock Performance Graph is being furnished with this Form 10-K and shall not otherwise be deemed filed under such acts.

The following line graph compares the cumulative 5-year total return provided to shareholders of our Class A common stock relative to the cumulative total returns of: (i) the S&P 500 index; and (ii) a peer group index consisting of Cumulus Media Inc., Emmis Communications Corp., Radio One, Inc. and Beasley Broadcast Group, Inc. An investment of $100 (with reinvestment of all dividends) is assumed to have been made on December 31, 2011.

Cumulative Five-Year Return Index Of A $100 Investment



	12/11	12/12	12/13	12/14	12/15	12/16
Entercom Communications Corp.	**100.00**	**113.50**	**170.89**	**197.72**	**182.60**	**252.95**
S&P 500	**100.00**	**116.00**	**153.58**	**174.60**	**177.01**	**198.18**
Peer Group	**100.00**	**91.99**	**254.56**	**139.61**	**23.91**	**27.42**

ITEM 6. SELECTED FINANCIAL DATA

The selected financial data below, as of and for 2016 and the four prior years, were derived from our audited consolidated financial statements. The selected financial data for 2016, 2015 and 2014 and balance sheets as of December 31, 2016 and 2015 are qualified by reference to, and should be read in conjunction with, the corresponding audited consolidated financial statements, and the notes thereto, and Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this annual report. The selected financial data for 2013 and 2012 and the balance sheets as of December 31, 2014, 2013 and 2012 are derived from financial statements not included herein.

Our financial results are not comparable from year to year due to acquisitions and dispositions of radio stations, impairments of broadcasting licenses and goodwill, adoption of new accounting standards, and other significant events:

- In November 2016, we commenced operations under a time brokerage agreement ("TBA") for several radio stations in Charlotte, North Carolina.

- In November 2016, we refinanced our outstanding senior credit facility and retired our Senior Notes outstanding. As a result of the refinancing, we recognized a loss on extinguishment of debt of approximately $10.9 million.

- During 2016, we sold an AM station in Denver, Colorado, for $3.8 million and an AM station in Atlanta, Georgia for $0.9 million. These two sales generated gains of $0.3 million, and $0.2 million, respectively.

- During 2016, we settled a legal claim with British Petroleum and recovered $2.3 million on a net basis after deducting certain related expenses. This amount was included in other income and expense.

- In 2015, we acquired multiple radio stations, net of certain dispositions. Related to these transactions, we incurred: (1) merger and acquisition costs of $4.0 million in 2015 and $1.0 million in 2014; and (2) restructuring charges of $2.8 million in 2015 from the restructuring of operations;

- In 2012 we acquired one radio station;

- In 2012, we incurred an impairment loss of $22.3 million in connection with our review of goodwill and broadcasting licenses;

- In the fourth quarters of 2012 and 2013, we modified our debt which decreased our borrowing rate. In addition, we incurred new deferred financing fees as part of the modifications that were higher than the previous deferred financing fees.

SELECTED FINANCIAL DATA
(amounts in thousands, except per share data)

	Years Ended December 31,				
	2016	2015	2014	2013	2012
Operating Data:					
Net revenues	$ 460,245	$ 411,378	$ 379,789	$ 377,618	$ 388,924
Operating (income) expenses:					
Station operating expenses, including non-cash compensation expense	318,744	287,711	259,184	252,596	252,934
Depreciation and amortization	9,793	8,419	7,794	8,545	10,839
Corporate G & A expenses, including non-cash compensation expense	33,328	26,479	26,572	24,381	25,874
Impairment loss	254	-	-	850	22,307
Merger and acquisition costs and restructuring charges	708	6,836	1,042	-	-
Other expenses related to financing	565	-	-	-	-
Net time brokerage agreement fees (income)	417	(1,285)	-	-	238
Net (gain) loss on sale of assets	(1,621)	(2,364)	(379)	(1,321)	138
Total operating expenses	362,188	325,796	294,213	285,051	312,330
Operating income (loss)	98,057	85,582	85,576	92,567	76,594
Other (income) expense:					
Net interest expense	36,639	37,961	38,821	44,232	53,446
Other income	(2,299)	-	-	(165)	(118)
(Gain) loss on early extinguishment of debt	10,858	-	-	-	747
Net loss on investments	-	-	21	-	123
Net (gain) loss on derivative instruments	-	-	-	-	(1,346)
Total other expense	45,198	37,961	38,842	44,067	52,852
Income (loss) before income taxes (benefit)	52,859	47,621	46,734	48,500	23,742
Income taxes (benefit)	14,794	18,437	19,911	22,476	12,474
Net income (loss) attributable to Company	38,065	29,184	26,823	26,024	11,268
Preferred stock dividend	1,901	752	-	-	-
Net income (loss) attributable to common shareholders	$ 36,164	$ 28,432	$ 26,823	$ 26,024	$ 11,268

SELECTED FINANCIAL DATA
(amounts in thousands, except per share data)

	Years Ended December 31,				
Operating Data (continued):	**2016**	**2015**	**2014**	**2013**	**2012**
Net income (loss) attributable to common shareholders per share - basic:	$ 0.94	$ 0.75	$ 0.71	$ 0.70	$ 0.31
Net income (loss) attributable to common shareholders per share - diluted:	$ 0.91	$ 0.73	$ 0.69	$ 0.68	$ 0.30
Weighted average shares - basic	38,500	38,084	37,763	37,418	36,906
Weighted average shares - diluted	39,568	39,038	38,664	38,301	37,810
Cash Flows Data:					
Cash flows related to:					
Operating activities	$ 72,030	$ 64,790	$ 65,296	$ 63,349	$ 69,702
Investing activities	$ 495	$ (91,744)	$ (7,055)	$ (4,583)	$ (29,359)
Financing activities	$ (34,851)	$ 4,583	$ (38,932)	$ (55,458)	$ (35,045)
Other Data:					
Common stock dividends declared and paid	$ 8,666	$ -	$ -	$ -	$ -
Cash dividends declared per common share	$ 0.225	$ -	$ -	$ -	$ -
Perpetual cumulative convertible preferred stock dividends declared and paid	$ 1,788	$ 413	$ -	$ -	$ -

	December 31,				
	2016	**2015**	**2014**	**2013**	**2012**
Balance Sheet Data:					
Cash and cash equivalents - including cash of VIE	$ 46,843	$ 9,169	$ 31,540	$ 12,231	$ 8,923
Total assets	1,076,233	1,022,108	926,615	912,688	920,358
Senior secured debt and other, including current portion	480,087	268,750	262,000	299,500	352,592
Senior unsecured notes, senior subordinated notes and other	-	218,269	217,929	217,624	229,959
Deferred tax liabilities and other long-term liabilities	119,759	109,251	89,904	70,519	41,455
Perpetual cumulative convertible preferred stock (mezzanine)	27,732	27,619	-	-	-
Total shareholders' equity	393,374	361,450	329,021	298,393	269,494

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are the fourth-largest radio broadcasting company in the United States with a portfolio of radio stations in 28 top markets across the country.

On February 2, 2017, we and Merger Sub entered into the CBS Radio Merger Agreement with CBS and CBS Radio, pursuant to which Merger Sub will merge with and into CBS Radio with CBS Radio surviving as our wholly-owned subsidiary. The Merger is expected to be tax free to CBS and its shareholders, and will be effected through a stock for stock Reverse Morris Trust transaction. The Merger will make us a leading local media and entertainment company with a nationwide footprint of stations including positions in all of the top 10 markets and 23 of the top 25 markets. The transactions contemplated by the CBS Radio Merger Agreement are subject to approval by our shareholders and customary regulatory approvals. Such approvals will require the divestiture of stations in certain markets due to FCC ownership limitations. This transaction is expected to close during the second half of 2017.

Our results are based upon the aggregate performance of our radio stations. The following are some of the factors that impact a radio station's performance at any given time: (i) audience ratings; (ii) program content; (iii) management talent and expertise; (iv) sales talent and expertise; (v) audience characteristics; (vi) signal strength; and (vii) the number and characteristics of other radio stations and other advertising media in the market area.

As opportunities arise, we may, on a selective basis, change or modify a station's format due to changes in listeners' tastes or changes in a competitor's format. This could have an initial negative impact on a station's ratings and/or revenues, and there are no guarantees that the modification or change will be beneficial at some future time. Our management is continually focused on these opportunities as well as the associated risks and uncertainties. We strive to develop compelling content and strong brand images to maximize audience ratings that are crucial to our stations' financial success.

A radio broadcasting company derives its revenues primarily from the sale of broadcasting time to local, regional and national advertisers and national network advertisers who purchase spot commercials in varying lengths. A growing source of revenue is from station-related digital platforms, which allow for enhanced audience interaction and participation, and integrated local digital marketing solutions and station events. A station's local sales staff generates the majority of its local and regional advertising sales through direct solicitations of local advertising agencies and businesses. We retain a national representation firm to sell to advertisers outside of our local markets.

In the radio broadcasting industry, seasonal revenue fluctuations are common and are due primarily to variations in advertising expenditures by local and national advertisers. Typically, revenues are lowest in the first calendar quarter of the year.

In 2016, we generated the majority of our net revenues from local advertising, which is sold primarily by each individual local radio station's sales staff, and the next largest amount from national advertising, which is sold by an independent advertising sales representative. This includes, but is not limited to, the sale of advertising during audio streaming of our radio stations over the Internet and the sale of advertising on our stations' websites. We generated the balance of our 2016 revenues principally from network compensation, non-spot revenue, event marketing, e-commerce and integrated local digital marketing solutions.

The majority of our revenue is recorded on a net basis, which is gross revenue less advertising agency commissions. Revenues from digital marketing solutions and e-commerce are reflected on a net basis when appropriate. Revenues from event marketing are reflected on a net basis when we are not the primary party hosting the event. The revenues are determined by the advertising rates charged and the number of advertisements broadcast. We maximize our revenues by managing the inventory of advertising spots available for broadcast, which can vary throughout the day but is consistent over time.

Our most significant station operating expenses are employee compensation, programming and promotional expenses, and audience measurement services. Other significant expenses that impact our profitability are interest and depreciation and amortization expense.

You should read the following discussion and analysis of our financial condition and results in conjunction with our consolidated financial statements and related notes included elsewhere in this report. The following results of operations include a discussion of 2016 as compared to the prior year and a discussion of 2015 as compared to the prior year.

Results Of Operations

The year 2016 as compared to the year 2015

The following significant factors affected our results of operations for 2016 as compared to the prior year:

Business Combinations

On November 1, 2016, we commenced operations of three radio stations in Charlotte, North Carolina under a TBA with a trust, which increased our net revenues, station operating expenses and TBA expense. These radio stations were placed in trust by Beasley Broadcast Group, Inc. ("Beasley").

In the third quarter of 2016, we recorded merger and acquisition costs of $0.7 million.

On July 16, 2015, we acquired the stock of Lincoln Financial Media Company ("Lincoln") for $77.5 million in cash and $27.5 million in newly issued Preferred. Lincoln indirectly held the assets and liabilities of radio stations serving the Atlanta, Denver, Miami and San Diego markets (the "Lincoln Acquisition").

On November 24, 2015, we completed a transaction with Bonneville International Corporation ("Bonneville") to exchange certain radio stations in Denver for a radio station in Los Angeles, California (the "Bonneville Exchange") plus additional consideration. Pursuant to a TBA, on July 17, 2015, we commenced operations of a radio station in Los Angeles. That same day, Bonneville commenced operations of certain of our Denver radio stations.

On a combined basis, the 2015 transactions resulted in an increase in 2016 to our net revenues and station operating expenses, depreciation and amortization expense and interest expense and a decrease in 2016 to our TBA income. In addition, we recognized a gain of $1.5 million in 2015 on the disposition of a radio station.

We incurred merger and acquisition costs of $4.0 million in 2015 primarily related to the Lincoln Acquisition and the Bonneville Exchange.

We incurred restructuring charges of $2.8 million in 2015 primarily as a result of the restructuring of operations for the Lincoln Acquisition. These costs included a workforce reduction charge, the recognition of duplicative contractual obligations and the abandonment of excess studio space in one of the acquired markets.

Other

On November 1, 2016, we entered into a $540 million Credit Facility and used the proceeds to: (1) refinance our outstanding senior credit facility (the "Former Credit Facility") that was comprised of: (a) a term loan component ("Former Term B Loan") with $223.0 million outstanding at the date of the refinancing; and (b) a revolving credit facility (the "Former Revolver") with $3.0 million outstanding at the date of the refinancing; (2) fund the redemption of the $220.0 million 10.5% Senior Notes due December 1, 2019 (the "Senior Notes") and discharge the indenture (the "Indenture") governing the Senior Notes that is effective December 1, 2016; (3) fund $11.6 million of accrued interest and a call premium of $5.8 million on the Senior Notes; and (4) pay transaction costs associated with the refinancing.

As a result of the refinancing activity described above, we recorded a loss on extinguishment of debt of $10.9 million, related refinancing expenses of $0.6 million, and new deferred financing costs of $8.0 million. The loss on extinguishment of debt was included in other income.

During the third quarter of 2016, we settled a legal claim with British Petroleum as a result of their Deepwater Horizon Oil Spill in the Gulf of Mexico that occurred in 2010 and recovered $2.3 million on a net basis after deducting certain related expenses. The claim was a result of lost business due to the oil spill. This amount was included in other income and expense.

	YEARS ENDED DECEMBER 31, 2016	2015	% Change
	(dollars in millions)		
NET REVENUES	$ 460.2	$ 411.4	12%
OPERATING EXPENSE:			
Station operating expenses	318.7	287.7	11%
Depreciation and amortization expense	9.8	8.4	17%
Corporate general and administrative expenses	33.3	26.5	26%
Impairment loss	0.3	-	0%
Merger and acquisition costs and restructuring charges	0.7	6.8	(90%)
Other expenses related to financing	0.6	-	0%
Other operating (income) expenses	(1.2)	(3.6)	67%
Total operating expense	362.2	325.8	11%
OPERATING INCOME (LOSS)	98.0	85.6	14%
NET INTEREST EXPENSE	36.6	38.0	(4%)
OTHER (INCOME) EXPENSE	8.6	-	100%
INCOME (LOSS) BEFORE INCOME TAXES (BENEFIT)	52.8	47.6	11%
INCOME TAXES (BENEFIT)	14.8	18.4	(20%)
NET INCOME (LOSS) AVAILABLE TO THE COMPANY	38.1	29.2	30%
Preferred stock dividend	(1.9)	(0.8)	(138%)
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	$ 36.2	$ 28.4	27%

Net Revenues

Net revenues increased across most of our markets. For our core stations, which exclude the new stations acquired/disposed of through the Lincoln Acquisition and Bonneville Exchange, net revenues were up in the low-single digits. Comparing our performance for the new stations to the prior owners' performance, net revenues were up in the high single digits. Net revenues from the new stations together with our core stations contributed to overall double digit growth over prior year results.

Excluding the benefit of the net revenues associated with the new stations, net revenues increased the most for our stations located in the Denver and San Francisco markets.

Excluding the benefit of the net revenues associated with the new stations, net revenues decreased the most for our stations located in the New Orleans and Portland markets.

Station Operating Expenses

For our core stations, station operating expenses increased in the low single digits. Comparing our performance for the new stations to the prior owners' performance, station operating expenses decreased in the mid-single digits. Station operating expenses from the new stations together with our core stations contributed to the reported overall expense increase over prior year results, primarily due to an increase in the variable expenses associated with the increase in net revenues.

Depreciation And Amortization Expense

Depreciation and amortization expense increased in 2016 primarily due to the acquisition in 2015 of assets included in the Lincoln Acquisition.

Corporate General And Administrative Expenses

Corporate general and administrative expenses increased primarily due to an increase in costs associated with: (1) a $1.0 million bonus incurred in the second quarter in connection with a new employment agreement for our Chief Executive Officer; (2) an increase in non-cash equity compensation expense of $0.9 million; (3) an increase in deferred compensation expense of $0.7 million as our deferred compensation liability generally tracks the movements in the stock market; and (4) investment in corporate marketing capabilities and staff.

Operating Income

Operating income this year benefited from: (1) an increase in net revenues, net of station operating expenses, to reflect a full year of operations of the Lincoln Acquisition and the Bonneville Exchange as these stations were only included in operations for a portion of the year in 2015; (2) an increase in net revenues, net of station operating expenses and TBA fees, for the commencement of operations in Charlotte, North Carolina of three radio stations under a TBA that was effective November 1, 2016; and (3) a net reduction in merger and acquisition costs and restructuring charges of $6.1 million.

Interest Expense

Net interest expense was down $1.4 million for the year as average outstanding debt upon which interest is computed, declined slightly as compared to the prior year.

There would have been a further decrease in interest expense, however, we incurred interest expense on $220 million in debt outstanding under both the Senior Notes and the Term B Loan for the month of November. Assuming LIBOR is flat, we expect interest expense to decrease in future periods as a result of the decrease in future outstanding debt upon which interest is computed and the elimination of our Senior Notes as a result of the refinancing.

The weighted average variable interest rate as of December 31, 2016 and 2015 was 4.5% and 4.1%, respectively.

Income Before Income Taxes

The increase was largely attributable to: (1) improved results of operations; (2) a decrease of $6.1 million in merger and acquisition costs and restructuring charges; and (3) a $2.3 million settlement (net of certain expenses) with British Petroleum as a result of the Deepwater Horizon Oil Spill in the Gulf of Mexico. These increases were partially offset by a $10.9 million loss on extinguishment of debt incurred in connection with our refinancing of our Credit Facility and redemption of the Senior Notes.

Income Taxes

The effective income tax rate was 28.0% for 2016, which was impacted by: (1) discrete income tax benefits from the reversal of valuation allowances against net operating losses for certain single member states due to changes in future estimated income; (2) the reversal of partial valuation allowances in certain single member states as a result of internal restructuring; and (3) a retroactive decrease in deferred tax liabilities associated with non-amortizable assets such as broadcasting licenses and goodwill. Our income tax rate has been trending down as expenses not deductible for tax purposes have decreased due to the issuance to senior management of a higher percentage of awards that were fully deductible for tax purposes.

The effective income tax rate was 38.7% for 2015, which was impacted by an adjustment for expenses that are not deductible for tax purposes and an increase in net deferred tax liabilities associated with non-amortizable assets such as broadcasting licenses and goodwill. Our income tax rate had been trending down as expenses not deductible for tax purposes decreased due to the issuance to senior management of a higher percentage of awards that were fully deductible for tax purposes. Effective with the Lincoln Acquisition and the Bonneville Exchange, the estimated annual income tax rate increased due to the impact of acquisitions on our state income apportionments to states with higher income tax rates. This increase was offset by a discrete state income tax credit due to recent legislation that allowed for the release of a partial valuation allowance in a certain single member state.

Estimated Income Tax Rate For 2017

We estimate that our 2017 annual tax rate before discrete items, which may fluctuate from quarter to quarter, will be about 40%. We anticipate that our rate in 2017 could be affected primarily by: (1) changes in the level of income in any of our taxing jurisdictions; (2) adding facilities through mergers or acquisition in states that on average have different income tax rates from states in which we currently operate and the resulting effect on previously reported temporary differences between the tax and financial reporting bases of our assets and liabilities; (3) the effect of recording changes in our liabilities for uncertain tax positions; (4) taxes in certain states that are dependent on factors other than taxable income; (5) the limitations on the deduction of cash and certain non-cash compensation expense for certain key employees; and (6) any tax benefit shortfall associated with share-based awards. Our annual effective tax rate may also be materially impacted by: (i) tax expense associated with non-amortizable assets such as broadcasting licenses and goodwill; (ii) regulatory changes in certain states in which we operate; (iii) changes in the expected outcome of tax audits; (iv) changes in the estimate of expenses that are not deductible for tax purposes; and (v) changes in the deferred tax valuation allowance.

In the event we determine at a future time that it is more likely than not that we will not realize our net deferred tax assets, we will increase our deferred tax asset valuation allowance and increase income tax expense in the period when we make such a determination.

Net Deferred Tax Liabilities

As of December 31, 2016 and 2015, our total net deferred tax liabilities were $92.9 million and $78.2 million, respectively. Our net deferred tax liabilities primarily relate to differences between book and tax bases of certain of our indefinite-lived intangibles (broadcasting licenses and goodwill). Under accounting guidance, we do not amortize our indefinite-lived intangibles for financial statement purposes, but instead test them annually for impairment. The amortization of our indefinite-lived assets for tax purposes but not for book purposes creates deferred tax liabilities. A reversal of deferred tax liabilities may occur when indefinite-lived intangibles: (1) become impaired; or (2) are sold, which would typically only occur in connection with the sale of the assets of a station or groups of stations or the entire company in a taxable transaction. Due to the amortization for tax purposes and not book purposes of our indefinite-lived intangible assets, we expect to continue to generate deferred tax liabilities in future periods (without consideration for any impairment loss in future periods).

Net Income Available To The Company

The change in net income available to the Company was primarily attributable to the reasons described above under Income Before Income Taxes and Income Taxes.

Results Of Operations

The year 2015 as compared to the year 2014

The following significant factors affected our results of operations for 2015 as compared to the prior year:

Business Combinations

On July 16, 2015, we closed on the Lincoln Acquisition for $77.5 million in cash and $27.5 million in newly issued Preferred for radio stations serving the Atlanta, Denver, Miami and San Diego markets.

Under the Bonneville Exchange, on July 17, 2015, we commenced operations of a radio station in Los Angeles and that same day, Bonneville commenced operations of certain of our Denver radio stations. On November 24, 2015, we completed the Bonneville Exchange.

On a combined basis, the above transactions resulted in an increase to our net revenues and station operating expenses, our TBA income, depreciation and amortization expense and interest expense. In addition, we recognized a gain of $1.5 million on the disposition of a radio station.

We incurred merger and acquisition costs of $4.0 million in 2015 and $1.0 million in 2014 primarily related to the Lincoln Acquisition and the Bonneville Exchange.

We incurred restructuring charges of $2.8 million in 2015 primarily as a result of the restructuring of operations for the Lincoln Acquisition. These costs included a workforce reduction charge, the recognition of duplicative contractual obligations and the abandonment of excess studio space in one of the acquired markets.

Other

During the third quarter of 2014, we settled a legal claim for $1.0 million. This amount was included in corporate general and administrative expenses.

	YEARS ENDED DECEMBER 31,		
	2015	**2014**	**% Change**
	(dollars in millions)		
NET REVENUES	$ 411.4	$ 379.8	8%
OPERATING EXPENSE:			
Station operating expenses	287.7	259.2	11%
Depreciation and amortization expense	8.4	7.8	8%
Corporate general and administrative expenses	26.5	25.6	4%
Merger and acquisition costs and restructuring charges	6.8	1.0	nmf
Other operating (income) expenses	(3.6)	(0.4)	nmf
Total operating expense	325.8	294.2	11%
OPERATING INCOME (LOSS)	85.6	85.6	0%
NET INTEREST EXPENSE	38.0	38.8	(2%)
INCOME (LOSS) BEFORE INCOME TAXES (BENEFIT)	47.6	46.8	2%
INCOME TAXES (BENEFIT)	18.4	20.0	(8%)
NET INCOME (LOSS) AVAILABLE TO THE COMPANY	29.2	26.8	9%
Preferred stock dividend	(0.8)	-	nmf
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	$ 28.4	$ 26.8	6%

Net Revenues

The increase in net revenues for 2015 was primarily attributable to the net revenues from the Lincoln Acquisition and Bonneville Exchange. Excluding the net revenues from these new radio stations and the divested station, net revenues were up in the low single digits. Also, the prior year benefited from the influx of political advertising.

Excluding the benefit of the net revenues associated with the new stations, net revenues increased the most for our stations in the Boston and Kansas City markets, offset by revenue decreases for our stations located in the Denver market (includes the impact of a station we exchanged with Bonneville) and the New Orleans market.

Station Operating Expenses

The increase in station operating expenses for 2015 was primarily attributable to the Lincoln Acquisition and the Bonneville Exchange. Excluding the station operating expenses from these new radio stations and the divested station, station operating expenses were up in the low single digits primarily due to a correlating increase in the variable expenses associated with the increase in net revenues which was also in the low single digits. Station operating expenses also increased for 2015 due to the continuing investment and development within our markets of digital product offerings.

Depreciation And Amortization Expense

Depreciation and amortization expense increased in 2015 primarily due to the acquisition of assets included in the Lincoln Acquisition.

Corporate General And Administrative Expenses

Corporate general and administrative expenses were essentially flat for 2015.

Operating Income

Operating income was essentially flat for 2015. Operating income in 2015 benefited from: (1) an increase in net revenues, net of station operating expenses, of $3.1 million, that included the operation of the new stations and the disposition of one station; and (2) an increase in gains on the sale or disposal of assets of $2.0 million primarily related to the one station that was disposed to Bonneville. This increase was offset primarily due to an increase in 2015 of merger and acquisition costs and restructuring charges of $5.8 million related to the acquisition and integration of the new stations.

Interest Expense

The decrease in interest expense for 2015 was primarily due to the lower outstanding debt upon which interest is computed for at least half of the year, offset by the increase in interest expense on the borrowing of $42.0 million under the revolving credit facility needed to partially fund closing on the Lincoln Acquisition as our variable interest rates remained flat for most of the year.

The weighted average variable interest rate as of December 31, 2015 and 2014 was 4.1% and 4.0%, respectively.

Income Before Income Taxes

The increase for 2015 was largely attributable to the $0.9 million decrease in interest expense as operating income was essentially flat.

Income Taxes

The effective income tax rate was 38.7% for 2015, which was impacted by an adjustment for expenses that are not deductible for tax purposes and an increase in net deferred tax liabilities associated with non-amortizable assets such as broadcasting licenses and goodwill. Our income tax rate has been trending down as expenses not deductible for tax purposes have decreased due to the issuance to senior management of a higher percentage of awards that were fully deductible for tax purposes. Effective with the Lincoln Acquisition and the Bonneville Exchange, the estimated annual income tax rate increased due to the impact of acquisitions on our state income apportionments to states with higher income tax rates. This increase was offset by a discrete state income tax credit due to recent legislation that allowed for the release of a partial valuation allowance in a certain single member state.

The effective income tax rate was 42.6% for 2014, which was higher than expected due to an adjustment for expenses that are not deductible for tax purposes and net deferred tax liabilities associated with non-amortizable assets such as broadcasting licenses and goodwill. During this period, we received a discrete tax benefit from legislatively reduced income tax rates in certain states.

Net Income Available To The Company

The net change in net income available to us for 2015, was primarily attributable to the reasons described above under Income Before Income Taxes and Income Taxes.

Future Impairments

We may determine that it will be necessary to take impairment charges in future periods if we determine the carrying value of our intangible assets is more than the fair value. Our annual impairment test of our broadcasting licenses and goodwill was performed in the second quarter of 2016. We may be required to retest prior to our next annual evaluation, which could result in an impairment. As of December 31, 2016, no interim impairment test was required for our broadcasting licenses and goodwill.

Liquidity And Capital Resources

Liquidity

On November 1, 2016, we entered into a $540 million Credit Facility with a syndicate of lenders and used the proceeds to: (1) refinance the Former Credit Facility; (2) fund the redemption of our Senior Notes; (3) fund $11.6 million of accrued interest and a call premium of $5.8 million on the Senior Notes; and (4) pay transaction costs associated with the refinancing.

The Credit Facility is comprised of a $60 million Revolver and a $480 million Term B Loan. As of December 31, 2016, we had $480.0 million outstanding under the Term B Loan component and no amount was outstanding under the Revolver component. In addition, we had $0.7 million in outstanding letters of credit. As of December 31, 2016, we had $46.8 million in cash and cash equivalents.

Over the past several years, we have used a significant portion of our cash flow to reduce our indebtedness. Generally, our cash requirements are funded from one or a combination of internally generated cash flow, cash on hand and borrowings under our Revolver. As of December 31, 2016, we have sufficient cash balances to complete the Beasley acquisition without borrowing under the Revolver. For the year ended December 31, 2016, we decreased our outstanding net debt by $8.7 million.

We may also use our capital resources to repurchase shares of our Class A common stock, to pay dividends to our shareholders, and to make acquisitions. We may from time to time seek to repurchase and retire our outstanding debt through open market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material. We could also use our capital resources to repurchase the Preferred from time to time.

The Refinancing

The Credit Facility

On November 1, 2016, we and our wholly owned subsidiary, Radio, entered into a $540 million Credit Facility with a syndicate of lenders and used the proceeds to: (1) refinance our Former Credit Facility that was comprised of: (a) a Former Term B Loan with $223.0 million outstanding at the date of the refinancing; and (b) a Former Revolver with $3.0 million outstanding at the date of the refinancing; (2) fund the redemption effective December 1, 2016 of the Senior Notes and discharged the Indenture governing the Senior Notes; (3) fund $11.6 million of accrued interest and a call premium of $5.8 million on the Senior Notes; and (4) pay transaction costs associated with the refinancing. In the fourth quarter of 2016, we recorded a loss on extinguishment of debt of $10.9 million related to the refinancing. We recorded new deferred financing costs of $8.0 million and incurred third party costs of $0.6 million as a result of the refinancing activities.

The $60 million Revolver has a maturity date of November 1, 2021 and provides for interest based upon the prime rate or the LIBOR rate plus a margin. The margin may increase or decrease based upon our Consolidated Leverage Ratio as defined in the agreement. The initial margin is at LIBOR plus 3.5% or the prime rate plus 2.5%. In addition, the Revolver requires the payment of a commitment fee of 0.5% per annum for the unused amount.

The $480 million Term B Loan has a maturity date of November 1, 2023 and provides for interest based upon the Base Rate or LIBOR, plus a margin. The initial rate is at LIBOR plus 3.5%, with a LIBOR floor of 1.0%, or the Base Rate plus 2.5%. The Base Rate is the highest of: (a) the administrative agent's prime rate; (b) the Federal Funds Rate plus 0.5%; or (c) the LIBOR Rate plus 1.0%. The facility amortizes: (1) with equal quarterly installments of principal in annual amounts equal to 1.0% of the original principal amount of the Term B Loan; and (2) mandatory yearly prepayments based upon a percentage of Excess Cash Flow as defined in the loan agreement. The first such Excess Cash Flow payment, if any, will be due in the first quarter of 2018. Any remaining principal and interest is due at maturity.

We expect to use the Revolver to: (1) provide for working capital; and (2) provide for general corporate purposes, including capital expenditures and any or all of the following (subject to certain restrictions): repurchases of Class A common stock, repurchases of preferred stock, dividends, investments and acquisitions. The Credit Facility is secured by a pledge of 100% of the capital stock and other equity interest in all of our wholly owned subsidiaries. In addition, the Credit Facility is secured by a lien on substantially all of our assets with limited exclusions (including our real property). Our parent, Entercom Communications Corp., and all of our subsidiaries jointly and severally guaranteed the Credit Facility. The assets securing the Credit Facility are subject to customary release provisions which would enable us to sell such assets free and clear of encumbrance, subject to certain conditions and exceptions.

The Credit Facility has usual and customary covenants including, but not limited to, consolidated leverage ratios, consolidated interest coverage ratios, limitations on acquisitions, stock repurchases, additional borrowings, and dividends. Specifically, the Credit Facility requires us to comply with certain financial covenants which are defined terms within the agreement, including:

- a maximum Consolidated Leverage Ratio that cannot exceed 5.0 times through December 31, 2017, which decreases over time to 4.5 times as of September 30, 2018 and thereafter; and

- a minimum Consolidated Interest Coverage Ratio of 2.0 times.

As of December 31, 2016, our Consolidated Leverage Ratio was 3.7 times and our Consolidated Interest Coverage Ratio was 5.1 times.

As of December 31, 2016, we were in compliance with all financial covenants then applicable and all other terms of the Credit Facility in all material respects. Our ability to maintain compliance with our covenants under the Credit Facility is highly dependent on our results of operations. Management believes that over the next 12 months we can continue to maintain compliance. Our operating cash flow remains positive, and we believe that it is adequate to fund our operating needs. We believe that cash on hand and cash from operating activities will be sufficient to permit us to meet our liquidity requirements over the next 12 months, including our debt repayments.

Failure to comply with our financial covenants or other terms of our Credit Facility and any subsequent failure to negotiate and obtain any required relief from our lenders could result in a default under the Credit Facility. Any event of default could have a material adverse effect on our business and financial condition. The acceleration of our debt could have a material adverse effect on our business. We may seek from time to time to amend our Credit Facility or obtain other funding or additional funding, which may result in higher interest rates on our debt.

The Credit Facility is secured by a pledge of 100% of the capital stock and other equity interest in all of our wholly owned subsidiaries. In addition, the Credit Facility is secured by a lien on substantially all of our assets, with limited exclusions (including our real property). The assets securing the Credit Facility are subject to customary release provisions which would enable us to sell such assets free and clear of encumbrance, subject to certain conditions and exceptions.

The Former Credit Facility

On November 23, 2011, we entered into the Former Credit Facility with a syndicate of lenders for a $425 million Credit Facility, which was initially comprised of: (a) the $50 million Former Revolver that was set to mature on November 23, 2016; and (b) the $375 million Former Term B Loan that was set to mature on November 23, 2018.

The Former Term B Loan required mandatory prepayments equal to a percentage of Excess Cash Flow, which was defined within the agreement and was subject to incremental step-downs depending on the consolidated Leverage Ratio.

In December 2015, we reduced the total Former Revolver capacity from $50 million to $40 million.

Senior Notes

In connection with the refinancing described above, on November 1, 2016, we issued a call notice to redeem our Senior Notes with an effective date of December 1, 2016. We incurred interest in November 2016 on both the Senior Notes and the Credit Facility as we placed funds in escrow from November 1, 2016 until the redemption date. On November 1, 2016, we deposited the following funds in escrow to satisfy our obligations under the Senior Notes and discharge the Indenture governing the Senior Notes: (1) $220 million to redeem the Senior Notes in full; (2) $11.6 million for accrued and unpaid interest through December 1, 2016; and (3) $5.8 million for a call premium for the early retirement of the Senior notes. As a result of the refinancing, we recorded a $10.1 million loss on extinguishment of debt that included the call premium, unamortized deferred financing expense and the original issue discount.

As background, simultaneously with entering into the Former Credit Facility on November 23, 2011, we issued the Senior Notes in the amount of $220.0 million. Interest on the Senior Notes was payable semi-annually in arrears on June 1 and December 1 of each year.

In addition to the parent, Entercom Communications Corp., all of our existing subsidiaries (other than Radio, which is a finance subsidiary and was the issuer of the Senior Notes), jointly and severally guaranteed the Senior Notes.

Perpetual Cumulative Convertible Preferred Stock

Upon closing on the Lincoln Acquisition, we issued $27.5 million of Preferred that in the event of a liquidation, ranks senior to common stock in our capital structure. The liquidation preference of the preferred stock rank senior to liquidation payments to our common shareholders. The Preferred is convertible by Lincoln into a fixed number of shares after a three-year waiting period, subject to customary anti-dilution provisions. At certain times (including the first three years after issuance), we can redeem the Preferred in cash at a price of 100%. The dividend rate on the Preferred increases over time from 6% to 12%.

Debt Repurchases

We may from time to time seek to repurchase and retire our outstanding debt through cash purchases, open market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Operating Activities

Net cash flows provided by operating activities were $72.0 million and $64.8 million for 2016 and 2015, respectively. The cash flows from operating activities increased primarily due to the increase in net revenues, net of station operating expenses, from the Lincoln Acquisition and Bonneville Exchange as the current year benefited from a full year of operating these radio stations. This increase was offset by a net increase in working capital requirements of $12.1 million primarily related to the increase in operating income.

Net cash flows provided by operating activities were $64.8 million and $65.3 million for 2015 and 2014, respectively. The cash flows from operating activities decreased primarily due to the cash requirements to fund the increase of $5.8 million in merger and acquisitions costs and restructuring charges associated primarily associated with the Lincoln Acquisition. This decrease in cash flows from operating activities was offset by a $3.1 million increase in operating income primarily due to net revenues, net of station operating expenses, from the Lincoln Acquisition and Bonneville Exchange.

Investing Activities

For 2016, net cash flows provided by investing activities were $0.5 million, which primarily reflected the proceeds from the sales of various assets in Kansas City, land in Miami, and the sale of two AM radio stations, which were partially offset by additions to property and equipment of $7.3 million. For 2015, net cash flows used in investing activities were $91.7 million, which primarily reflected the purchase of radio station assets of $83.6 million (excluding the issuance of the Preferred and cash acquired from Lincoln). For 2014, net cash flows used in investing activities were $7.1 million, which primarily reflected the additions to property and equipment of $8.4 million.

Financing Activities

For 2016, net cash flows used in financing activities were $34.9 million, which primarily reflect the proceeds under our Credit Facility, offset by the retirement of our Former Credit Facility and our Senior Notes. For 2015, net cash flows provided by financing activities primarily reflect the use of the Former Revolver of $58.0 million of which $42.0 million was used to fund a portion of the cash requirements necessary to complete the Lincoln Acquisition. This was offset by the reduction of our net borrowings of $51.3 million. For 2014, the cash flows used in financing activities primarily reflected the net repayment of debt of $37.5 million.

Income Taxes

During 2016, 2015 and 2014, we paid a nominal amount in income taxes (state income taxes) as we have benefited from the tax deductions available on acquired assets, which are primarily intangible assets such as broadcasting licenses and goodwill. For 2016, we estimate that we will have income subject to tax in the mid-single digit millions before the utilization of net operating loss carryforwards (“NOLs”). In addition, for 2016, we paid $0.2 million in Alternative Minimum Tax (“AMT”). The AMT is available to be carried forward indefinitely to be used as a credit to offset future income tax liabilities.

For 2017, we anticipate that we will continue to utilize federal and state NOLs to offset income subject to tax. This should significantly reduce our obligation to make quarterly estimated federal and most state income tax payments. Our obligation to pay in quarterly AMT should continue.

Dividends

During the second quarter of 2016, we commenced an annual $0.30 per share common stock dividend program, with payments that approximate $2.9 million per quarter. Any future dividends will be at the discretion of the Board of Directors based upon the relevant factors at the time of such consideration, including, without limitation, compliance with the restrictions set forth in our Credit Facility.

A quarterly dividend on our Preferred of $0.4 million was paid in October 2015 and each of the subsequent three quarters. A quarterly dividend on our Preferred of $0.6 million was paid in October 2016 and January 2017.

See Liquidity under Part II, Item 7, “Management’s Discussion And Analysis Of Financial Condition And Results Of Operations,” and Note 8 in the accompanying notes to the consolidated financial statements.

Share Repurchase Programs

We do not currently have any share repurchase programs authorized. Any share repurchase program is subject to the approval of our Board of Directors. Such approval would be dependent on many factors, including but not limited to, market conditions and restrictions under our Credit Facility. New share repurchase programs could be commenced at any time without prior notice.

Capital Expenditures

Capital expenditures for 2016, 2015 and 2014 were $7.3 million, $7.0 million and $8.4 million, respectively. We anticipate that capital expenditures in 2017 will be between $14.0 million and $16.0 million. Capital expenditures are anticipated to be significantly higher in 2017 due to the expected relocation, consolidation and improvement of studio facilities in several of our larger markets. These expected expenditures do not consider any cash we may receive from the sale of existing owned studio facilities and cash available from landlords for tenant improvement allowances.

Credit Rating Agencies

On a continuing basis, Standard and Poor’s, Moody’s Investor Services and other rating agencies may evaluate our debt in order to assign a credit rating. Any significant downgrade in our credit rating could adversely impact our future liquidity by limiting or eliminating our ability to obtain debt financing.

Contractual Obligations

The following table reflects a summary of our contractual obligations as of December 31, 2016:

	Payments Due By Period				
Contractual Obligations:	**Total**	**Less Than 1 Year**	**1 To 3 Years**	**3 To 5 Years**	**More Than 5 Years**
Long-term debt obligations [1]	$621,148	$26,335	$52,030	$51,156	$491,627
Operating lease obligations [2]	99,179	18,462	29,605	19,188	31,924
Purchase obligations [3]	212,556	95,549	63,980	30,027	23,000
Other long-term liabilities [4]	119,759	837	2,692	2,616	113,614
Total	$1,052,642	$141,183	$148,307	$102,987	$660,165

(1) The total amount reflected in the above table includes principal and interest. Our Credit Facility had outstanding debt in the amount of $480.0 million under our Term B Loan and none outstanding under our Revolver as of December 31, 2016. The maturity under our Credit Facility could be accelerated if we do not maintain compliance with certain covenants. The principal maturities reflected exclude any impact from required principal payments based upon our future operating performance. The above table includes projected interest expense under the remaining term of our Credit Facility.

(2) The operating lease obligations represent scheduled future minimum operating lease payments under non-cancellable operating leases, including rent obligations under escalation clauses. The minimum lease payments do not include common area maintenance, variable real estate taxes insurance and other costs for which the Company may be obligated as most of these payments are primarily variable rather than fixed.

(3) We have purchase obligations of $186.5 million including contracts primarily for on-air personalities and other key personnel, ratings services, sports programming rights, software and equipment maintenance and certain other operating contracts. In addition to the above, we have $26.1 million in liabilities related to: (i) an obligation to purchase four radio stations in Charlotte, North Carolina for $24.0 million; (ii) construction obligations of $1.4 million; and (ii) our obligation related to $0.7 million in letters of credit.

(4) Included within total other long-term liabilities of $119.8 million are deferred income tax liabilities of $92.9 million. It is impractical to determine whether there will be a cash impact to an individual year. Therefore, deferred income tax liabilities, together with liabilities for deferred compensation and uncertain tax positions (other than the amount of unrecognized tax benefits that are subject to the expiration of various statutes of limitation over the next 12 months) are reflected in the above table in the column labeled as “More Than 5 Years.” See Note 14, Income Taxes, in the accompanying notes to the consolidated financial statements for a discussion of deferred tax liabilities, including liabilities for unrecognized tax positions.

Off-Balance Sheet Arrangements

As of December 31, 2016 and as of the date this report was filed (other than as described below), we did not have any material off-balance sheet transactions, arrangements, or obligations, including contingent obligations.

For the trust assets in Charlotte, North Carolina, operated by us during the period of the TBA and which were acquired by us in January 2017, we consolidated the trust’s assets and liabilities as of December 31, 2016 as we are the primary beneficiary of the Charlotte Trust. As the primary beneficiary, we will absorb the majority of the profits and losses from the operation of the trust’s assets during the period of the TBA.

We do not have any other relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet financial arrangements or other contractually narrow or limited purposes as of December 31, 2016. Accordingly, we are not materially exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in such relationships.

Market Capitalization

As of December 31, 2016 and 2015, our total equity market capitalization was $622.8 million and $445.6 million, respectively, which was $229.4 million and $84.1 million higher, respectively, than our book equity value on those dates. As of December 31, 2016 and 2015, our stock price was $15.30 per share and $11.23 per share, respectively.

Intangibles

As of December 31, 2016, approximately 80% of our total assets consisted of radio broadcast licenses and goodwill, the value of which depends significantly upon the operational results of our business. We could not operate our radio stations without the related FCC license for each station. FCC licenses are subject to renewal every eight years. Consequently, we continually monitor the activities of our stations to ensure they comply with all regulatory requirements. See Part I, Item 1A, "Risk Factors," for a discussion of the risks associated with the renewal of licenses.

Inflation

Inflation has affected our performance by increasing our radio station operating expenses in terms of higher costs for wages and multi-year vendor contracts with assumed inflationary built-in escalator clauses. The exact effects of inflation, however, cannot be reasonably determined. There can be no assurance that a high rate of inflation in the future would not have an adverse effect on our profits, especially since our Credit Facility is variable rate.

Recent Accounting Pronouncements

For a discussion of recently issued accounting standards, see Note 2 in the accompanying consolidated financial statements.

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates under different circumstances or by using different assumptions.

We consider the following policies to be important in understanding the judgments involved in preparing our consolidated financial statements and the uncertainties that could affect our financial position, results of operations or cash flows:

Revenue Recognition

We generate revenue from the sale to advertisers of various services and products, including but not limited to: (1) commercial broadcast time; (2) digital advertising; (3) local events; (4) e-commerce where an advertiser's goods and services are sold through our websites; and (5) integrated digital advertising solutions.

Revenue from services and products is recognized when delivered.

Advertiser payments received in advance of when the products or services are delivered are recorded on our balance sheet as unearned revenue.

Revenues presented in the consolidated financial statements are reflected on a net basis, after the deduction of advertising agency fees by the advertising agencies. We also evaluate when it is appropriate to recognize revenue based on the gross amount invoiced to the customer or the net amount retained by us if a third party is involved.

Allowance For Doubtful Accounts

We evaluate our allowance for doubtful accounts on an ongoing basis. We specifically review historical write-off activity by market, large customer concentrations, customer creditworthiness, the economic conditions of the customer's industry, and changes in our customer payment practices when evaluating the adequacy of the allowance for doubtful accounts. Our historical estimates have been a reliable method to estimate future allowances.

Contingencies And Litigation

On an ongoing basis, we evaluate our exposure related to contingencies and litigation and record a liability when available information indicates that a liability is probable and estimable. We also disclose significant matters that may reasonably result in a loss or are probable but not estimable.

Estimation Of Our Tax Rates

We must make certain estimates and judgments in determining income tax expense for financial statement purposes. These estimates and judgments must be used in the calculation of certain tax assets and liabilities because of differences in the timing of recognition of revenue and expense for tax and financial statement purposes. As changes occur in our assessments regarding our ability to recover our deferred tax assets, our tax provision is increased in any period in which we determine that the recovery is not probable.

We expect our effective tax rate, before discrete items, changes in the valuation allowance, the tax expense associated with non-amortizable assets and impairment losses, to be about 40%.

In 2016, our tax rate was 28.0%, which was lower than expected due to discrete items for: (1) tax benefits associated with legislative changes in certain single member states; and (2) a reduction in our valuation allowances against net operating losses in certain single member states as a result of internal restructuring. The income tax rate in 2015 of 38.7% was lower due to certain discrete tax benefits and the income tax rate in 2014 of 42.6% was higher primarily due to a tax benefit shortfall associated with share-based awards.

The calculation of our tax liabilities requires us to account for uncertainties in the application of complex tax regulations. We recognize liabilities for uncertain tax positions based on the two-step process prescribed within the interpretation of accounting for uncertain tax positions. The first step is to evaluate the tax position for recognition of a tax benefit by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit based upon its technical merits, including resolution of related appeals or litigation processes, if any. The second step requires us to estimate and measure the tax benefit as the largest amount that has greater than a 50% likelihood of being realized upon ultimate settlement. It is inherently difficult and subjective to estimate such amounts, as this requires us to determine the probability of various possible outcomes. We evaluate these uncertain tax positions, and review whether any new uncertain tax positions have arisen, on a quarterly basis. This evaluation is based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, effectively settled issues under audit, historical experience with similar tax matters, guidance from our tax advisors, and new audit activity. A change in recognition or measurement would result in the recognition of a tax benefit or an additional charge to the tax provision in the period in which the change occurs.

We believe our estimates of the value of our tax contingencies and valuation allowances are critical accounting estimates, as they contain assumptions based on past experiences and judgments about potential actions by taxing jurisdictions. It is reasonably likely that the ultimate resolution of these matters may be greater or less than the amount that we have currently accrued. The effect of a 1% increase in our estimated tax rate as of December 31, 2016 would be an increase in income tax expense of $0.5 million and a decrease in net income available to common shareholders of $0.5 million (net income available to common shareholders per basic and diluted share of $0.01) for 2016.

Radio Broadcasting Licenses And Goodwill

We have made acquisitions in the past for which a significant amount of the purchase price was allocated to broadcasting licenses and goodwill assets. As of December 31, 2016, we have recorded approximately $856 million in radio broadcasting licenses and goodwill, which represents 80% of our total assets at that date. We must conduct impairment testing at least annually, or more frequently if events or changes in circumstances indicate that the assets might be impaired, and charge to operations an impairment expense in the periods in which the recorded value of these assets is more than their fair value. Any such impairment could be material. After an impairment expense is recognized, the recorded value of these assets will be reduced by the amount of the impairment expense and that result will be the assets' new accounting basis. Our most recent impairment loss to our broadcasting licenses and goodwill was in 2012.

We believe our estimate of the value of our radio broadcasting licenses and goodwill assets is an important accounting estimate as the value is significant in relation to our total assets, and our estimate of the value uses assumptions that incorporate variables based on past experiences and judgments about future performance of our stations.

Broadcasting Licenses Impairment Test

We perform our broadcasting license impairment test by using the direct method at the market level. Each market’s broadcasting licenses are combined into a single unit of accounting for the purpose of testing impairment, as the broadcasting licenses in each market are operated as a single asset. We determine the fair value of broadcasting licenses in each of our markets by relying on a discounted cash flow approach (a 10-year income model) assuming a start-up scenario in which the only assets held by an investor are broadcasting licenses. Our fair value analysis contains assumptions based upon past experience, reflects expectations of industry observers and includes judgments about future performance using industry normalized information for an average station within a certain market. These assumptions include, but are not limited to: (1) the discount rate; (2) the market share and profit margin of an average station within a market based upon market size and station type; (3) the forecast growth rate of each radio market; (4) the estimated capital start-up costs and losses incurred during the early years; (5) the likely media competition within the market area; (6) the tax rate; and (7) future terminal values. Changes in our estimates of the fair value of these assets could result in material future period write-downs in the carrying value of our broadcasting licenses and goodwill assets.

The methodology used by us in determining our key estimates and assumptions was applied consistently to each market. Of the seven variables identified above, we believe that the assumptions in items (1) through (3) above are the most important and sensitive in the determination of fair value.

We most recently completed our annual impairment test for broadcasting licenses during the second quarter of 2016 and determined that the fair value of the broadcasting licenses was more than the carrying value in each of our markets and, as a result, we did not record an impairment loss.

The following table reflects the estimates and assumptions used in the second quarter of 2016 as compared to the second quarter of 2015, the date of the most recent prior impairment test:

	Estimates And Assumptions	
	Second Quarter 2016	**Second Quarter 2015**
Discount rate	9.5%	9.7%
Operating profit margin ranges expected for average stations in the markets where the Company operates	14% to 40%	25% to 40%
Long-term revenue growth rate range of the Company's markets	1.0% to 2.0%	1.5% to 2.0%

While we believe we have made reasonable estimates and assumptions to calculate the fair value of our broadcasting licenses, these estimates and assumptions could be materially different from actual results.

If actual market conditions are less favorable than those projected by the industry or by us, or if events occur or circumstances change that would reduce the fair value of our broadcasting licenses below the amount reflected on the balance sheet, we may be required to recognize impairment charges, which could be material, in future periods.

The table below presents the percentage within a range by which the fair value exceeded the carrying value of our radio broadcasting licenses as of December 31, 2016 for 24 units of accounting (24 geographical markets) where the carrying value of the licenses is considered material to our financial statements. Our newest market, Charlotte, North Carolina, is excluded from this table, however, certain of the same assumptions were used in the valuation of the assets that are included as a variable interest entity ("VIE") in our balance sheet as of December 31, 2016. Rather than presenting the percentage separately for each unit of accounting, management's opinion is that this table in summary form is more meaningful to the reader in assessing the recoverability of the broadcasting licenses. In addition, the units of accounting are not disclosed with the specific market name as such disclosure could be competitively harmful to us.

	Units Of Accounting As Of December 31, 2016 Based Upon The Valuation As Of June 30, 2016 Percentage Range By Which Fair Value Exceeds The Carrying Value			
	0% To 5%	**Greater Than 5% To 10%**	**Greater Than 10% To 15%**	**Greater Than 15%**
Number of units of accounting	7	4	2	11
Carrying value (in thousands)	$ 360,697	$ 173,273	$ 48,539	$ 223,000

Broadcasting Licenses Valuation At Risk

The second quarter 2016 impairment test of our broadcasting licenses indicated that there were 11 units of accounting where the fair value exceeded their carrying value by 10% or less. In aggregate, these 11 units of accounting have a carrying value of $534.0 million. If overall market conditions or the performance of the economy deteriorates, advertising expenditures and radio industry results could be negatively impacted, including expectations for future growth. This could result in future impairment charges for these or other of our units of accounting.

Goodwill Impairment Test

We perform our annual goodwill impairment test during the second quarter of each year by evaluating our goodwill for each reporting unit. We determined that a radio market is a reporting unit and, in total, we assessed goodwill at 23 separate reporting units. In determining the reporting units to evaluate, we excluded: (1) four reporting units that had no goodwill; and (2) one reporting unit recorded as a VIE as of December 31, 2016, however, certain of the same assumptions were used in determining the fair value of these assets.

If the fair value of any reporting unit is less than the amount reflected in the balance sheet, an indication exists that the amount of goodwill attributed to a reporting unit may be impaired, and we are required to perform a second step of the impairment test. In the second step, we compare the amount reflected in the balance sheet to the implied fair value of the reporting unit's goodwill, determined by allocating the reporting unit's fair value to all of its assets and liabilities in a manner similar to a purchase price allocation.

To determine the fair value, we use a market approach and, when appropriate, an income approach in computing the fair value for each reporting unit. The market approach calculates the fair value of each market's radio stations by analyzing recent sales of similar properties expressed as a multiple of cash flow. The income approach utilizes a discounted cash flow method by projecting the subject property's income over a specified time and capitalizing at an appropriate market rate to arrive at an indication of the most probable selling price.

In step one of our goodwill analysis, we considered the results of the market approach and, where appropriate, the income approach in computing the fair value of our reporting units. In the market approach, we applied an estimated market multiple of between seven and a half times and eight times to each reporting unit's operating performance to calculate the fair value. This multiple was consistent with the multiple applied to all markets in the prior year. Management believes that these approaches are an appropriate measurement given the current market valuations of broadcast radio stations together with historical market transactions, including those in recent months. Factors contributing to the determination of the reporting unit's operating performance were historical performance and management's estimates of future performance.

The following table reflects certain key estimates and assumptions applied to each of our markets that were used in the second quarter of 2016, and in the second quarter of 2015, the date of the most recent prior impairment test:

	Estimates And Assumptions	
	Second Quarter 2016	Second Quarter 2015
Discount rate	9.5%	9.7%
Long-term revenue growth rate range of the Company's markets	1.0% to 2.0%	1.5% to 2.0%
Market multiple used in the market valuation approach	7.5x to 8.0x	7.5x to 8.0x

While we believe we have made reasonable estimates and assumptions to calculate the fair value of our goodwill, these estimates and assumptions could be materially different from actual results.

The results of step one indicated that it was not necessary to perform the second step analysis in any of the markets tested. As a result of the step one test, no impairment loss was recorded during the second quarter of 2016. We performed a reasonableness test by comparing the fair value results for goodwill (by using the implied multiple based on our cash flow performance and our current stock price) to prevailing radio broadcast transaction multiples.

If actual market conditions are less favorable than those projected by the industry or us, or if events occur or circumstances change that would reduce the fair value of our goodwill below the amount reflected in the balance sheet, we may be required to conduct an interim test and possibly recognize impairment charges, which could be material, in future periods.

The table below presents the percentage within a range by which the fair value exceeded the carrying value of the reporting unit as of December 31, 2016 for 23 reporting units that were tested for goodwill impairment under step one during the second quarter of 2016. Rather than presenting the percentage separately for each reporting unit, management's opinion is that this table in summary form is more meaningful to the reader in assessing the recoverability of the reporting unit, including goodwill. In addition, the reporting units are not disclosed with the specific market name as such disclosure could be competitively harmful to us.

	Reporting Units As Of December 31, 2016 Based Upon The Valuation As Of June 30, 2016 Percentage Range By Which Fair Value Exceeds Carrying Value			
	0% To 5%	Greater Than 5% To 10%	Greater Than 10% To 15%	Greater Than 15%
Number of reporting units	4	2	1	16
Enterprise carrying value (in thousands)	$ 296,670	$ 104,674	$ 9,142	$ 440,468
Goodwill carrying value (in thousands)	$ 4,519	$ 6,402	$ 203	$ 21,594

Goodwill Valuation At Risk

The second quarter 2016 impairment test of our goodwill indicated that there were six reporting units that exceeded the carrying value by 10% or less. In aggregate, these six reporting units have a carrying value of $401.3 million, of which $10.9 million is goodwill.

Future impairment charges may be required on any of our reporting units, as the discounted cash flow and market-based models are subject to change based upon our performance, our stock price, peer company performance and their stock prices, overall market conditions, and the state of the credit markets.

Sensitivity Of Key Broadcasting Licenses And Goodwill Assumptions

If we were to assume a 100 basis point change in certain of our key assumptions (a reduction in the long-term revenue growth rate, a reduction in the operating performance cash flow margin and an increase in the weighted average cost of capital) used to determine the fair value of our broadcasting licenses and goodwill using the income approach during the second quarter of 2016, the following would be the incremental impact:

Sensitivity Analysis [1]

	Results Of Long-Term Revenue Growth Rate Decrease	Results Of Operating Performance Cash Flow Margin Decrease	Results Of Weighted Average Cost Of Capital Increase
	(amounts in thousands)		
Broadcasting Licenses			
Incremental broadcasting licenses impairment	$ 29,471	$ 3,727	$ 67,774
Goodwill [2]			
Incremental goodwill impairment	$ 13,161	$ 1,252	$ 30,687

(1) Each assumption used in the sensitivity analysis is independent of the other assumptions.

(2) The sensitivity goodwill analysis is computed using data from testing goodwill using the income approach under step 1.

To determine the radio broadcasting industry's future revenue growth rate, management uses publicly available information on industry expectations rather than management's own estimates, which could be different. In addition, these long-term market growth rate estimates could vary in each of our markets. Using the publicly available information on industry expectations, each market's revenues were forecasted over a ten-year projection period to reflect the expected long-term growth rate for the radio broadcast industry, which was further adjusted for each of our markets. If the industry's growth is less than forecasted, then the fair value of our broadcasting licenses could be negatively impacted.

Operating profit is defined as profit before interest, depreciation and amortization, income tax and corporate allocation charges. Operating profit is then divided by broadcast revenues, net of agency and national representative commissions, to compute the operating profit margin. For the broadcast license fair value analysis, the projections of operating profit margin that are used are based upon industry operating profit norms, which reflect market size and station type. These margin projections are not specific to the performance of our radio stations in a market, but are predicated on the expectation that a new entrant into the market could reasonably be expected to perform at a level similar to a typical competitor. For the goodwill fair value analysis, the projections of operating margin for each market are based on our actual historical performance. If the outlook for the radio industry's growth declines, then operating profit margins in both the broadcasting license and goodwill fair value analyses would be negatively impacted, which would decrease the value of those assets.

The discount rate to be used by a typical market participant reflects the risk inherent in future cash flows for the broadcast industry. The same discount rate was used for each of our markets. The discount rate is calculated by weighting the required returns on interest-bearing debt and common equity capital in proportion to their estimated percentages in an expected capital structure. The capital structure was estimated based upon data available for publicly traded companies in the broadcast industry.

See Note 4, Intangible Assets And Goodwill, in the accompanying notes to the consolidated financial statements, for a discussion of intangible assets and goodwill.

For a more comprehensive list of our accounting policies, see Note 2, Significant Accounting Policies, accompanying the consolidated financial statements included within this annual report on Form 10-K for 2016. Note 2 to the consolidated financial statements included with Form 10-K contains several other policies, including policies governing the timing of revenue and expense recognition, that are important to the preparation of our consolidated financial statements, but do not meet the SEC's definition of critical accounting policies because they do not involve subjective or complex judgments. In addition, for further discussion of new accounting policies that were effective for us on January 1, 2016, see the new accounting standards under Note 2 to the accompanying notes to the consolidated financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk from changes in interest rates on our variable rate senior debt (the Term B Loan and Revolver). Due to our recent refinancing in November 2016, we eliminated our fixed rate debt by retiring our Senior Notes. This resulted in a substantial increase to the amount of our variable rate debt as we used proceeds from our Credit Facility to retire the Senior Notes.

If the borrowing rates under LIBOR were to increase 1% above the current rates as of December 31, 2016, our interest expense on: (1) our Term B Loan would increase $3.7 million on an annual basis as our Term B Loan provides for a minimum LIBOR floor of 1%; and (2) our Revolver would increase by $0.6 million, assuming our entire Revolver was outstanding as of December 31, 2016. From time to time, we may seek to limit our exposure to interest rate volatility through the use of interest rate hedging instruments.

Assuming LIBOR remains flat, interest expense in 2017 is expected to be lower as we anticipate reducing our outstanding debt upon which interest is computed and we expect our average interest rate will be lower due to the retirement of our Senior Notes. We may seek from time to time to amend our Credit Facility or obtain additional funding, which may result in higher interest rates on our debt and could increase our exposure to variable rate debt.

As of December 31, 2016, there were no interest rate hedging transactions outstanding.

Our credit exposure under hedging agreements similar to the agreements that we have entered into in the past, or similar agreements that we may enter into in the future, is the cost of replacing such agreements in the event of nonperformance by our counterparty. To minimize this risk, we select high credit quality counterparties. We do not anticipate nonperformance by such counterparties who we may enter into agreements with in the future, but we could recognize a loss in the event of nonperformance.

From time to time, we may invest all or a portion of our cash in cash equivalents, which are money market instruments consisting of short-term government securities and repurchase agreements that are fully collateralized by government securities. We do not believe that we have any material credit exposure with respect to these assets.

Our credit exposure related to our accounts receivable does not represent a significant concentration of credit risk due to the quantity of advertisers, the minimal reliance on any one advertiser, the multiple markets in which we operate and the wide variety of advertising business sectors.

See also additional disclosures regarding liquidity and capital resources made under Part II, Item 7, above.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our consolidated financial statements, together with related notes and the report of PricewaterhouseCoopers LLP, our independent registered public accounting firm, are set forth on the pages indicated in Part IV, Item 15.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation Of Controls And Procedures

We maintain "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934) that are designed to ensure that: (1) information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms; and (2) such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

We carried out an evaluation, under the supervision of and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of December 31, 2016. Based on the foregoing, our President/Chief Executive Officer and Executive Vice President/Chief Financial Officer concluded that, as of December 31, 2016, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes In Internal Controls

There has been no change in the Company's internal controls over financial reporting during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Management's Report On Internal Control Over Financial Reporting

Internal control over financial reporting refers to the process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer, and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Management has used the criteria established in *Internal Control – Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission to evaluate the effectiveness of the Company's internal control over financial reporting. Based on this evaluation, management has concluded that the Company's internal control over financial reporting was effective as of December 31, 2016. The effectiveness of the Company's internal control over financial reporting as of December 31, 2016 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears under Item 15.

Inherent Limitations on Effectiveness of Controls

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures.

Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company.

David J. Field, President and Chief Executive Officer
Stephen F. Fisher, Executive Vice President - Chief Financial Officer

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this Item 10 is incorporated in this report by reference to the applicable information set forth in our proxy statement for the 2017 Annual Meeting of Shareholders, which we expect to file with the SEC prior to 120 days after the end of the fiscal year.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated in this report by reference to the applicable information set forth in our proxy statement for the 2017 Annual Meeting of Shareholders, which we expect to file with the SEC prior to 120 days after the end of the fiscal year.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

The information required by this Item 12 is incorporated in this report by reference to the applicable information set forth in our proxy statement for the 2017 Annual Meeting of Shareholders, which we expect to file with the SEC prior to 120 days after the end of the fiscal year.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by this Item 13 is incorporated in this report by reference to the applicable information set forth in our proxy statement for the 2017 Annual Meeting of Shareholders, which we expect to file with the SEC prior to 120 days after the end of the fiscal year.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item 14 is incorporated in this report by reference to the applicable information set forth in our proxy statement for the 2017 Annual Meeting of Shareholders, which we expect to file with the SEC prior to 120 days after the end of the fiscal year.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this Report:

(b) Exhibits

Exhibit Number	Description
3.01	Amended and Restated Articles of Incorporation of Entercom Communications Corp. (1)
3.02	Amended and Restated Bylaws of Entercom Communications Corp. (2)
3.03	Amendment to Amended and Restated Bylaws of Entercom Communications Corp. (3)
3.04	Statement with Respect to Shares, filed with the Pennsylvania Department of State on July 16, 2015. (4) (Originally filed as Exhibit 3.1)
4.01	Credit Agreement, dated as of November 1, 2016, among Entercom Radio, LLC, as the Borrower, Entercom Communications Corp., as the Parent, Bank of America, N.A. as Administrative Agent and the lenders party thereto. (5)
4.02	Registration Rights Agreement, dated July 16, 2015, by and between Entercom Communications Corp. and The Lincoln National Life Insurance Company. (4) (Originally filed as Exhibit 4.1)
10.01	Amended and Restated Employment Agreement, dated April 22, 2016, between Entercom Communications Corp. and David J. Field. (6)
10.02	Employment Agreement, dated July 1, 2007, between Entercom Communications Corp. and Joseph M. Field. (7)
10.03	First Amendment To Employment Agreement, dated December 15, 2008, between Entercom Communications Corp. and Joseph M. Field. (8)
10.04	Amended and Restated Employment Agreement, dated October 27, 2015, between Entercom Communications Corp. and Stephen F. Fisher. (9) (Originally filed as Exhibit 10.04)
10.05	Employment Agreement, dated as of January 1, 2013 between Entercom Communications Corp. and Andrew P. Sutor, IV. (10)
10.06	Employment Agreement, dated May 5, 2015, between Entercom Communications Corp. and Louise Kramer. (9) (Originally filed as Exhibit 10.06)
10.07	Entercom Non-Employee Director Compensation Policy adopted February 19, 2015. (11)
10.08	Amended and Restated Entercom Equity Compensation Plan. (12)
10.09	Entercom Annual Incentive Plan. (13)
21.01	Information Regarding Subsidiaries of Entercom Communications Corp. (14)
23.01	Consent of PricewaterhouseCoopers LLP. (14)
31.01	Certification of President and Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a), as created by Section 302 of the Sarbanes-Oxley Act of 2002. (14)
31.02	Certification of Executive Vice President and Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a), as created by Section 302 of the Sarbanes-Oxley Act of 2002. (14)
32.01	Certification of President and Chief Executive Officer pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002. (15)
32.02	Certification of Executive Vice President and Chief Financial Officer pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002. (15)
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

(1) Incorporated by reference to Exhibit 3.01 to our Amendment to Registration Statement on Form S-1, as filed on January 27, 1999 (File No. 333-61381), Exhibit 3.1 of our Current Report on Form 8-K as filed on December 21, 2007 and Exhibit 3.02 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, as filed on August 5, 2009.
(2) Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on February 21, 2008.
(3) Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on February 3, 2017.
(4) Incorporated by reference to an exhibit (as indicated above) to our Current Report on Form 8-K filed on July 17, 2015.
(5) Incorporated by reference to Exhibit 4.01 to our Current report on Form 8-K filed on November 2, 2016.
(6) Incorporated by reference to Exhibit 10.01 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2016, as filed on August 5, 2016.
(7) Incorporated by reference to Exhibit 10.02 to our Quarterly Report on Form 10-Q/A for the quarter ended September 30, 2007, as filed on November 21, 2007.
(8) Incorporated by reference to Exhibit 10.04 to our Annual Report on Form 10-K for the year ended December 31, 2008, as filed on February 26, 2009.
(9) Incorporated by reference to an exhibit (as indicated above) to our Annual Report on Form 10-K for the year ended December 31, 2015, as filed on February 26, 2016.
(10) Incorporated by reference to Exhibit 10.01 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2013, as filed on May 9, 2013.
(11) Incorporated by reference to Exhibit 10.01 to our Current Report on Form 8-K as filed on February 19, 2015.
(12) Incorporated by reference to Exhibit A to our Proxy Statement on Schedule 14A filed on March 20, 2014.
(13) Incorporated by reference to Exhibit A to our Proxy Statement on Schedule 14A filed on March 16, 2012.
(14) Filed herewith.
(15) These exhibits are submitted as "accompanying" this Annual Report on Form 10-K and shall not be deemed to be "filed" as part of such Annual Report on Form 10-K.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of Entercom Communications Corp.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, shareholders’ equity and cash flows present fairly, in all material respects, the financial position of Entercom Communications Corp. and its subsidiaries at December 31, 2016 and 2015, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2016 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting under Item 9A. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 28, 2017

CONSOLIDATED FINANCIAL STATEMENTS OF ENTERCOM COMMUNICATIONS CORP.

ENTERCOM COMMUNICATIONS CORP.
CONSOLIDATED BALANCE SHEETS
(amounts in thousands, except share data)

	DECEMBER 31, 2016	DECEMBER 31, 2015
ASSETS:		
Cash	$ 46,843	$ 9,169
Accounts receivable, net of allowance for doubtful accounts	92,172	87,157
Prepaid expenses, deposits and other	7,670	6,220
Prepaid and refundable federal and state income taxes	-	55
Deferred tax assets	-	3,464
Total current assets	146,685	106,065
Net property and equipment	63,375	57,993
Radio broadcasting licenses	823,195	807,381
Goodwill	32,718	32,629
Assets held for sale	-	6,106
Deferred charges and other assets, net of accumulated amortization	10,260	5,471
TOTAL ASSETS	$ 1,076,233	$ 1,015,645
LIABILITIES:		
Accounts payable	$ 481	$ 73
Accrued expenses	18,857	16,772
Other current liabilities	19,603	19,924
Non-controlling interest - variable interest entity	23,959	-
Long-term debt, current portion	4,817	31,832
Total current liabilities	67,717	68,601
Long-term debt, net of current portion	467,651	448,724
Deferred tax liabilities	92,898	81,643
Other long-term liabilities	26,861	27,608
Total long-term liabilities	587,410	557,975
Total liabilities	655,127	626,576
CONTINGENCIES AND COMMITMENTS		
PERPETUAL CUMULATIVE CONVERTIBLE PREFERRED STOCK	27,732	27,619
SHAREHOLDERS' EQUITY:		
Preferred stock; authorized 25,000,000 shares; issued and outstanding 11 in 2016 and 2015	-	-
Class A common stock $0.01 par value; voting; authorized 200,000,000 shares; issued and outstanding 33,510,184 in 2016 and 32,480,551 in 2015	335	325
Class B common stock $0.01 par value; voting; authorized 75,000,000 shares; issued and outstanding 7,197,532 in 2016 and 2015	72	72
Class C common stock $0.01 par value; nonvoting; authorized 50,000,000 shares; no shares issued and outstanding	-	-
Additional paid-in capital	605,603	611,754
Accumulated deficit	(212,636)	(250,701)
Total shareholders' equity	393,374	361,450
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 1,076,233	$ 1,015,645

See notes to consolidated financial statements.

ENTERCOM COMMUNICATIONS CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands, except share and per share data)

	YEARS ENDED DECEMBER 31,		
	2016	**2015**	**2014**
NET REVENUES	$ 460,245	$ 411,378	$ 379,789
OPERATING EXPENSE:			
Station operating expenses, including non-cash compensation expense	318,744	287,711	259,184
Depreciation and amortization expense	9,793	8,419	7,794
Corporate general and administrative expenses, including non-cash compensation expense	33,328	26,479	26,572
Impairment loss	254	-	-
Merger and acquisition costs and restructuring charges	708	6,836	1,042
Other expenses related to financing	565	-	-
Net time brokerage agreement (income) fees	417	(1,285)	-
Net (gain) loss on sale or disposal of assets	(1,621)	(2,364)	(379)
Total operating expense	362,188	325,796	294,213
OPERATING INCOME (LOSS)	98,057	85,582	85,576
NET INTEREST EXPENSE	36,639	37,961	38,821
Net (gain) loss on extinguishment of debt	10,858	-	-
Net (gain) loss on investments	-	-	21
Net recovery of a claim	(2,299)	-	-
OTHER (INCOME) EXPENSE	8,559	-	21
INCOME (LOSS) BEFORE INCOME TAXES (BENEFIT)	52,859	47,621	46,734
INCOME TAXES (BENEFIT)	14,794	18,437	19,911
NET INCOME (LOSS) AVAILABLE TO THE COMPANY	38,065	29,184	26,823
Preferred stock dividend	(1,901)	(752)	-
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	$ 36,164	$ 28,432	$ 26,823
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS PER SHARE - BASIC	$ 0.94	$ 0.75	$ 0.71
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS PER SHARE - DILUTED	$ 0.91	$ 0.73	$ 0.69
WEIGHTED AVERAGE SHARES:			
Basic	38,500,495	38,083,947	37,763,353
Diluted	39,568,062	39,037,623	38,664,066

See notes to consolidated financial statements.

ENTERCOM COMMUNICATIONS CORP.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014
(amounts in thousands, except share data)

	Common Stock						
	Class A		Class B		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
	Shares	Amount	Shares	Amount			
Balance, December 31, 2013	31,308,194	$ 313	7,197,532	$ 72	$ 604,721	$ (306,713)	$ 298,393
Net income (loss) available to the Company	-	-	-	-	-	26,823	26,823
Compensation expense related to granting of stock awards	638,102	7	-	-	5,225	-	5,232
Exercise of stock options	57,500	-	-	-	82	-	82
Purchase of vested employee restricted stock units	(141,502)	(1)	-	-	(1,513)	-	(1,514)
Forfeitures of dividend equivalents	-	-	-	-	-	5	5
Balance, December 31, 2014	31,862,294	319	7,197,532	72	608,515	(279,885)	329,021
Net income (loss) available to the Company	-	-	-	-	-	29,184	29,184
Compensation expense related to granting of stock awards	738,195	7	-	-	5,517	-	5,524
Exercise of stock options	11,750	-	-	-	35	-	35
Purchase of vested employee restricted stock units	(131,688)	(1)	-	-	(1,561)	-	(1,562)
Preferred stock dividend	-	-	-	-	(752)	-	(752)
Balance, December 31, 2015	32,480,551	325	7,197,532	72	611,754	(250,701)	361,450
Net income (loss) available to the Company	-	-	-	-	-	38,065	38,065
Compensation expense related to granting of stock awards	1,095,759	11	-	-	6,528	-	6,539
Issuance of common stock related to the Employee Share Purchase Plan ("ESPP")	31,933	-	-	-	379	-	379
Exercise of stock options	134,238	1	-	-	264	-	265
Purchase of vested employee restricted stock units	(232,297)	(2)	-	-	(2,266)	-	(2,268)
Payment of dividends on common stock	-	-	-	-	(8,666)	-	(8,666)
Payment of dividends on preferred stock	-	-	-	-	(1,788)	-	(1,788)
Dividend equivalents, net of forfeitures	-	-	-	-	(602)	-	(602)
Balance, December 31, 2016	33,510,184	$ 335	7,197,532	$ 72	$ 605,603	$ (212,636)	$ 393,374

See notes to consolidated financial statements.

ENTERCOM COMMUNICATIONS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in thousands)

	YEARS ENDED DECEMBER 31,		
	2016	**2015**	**2014**
OPERATING ACTIVITIES:			
Net income (loss) available to the Company	$ 38,065	$ 29,184	$ 26,823
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	9,793	8,419	7,794
Amortization of deferred financing costs (including original issue discount)	2,897	3,203	4,165
Net deferred taxes (benefit) and other	14,688	18,322	19,811
Provision for bad debts	1,330	1,553	1,004
Net (gain) loss on sale or disposal of assets	(1,621)	(2,364)	(379)
Non-cash stock-based compensation expense	6,539	5,524	5,232
Net (gain) loss on investments	-	-	21
Deferred rent	138	1,017	807
Unearned revenue - long-term	-	(10)	(33)
Net loss on extinguishment of debt	10,858	-	-
Deferred compensation	1,683	584	1,291
Impairment loss	254	-	-
Accretion expense, net of asset retirement obligation adjustments	27	13	(11)
Changes in assets and liabilities (net of effects of acquisitions, dispositions, and consolidation of Variable Interest Entities (VIEs)):			
Accounts receivable	(4,202)	(4,027)	565
Prepaid expenses and deposits	(1,368)	642	(1,586)
Accounts payable and accrued liabilities	(739)	700	1,633
Accrued interest expense	40	769	(132)
Accrued liabilities - long-term	(1,894)	146	(1,311)
Prepaid expenses - long-term	(4,458)	1,115	(398)
Net cash provided by (used in) operating activities	72,030	64,790	65,296
INVESTING ACTIVITIES:			
Additions to property and equipment	(7,336)	(7,043)	(8,408)
Proceeds from sale of property, equipment, intangibles and other assets	7,974	427	2,153
Purchases of radio station assets	(92)	(83,553)	-
Additions to intangible assets	(353)	(1,575)	(800)
Purchases of investments	-	(9)	-
Proceeds from investments and capital projects	-	9	-
Cash acquired through consolidation of a VIE	302	-	-
Net cash provided by (used in) investing activities	495	(91,744)	(7,055)

ENTERCOM COMMUNICATIONS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in thousands)

	YEARS ENDED DECEMBER 31,		
	2016	**2015**	**2014**
FINANCING ACTIVITIES:			
Proceeds from issuance of long-term debt	480,000	-	-
Borrowing under the revolving senior debt	24,500	58,000	15,500
Proceeds from the capital lease obligations and other	102	-	-
Payments of long-term debt	(293,266)	(51,250)	(53,000)
Payment of call premium and other fees	(5,977)	-	-
Retirement of senior subordinated notes	(220,000)	-	-
Payment for debt issuance costs related to the Credit Facility	(8,038)	-	-
Proceeds from issuance of employee stock plan	379	-	-
Payment of fees associated with the issuance of preferred stock	-	(220)	-
Proceeds from the exercise of stock options	265	35	82
Purchase of vested employee restricted stock units	(2,268)	(1,562)	(1,514)
Payment of dividends on common stock	(8,666)	-	-
Payment of dividend equivalents on vested restricted stock units	(94)	(7)	-
Payment of dividends on preferred stock	(1,788)	(413)	-
Net cash provided by (used in) financing activities	(34,851)	4,583	(38,932)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	37,674	(22,371)	19,309
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	9,169	31,540	12,231
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 46,843	$ 9,169	$ 31,540
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest	$ 34,568	$ 34,822	$ 35,593
Income taxes	$ 381	$ 81	$ 79
Dividends on common stock	$ 8,666	$ -	$ -
Dividends on preferred stock	$ 1,788	$ 413	$ -

1. BASIS OF PRESENTATION AND SIGNIFICANT POLICIES

Nature Of Business – Entercom Communications Corp. (the "Company") is the fourth-largest radio broadcasting company in the United States with a portfolio of radio stations in 28 top markets across the country.

On February 2, 2017, the Company and our newly formed wholly-owned subsidiary ("Merger Sub"), entered into an Agreement and Plan of Merger (the "CBS Radio Merger Agreement") with CBS Corporation ("CBS") and its wholly-owned subsidiary CBS Radio, Inc. ("CBS Radio"). Pursuant to the CBS Merger Agreement, Merger Sub will merge with and into CBS Radio with CBS Radio surviving as the Company's wholly-owned subsidiary (the "Merger"). The Merger is expected to be tax free to CBS and its shareholders, and will be effected through a stock for stock Reverse Morris Trust transaction. The Merger will make the Company a leading local media and entertainment company with a nationwide footprint of stations including positions in all of the top 10 markets and 23 of the top 25 markets. The transactions contemplated by the CBS Radio Merger Agreement are subject to approval by the Company's shareholders and customary regulatory approvals. Such approvals will require the divestiture of stations in certain markets due to FCC ownership limitations. This transaction is expected to close during the second half of 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

Principles Of Consolidation – The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are 100% owned by the Company. All intercompany transactions and balances have been eliminated in consolidation. The Company also considers the applicability of any variable interest entities ("VIEs") that are required to be consolidated by the primary beneficiary. From time to time, the Company may enter into a time brokerage agreement ("TBA") in connection with a pending acquisition or disposition of radio stations and the requirement to consolidate or deconsolidate a VIE may apply, depending on the facts and circumstances related to each transaction. As of December 31, 2016, there is one VIE requiring consolidation in these financial statements. See Note 20 for further discussion on VIEs requiring consolidation.

Reportable Segment - The Company operates under one reportable business segment, radio broadcasting, for which segment disclosure is consistent with the management decision-making process that determines the allocation of resources and the measuring of performance. Radio stations serving the same geographic area, which may be comprised of a city or combination of cities, are referred to as markets or as distinct operating segments. The Company has 28 operating segments. These operating segments are aggregated to create one reportable segment.

Management's Use Of Estimates – The preparation of consolidated financial statements, in conformity with accounting principles generally accepted in the United States of America, requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, as of the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions are used for, but not limited to: (1) asset impairments, including broadcasting licenses and goodwill; (2) income tax valuation allowances for deferred tax assets; (3) allowance for doubtful accounts; (4) self-insurance reserves; (5) fair value of equity awards; (6) estimated lives for tangible and intangible assets; (7) contingency and litigation reserves; (8) fair value measurements; (9) acquisition purchase price asset and liability allocations; and (10) uncertain tax positions. The Company's accounting estimates require the use of judgment as future events and the effect of these events cannot be predicted with certainty. The accounting estimates may change as new events occur, as more experience is acquired and as more information is obtained. The Company evaluates and updates assumptions and estimates on an ongoing basis and may use outside experts to assist in the Company's evaluation, as considered necessary. Actual results could differ from those estimates.

Income Taxes – The Company applies the liability method to the accounting for deferred income taxes. Deferred income taxes are recognized for all temporary differences between the tax and financial reporting bases of the Company's assets and liabilities based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. A valuation allowance is recorded for a net deferred tax asset balance when it is more likely than not that the benefits of the tax asset will not be realized. The Company reviews on a continuing basis the need for a deferred tax asset valuation allowance in the jurisdictions in which it operates.

Any adjustment to the deferred tax asset valuation allowance is recorded in the consolidated statements of operations in the period that such an adjustment is required.

The Company applies the guidance for income taxes and intra-period allocation to the recognition of uncertain tax positions. This guidance clarifies the recognition, de-recognition and measurement in financial statements of income tax positions taken in previously filed tax returns or tax positions expected to be taken in tax returns, including a decision whether to file or not to file in a particular jurisdiction. The guidance requires that any liability created for unrecognized tax benefits is disclosed. The application of this guidance may also affect the tax bases of assets and liabilities and therefore may change or create deferred tax liabilities or assets. This guidance also clarifies the method to allocate income taxes (benefit) to the different components of income (loss), such as: (1) income (loss) from continuing operations; (2) income (loss) from discontinued operations; (3) other comprehensive income (loss); (4) the cumulative effects of accounting changes; and (5) other charges or credits recorded directly to shareholders' equity. See Note 14 for a further discussion of income taxes.

Property And Equipment – Property and equipment are carried at cost. Major additions or improvements are capitalized, including interest expense when material, while repairs and maintenance are charged to expense when incurred. Upon sale or retirement, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is recognized in the statement of operations. Depreciation expense on property and equipment is determined on a straight-line basis.

Depreciation expense for property and equipment, which includes amounts from the VIE, is reflected in the following table:

	Property And Equipment		
	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Depreciation expense	$ 8,689	$ 7,419	$ 6,748

As of December 31, 2016, the Company had capital expenditure commitments outstanding of $1.4 million.

The following is a summary of the categories of property and equipment along with the range of estimated useful lives used for depreciation purposes:

	Depreciation Period In Years		Property And Equipment December 31,	
	From	To	2016	2015
Land, land easements and land improvements	-	15	$ 18,546	$ 16,764
Buildings	20	40	22,698	22,711
Equipment	3	40	112,362	108,399
Furniture and fixtures	5	10	11,129	10,868
Capital leases	*	*	44	-
Leasehold improvements	*	*	23,017	23,119
			187,796	181,861
Accumulated depreciation			(128,322)	(124,870)
			59,474	56,991
Capital improvements in progress			3,901	1,002
Net property and equipment			$ 63,375	$ 57,993

* Shorter of economic life or lease term

Long-Lived Assets - The Company evaluates the recoverability of its long-lived assets, which include property and equipment, broadcasting licenses (subject to an eight-year renewal cycle), goodwill, deferred charges, and other assets. See Note 4 for further discussion. Certain of the Company's equipment, such as broadcast towers, can provide economic benefit over a longer period of time resulting in the use of longer lives of up to 40 years.

If events or changes in circumstances were to indicate that an asset's carrying value is not recoverable, a write-down of the asset would be recorded through a charge to operations. The determination and measurement of the fair value of long-lived assets requires the use of significant judgments and estimates. Future events may impact these judgments and estimates.

Revenue Recognition – The Company generates revenue from the sale to advertisers of various services and products, including but not limited to: (1) commercial broadcast time; (2) digital advertising; (3) local events; (4) e-commerce where an advertiser's goods and services are sold through our websites; and (5) digital product and marketing solutions.

Revenue from services and products is recognized when delivered.

Advertiser payments received in advance of when the products or services are delivered are recorded on the Company's balance sheet as unearned revenue.

Revenues presented in the consolidated financial statements are reflected on a net basis, after the deduction of advertising agency fees by the advertising agencies. The Company also evaluates when it is appropriate to recognize revenue based on the gross amount invoiced to the customer or the net amount retained by the Company if a third party is involved.

The following table presents the amounts of unearned revenues as of the periods indicated:

		Unearned Revenues	
		December 31,	
	Balance Sheet Location	**2016**	**2015**
		(amounts in thousands)	
Current	Other current liabilities	$ 298	$ 306

Concentration Of Credit Risk – The Company's revenues and accounts receivable relate primarily to the sale of advertising within its radio stations' broadcast areas. Credit is extended based on an evaluation of the customers' financial condition and, generally, collateral is not required. Credit losses are provided for in the financial statements and consistently have been within management's expectations. Accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The balance in the Company's allowance for doubtful accounts is based on the Company's historical collections, the age of the receivables, specific customer information, and current economic conditions. Delinquent accounts are written off if collections efforts have been unsuccessful and the likelihood of recovery is considered remote.

Debt Issuance Costs And Original Issue Discount – The costs related to the issuance of debt are capitalized and amortized over the lives of the related debt and such amortization is accounted for as interest expense. See Note 8 for further discussion for the amount of deferred financing expense that was included in interest expense in the accompanying consolidated statements of operations. During the year ended December 31, 2016, the Company refinanced its outstanding Credit Facility that included retiring its $220.0 million 10.5% Senior Notes due December 1, 2019 (the "Senior Notes"). In connection with this refinancing, the unamortized original issue discount associated with the Senior Notes was written off and included in the statement of operations under loss on extinguishment of debt.

Extinguishment Of Debt –The Company may amend, append or replace, in part or in full, its outstanding debt. The Company reviews its unamortized financing costs associated with its outstanding debt to determine the amount subject to extinguishment under the accounting provisions for an exchange of debt instruments with substantially different terms or changes in a line-of-credit or revolving-debt arrangement. On November 1, 2016, the Company refinanced certain of its outstanding debt. A portion of the outstanding debt was accounted for as an extinguishment. See Note 8 for a discussion of the Company's long-term debt. In addition, refer to the recent accounting pronouncements section of this note, Debt Issuance Costs, for a change in the balance sheet presentation of debt issuance costs effective January 1, 2016.

Corporate General And Administrative Expense – Corporate general and administrative expense consists of corporate overhead costs and non-cash compensation expense. Included in corporate general and administrative expenses are those costs not specifically allocable to any of the Company's individual business properties.

Time Brokerage Agreement (Income) Fees – TBA fees or income consist of fees paid or received under agreements which permit an acquirer to program and market stations prior to an acquisition. The Company sometimes enters into a TBA prior to the consummation of station acquisitions and dispositions. The Company may also enter into a Joint Sales Agreement to market, but not to program, a station for a defined period of time. TBA fees or income are recorded as a separate line item in our consolidated statement of operations.

Barter Transactions – The Company provides advertising broadcast time in exchange for certain products, supplies and services. The terms of the exchanges generally permit the Company to preempt such broadcast time in favor of advertisers who purchase time on regular terms. The Company includes the value of such exchanges in both broadcasting net revenues and station operating expenses. Barter valuation is based upon management's estimate of the fair value of the products, supplies and services received. See Note 15, Supplemental Cash Flow Disclosures On Non-Cash Investing And Financing Activities, for a summary of the Company's barter transactions.

Business Combinations – Accounting guidance for business combinations provides the criteria to recognize intangible assets apart from goodwill. Other than goodwill, the Company uses a direct value method to determine the fair value of all intangible assets required to be recognized for business combinations. For a discussion of impairment testing of those assets acquired in a business combination, including goodwill, see Note 4.

Asset Retirement Obligations – The Company reasonably estimates the fair value of an asset retirement obligation. For an asset retirement obligation that is conditional (uncertainty about the timing and/or method of settlement), the Company factors into its fair value measurement a probability factor as the obligation depends upon a future event that may or may not be within the control of the Company.

The following table presents the changes in asset retirement obligations:

	Asset Retirement Obligations December 31, 2016	Asset Retirement Obligations December 31, 2015
	(amounts in thousands)	
Beginning Balance	$ 569	$ 541
Additions	453	15
Settlements	(14)	-
Revision of estimate	(2)	-
Accretions	38	13
Ending Balance	$ 1,044	$ 569
Asset retirement obligations - short term	$ 610	$ 105
Asset retirement obligations - long term	434	464
Total asset retirement obligations	$ 1,044	$ 569

Accrued Compensation – Certain types of employee compensation, which amounts are included in the balance sheets under other current liabilities, are paid in subsequent periods. See Note 6 for amounts reflected in the balance sheets.

Cash And Cash Equivalents – Cash consists primarily of amounts held on deposit with financial institutions. The Company's cash deposits with banks are insured by the Federal Deposit Insurance Corporation up to $250,000 per account. At times, the cash balances held by the Company in financial institutions may exceed these insured limits. The risk of loss attributable to these uninsured balances is mitigated by depositing funds in high credit quality financial institutions. The Company has not experienced any losses in such accounts. From time to time, the Company may invest in cash equivalents, which consists of investments in immediately available money market accounts and all highly liquid debt instruments with initial maturities of three months or less. The Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents. As of December 31, 2016 and 2015, the Company had no cash equivalents on hand.

Derivative Financial Instruments – The Company follows accounting guidance for its derivative financial instruments that it enters into from time to time, including certain derivative instruments embedded in other contracts, and hedging activities.

Leases – The Company follows accounting guidance for its leases, which includes the recognition of escalated rents on a straight-line basis over the term of the lease agreement, as described further in Note 7.

The operating lease obligations represent scheduled future minimum operating lease payments under non-cancellable operating leases, including rent obligations under escalation clauses that are defined increases and not escalations that depend on variable indices. The minimum lease payments do not include common area maintenance, variable real estate taxes, insurance and other costs for which the Company may be obligated as most of these payments are primarily variable rather than fixed.

See Note 20, Contingencies and Commitments, for a discussion of the Company's leases. In addition, refer to the recent accounting pronouncements section of this note, Leasing Transactions, for a change in the Company's reporting requirements as of January 1, 2019.

Share-Based Compensation – The Company records compensation expense for all share-based payment awards made to employees and directors, at estimated fair value. The Company also uses the simplified method in developing an estimate of the expected term of certain stock options. For further discussion of share-based compensation, see Note 13.

Investments – For those investments in which the Company has the ability to exercise significant influence over the operating and financial policies of the investee, the investment is accounted for under the equity method. At December 31, 2016 and 2015, the Company held no equity method investments. For those investments in which the Company does not have such significant influence, the Company applies the accounting guidance for certain investments in debt and equity securities. An investment is classified into one of three categories: held-to-maturity, available-for-sale, or trading securities, and, depending upon the classification, is carried at fair value based upon quoted market prices or historical cost when quoted market prices are unavailable.

The Company also provides certain quantitative and qualitative disclosures for those investments that are impaired (other than temporarily) at the balance sheet date and for those investments for which an impairment has not been recognized.

Advertising And Promotion Costs – Costs of media advertising and associated production costs are expensed when incurred.

Insurance And Self-Insurance Liabilities – The Company uses a combination of insurance and self-insurance mechanisms to provide for the potential liabilities for workers' compensation, general liability, property, director and officers' liability, vehicle liability and employee health care benefits. Liabilities associated with the risks that are retained by the Company are estimated, in part, by considering claims experience, demographic factors, severity factors, outside expertise and other actuarial assumptions. For any legal costs expected to be incurred in connection with a loss contingency, the Company recognizes the expense as incurred.

Recognition Of Insurance Claims and Other Recoveries – The Company recognizes insurance recoveries and other claims when all contingencies have been satisfied. During 2016, the Company recovered $2.3 million related to a legal claim. This amount was recorded on a net basis after deducting certain related expenses. For further discussion, see Note 20.

Sports Programming Costs – Sports programming costs which are for a specified number of events are amortized on an event-by-event basis, and programming costs which are for a specified season are amortized over the season on a straight-line basis. Prepaid expenses which are not directly allocable to any one particular season are amortized on a straight-line basis over the life of the agreement.

Accrued Litigation - The Company evaluates the likelihood of an unfavorable outcome in legal or regulatory proceedings to which it is a party and records a loss contingency when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These judgments are subjective, based on the status of such legal or regulatory proceedings, the merits of the Company's defenses and consultation with corporate and external legal counsel. Actual outcomes of these legal and regulatory proceedings may materially differ from the Company's estimates. The Company expenses legal costs as incurred in professional fees. See Note 20, Contingencies And Commitments.

Software Costs – The Company capitalizes direct internal and external costs incurred to develop internal-use software during the application development state. Internal-use software includes website development activities such as the planning and design of additional functionality and features for existing sites and/or the planning and design of new sites. Costs related to the maintenance, content development and training of internal-use software are expensed as incurred. Capitalized costs are amortized over the estimated useful life of three years using the straight-line method.

Recent Accounting Pronouncements

All new accounting pronouncements that are in effect that may impact the Company's financial statements have been implemented. The Company does not believe that there are any other new accounting pronouncements that have been issued, other than for a few of those as listed below, that might have a material impact on the Company's financial position or results of operations.

Definition of a Business

In January 2017, the accounting guidance was amended to clarify the definition of a business to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The guidance is effective for the Company as of January 1, 2018 under a prospective application method. The Company is currently in the process of reviewing the new guidance, but based upon its preliminary assessment, which is subject to change, the impact of this guidance should not be material to the Company's financial position, results of operations or cash flows. The guidance could have an impact in a future period if the Company acquires or disposes assets that meet the definition of a business under the amended guidance.

Goodwill Impairment

In January 2017, the accounting guidance was amended to simplify the accounting for goodwill impairment by removing the second step of the goodwill impairment test. The guidance is effective for the Company as of January 1, 2020. The Company is currently in the process of reviewing the new guidance, but based upon its preliminary assessment, which is subject to change, the impact of this guidance should not be material to the Company's financial position, results of operations or cash flows.

Cash Flow Classification

In August 2016, the accounting guidance for classifying elements of cash flow was simplified. The guidance is effective for the Company as of January 1, 2018 under a retrospective application method. The Company is currently in the process of reviewing the new guidance, but based upon its preliminary assessment, which is subject to change, the impact of this guidance should not be material to the Company's financial position, results of operations or cash flows.

Stock-Based Compensation Simplification

In March 2016, the accounting guidance for stock-based compensation was modified to reflect in the income statement the income tax effects of awards when stock-based awards vest. The guidance on employers' accounting for an employee's use of shares to satisfy the employer's statutory income tax withholding obligation and for forfeitures is also changing. This guidance is effective for the Company as of January 1, 2017. The company believes that: (1) the Company may recognize future income tax benefits that were previously not allowed to be recognized; and (2) the Company may increase the shares withheld upon the vesting of restricted stock units ("RSUs") in order to satisfy employees' tax obligations. The impact of this guidance will not be material to the Company's financial position, results of operations or cash flows.

Leasing Transactions

In February 2016, the accounting guidance was modified to require that all leases with a term of more than one year covering leased assets such as real estate, broadcasting towers and equipment, be reflected on the balance sheet as assets and liabilities for the rights and obligations created by these leases. This includes leases with short-term options to cancel by the lessee unless it is highly likely that the Company would exercise the option to cancel.

While the Company is currently reviewing the effects of this guidance, the Company believes that this would result in: (1) an increase in the assets and liabilities reflected on the Company's consolidated balance sheets; and (2) an increase in the Company's interest expense and depreciation and amortization expense and a decrease to the Company's station operating expense reflected on its consolidated statements of operations. New disclosures are also required to enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. This guidance is effective for the Company as of January 1, 2019.

Revenue Recognition

In May 2014, the accounting guidance for revenue recognition was modified and subsequently updated several times with amendments. Along with these modifications, most industry-specific revenue guidance was eliminated, including a current broadcasting exemption for reporting revenue from network barter programming. The new guidance is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires additional disclosures, including significant judgments and changes in judgments.

The Company expects to adopt the new guidance effective on January 1, 2018, by applying the modified retrospective method at the date of the initial application by recording the cumulative effect on retained earnings as of the date of adoption.

The Company has made progress toward completing its evaluation of the impact of the guidance to all of the Company's revenue streams and expects to complete the contract evaluations during 2017, including an evaluation of the impact on its business processes, controls and systems.

While the Company continues to assess all potential impacts of the standard, it currently believes the most significant impact relates to its accounting for network barter programming.

Balance Sheet Classification Of Deferred Taxes

In November 2015, the accounting guidance for balance sheet classification of deferred taxes was modified to present deferred taxes for each jurisdiction as noncurrent on the balance sheet. Previously, deferred taxes were presented for each jurisdiction as a net current asset or liability and net noncurrent asset or liability. This guidance is effective for the Company as of January 1, 2017, although early adoption is permitted. The Company elected to early adopt this standard on a prospective basis as of October 1, 2016, as is permitted under the standard. Due to the prospective treatment, prior periods presented in these financial statements have not been retroactively adjusted.

Business Combinations

In September 2015, the accounting guidance for business combinations was modified to reflect measurement period adjustments to be recorded prospectively rather than retroactively to the assets and liabilities initially recorded under purchase price accounting. This guidance, which was effective as of January 1, 2016, did not have a material impact on the Company's financial position and results of operations, but could have an impact in a future period when an adjustment is recorded for a previously reported business combination. There should be no material impact to the Company's cash flows.

Fees Paid In A Cloud Computing Arrangement

In April 2015, the accounting guidance was revised to identify when a cloud computing service includes a software license that is to be capitalized and treated consistently with the acquisition of other software licenses. The adoption of this accounting guidance, which was effective as of January 1, 2016, did not have any material effect on the Company's results of operations, cash flows or financial condition.

Debt Issuance Costs

In April 2015, the accounting guidance was amended to modify the presentation of debt issuance costs on the balance sheet by requiring that all costs, including incremental third-party costs, be reflected as an offset to the associated debt liability rather than as a deferred charge. This guidance was subsequently modified in August 2015 to allow the existing presentation to continue for line-of-credit arrangements. The impact of this guidance, which was effective on January 1, 2016, was to reclassify debt issuance costs (other than those for line-of-credit arrangements) from other assets to the respective long-term debt liability for balance sheet presentation purposes only and had no impact on the Company's results of operations, cash flows or financial position. In addition, certain reclassifications were recorded to the prior year's balance sheet to conform to the presentation in the current year, which did not have a material impact on the Company's previously reported financial statements.

Consolidation

In February 2015, the accounting guidance for consolidation was amended which revises the analysis of and reduces the need to consolidate certain entities. This accounting guidance, which was effective on January 1, 2016, did not have any material effect on the Company's results of operations, cash flows or financial position.

Extraordinary Items

In January 2015, the accounting guidance was updated to eliminate the concept of an extraordinary item and the requirement to consider whether an underlying event or transaction is extraordinary. If an item is considered extraordinary, it is presented in the income statement net of tax, after income from continuing operations. Eliminating the concept of extraordinary removes the uncertainty for the preparer as to whether the item had been treated properly. The Company will apply this guidance prospectively to all applicable transactions. This guidance, which was effective on January 1, 2016, did not have any material effect on the Company's results of operations, cash flows, or financial position.

Derivatives And Hedging

In November 2014, the accounting guidance was updated for determining whether the host contract in a hybrid financial instrument issued in the form of a share is more akin to debt or to equity. This update does not change the current criteria for determining when separation of certain embedded derivative features in a hybrid financial instrument is required, but clarifies how current accounting guidance should be interpreted in the evaluation of the economic characteristics and risks of a host contract in a hybrid financial instrument that is issued in the form of a share, reducing existing diversity in practice. The adoption of this accounting guidance, which was effective on January 1, 2016, did not have any material effect on the Company's results of operations, cash flows or financial position.

Stock-Based Performance Awards

In June 2014, the accounting guidance was updated for stock-based awards when the terms of an award provide that a performance target that affects vesting could be achieved after the requisite service period. The current accounting standard for stock-based compensation as it applies to awards with performance conditions should be applied. The adoption of this accounting guidance, which was effective on January 1, 2016, did not have any material effect on the Company's results of operations, cash flows or financial position.

3. ACCOUNTS RECEIVABLE AND RELATED ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable are primarily attributable to advertising which has been provided and for which payment has not been received from the advertiser. Accounts receivable are net of agency commissions and an estimated allowance for doubtful accounts. Estimates of the allowance for doubtful accounts are recorded based on management's judgment of the collectability of the accounts receivable based on historical information, relative improvements or deteriorations in the age of the accounts receivable and changes in current economic conditions.

The accounts receivable balances and reserve for doubtful accounts, which includes amounts from the VIE, are presented in the following table:

	Net Accounts Receivable	
	December 31,	
	2016	2015
	(amounts in thousands)	
Accounts receivable	$ 94,309	$ 89,291
Allowance for doubtful accounts	(2,137)	(2,134)
Accounts receivable, net of allowance for doubtful accounts	$ 92,172	$ 87,157

See the table in Note 6 for accounts receivable credits outstanding as of the periods indicated.

The following table, which includes amounts from the VIE, presents the changes in the allowance for doubtful accounts:

Changes In Allowance For Doubtful Accounts

Year Ended	Balance At Beginning Of Year	Additions Charged To Costs And Expenses	Deductions From Reserves	Balance At End Of Year
	(amounts in thousands)			
December 31, 2016	$ 2,134	$ 1,330	$ (1,327)	$ 2,137
December 31, 2015	2,449	1,553	(1,868)	2,134
December 31, 2014	2,413	1,004	(968)	2,449

4. INTANGIBLE ASSETS AND GOODWILL

(A) Indefinite-Lived Intangibles

Goodwill and certain intangible assets are not amortized for book purposes. They may be, however, amortized for tax purposes. The Company accounts for its acquired broadcasting licenses as indefinite-lived intangible assets and, similar to goodwill, these assets are reviewed at least annually for impairment. At the time of each review, if the fair value is less than the carrying value of goodwill and certain intangibles (such as broadcasting licenses), then a charge is recorded to the results of operations.

The Company may only write down the carrying value of its indefinite-lived intangibles. The Company is not permitted to increase the carrying value if the fair value of these assets subsequently increases.

The following table presents the changes in broadcasting licenses primarily as a result of the acquisitions and disposition of radio stations:

	Broadcasting Licenses Carrying Amount	
	December 31, 2016	December 31, 2015
	(amounts in thousands)	
Beginning of period balance as of January 1,	$ 807,381	$ 718,992
Consolidation of a VIE	15,738	-
Acquisition of radio stations	-	79,209
Acquisition of a radio station through an exchange of assets	-	53,057
Acquisitions - other	112	100
Assets held for sale	-	(1,397)
Disposition of radio stations previously reflected as held for sale	(36)	(32,979)
Disposition of a radio station previously reflected as deconsolidated subsidiary	-	(9,601)
Ending period balance	$ 823,195	$ 807,381

The following table presents the changes in goodwill primarily as a result of the acquisition and disposition of radio stations:

	Goodwill Carrying Amount	
	December 31, 2016	December 31, 2015
	(amounts in thousands)	
Goodwill balance before cumulative loss on impairment as of January 1,	$ 158,244	$ 164,465
Accumulated loss on impairment as of January 1,	(125,615)	(125,615)
Goodwill beginning balance after cumulative loss on impairment as of January 1,	32,629	38,850
Loss on impairment during year	-	-
Acquisition of radio stations	-	5,866
Acquisition of radio stations through an exchange	-	266
Adjustment to acquired goodwill associated with an assumed fair value liability	92	(1,364)
Disposition of radio stations previously reflected as assets held for sale	(3)	(10,230)
Disposition of a radio station previously reflected as a deconsolidated subsidiary	-	(759)
Ending period balance	$ 32,718	$ 32,629

Broadcasting Licenses Impairment Test

The Company performs its annual broadcasting license impairment test during the second quarter of each year by evaluating its broadcasting licenses for impairment at the market level using the direct method.

During the second quarter of the current year and each of the past several years, the Company completed its annual impairment test for broadcasting licenses and determined that the fair value of its broadcasting licenses was greater than the amount reflected in the balance sheet for each of the Company's markets and, accordingly, no impairment was recorded. The annual impairment test in 2016 included the four new markets added during the second half of 2015. For the new market added during the fourth quarter of 2016, similar valuation techniques that are used in the testing process were applied to the valuation of the broadcasting licenses under purchase price accounting.

Each market's broadcasting licenses are combined into a single unit of accounting for purposes of testing impairment, as the broadcasting licenses in each market are operated as a single asset. The Company determines the fair value of the broadcasting licenses in each of its markets by relying on a discounted cash flow approach (a 10-year income model) assuming a start-up scenario in which the only assets held by an investor are broadcasting licenses. The Company's fair value analysis contains assumptions based upon past experience, reflects expectations of industry observers and includes judgments about future performance using industry normalized information for an average station within a certain market. These assumptions include, but are not limited to: (1) the discount rate; (2) the market share and profit margin of an average station within a market, based upon market size and station type; (3) the forecast growth rate of each radio market; (4) the estimated capital start-up costs and losses incurred during the early years; (5) the likely media competition within the market area; (6) the tax rate; and (7) future terminal values.

The methodology used by the Company in determining its key estimates and assumptions was applied consistently to each market. Of the seven variables identified above, the Company believes that the assumptions in items (1) through (3) above are the most important and sensitive in the determination of fair value.

The following table reflects the estimates and assumptions used in the second quarter of each year (no interim tests were performed in these years):

	Estimates And Assumptions			
	Second Quarter 2016	Second Quarter 2015	Second Quarter 2014	Second Quarter 2013
Discount rate	9.5%	9.7%	9.6%	9.8%
Operating profit margin ranges expected for average stations in the markets where the Company operates	14% to 40%	25% to 40%	25% to 40%	25% to 41%
Long-term revenue growth rate range of the Company's markets	1.0% to 2.0%	1.5% to 2.0%	1.5% to 2.0%	1.5% to 2.0%

The Company has made reasonable estimates and assumptions to calculate the fair value of its broadcasting licenses. These estimates and assumptions could be materially different from actual results.

If actual market conditions are less favorable than those projected by the industry or the Company, or if events occur or circumstances change that would reduce the fair value of the Company’s broadcasting licenses below the amount reflected in the balance sheet, the Company may be required to conduct an interim test and possibly recognize impairment charges, which may be material, in future periods.

There were no events or circumstances since the Company’s second quarter annual license impairment test that indicated an interim review of broadcasting licenses was required.

Goodwill Impairment Test

The Company performs its annual goodwill impairment test during the second quarter of each year by evaluating its goodwill for each reporting unit.

During the second quarter in each of the years 2016, 2015, and 2014, the results of step one indicated that it was not necessary to perform the second step analysis in any of the reporting units that contained goodwill. For the one new market added during the fourth quarter of 2016, similar valuation techniques that are used in the testing process were applied to the valuation of goodwill under purchase price accounting. See Note 20 for further discussion.

The Company also performed a reasonableness test on the fair value results for goodwill on a combined basis by comparing the carrying value of the Company’s assets to the Company’s enterprise value based upon its stock price. The Company determined that the results were reasonable.

In step one of the Company’s goodwill analysis, the Company considered the results of the market approach and, when appropriate, the income approach in computing the fair value of the Company’s reporting units. In the market approach, the Company applied an estimated market multiple to each reporting unit’s operating profit to calculate the fair value. In the income approach, the Company utilized the discounted cash flow methodology to calculate the fair value of the reporting unit. Management believes that these approaches are commonly used and appropriate methodologies for valuing broadcast radio stations. Factors contributing to the determination of the reporting unit’s operating performance were historical performance and/or management’s estimates of future performance.

The Company has determined that a radio market is a reporting unit and the Company assesses goodwill in each of the Company’s markets. If the fair value of any reporting unit is less than the amount reflected on the balance sheet, an indication exists that the amount of goodwill attributed to a reporting unit may be impaired, and the Company is required to perform a second step of the impairment test. The Company uses quantitative rather than qualitative factors to determine whether it is necessary to perform the two-step goodwill impairment test. In the second step, the Company compares the amount reflected on the balance sheet to the implied fair value of the reporting unit’s goodwill, determined by allocating the reporting unit’s fair value to all of its assets and liabilities in a manner similar to a purchase price allocation.

To determine the fair value, the Company uses a market approach and, when appropriate, an income approach in computing the fair value of each reporting unit. The market approach calculates the fair value of each market’s radio stations by analyzing recent sales and offering prices of similar properties expressed as a multiple of cash flow. The income approach utilizes a discounted cash flow method by projecting the subject property’s income over a specified time and capitalizing at an appropriate market rate to arrive at an indication of the most probable selling price.

The following table reflects the estimates and assumptions used in the second quarter of each year (no interim tests were performed in these years):

	Estimates And Assumptions			
	Second Quarter 2016	**Second Quarter 2015**	**Second Quarter 2014**	**Second Quarter 2013**
Discount rate	9.5%	9.7%	9.6%	9.8%
Long-term revenue growth rate range of the Company's markets	1.0% to 2.0%	1.5% to 2.0%	1.5% to 2.0%	1.5% to 2.0%
Market multiple used in the market valuation approach	7.5x to 8.0x	7.5x to 8.0x	7.5x to 8.0x	7.5x to 8.0x

If actual market conditions are less favorable than those projected by the industry or the Company, or if events occur or circumstances change that would reduce the fair value of the Company's goodwill below the amount reflected in the balance sheet, the Company may be required to conduct an interim test and possibly recognize impairment charges, which could be material, in future periods.

There were no events or circumstances since the Company's second quarter annual goodwill test that indicated an interim review of goodwill was required.

(B) Definite-Lived Intangibles

The Company has definite-lived intangible assets that consist of advertiser lists and customer relationships, and acquired advertising contracts. These assets are amortized over the period for which the assets are expected to contribute to the Company's future cash flows and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For 2016, 2015 and 2014, the Company reviewed the carrying value and the useful lives of these assets and determined they were appropriate.

See Note 5 for: (1) a listing of the assets comprising definite-lived assets, which are included in deferred charges and other assets on the balance sheets; (2) the amount of amortization expense for definite-lived assets; and (3) the Company's estimate of amortization expense for definite-lived assets in future periods.

5. DEFERRED CHARGES AND OTHER ASSETS

Deferred charges and other assets, including definite-lived intangible assets and amounts from the VIE, consist of the following:

	Deferred Charges And Other Assets						
	December 31,						
	2016			2015			
	Asset	Reserve	Net	Asset	Reserve	Net	Period Of Amortization
	(amounts in thousands)						
Deferred contracts and other agreements	$ 1,788	$ 1,491	$ 297	$ 1,788	$ 1,442	$ 346	Term of contract
Leasehold premium	448	169	279	735	426	309	Less than 1 year
Other definitive-lived assets	861	844	17	861	836	25	3 years
Total definite-lived intangibles	3,097	2,504	593	3,384	2,704	680	
Debt issuance costs	1,810	741	1,069	16,691	16,457	234	Term of debt
Prepaid assets - long-term	6,361	-	6,361	2,233	-	2,233	
Software costs and other	7,288	5,051	2,237	6,367	4,043	2,324	
	$ 18,556	$ 8,296	$ 10,260	$ 28,675	$ 23,204	$ 5,471	

The following table presents the various categories of amortization expense, including deferred financing expense which is reflected as interest expense:

	Amortization Expense		
	Deferred Charges And Other Assets		
	For The Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Definite-lived assets	$ 81	$ 150	$ 147
Deferred financing expense	2,585	2,863	3,860
Software costs	1,023	850	899
Total	$ 3,689	$ 3,863	$ 4,906

The following table presents the Company's estimate of amortization expense, for each of the five succeeding years for: (1) deferred charges and other assets; and (2) definite-lived assets:

	Future Amortization Expense		
	Total	Other	Definite-Lived Assets
Years ending December 31,	(amounts in thousands)		
2017	$ 834	$ 757	$ 77
2018	671	597	74
2019	322	251	71
2020	292	221	71
2021	253	184	69
Thereafter	232	1	231
Total	$ 2,604	$ 2,011	$ 593

6. OTHER CURRENT LIABILITIES

Other current liabilities consist of the following as of the periods indicated:

	Other Current Liabilities	
	December 31,	
	2016	2015
	(amounts in thousands)	
Accrued compensation	$ 8,059	$ 8,865
Accounts receivable credits	3,571	3,575
Advertiser obligations	1,102	1,198
Accrued interest payable	3,587	3,547
Other	3,284	2,739
Total other current liabilities	$ 19,603	$ 19,924

7. OTHER LONG-TERM LIABILITIES

Deferred Rent Liabilities

Under the Company's leases, the Company recognizes: (1) escalated rents, including any rent-free periods, on a straight-line basis over the term of the lease for those lease agreements where the Company receives the right to control the use of the entire leased property at the beginning of the lease term; (2) amortization expense over the shorter of the economic lives of the leasehold assets or the lease term, excluding any lease renewals unless the lease renewals are reasonably assured; (3) landlord incentive payments to the Company as deferred rent that is amortized as reductions to lease rent expense over the lease term; and (4) rental costs associated with ground or building operating leases, that are incurred during a construction period, as rental expense.

For those leasehold improvements acquired in a business combination or acquired subsequent to lease inception, the amortization period is based on the lesser of the useful life of the leasehold improvements or the period of the lease including all renewal periods that are reasonably assured of exercise at the time of the acquisition.

The following table reflects deferred rent liabilities included under other long-term liabilities:

	Deferred Rent Liabilities	
	December 31,	
	2016	2015
	(amounts in thousands)	
Deferred rent liabilities	$ 6,275	$ 6,137

8. LONG-TERM DEBT

(A) Senior Debt

Refinancing

On November 1, 2016, the Company and its wholly owned subsidiary, Entercom Radio LLC, ("Radio") entered into a $540 million credit agreement (the "Credit Facility") with a syndicate of lenders and used the proceeds to: (1) refinance its senior secured credit facility (the "Former Credit Facility") that was comprised of: (a) a term loan component (the "Former Term B Loan") with $223.0 million outstanding at the date of the refinancing; and (b) a revolving credit facility (the "Former Revolver") with $3.0 million outstanding at the date of the refinancing; (2) fund the redemption effective December 1, 2016 of the Senior Notes and discharged the indenture (the "Indenture") governing the Senior Notes; (3) fund $11.6 million of accrued interest and a call premium of $5.8 million on the Senior Notes; and (4) pay transaction costs associated with the refinancing. In the fourth quarter of 2016, the Company wrote off $3.5 million of unamortized deferred financing costs and recorded a loss on the extinguishment of debt of $10.9 million. The loss included the write off deferred financing expense, the call premium on the Senior Notes and the write off of the original issue discount on the Senior Notes.

The Credit Facility is comprised of a revolving credit facility and a term B loan.

The $60 million revolving credit facility (the "Revolver") has a maturity date of November 1, 2021 and provides for interest based upon the prime rate or the European London Interbank Offered Rate ("LIBOR") plus a margin. The margin may increase or decrease based upon the Company's Consolidated Leverage Ratio as defined in the agreement. The initial margin is at LIBOR plus 3.5% or the prime rate plus 2.5%. In addition, the Revolver requires the payment of a commitment fee of 0.5% per annum on the unused amount. The amount available under the Revolver, which includes the impact of outstanding letters of credit, was $59.3 million as of December 31, 2016.

The $480 million term B loan (the "Term B Loan") has a maturity date of November 1, 2023 and provides for interest based upon the Base Rate or LIBOR, plus a margin. The initial rate is at LIBOR plus 3.5%, with a LIBOR floor of 1.0%, or the Base Rate plus 2.5%. The Base Rate is the highest of: (a) the administrative agent's prime rate; (b) the Federal Funds Rate plus 0.5%; or (c) the LIBOR Rate plus 1.0%. The facility amortizes: (1) with equal quarterly installments of principal in annual amounts equal to 1.0% of the original principal amount of the Term B Loan; and (2) mandatory yearly prepayments based upon a percentage of Excess Cash Flow as defined in the loan agreement.

The Term B Loan requires mandatory prepayments equal to a percentage of Excess Cash Flow, as defined within the agreement, subject to incremental step-downs, depending on the Consolidated Leverage Ratio. Beginning in 2018, the Excess Cash Flow payment will be due in the first quarter of each year, and is based on the Excess Cash Flow and Leverage Ratio for the prior year. The Excess Cash Flow payment due will be included under the current portion of long-term debt, net of any prepayments made.

The Company expects to use the Revolver to: (1) provide for working capital; and (2) provide for general corporate purposes, including capital expenditures and any or all of the following (subject to certain restrictions): repurchases of Class A common stock, repurchases of preferred stock, dividends, investments and acquisitions. The Credit Facility is secured by a pledge of 100% of the capital stock and other equity interest in all of the Company's wholly owned subsidiaries. In addition, the Credit Facility is secured by a lien on substantially all of the Company's assets with limited exclusions (including the Company's real property). The Company's parent, Entercom Communications Corp., and all of the Company's subsidiaries, jointly and severally guaranteed the Credit Facility. The assets securing the Credit Facility are subject to customary release provisions which would enable the Company to sell such assets free and clear of encumbrance, subject to certain conditions and exceptions.

The Credit Facility has usual and customary covenants including, but not limited to, consolidated leverage ratios, consolidated interest coverage ratios, limitations on acquisitions, stock repurchases, additional borrowings, and dividends. Specifically, the Credit Facility requires the Company to comply with certain financial covenants which are defined terms within the agreement, including:

- a maximum Consolidated Leverage Ratio that cannot exceed 5.0 times through December 31, 2017, which decreases over time to 4.5 times as of September 30, 2018 and thereafter; and

- a minimum Consolidated Interest Coverage Ratio of 2.0 times.

As of December 31, 2016, the Company's Consolidated Leverage Ratio was 3.7 times and the Consolidated Interest Coverage Ratio was 5.1 times.

Failure to comply with the Company's financial covenants or other terms of its Credit Facility and any subsequent failure to negotiate and obtain any required relief from its lenders could result in a default under the Company's Credit Facility. Any event of default could have a material adverse effect on the Company's business and financial condition. The acceleration of the Company's debt could have a material adverse effect on its business. The Company may seek from time to time to amend its Credit Facility or obtain other funding or additional funding, which may result in higher interest rates.

Management believes that over the next 12 months the Company can continue to maintain compliance with its financial covenants. The Company's operating cash flow is positive, and management believes that it is adequate to fund the Company's operating needs and mandatory debt repayments under the Company's Credit Facility. As of December 31, 2016, the Company is in compliance with all financial covenants and all other terms of the Credit Facility in all material respects. The Company's ability to maintain compliance with its covenants is highly dependent on its results of operations.

Management believes that cash on hand and cash from operating activities will be sufficient to permit the Company to meet its liquidity requirements over the next 12 months, including its debt repayments. The Company cannot determine if and when a new revolving credit line would be entered into to replace the Revolver when it expires on November 1, 2021 as market conditions may impact the timing and the Company's performance may impact the pricing.

For accounting purposes, a portion of the Former Credit Facility was treated as a debt extinguishment and a portion was treated as a debt modification. As a result of the refinancing, unamortized deferred financing costs were adjusted during the fourth quarter of 2016 as follows: (1) a portion of the Former Term B Loan's unamortized deferred financing costs of $0.5 million were written off as a net loss on extinguishment of debt; (2) the Former Revolver's unamortized deferred financing costs of $0.1 million were written off as a net loss on extinguishment of debt; and (3) a portion of the Former Term B Loan's unamortized deferred financing costs of $1.0 million were deferred (to be amortized under the effective interest rate method over the term of the Term B Loan). In addition, we recorded new deferred financing costs of: (i) $6.9 million for the Term B Loan that will be amortized under the effective interest rate method over the term; and (ii) $1.1 million for the Revolver that will be amortized under the straight-line method over the term.

Lender fees and third party fees incurred as a result of the refinancing which were expensed during the fourth quarter of 2016 were as follows: (1) the amount of lender fees allocable to the extinguished portion of the Former Term B Loan of $0.2 million, which were written off as a net loss on extinguishment of debt; and (2) the amount of third party fees allocable to the modified portion of the Term B Loan of $0.6 million.

Long-term debt was comprised of the following as of December 31, 2016:

	Long-Term Debt December 31,	
	2016	2015
	(amounts in thousands)	
Credit Facility		
Revolver, due November 1, 2021	$ -	$ -
Term B Loan, due November 1, 2023	480,000	-
	480,000	-
Former Credit Facility		
Revolver, due November 23, 2016	-	26,000
Term B Loan, due November 23, 2018	-	242,750
	-	268,750
Senior Notes		
10.5% senior unsecured notes, due December 1, 2019	-	220,000
Unamortized original issue discount	-	(1,731)
	-	218,269
Other Debt		
Capital lease and other	87	-
Total debt before deferred financing costs	480,087	487,019
Current amount of long-term debt	(4,817)	(31,832)
Deferred financing costs (excludes the revolving credit)	(7,619)	(6,463)
Total long-term debt, net of current debt	$ 467,651	$ 448,724
Outstanding standby letters of credit	$ 670	$ 670

Financial statements of the subsidiaries are not included in accordance with Rule 3-10 of Regulation S-X as: (1) Entercom Communications Corp., after excluding all subsidiaries (the "Parent Company"), has no independent assets or operations; (2) Radio is a 100% owned finance subsidiary of the Parent Company; (3) the Parent Company has guaranteed the Credit Facility; (4) all of the Parent Company's direct and indirect subsidiaries other than Radio have guaranteed the Credit Facility; (5) all of the guarantees are full and unconditional (subject to the customary automatic release provisions); and (6) all of the guarantees are joint and several.

Radio, which is a wholly owned subsidiary of the Parent Company, holds the ownership interest in various subsidiary companies that own the operating assets, including broadcasting licenses, permits, authorizations and cash royalties. Radio is the borrower under the Credit Facility. The assets securing the Credit Facility are subject to customary release provisions which would enable the Company to sell such assets free and clear of encumbrance, subject to certain conditions and exceptions.

Under certain covenants, the Company's subsidiary guarantors are restricted from paying dividends or distributions in excess of amounts defined under the Credit Facility, and the subsidiary guarantors are limited in their ability to incur additional indebtedness under certain restrictive covenants. See Note 21 for financial statements of the Parent Company.

The Former Credit Facility

On November 23, 2011, the Company entered into its prior credit agreement with a syndicate of lenders for a $425 million Credit Facility that was initially comprised of: (a) a $50 million Former Revolver (reduced to $40 million in December 2015) that was due to mature on November 23, 2016; and (b) a $375 million Former Term B Loan that was due to mature on November 23, 2018. This Former Credit Facility was paid in full on November 1, 2016.

The Former Credit Facility was secured by a pledge of 100% of the capital stock and other equity interest in all of the Company's wholly owned subsidiaries. In addition, the Former Credit Facility was secured by a lien on substantially all of the Company's assets, with limited exclusions (including the Company's real property).

The Former Term B Loan required mandatory prepayments equal to a percentage of Excess Cash Flow, which was defined within the agreement and was subject to incremental step-downs depending on the Consolidated Leverage Ratio. The payment was due in the first quarter of each year for the prior year and was included under the current portion of long-term debt, net of any prepayments made through December 31, 2016. For purposes of presenting the prior year financial statements, the estimate of the Excess Cash Flow reflects the amounts due under the Former Credit Facility in the first quarter of 2016.

(B) Senior Unsecured Debt

The Senior Notes

In connection with the refinancing described above, on November 1, 2016, the Company issued a call notice to redeem its Senior Notes with an effective date of December 1, 2016. The Company incurred interest in November 2016 on both the Senior Notes and the Credit Facility as the Company placed funds in escrow from November 1, 2016, until the redemption date. On November 1, 2016, the Company deposited the following funds in escrow to satisfy its obligations under the Senior Notes and discharge the Indenture governing the Senior Notes: (1) $220 million to redeem the Senior Notes in full; (2) $11.6 million for accrued and unpaid interest through December 1, 2016; and (3) $5.8 million for a call premium for the early retirement of the Senior Notes. As a result of the refinancing, the Company recorded a $10.1 million loss on extinguishment of debt that included the call premium, unamortized deferred financing expense and the original issue discount.

As background, on November 23, 2011, the Company issued $220.0 million of 10.5% unsecured Senior Notes. The Company received net proceeds of $212.7 million, which included a discount of $2.9 million, and incurred deferred financing costs of $6.1 million. These amounts are amortized over the term under the effective interest rate method. Interest on the Senior Notes is payable semi-annually in arrears on June 1 and December 1 of each year.

The Senior Notes were unsecured and ranked: (1) senior in right of payment to the Company's future subordinated debt; (2) equally in right of payment with all of the Company's existing and future senior debt; (3) effectively subordinated to the Company's existing and future secured debt (including the debt under the Company's Credit Facility), to the extent of the value of the collateral securing such debt; and (4) structurally subordinated to all of the liabilities of the Company's subsidiaries that did not guarantee the Senior Notes, to the extent of the assets of those subsidiaries.

(C) Net Interest Expense

The components of net interest expense are as follows:

	Net Interest Expense		
	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Interest expense	$ 33,799	$ 34,764	$ 34,656
Amortization of deferred financing costs	2,585	2,863	3,860
Amortization of original issue discount of senior notes	312	340	305
Interest income and other investment income	(57)	(6)	-
Total net interest expense	$ 36,639	$ 37,961	$ 38,821

The weighted average interest rate under the Credit Facility (before taking into account the fees on the unused portion of the Revolver) was: (1) 4.5% as of December 31, 2016; and (2) 4.1% as of December 31, 2015.

(D) Interest Rate Transactions

As of December 31, 2016 and 2015, there were no derivative interest rate transactions outstanding.

The Company from time to time enters into interest rate transactions with different lenders to diversify its risk associated with interest rate fluctuations of its variable rate debt. Under these transactions, the Company agrees with other parties (participating members of the Company's Credit Facility) to exchange, at specified intervals, the difference between fixed rate and floating rate interest amounts calculated by reference to an agreed notional principal amount against the variable debt.

(E) Aggregate Principal Maturities

The minimum aggregate principal maturities on the Company's outstanding debt (excluding any impact from required principal payments based upon the Company's future operating performance) are as follows:

	Principal Debt Maturities			
	Term B Loan	Revolver	Other	Total
	(amounts in thousands)			
Years ending December 31:				
2017	$ 4,800	$ -	$ 17	$ 4,817
2018	4,800	-	18	4,818
2019	4,800	-	21	4,821
2020	4,800	-	23	4,823
2021	4,800	-	8	4,808
Thereafter	456,000	-	-	456,000
Total	$ 480,000	$ -	$ 87	$ 480,087

(F) Outstanding Letters Of Credit

The Company is required to maintain standby letters of credit in connection with insurance coverage as described in Note 20.

(G) Guarantor and Non-Guarantor Financial Information

As of December 31, 2016, Entercom Communications Corp. and each direct and indirect subsidiary of Radio is a guarantor of Radio's obligations under the Credit Facility. Separate condensed consolidating financial information is not included as Entercom Communications Corp. does not have independent assets or operations, Radio is a 100% owned finance subsidiary of Entercom Communications Corp., and all guarantees by Entercom Communications Corp. and its guarantor subsidiaries are full, unconditional (subject to the customary automatic release provisions), joint and several under its Credit Facility.

Under the Credit Facility, Radio is permitted to make distributions to Entercom Communications Corp. in amounts as defined, which are required to pay Entercom Communications Corp.'s reasonable overhead costs, including income taxes and other costs associated with conducting the operations of Radio and its subsidiaries.

9. PERPETUAL CUMULATIVE CONVERTIBLE PREFERRED STOCK

In connection with an acquisition on July 16, 2015 as described in Note 18, Business Combinations, the Company issued perpetual cumulative convertible preferred stock ("Preferred") that in the event of a liquidation, ranks senior to common stock as to liquidation preference. The payment of the liquidation preference of the Preferred will take preference over any liquidation payments to the Company's common shareholders. The Preferred is convertible by the holder into a fixed number of 1.9 million shares, as adjusted as of December 31, 2016, at a price of $14.35, subject to customary anti-dilution provisions after a three-year waiting period. At certain times (including during the first three years after issuance), the Company can redeem the Preferred in cash at a price of 100%. The dividend rate on the Preferred at December 31, 2016 is 8% and increases over time to 12%. Due to the legal obligation to pay cumulative dividends as a liquidation preference, the dividends are accrued as they are earned instead of when they are declared.

The Company reflected the Preferred as mezzanine due to a change in control contingency provision that provides the holder with a redeemable feature. For accounting purposes, the Preferred is not considered mandatorily redeemable at the holder's option until the contingency is met.

The Company incurred issuance costs, which are recorded as a reduction of the Preferred. The following table reflects the Preferred shares authorized, issued and outstanding:

	December 31, 2016	December 31, 2015
	(amounts in thousands, except shares)	
Perpetual cumulative convertible preferred stock $0.01 par value		
Shares issued and outstanding	11	11
Aggregate liquidation preference	$ 27,500	$ 27,500
Less stock issuance costs	(220)	(220)
Plus accrued dividend as of the end of period	452	339
Net carrying value	$ 27,732	$ 27,619

10. SHAREHOLDERS' EQUITY

Class B Common Stock

Shares of Class B common stock are transferable only to Joseph M. Field, David J. Field, certain of their family members, their estates and trusts for any of their benefit. Upon any other transfer, shares of Class B common stock automatically convert into shares of Class A common stock on a one-for-one basis.

In connection with the Merger, upon consummation thereof, certain members of the Field family have agreed to convert, or cause to be converted, an aggregate of 3,152,333 shares of Class B common stock to Class A common stock in accordance with the provisions for voluntary conversion of Class B common stock pursuant to Section 10(e)(i) of the Company's Articles of Incorporation.

Dividends

During the second quarter of 2016, the Company's Board of Directors commenced an annual $0.30 per share common stock dividend program, with payments that approximate $2.9 million per quarter. Any future dividends will be at the discretion of the Board of Directors based upon the relevant factors at the time of such consideration, including, without limitation, compliance with the restrictions set forth in the Company's Credit Facility and the Preferred.

The Company paid dividends of $0.4 million on its Preferred in each of the first three quarters of 2016. The Company paid dividends of $0.6 million on its Preferred in both October 2016 and in January 2017.

Under the Credit Facility, the Company has an initial amount of $60 million available for dividends, share repurchases, investments and debt repurchases, which can be used when its Consolidated Leverage Ratio is less than or equal to the maximum permitted at the time. The amount available can increase over time based upon the Company's financial performance and used when its Consolidated Leverage Ratio is less than or equal to the maximum Leverage Ratio permitted at the time. There are certain other limitations that apply to its use.

The following table presents a summary of the Company's dividend activity during the past two years ending December 31, 2016:

Equity Type	Payment Date	Dividends Per Share	Aggregate Payment Amount
Common stock	June 15, 2016	$ 0.075	$ 2,885,838
	September 15, 2016	$ 0.075	$ 2,886,179
	December 15, 2016	$ 0.075	$ 2,891,608
Preferred	October 16, 2015	$ 37,500.00	$ 412,500
	January 16, 2016	$ 37,500.00	$ 412,500
	April 16, 2016	$ 37,500.00	$ 412,500
	July 16, 2016	$ 37,500.00	$ 412,500
	October 16, 2016	$ 50,000.00	$ 550,000

Dividend Equivalents

The Company's grants of RSUs include the right, upon vesting, to receive a cash payment equal to the aggregate amount of dividends, if any, that holders would have received on the shares of common stock underlying their RSUs if such RSUs had been vested during the period.

The following table presents the amounts accrued and unpaid on unvested RSUs:

	Balance Sheet Location	Dividend Equivalent Liabilities December 31, 2016	2015
		(amounts in thousands)	
Short-term	Other current liabilities	$ 260	$ -
Long-term	Other long-term liabilities	348	210
Total		$ 608	$ 210

Deemed Stock Repurchase When RSUs Vest

Upon vesting of RSUs, a tax obligation is created for both the employer and the employee. Unless employees elect to pay their tax withholding obligations in cash, the Company withholds shares of stock in an amount sufficient to cover their tax withholding obligations. The withholding of these shares by the Company is deemed to be a repurchase of its stock.

The following table provides summary information on the deemed repurchase of vested RSUs:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Shares of stock deemed repurchased	232	132	142
Amount recorded as financing activity	$ 2,268	$ 1,562	$ 1,514

Employee Stock Purchase Plan

The Company adopted the Entercom 2016 Employee Stock Purchase Plan (the "ESPP") during the second quarter of 2016 that commenced with the third quarter of 2016. The ESPP allows participants to purchase the Company's stock equal to 85% of the market value of such shares on the purchase date. The maximum number of shares authorized to be issued under the ESPP is 1.0 million. Pursuant to this plan, the Company does not record compensation expense to the employee as income subject to tax on the difference between the market value and the purchase price, as this plan was designed to meet the requirements of Section 423(b) of the Internal Revenue Code. The Company recognizes the 15% discount in the Company's consolidated statements of operations as non-cash compensation expense.

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Number of shares purchased	32	-	-
Non-cash compensation expense recognized	$ 67	$ -	$ -

11. NET INCOME (LOSS) PER COMMON SHARE

Net income per common share is calculated as basic net income per share and diluted net income per share. Basic net income per share excludes dilution and is computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted net income per share is computed in the same manner as basic net income after assuming issuance of common stock for all potentially dilutive equivalent shares, which includes the potential dilution that could occur: (1) if the RSUs with service conditions were fully vested (using the treasury stock method); (2) if all of the Company's outstanding stock options that are in-the-money were exercised (using the treasury stock method); (3) if the RSUs with service and market conditions were considered contingently issuable; (4) if the RSUs with service and performance conditions were considered contingently issuable; and (5) if the perpetual cumulative convertible preferred stock was converted (using the as if converted method). The Company considered whether the options to purchase Class A common stock in connection with the ESPP were potentially dilutive and concluded there are no dilutive shares as all options are automatically exercised at the balance sheet date.

The Company considered the allocation of undistributed net income for multiple classes of common stock and determined that it was appropriate to allocate undistributed net income between the Company's Class A and Class B common stock on an equal basis. For purposes of making this determination, the Company's charter provides that the holders of Class A and Class B common stock have equal rights and privileges except with respect to voting on most other matters where Class B shares voted by Joseph Field or David Field have a 10 to 1 super vote.

The following tables present the computations of basic and diluted net income (loss) per share:

	Year Ended December 31, 2016	2015	2014
	(amounts in thousands, except share and per share data)		
Basic Income (Loss) Per Share			
Numerator			
Net income (loss) available to the Company	$ 38,065	$ 29,184	$ 26,823
Preferred stock dividends	1,901	752	-
Net income (loss) available to common shareholders	$ 36,164	$ 28,432	$ 26,823
Denominator			
Basic weighted average shares outstanding	38,500,495	38,083,947	37,763,353
Basic net income (loss) per share available to common shareholders	$ 0.94	$ 0.75	$ 0.71
Diluted Income (Loss) Per Share			
Numerator			
Net income (loss) available to the Company	$ 38,065	$ 29,184	$ 26,823
Preferred stock dividends	1,901	752	-
Net income (loss) available to common shareholders	$ 36,164	$ 28,432	$ 26,823
Denominator			
Basic weighted average shares outstanding	38,500,495	38,083,947	37,763,353
Effect of RSUs and options under the treasury stock method	1,067,567	953,976	900,713
Diluted weighted average shares outstanding	39,568,062	39,037,923	38,664,066
Diluted net income (loss) per share available to common shareholders	$ 0.91	$ 0.73	$ 0.69

Disclosure Of Anti-Dilutive Shares

The following table presents those shares excluded as they were anti-dilutive:

	Impact Of Equity Awards Years Ended December 31, 2016	2015	2014
	(amounts in thousands, except per share data)		
Dilutive or anti-dilutive for all potentially dilutive equivalent shares	dilutive	dilutive	dilutive
Excluded shares as anti-dilutive under the treasury stock method:			
Options excluded	-	14	30
Price range of options excluded: from	$ -	$ 11.24	$ 10.11
Price range of options excluded: to	$ -	$ 11.78	$ 33.90
RSUs with service conditions	-	8	1
Excluded RSUs with service and market conditions as market conditions not met	267	165	193
Excluded RSUs with service and performance conditions until performance criteria is probable	-	29	11
Excluded preferred stock as anti-dilutive under the as if method	1,943	882	-

12. DEFERRED GAINS

In connection with the sale of certain of the Company's broadcasting towers in 2013, the Company continues to rent antenna space on these towers from the buyer. The sale of the towers was recorded as a sale and leaseback transaction for book purposes with most of the gain amortized on a straight-line basis over the 16.5 year life of the leases. All of the leases were accounted for as operating leases. The yearly gain of $0.6 million is included in the statement of operations under net (gain) loss on sale or disposal of assets.

Minimum rental commitments at December 31, 2016 for these non-cancellable leases are included within the operating lease commitment table under Note 20.

13. SHARE-BASED COMPENSATION

Equity Compensation Plan

Under the Entercom Equity Compensation Plan (the "Plan"), the Company is authorized to issue share-based compensation awards to key employees, directors and consultants. The RSUs and options that have been issued generally vest over periods of up to four years. The options expire ten years from the date of grant. The Company issues new shares of Class A common stock upon the exercise of stock options and the later of vesting or issuance of RSUs.

On January 1 of each year, the number of shares of Class A common stock authorized under the Plan is automatically increased by 1.5 million, or a lesser number as may be determined by the Company's Board of Directors. The Board of Directors elected to again forego the January 1, 2016 and January 1, 2017 increase in the shares available for grant. As of December 31, 2016, the shares available for grant were 1.4 million shares.

The Plan includes certain performance criteria for purposes of satisfying expense deduction requirements for income tax purposes.

Accounting For Share-Based Compensation

The measurement and recognition of compensation expense, for all share-based payment awards made to employees and directors, is based on estimated fair values. The fair value is determined at the time of grant: (1) using the Company's stock price for RSUs; and (2) using the Black Scholes model for options. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in the Company's consolidated statements of operations. Estimated forfeitures are revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

RSU Activity

The following is a summary of the changes in RSUs under the Plan during the current period:

	Period Ended	Number Of Restricted Stock Units	Weighted Average Purchase Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value As Of December 31, 2016
RSUs outstanding as of:	December 31, 2015	1,590,417			
RSUs awarded		1,122,585			
RSUs released		(611,383)			
RSUs forfeited		(26,825)			
RSUs outstanding as of:	December 31, 2016	2,074,794	$ -	1.5	$ 31,744,348
RSUs vested and expected to vest as of:	December 31, 2016	1,926,132	$ -	1.5	$ 28,721,961
RSUs exercisable (vested and deferred) as of:	December 31, 2016	48,880	$ -	-	$ 747,864
Weighted average remaining recognition period in years		2.2			
Unamortized compensation expense, net of estimated forfeitures		$ 10,822,456			

The following table presents additional information on RSU activity:

	Years Ended December 31,					
	2016		2015		2014	
	Shares	Amount	Shares	Amount	Shares	Amount
	(amounts in thousands, except per share)					
RSUs issued	1,123	$ 10,381	796	$ 9,045	685	$ 5,754
RSUs forfeited - service based	(27)	(280)	(58)	(709)	(47)	(727)
Net RSUs issued and increase (decrease) to paid-in capital	1,096	$ 10,101	738	$ 8,336	638	$ 5,027
Weighted average grant date fair value per share	$ 9.24		$ 11.36		$ 8.40	
Fair value of shares vested per share	$ 9.30		$ 11.85		$ 10.58	
RSUs vested and released	611		406		410	

RSUs With Service And Market Conditions

The Company issued RSUs with service and market conditions that are included in the table above. These shares vest if: (1) the Company's stock achieves certain shareholder performance targets over a defined measurement period; and (2) the employee fulfills a minimum service period. The compensation expense is recognized even if the market conditions are not satisfied and are only reversed in the event the service period is not met, as all of the conditions need to be satisfied. These RSUs are amortized over the longest of the explicit, implicit or derived service periods, which range from approximately one to three years.

The following table presents the changes in outstanding RSUs with market conditions:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands, except per share data)		
Reconciliation Of RSUs With Market Conditions			
Beginning of period balance	390	290	-
Number of RSUs granted	470	165	290
Number of RSUs forfeited	-	-	-
Number of RSUs vested	(230)	(65)	-
End of period balance	630	390	290
Weighted average fair value of RSUs granted with market conditions	$ 7.34	$ 8.39	$ 6.90

The fair value of RSUs with service conditions is estimated using the Company's closing stock price on the date of the grant. To determine the fair value of RSUs with service and market conditions, the Company used the Monte Carlo simulation lattice model. The Company's determination of the fair value was based on the number of shares granted, the Company's stock price on the date of grant and certain assumptions regarding a number of highly complex and subjective variables. If other reasonable assumptions were used, the results could differ.

The specific assumptions used for these valuations are as follows:

	Years Ended December 31,	
	2016	2015
Expected Volatility Structure (1)	35% to 45%	34% to 39%
Risk Free Interest Rate (2)	0.4% to 1.1%	0.1% to 1.1%
Dividend Yield (3)	7.5%	0.0%

(1) Expected Volatility Term Structure - The Company estimated the volatility term structure using: (1) the historical volatility of its stock; and (2) the implied volatility provided by its traded options from a trailing month's average of the closing bid-ask price quotes.

(2) Risk-Free Interest Rate - The Company estimated the risk-free interest rate based upon the implied yield available on U.S. Treasury issues using the Treasury bond rate as of the date of grant.

(3) Quarterly Dividend Payment As A Constant – The Company assumed a constant quarterly dividend of $0.075 per share. Prior to 2016, the Company had no recent history of dividend payments.

RSUs With Service And Performance Conditions

In addition to the RSUs included in the table above summarizing the activity in RSUs under the Plan, the Company issued RSUs with both service and performance conditions. Vesting of performance-based awards, if any, is dependent upon the achievement of certain performance targets. If the performance standards are not achieved, all unvested shares will expire and any accrued expense will be reversed. The Company determines the requisite service period on a case-by-case basis to determine the expense recognition period for non-vested performance based RSUs. The fair value is determined based upon the closing price of the Company's common stock on the date of grant. The Company applies a quarterly probability assessment in computing its non-cash compensation expense and any change in the estimate is reflected as a cumulative adjustment to expense in the quarter of the change.

The following table reflects the activity of RSUs with service and performance conditions:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands, except per share		
Reconciliation Of RSUs With Service And Performance Conditions			
Beginning of period balance	29	8	-
Number of RSUs granted	-	21	11
Number of RSUs that did not meet criteria	(29)	-	(3)
Number of RSUs vested	-	-	-
End of period balance	-	29	8
Average fair value of RSUs granted with performance conditions	$ -	$ 11.11	$ 9.60

As of December 31, 2016, no non-cash compensation expense was recognized for RSUs with performance conditions.

Option Activity

The following table presents the option activity during the current year ended under the Plan:

	Period Ended	Number Of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Intrinsic Value As Of December 31, 2016
Options outstanding as of:	December 31, 2015	466,925	$ 1.93		
Options granted		-	-		
Options exercised		(134,238)	1.98		
Options forfeited		-			
Options expired		(3,125)			
Options outstanding as of:	December 31, 2016	329,562	$ 1.91	2.1	$ 4,412,386
Options vested and expected to vest as of:	December 31, 2016	329,562	$ 1.91	2.1	$ 4,412,386
Options vested and exercisable as of:	December 31, 2016	329,562	$ 1.91	2.1	$ 4,412,386
Weighted average remaining recognition period in years		-			
Unamortized compensation expense, net of estimated forfeitures		$ 3,909			

The following table summarizes significant ranges of outstanding and exercisable options as of the current period:

Range Of Exercise Prices		Options Outstanding			Options Exercisable	
From	To	Number Of Options Outstanding December 31, 2016	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Of Options Exercisable December 31, 2016	Weighted Average Exercise Price
$ 1.34	$ 1.34	304,562	2.1	$ 1.34	304,562	$ 1.34
$ 2.02	$ 11.78	25,000	1.8	$ 8.87	25,000	$ 8.87
$ 1.34	$ 11.78	329,562	2.1	$ 1.91	329,562	$ 1.91

The following table provides summary information on the granting and vesting of options:

Option Issuance And Exercise Data	Years Ended December 31, 2016		2015		2014	
	(amounts in thousands except for per share and years)					
	From	To	From	To	From	To
Exercise price range of options issued	$ 1.34	$ 11.69	$ -	$ -	$ -	$ -
Upon vesting, period to exercise in years	1	10	-	-	-	-
Fair value per share upon grant	$ -		$ -		$ -	
Intrinsic value per share upon exercise	$ 12.21		$ 8.57		$ 8.99	
Intrinsic value of options exercised	$ 1,678		$ 101		$ 517	
Tax benefit from options exercised (1)	$ 636		$ 38		$ 196	
Cash received from exercise price of options exercised	$ 265		$ 35		$ 82	
Number of options granted	-		-		-	

(1) Amount excludes impact from suspended income tax benefits and/or valuation allowances.

Valuation Of Options

The Company estimates the fair value of option awards on the date of grant using an option-pricing model. The Company used the straight-line single option method for recognizing compensation expense, which was reduced for estimated forfeitures based on awards ultimately expected to vest. The Company's determination of the fair value of share-based payment awards on the date of grant using an option-pricing model is affected by the Company's stock price, as well as assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to, the Company's expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviors. Option-pricing models were developed for use in estimating the value of traded options that have no vesting or hedging restrictions and are fully transferable. The Company's stock options have certain characteristics that are different from traded options, and changes in the subjective assumptions could affect the estimated value.

For options granted, the Company used the Black-Scholes option-pricing model and determined: (1) the term by using the simplified plain-vanilla method as the Company's employee exercise history may not be indicative for estimating future exercises; (2) a historical volatility over a period commensurate with the expected term, with the observation of the volatility on a daily basis; (3) a risk-free interest rate that was consistent with the expected term of the stock options and based on the U.S. Treasury yield curve in effect at the time of the grant; and (4) an annual dividend yield based upon the Company's most recent quarterly dividend at the time of grant.

There have been no options issued in any of the years presented.

Recognized Non-Cash Stock-Based Compensation Expense

The following non-cash stock-based compensation expense, which is related primarily to RSUs, is included in each of the respective line items in our statement of operations:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Station operating expenses	$ 1,363	$ 1,259	$ 919
Corporate general and administrative expenses	5,176	4,265	4,313
Stock-based compensation expense included in operating expenses	6,539	5,524	5,232
Income tax benefit [(1)]	2,321	2,036	1,502
Net stock-based compensation expense	$ 4,218	$ 3,488	$ 3,730

[(1)] Amount excludes impact from suspended income tax benefits and/or valuation allowances.

14. INCOME TAXES

Effective Tax Rate - Overview

The Company's effective income tax rate may be impacted by: (1) changes in the level of income in any of the Company's taxing jurisdictions; (2) changes in the statutes and rules applicable to taxable income in the jurisdictions in which the Company operates; (3) changes in the expected outcome of income tax audits; (4) changes in the estimate of expenses that are not deductible for tax purposes; (5) income taxes in certain states where the states' current taxable income is dependent on factors other than the Company's consolidated net income; and (6) adding facilities in states that on average have different income tax rates from states in which the Company currently operates and the resulting effect on previously reported temporary differences between the tax and financial reporting bases of the Company's assets and liabilities. The Company's annual effective tax rate may also be materially impacted by tax expense associated with non-amortizable assets such as broadcasting licenses and goodwill and changes in the deferred tax valuation allowance.

An impairment loss for financial statement purposes will result in an income tax benefit during the period incurred as the amortization of broadcasting licenses and goodwill is deductible for income tax purposes.

Expected And Reported Income Taxes (Benefit)

Income tax expense (benefit) computed using the United States federal statutory rates is reconciled to the reported income tax expense (benefit) as follows:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Federal statutory income tax rate	35%	35%	35%
Computed tax expense at federal statutory rates on income before income taxes	$ 18,501	$ 16,667	$ 16,357
State income tax expense, net of federal benefit	(5,202)	1,333	2,491
Non-recognition of expense due to full valuation allowance	-	(244)	-
Tax benefit shortfall associated with share-based awards	286	12	62
Nondeductible expenses and other	1,209	669	1,001
Income taxes	$ 14,794	$ 18,437	$ 19,911

For 2016

The effective income tax rate was 28.0%. This rate was lower than the federal statutory rate of 35% primarily due to the combination of: (1) tax benefits associated with legislative changes in certain single member states; (2) a reduction in our valuation allowances against net operating losses in certain single member states as a result of internal restructuring; and (3) the reliance more on share-based awards issued to senior management that are fully deductible for tax purposes.

For 2015

The effective income tax rate was 38.7%. This rate was higher than the federal statutory rate of 35% primarily due to the combination of: (1) an increase in net deferred tax liabilities associated with non-amortizable assets such as broadcasting licenses and goodwill; (2) an adjustment for expenses that are not deductible for tax purposes; and (3) a tax benefit shortfall associated with share-based awards.

The income tax rate has been trending down as expenses not deductible for tax purposes have decreased due to the issuance to senior management of a higher percentage of awards that were fully deductible for tax purposes. Effective during the second half of 2015, the estimated annual income tax rate increased due to the impact of acquisitions on the Company's state income apportionments to states with higher income tax rates. This increase was offset by a discrete state income tax credit due to recent legislation that allowed for the release of a partial valuation allowance in a certain single member state.

For 2014

The effective income tax rate was 42.6%. This rate was higher than the federal statutory rate of 35% primarily due to the combination of: (1) an increase in net deferred tax liabilities associated with non-amortizable assets such as broadcasting licenses and goodwill; (2) an adjustment for expenses that are not deductible for tax purposes; and (3) a tax benefit shortfall associated with share-based awards. In addition, the Company recorded a discrete tax benefit from legislatively reduced income tax rates in certain states.

Income Tax Expense

Income tax expense (benefit) for each year is summarized as follows:

	Years Ended December 31,		
	2016	2015	2014
Current:			
Federal	$ (33)	$ 25	$ -
State	139	90	100
Total current	106	115	100
Deferred:			
Federal	19,980	17,042	17,373
State	(5,292)	1,280	2,438
Total deferred	14,688	18,322	19,811
Total income taxes (benefit)	$ 14,794	$ 18,437	$ 19,911

Deferred Tax Assets And Deferred Tax Liabilities

The income tax accounting process to determine the Company's deferred tax assets and liabilities involves estimating all temporary differences between the tax and financial reporting bases of the Company's assets and liabilities based on tax laws and statutory tax rates applicable to the period in which the differences are expected to affect taxable income. These estimates include assessing the likely future tax consequences of events that have been recognized in the Company's financial statements or tax returns. Changes to these estimates could have a future impact on the Company's financial position or results of operations.

In November 2015, the accounting guidance for balance sheet classification of deferred taxes was modified to present deferred taxes for each jurisdiction as noncurrent on the balance sheet. Previously, deferred taxes were presented for each jurisdiction as a net current asset or liability and net noncurrent asset or liability. The Company elected to early adopt this standard on a prospective basis as of October 1, 2016, as is permitted under the standard. Due to the prospective treatment, prior periods presented in these financial statements have not been retroactively adjusted.

The tax effects of significant temporary differences that comprise the net deferred tax assets and liabilities are as follows:

	December 31,	
	2016	2015
	(amounts in thousands)	
Deferred tax assets:		
Employee benefits	$ -	$ 783
Deferred compensation	-	988
Provision for doubtful accounts	-	835
Deferred gain on tower transaction	-	235
Other	-	987
Total current deferred tax assets before valuation allowance	-	3,828
Valuation allowance	-	(231)
Total current deferred tax assets - net	-	3,597
Federal and state income tax loss carryforwards	126,278	129,944
Share-based compensation	3,145	3,218
Investments - impairments	499	499
Lease rental obligations	3,504	3,440
Deferred compensation	5,307	3,968
Deferred gain on tower transaction	3,035	3,039
Property, equipment and certain intangibles (other than	4,036	4,804
Advertiser broadcasting obligations	47	-
Employee benefits	944	-
Provision for doubtful accounts	795	-
Other non-current	1,532	1,014
Total non-current deferred tax assets before valuation allowance	149,122	149,926
Valuation allowance	(12,861)	(20,407)
Total non-current deferred tax assets - net	$ 136,261	$ 129,519
Deferred tax liabilities:		
Advertiser broadcasting obligations	$ -	$ (133)
Total current deferred tax liabilities	-	(133)
Deferral of gain recognition on the extinguishment of debt	(3,031)	(4,568)
Broadcasting licenses and goodwill	(226,128)	(206,594)
Total non-current deferred tax liabilities	(229,159)	(211,162)
Total deferred tax liabilities	(229,159)	(211,295)
Total net deferred tax liabilities	$ (92,898)	$ (78,179)

Valuation Allowance For Deferred Tax Assets

Judgment is required in estimating valuation allowances for deferred tax assets. Deferred tax assets are reduced by a valuation allowance if an assessment of their components indicates that it is more likely than not that all or some portion of these assets will not be realized. The realization of a deferred tax asset ultimately depends on the existence of sufficient taxable income in the carryforward periods under tax law. The Company periodically assesses the need for valuation allowances for deferred tax assets based on more-likely-than-not realization threshold criteria. In the Company's assessment, appropriate consideration is given to all positive and negative evidence related to the realization of the deferred tax assets. This assessment considers, among other matters, forecasts of future profitability, the duration of statutory carryforward periods and any ownership change limitations under Internal Revenue Code Section 382 on the Company's future income that can be used to offset historic losses.

As changes occur in the Company's assessments regarding its ability to recover its deferred tax assets, the Company's tax provision is increased in any period in which the Company determines that the recovery is not probable.

The following table presents the changes in the deferred tax asset valuation allowance for the periods indicated:

Year Ended	Balance At Beginning Of Year	Increase (Decrease) Charged (Credited) To Income Taxes (Benefit)	Increase (Decrease) Charged (Credited) To Balance Sheet	Balance At End Of Year
		(amounts in thousands)		
December 31, 2016	$ 20,638	$ (7,777)	$ -	$ 12,861
December 31, 2015	20,766	(165)	37	20,638
December 31, 2014	20,238	528	-	20,766

Liabilities For Uncertain Tax Positions

The Company recognizes liabilities for uncertain tax positions based on whether evidence indicates that it is more likely than not that the position will be sustained on audit. It is inherently difficult and subjective to estimate such amounts, as this requires the Company to estimate the probability of various possible outcomes. The Company reevaluates these uncertain tax positions on a quarterly basis. Changes in assumptions may result in the recognition of a tax benefit or an additional charge to the tax provision.

The Company classifies interest and penalties that are related to income tax liabilities as a component of income tax expense. The income tax liabilities and accrued interest and penalties are presented as non-current liabilities, as payments are not anticipated within one year of the balance sheet date. These non-current income tax liabilities are recorded in other long-term liabilities in the consolidated balance sheets.

The Company's liabilities for uncertain tax positions are reflected in the following table:

	December 31,	
	2016	2015
	(amounts in thousands)	
Liabilities for uncertain tax positions		
Tax	$ -	$ 67
Interest and penalties	-	170
Total	$ -	$ 237

The amounts for interest and penalties expense reflected in the statements of operations were eliminated in the statements of cash flows under net deferred taxes (benefit) and other as no cash payments were made during these periods.

The following table presents the expense (income) for uncertain tax positions, which amounts were reflected in the consolidated statements of operations as an increase (decrease) to income tax expense:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Tax expense (income)	$ (67)	$ -	$ -
Interest and penalties (income)	(170)	20	18
Total income taxes (benefit) from uncertain tax positions	$ (237)	$ 20	$ 18

The decrease in liabilities for uncertain tax positions for 2016 primarily reflects the expiration of the statute of limitations for certain uncertain tax positions incurred in prior years.

The following table presents the gross amount of changes in unrecognized tax benefits:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Beginning of year balance	$ (7,690)	$ (7,690)	$ (7,690)
Prior year positions			
Gross Increases	-	-	-
Gross Decreases	-	-	-
Current year positions			
Gross Increases	-	-	-
Gross Decreases	-	-	-
Settlements with tax authorities	-	-	-
Reductions due to statute lapse	552	-	-
End of year balance	$ (7,138)	$ (7,690)	$ (7,690)
Ending liability balance included above that was reflected as an offset to deferred tax assets	$ (7,138)	$ (7,623)	$ (7,623)

The gross amount of the Company's unrecognized tax benefits is reflected in the above table which, if recognized, would impact the Company's effective income tax rate in the period of recognition. The total amount of unrecognized tax benefits could increase or decrease within the next 12 months for a number of reasons including the expiration of statutes of limitations, audit settlements and tax examination activities.

As of December 31, 2016, there were no significant unrecognized net tax benefits (exclusive of interest and penalties) that over the next 12 months are subject to the expiration of various statutes of limitation. Interest and penalties accrued on uncertain tax positions are released upon the expiration of statutes of limitations.

Federal And State Income Tax Audits

The Company is subject to federal and state income tax audits from time to time that could result in proposed assessments. Management believes that the Company has made sufficient tax provisions for tax periods that are within the statutory period of limitations not previously audited and that are potentially open for examination by the taxing authorities. Potential liabilities associated with these years will be resolved when an event occurs to warrant closure, primarily through the completion of audits by the taxing jurisdictions, or if the statute of limitations expires. To the extent audits or other events result in a material adjustment to the accrued estimates, the effect would be recognized during the period of the event. There can be no assurance, however, that the ultimate outcome of audits will not have a material adverse impact on the Company's financial position, results of operations or cash flows.

The Company cannot predict with certainty how these audits will be resolved and whether the Company will be required to make additional tax payments, which may include penalties and interest. During 2010, the Company concluded an audit by the IRS with no proposed adjustment for the tax years of 2004 through 2008. For most states where the Company conducts business, the Company is subject to examination for the preceding three to six years. In certain states, the period could be longer.

Income Tax Payments, Refunds And Credits

The Company paid a \$0.2 million Alternative Minimum Tax ("AMT") associated with expected income subject to tax for 2016, before the offset of available net operating loss carryforwards ("NOLs"). The AMT is available to be carried forward indefinitely to be used as a credit to offset future income tax liabilities.

The following table provides the amount of income tax payments and income tax refunds for the periods indicated:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
State income tax payments	$ 381	$ 81	$ 79
Federal and state income tax refunds	$ -	$ -	$ 10

Net Operating Loss Carryforwards

The Company has recorded a valuation allowance for certain of its state NOLs as the Company does not expect to obtain a benefit in future periods. In addition, utilization in future years of the NOL carryforwards may be subject to limitations due to the changes in ownership provisions under Section 382 of the Internal Revenue Code and similar state provisions.

Windfall tax benefits will be recognized for book purposes and recorded to paid-in capital only when realized. The Company does not recognize a deferred tax asset for unrealized tax benefits associated with the tax deductions in excess of the compensation recorded (excess tax benefit). Effective January 1, 2017 under new accounting guidance, the Company will recognize past and future unrealized tax benefits associated with the excess tax benefit.

The Company applies the "with and without" approach for utilization of tax attributes upon realization of NOLs in the future. This method allocates stock-based compensation benefits last among other tax benefits recognized.

In connection with the Merger, the Company believes it will be limited in its future annual ability to utilize its NOLs due to the ownership change.

The NOLs reflected in the following table exclude these windfall stock compensation deductions. In addition, the NOLs reflect an estimate of the NOLs for the 2016 tax filing year as these returns will not be filed until later in 2017:

	Net Operating Losses December 31, 2016				
	NOLs	Suspended Windfall	NOL Expiration Period		
	(amounts in thousands)		(in years)		
Federal NOL carryforwards	$ 285,521	$ 13,338	2030	to	2036
State NOL carryforwards	$ 618,399	$ 9,837	2017	to	2036
State income tax credit	$ 1,248			to	2018

Corporate Structure Simplification

To simplify its corporate structure and accounting processes, effective December 31, 2016, the Company merged into Radio one of its wholly-owned subsidiaries that provided financing and lending to other operating affiliates. The upstream merger of this entity with and into Radio was treated as a nontaxable Section 332 liquidation for federal income tax purposes. As a result, no gain or loss was recognized by the subsidiary on the distribution of property to the parent. The tax basis of the property received by Radio was a carryover basis and any tax attributes of the merged subsidiary were carried over to Radio by virtue of IRC Section 381. The upstream merger did not result in any additional federal or state income tax liabilities.

As a result of this upstream merger described above, the Company determined it will be able to utilize a higher percentage of State NOLs prior to their expiration. Therefore, the Company released valuation allowances against its State NOLs in the amount of $4.7 million, thereby reducing its income tax provision in 2016.

15. SUPPLEMENTAL CASH FLOW DISCLOSURES ON NON-CASH INVESTING AND FINANCING ACTIVITIES

The following table provides non-cash disclosures during the periods indicated:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Operating Activities			
Barter revenues	$ 4,700	$ 4,002	$ 3,826
Barter expenses	$ 4,789	$ 4,258	$ 3,665
Financing Activities			
Increase in paid-in capital from the issuance of RSUs	$ 10,381	$ 9,045	$ 5,754
Decrease in paid-in capital from the forfeiture of RSUs	(280)	(709)	(727)
Net paid-in capital of RSUs issued (forfeited)	$ 10,101	$ 8,336	$ 5,027
Perpetual cumulative convertible preferred stock issued in connection with an acquisition	$ -	$ 27,500	$ -
Dividend accrued on perpetual cumulative convertible preferred stock	$ 452	$ 339	$ -
Investing Activities			
Cash acquired through consolidation of a VIE	$ 302	$ -	$ -
Net radio station assets given up in a market	$ -	$ 59,000	$ -
Net radio station assets acquired in a market	$ -	$ 59,000	$ -
Radio station assets acquired through the issuance of perpetual cumulative convertible preferred stock	$ -	$ 27,500	$ -

16. EMPLOYEE SAVINGS AND BENEFIT PLANS

Deferred Compensation Plans

The Company provides certain of its employees and the Board of Directors with an opportunity to defer a portion of their compensation on a tax-favored basis. The obligations by the Company to pay these benefits under the deferred compensation plans represent unsecured general obligations that rank equally with the Company's other unsecured indebtedness. Amounts deferred under these plans were included in other long-term liabilities in the consolidated balance sheets. Any change in the deferred compensation liability for each period is recorded to corporate general and administrative expenses and to station operating expenses in the statement of operations.

	Years Ended December 31,		
Benefit Plan Disclosures	2016	2015	2014
	(amounts in thousands)		
Deferred compensation			
Beginning of period balance	$ 10,137	$ 11,017	$ 10,459
Employee compensation deferrals	963	534	420
Employee compensation payments	(945)	(1,464)	(734)
Increase (decrease) in plan fair value	720	50	872
End of period balance	$ 10,875	$ 10,137	$ 11,017

401(k) Savings Plan

The Company has a savings plan which is intended to be qualified under Section 401(k) of the Internal Revenue Code. The plan is a defined contribution plan, available to all eligible employees, and allows participants to contribute up to the legal maximum of their eligible compensation, not to exceed the maximum tax-deferred amount allowed by the Internal Revenue Service. The Company's discretionary matching contribution is subject to certain conditions. The Company's contributions for 2016, 2015 and 2014 were $1.0 million, $0.9 million and $0.8 million, respectively.

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair Value Of Financial Instruments Subject To Fair Value Measurements

The Company has determined the types of financial assets and liabilities subject to fair value measurement are: (1) certain tangible and intangible assets subject to impairment testing as described in Note 4; (2) financial instruments as described in Note 8; (3) deemed deferred compensation plans as described in Note 16; (4) lease abandonment liabilities as described in Note 18; and (5) interest rate derivative transactions that are outstanding from time to time (none currently outstanding).

The fair value is the price that would be received upon the sale of an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent to the inputs of the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the fair value hierarchy are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reported date.

Level 3 – Pricing inputs include significant inputs that are generally less observable than objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value. At each balance sheet date, the Company performs an analysis of all instruments and includes in Level 3 all of those whose fair value is based on significant unobservable inputs.

Recurring Fair Value Measurements

The following table sets forth the Company's financial assets and/or liabilities that were accounted for at fair value on a recurring basis and are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value and its placement within the fair value hierarchy levels.

Description	Fair Value Measurements At Reporting Date December 31, 2016	2015
	(amounts in thousands)	
Liabilities		
Deferred compensation - Level 1 [(1)]	$ 10,875	$ 10,137

(1) The Company's deferred compensation liability, which is included in other long-term liabilities, is recorded at fair value on a recurring basis. The unfunded plan allows participants to hypothetically invest in various specified investment options. The deferred compensation plan liability is valued at Level 1 as it is based on quoted market prices of the underlying investments.

Non-Recurring Fair Value Measurements

The Company has certain assets that are measured at fair value on a non-recurring basis and are adjusted to fair value only when the carrying values are more than the fair values. The categorization of the framework used to price the assets is considered Level 3, due to the subjective nature of the unobservable inputs used to determine the fair value.

The Company reviewed the fair value of its broadcasting licenses, goodwill and net property and equipment and other intangibles, and concluded that these assets were not impaired as the fair value of these assets equaled or exceeded their carrying values.

Fair Value Of Financial Instruments Subject To Disclosures

The estimated fair value of financial instruments is determined using the best available market information and appropriate valuation methodologies. Considerable judgment is necessary, however, in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented are not necessarily indicative of the amounts that the Company could realize in a current market exchange, or the value that ultimately will be realized upon maturity or disposition. The use of different market assumptions may have a material effect on the estimated fair value amounts.

The carrying amount of the following assets and liabilities approximates fair value due to the short maturity of these instruments: (1) cash and cash equivalents; (2) accounts receivable; and (3) accounts payable, including accrued liabilities.

The following table presents the carrying value of financial instruments and, where practicable, the fair value as of the periods indicated:

	December 31, 2016		December 31, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(amounts in thousands)			
Term B Loan [(1)]	$ 480,000	$ 487,200	$ -	$ -
Revolver [(2)]	$ -	$ -	$ -	$ -
Former Term B Loan	$ -	$ -	$ 242,750	$ 242,447
Former Revolver	$ -	$ -	$ 26,000	$ 26,000
Senior Notes	$ -	$ -	$ 218,269	$ 227,000
Other debt [(3)]	$ 87		$ -	
Letters of credit [(4)]	$ 670		$ 670	

The following methods and assumptions were used to estimate the fair value of financial instruments:

(1) The Company's determination of the fair value of the Term B Loan and Former Term B Loan was based on quoted prices for this instrument and is considered a Level 2 measurement as the pricing inputs are other than quoted prices in active markets.

(2) The fair value of the Revolver and Former Revolver was considered to approximate the carrying value as the interest payments are based on LIBOR rates that reset periodically. The Revolver is considered a Level 2 measurement as the pricing inputs are other than quoted prices in active markets.

(3) The Company does not believe it is practicable to estimate the fair value of the other debt.

(4) The Company does not believe it is practicable to estimate the fair value of the outstanding standby letters of credit.

18. BUSINESS COMBINATIONS

The Company records acquisitions under the purchase method of accounting, and allocates the purchase price to the assets and liabilities based upon their respective fair values as determined as of the acquisition date. Merger and acquisition costs are excluded from the purchase price as these costs are expensed for book purposes and amortized for tax purposes.

2015 Acquisitions

Acquisition Of Lincoln Financial Media Company

On July 16, 2015, the Company acquired under a Stock Purchase Agreement ("SPA") with The Lincoln National Life Insurance Company the stock of one of its subsidiaries, Lincoln Financial Media Company ("Lincoln"), which hold through subsidiaries the assets and liabilities of radio stations serving the Atlanta, Denver, Miami and San Diego markets (the "Lincoln Acquisition"). The purchase price was $105.0 million of which: (1) $77.5 million was paid in cash using $42.0 million in borrowing under the Company's Revolver together with cash on hand; and (2) $27.5 million was paid with the Company's issuance of Preferred. The SPA, originally dated December 7, 2014 and subsequently amended on July 10, 2015, provided for a working capital reimbursement to Lincoln of $11.0 million before a working capital credit to the Company of $2.7 million. The SPA provided for a step-up in basis for tax purposes.

Three Denver radio stations acquired from Lincoln together with another Denver radio station were included in an exchange transaction as described below in Note 18.

The Company recorded goodwill on its books, which is fully deductible for income tax purposes. Management believes that this acquisition provides the Company with an opportunity to increase its national footprint to compete more effectively for national business and to benefit from certain operational synergies. In addition, this acquisition allows for certain operational synergies in programming, sales and administration that were not available to Lincoln.

The purchase price allocations are based upon a valuation of assets and liabilities, which include the valuation of acquired intangible assets and working capital.

The following table reflects the final aggregate fair value purchase price allocation of these assets and liabilities.

Description	December 31, 2016	Useful Lives In Years From	To
	(amounts in thousands)		
Cash	$ 2,246		
Net accounts receivable	11,933	less than 1 year	
Prepaid expenses, deposits and other	970	less than 1 year	
Total current assets	15,149		
Land	7,368	non-depreciating	
Land improvements	87	15	15
Building	1,067	15	25
Leasehold improvements	973	2	11
Equipment and towers	8,651	3	40
Furniture and fixtures	29	5	5
Total tangible property	18,175		
Assets held for sale	1,885		
Other intangibles	487	1	5
Broadcasting licenses	79,209	non-amortizing	
Goodwill	4,594	non-amortizing	
Deferred tax assets	1,364	over remaining lease life	
Total intangible and other assets	87,539		
Total assets	$ 120,863		
Accounts payable	$ 723	less than 1 year	
Accrued expenses	3,466	less than 1 year	
Other current liabilities	12	less than 1 year	
Total current liabilities	4,201		
Unfavorable contracts and other liabilities	3,272	over remaining lease life	
Total liabilities acquired	$ 7,473		
Net assets acquired	$ 113,390		

The aggregate fair value purchase price allocation of the assets and liabilities as reported on the Company's Form 10-K filed with the SEC on February 26, 2016, were revised during the third quarter of 2016 due to the recording of a liability associated with an assumed lawsuit. The amount of the liability could not be estimated at the time of the acquisition. This revision resulted in an increase to goodwill of $0.1 million in one of the Lincoln markets.

The allocations presented in the table are based upon management's estimate of the fair values using valuation techniques including income, cost and market approaches. In estimating the fair value of the acquired assets and assumed liabilities, the fair value estimates are based on, but not limited to, expected future revenue and cash flows that assume expected future growth rates of 1.0% to 1.5%; and an estimated discount rate of 9.6%. The gross profit margins are similar to the ranges used in the Company's second quarter 2015 annual license impairment testing. The fair value for accounts receivable is net of an estimate for bad debts. The Company determines the fair value of the broadcasting licenses in each of these markets by relying on a discounted cash flow approach assuming a start-up scenario in which the only assets held by an investor are broadcasting licenses. The Company's fair value analysis contains assumptions based upon past experience, reflects expectations of industry observers and includes judgments about future performance using industry normalized information for an average station within a certain market. Any excess of the purchase price over the net assets acquired was reported as goodwill.

Exchange Transaction: Denver, Colorado, And Los Angeles, California

On November 24, 2015, the Company completed an asset exchange agreement with Bonneville International Corporation ("Bonneville") that was entered into on July 10, 2015. The Company divested four

Denver, Colorado, radio stations as consideration by the Company in exchange for a radio station in Los Angeles, California (the "Bonneville Exchange"). The Company, which did not require cash to complete this transaction, now owns: (1) one station in Los Angeles, a new market for the Company; and (2) five radio stations in the Denver market, an existing market for the Company. The Company recorded both the disposition and the acquisition on its balance sheet as of December 31, 2015.

On July 17, 2015 the Company entered into two TBAs. Pursuant to these TBAs, on July 17, 2015, the Company commenced operation of the Los Angeles station and Bonneville commenced operation of the Denver stations. During the period of the TBAs (July 17, 2015 through November 24, 2015), the Company: (i) included net revenues and station operating expenses associated with the Company's operation of the Los Angeles station in the Company's consolidated financial statements; and (ii) excluded net revenues and station operating expenses associated with Bonneville's operation of the Denver stations in the Company's consolidated financial statements. The Company incurred no TBA expense to Bonneville for operation of the Los Angeles station and received $0.3 million of monthly TBA income from Bonneville during the period of the TBA. The Company did not consider the net revenues and station operating expenses to be material to the Company's financial position, results of operations or cash flows.

Certain of the Denver radio stations that were exchanged with Bonneville qualified as assets held for sale as of September 30, 2015. In addition, during the period of the TBA, certain of the assets and liabilities that were held in a trust (KKFN FM) and operated by Bonneville were deconsolidated by the Company as of September 30, 2015 as Bonneville was the primary beneficiary absorbing the majority of the profits and losses. For all other assets during the period of the TBA, the Company was the primary beneficiary absorbing the majority of the profits and losses. Upon closing, there were no remaining assets held for sale or outstanding VIEs related to this transaction.

The following table reflects the final aggregate fair value purchase price allocation of these assets and liabilities.

Description	December 31, 2016 (amounts in thousands)	Useful Lives In Years From	Useful Lives In Years To
Other receivables	$ 4,864		
Equipment	1,012	3	15
Furniture and fixtures	121	5	5
Total tangible property	1,133		
Advertiser lists and customer relationships	1	3	3
Trademarks and trade names	2	5	5
Broadcasting licenses	53,057	non-amortizing	
Goodwill	266	non-amortizing	
Total intangible assets	53,326		
Total assets	59,323		
Unfavorable contract and lease liabilities	(323)	1	4
Net assets acquired	$ 59,000		
Fair value of net assets provided as consideration	$ 59,000		

There was no change to the aggregate fair value purchase price allocation of the assets and liabilities as reported on the Company's Form 10-K filed with the SEC on February 26, 2016.

The allocations presented in the table are based upon management's estimate of the fair values using valuation techniques including income, cost and market approaches. In estimating the fair value of the acquired assets and assumed liabilities, the fair value estimates are based on, but not limited to, expected future revenue and cash flows that assumes the expected future growth rate of 1.0% and an estimated discount rate of 9.2%. The gross profit margin range was similar to the ranges used in the Company's second quarter 2015 annual impairment testing for broadcasting licenses. The Company determines the fair value of the broadcasting licenses in each of these markets by relying on a discounted cash flow approach assuming a start-up scenario in which the only assets held by an investor are broadcasting licenses. The Company's fair value analysis contains assumptions based upon past experience, reflects expectations of industry observers and includes judgments about future performance using industry normalized information for an average station within a certain market. Any excess of the purchase price over the net assets acquired was reported as goodwill.

In valuing the non-monetary assets that were part of the consideration transferred, the Company utilized the fair value as of the acquisition date, with any excess of the purchase price over the net assets acquired reported as goodwill. The fair value was measured from the perspective of a market participant, applying the same methodology and types of assumptions as described above in estimating the fair value of the acquired assets and liabilities. Applying these methodologies requires significant judgment. The Company reported in the statements of operations for the year ended December 31, 2015 a non cash gain of $1.5 million under gain (loss) on sale or disposal of assets on the Denver assets provided as consideration, primarily from the non-Lincoln assets included in the exchange.

Under purchase price accounting for the Lincoln and Bonneville acquisitions, the Company recorded unfavorable lease and contract liabilities for studio and transmitter site property leases and vendor contracts as these contracts contained terms that were considered to be above market rates. The unfavorable liabilities are reflected in other long-term liabilities in the consolidated balance sheets and are amortized as a reduction to station operating expenses on a straight-line basis over the lives of the leases and contracts. The future amortization of unfavorable leases and contracts is as follows:

	As Of December 31, 2016 (amounts in thousands)
Years ending December 31,	
2017	$ 875
2018	295
2019	167
2020	147
2021	91
Thereafter	426
	$ 2,001

Summary Of Lincoln And Bonneville Transactions By Radio Station

Bonneville Exchange

Markets	Radio Stations	Transactions
Los Angeles, CA	KSWD FM	Company acquired from Bonneville
Denver, CO	KOSI FM	Company disposed to Bonneville
Denver, CO	KYGO FM; KEPN AM	Company disposed to Bonneville
Denver, CO	KKFN FM	The trust disposed to Bonneville

Lincoln Acquisition

Markets	Radio Stations	Transactions
Denver, CO	KKFN FM	The trust acquired from Lincoln
Denver, CO	KYGO FM; KEPN AM	Company acquired from Lincoln
Denver, CO	KQKS FM; KRWZ AM	Company acquired from Lincoln
Atlanta, GA	WSTR FM; WQXI AM	Company acquired from Lincoln
Miami, FL	WAXY AM/FM; WLYF FM; WMXJ FM	Company acquired from Lincoln
San Diego, CA	KBZT FM; KSON FM/KSOQ FM; KIFM FM	Company acquired from Lincoln

Merger And Acquisition Costs And Restructuring Charges

Merger and acquisition costs and restructuring charges were expensed as a separate line item in the statement of operations. The Company records merger and acquisition costs whether or not an acquisition occurs. These costs consist primarily of legal, professional and advisory services as well as restructuring costs (as identified below) related to the Company's acquisition of Lincoln and the Company's exchange agreement with Bonneville.

During the third quarter of 2016, the company recorded merger and acquisition costs of $0.7 million.

During the third and fourth quarters of 2015, the Company initiated a restructuring plan primarily as a result of the integration of the Lincoln radio stations acquired in July 2015. The restructuring plan included: (1) costs associated with exiting contractual vendor obligations as these obligations were duplicative; (2) a workforce reduction and realignment charges that included one-time termination benefits and related costs; and (3) lease abandonment costs as described below. The estimated amount of unpaid restructuring charges as of December 31, 2016 were included in accrued expenses as these expenses are expected to be paid in less than one year.

In connection with the Lincoln acquisition, the Company assumed a studio lease in one of its markets that included excess space. During the fourth quarter of 2015, the Company ceased using a portion of the space after analyzing its future needs as well as comparing its space utilization in other of the Company's markets. As a result, the Company recorded a lease abandonment expense during the fourth quarter of 2015. Lease abandonment costs include future lease liabilities offset by estimated sublease income. Due to the location of the space in an area of the city that is not considered prime, including a very high vacancy rate in the existing and neighboring building in a soft rental market that is expected to continue throughout the remaining term of the lease, the Company did not include an estimate to sublease any of the space. The Company will continue to evaluate the opportunities to sublease this space and revise its sublease estimates accordingly. Any increase in the estimate of sublease income will be reflected through the income statement and such amount will also reduce the lease abandonment liability. The lease expires in the year 2026. The lease liability is discounted using a credit risk adjusted basis utilizing the estimated rental cash flows over the remaining term of the agreement.

	Years Ended December 31, 2016	2015	2014
	(amounts in thousands)		
Restructuring charges			
Costs to exit duplicative contracts	$ -	$ 646	$ -
Workforce reduction	-	1,538	-
Lease abandonment costs	-	687	-
Changes in estimates	-	(13)	-
Total restructuring charges	-	2,858	-
Merger and acquisition costs	708	3,978	1,042
Total merger & acquisition costs and restructuring charges	$ 708	$ 6,836	$ 1,042

	Year Ended December 31, 2016	Year Ended December 31, 2015
	(amounts in thousands)	
Restructuring charges, beginning balance	$ 1,686	$ -
Additions to reserves through accruals	-	2,858
Deductions from reserves through payments	(1,036)	(1,172)
Restructuring charges unpaid and outstanding	650	1,686
Less lease abandonment costs over a long-term period	(576)	(687)
Short-term restructuring charges unpaid and outstanding	$ 74	$ 999

2014 Acquisitions

There were no acquisitions during this period.

Disposition

In March 2016, the Company sold certain assets of KRWZ AM in Denver, Colorado, for $3.8 million in cash. The Company believes that the sale of this station, with a marginal market share, will not alter the Company's competitive position in the market. The Company reported a gain, net of expenses, of $0.3 million on the disposition of these assets.

Unaudited Pro Forma Summary Of Financial Information

The following pro forma information presents the consolidated results of operations as if the business combinations in 2015 had occurred as of January 1, 2014, after giving effect to certain adjustments, including: (1) depreciation and amortization of assets; (2) amortization of unfavorable contracts related to the fair value adjustments of the assets acquired; (3) change in the effective tax rate; (4) interest expense on any debt incurred; (5) merger and acquisition costs and restructuring charges; and (6) accrued dividends on perpetual cumulative convertible preferred stock. For purposes of this presentation, the pro forma data: (a) excludes certain Lincoln radio stations disposed to Bonneville as the Company never operated these stations and does not expect to operate these stations at a future time (KYGO FM; KKFN FM and KEPN AM); and (b) excludes a radio station disposed to Bonneville and operated by the Company prior to the TBA (KOSI FM) as these assets were a key component of the assets acquired. In addition, there was no adjustment to the pro forma information for the two AM stations that were separately disposed of in 2016. These unaudited pro forma results have been prepared for comparative purposes only and do not purport to be indicative of what would have occurred had the acquisitions been made as of that date or results which may occur in the future.

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands, except per share data)		
	Actual	Pro Forma	Pro Forma
Net revenues	$ 460,245	$ 442,485	$ 437,597
Net income (loss) available to the Company	$ 38,065	$ 33,050	$ 22,736
Net income (loss) available to common shareholders	$ 36,164	$ 30,850	$ 21,086
Net income (loss) available to commons shareholders per common share - basic	$ 0.94	$ 0.81	$ 0.56
Net income (loss) available to commons shareholders per common share - diluted	$ 0.91	$ 0.79	$ 0.55
Weighted shares outstanding basic	38,500	38,084	37,763
Weighted shares outstanding diluted	39,568	39,038	38,664
Conversion of preferred stock for dilutive purposes under the as if method	anti-dilutive	anti-dilutive	anti-dilutive

19. ASSETS HELD FOR SALE

Long-lived assets to be sold are classified as held for sale in the period in which they meet all the criteria for the disposal of long-lived assets. The Company measures assets held for sale at the lower of their carrying amount or fair value less cost to sell. Additionally, the Company determined that these assets comprise operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Company.

During 2016, the Company entered into an agreement to sell an AM radio station in one of its markets for $0.9 million and classified these assets and liabilities as assets held for sale. This transaction was completed in the fourth quarter of 2016, and resulted in a gain of $0.2 million. The Company expects that the sale of this radio station will not alter the Company's competitive position in the market.

During 2016, the Company disposed of the following assets that were previously reflected as held for sale as of December 31, 2015: (1) an AM radio station in Denver, Colorado, that resulted in a gain on disposal of assets of $0.3 million; (2) land, building and a tower at a tower/antenna site to be sold to a government agency that did not result in a gain or loss; and (3) land and a building that the Company formerly used as its main studio facility in one of its markets and a co-located tower/antenna structure for two of its AM radio stations that the Company plans to relocate to other suitable sites, that resulted in a gain on disposal of assets of $0.7 million.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company determined that the carrying value of these assets was less than the fair value by utilizing offers from third parties for a bundle of assets. This is considered a Level 3 measurement.

The major categories of these assets are as follows:

	Assets Held For Sale	
	December 31,	
	2016	2015
	(amounts in thousands)	
Land and land improvements	$ -	$ 3,972
Building	-	1,036
Equipment	-	497
Total property and equipment	-	5,505
Depreciation and amortization	-	796
Net property and equipment	-	4,709
Radio broadcasting licenses	-	1,397
Total intangibles	-	1,397
Assets held for sale	-	6,106
Net assets held for sale	$ -	$ 6,106

20. CONTINGENCIES AND COMMITMENTS

Contingencies

The Company is subject to various outstanding claims which arise in the ordinary course of business and to other legal proceedings. Management anticipates that any potential liability of the Company, which may arise out of or with respect to these matters, will not materially affect the Company's financial position, results of operations or cash flows.

Pending Acquisitions

On February 2, 2017, the Company and Merger Sub entered into the CBS Radio Merger Agreement with CBS and CBS Radio. This transaction is subject to approval by the Company's stakeholders and customary regulatory approvals. This transaction is expected to close during the second half of 2017. If the CBS Radio Merger Agreement is terminated in certain circumstances prior to the consummation of the transactions contemplated thereby, the Company will be required to pay CBS a termination fee of $30 million. Refer to Note 1 for further discussion.

On January 6, 2017, the Company completed a transaction to acquire four radio stations in Charlotte, North Carolina, from Beasley Broadcast Group, Inc. ("Beasley") for a purchase price of $24 million in cash. The Company used cash on hand to fund the acquisition. On October 17, 2016, the Company simultaneously entered into an asset purchase agreement and a TBA to operate three of the four radio stations that were held in a trust ("Charlotte Trust"). On November 1, 2016, the Company commenced operations of the radio stations held in the Charlotte Trust and began operating the fourth station upon closing on the acquisition with Beasley in January 2017.

During the period of the TBA, the Company included net revenues, station operating expenses and monthly TBA fees associated with operating these stations in the Company's consolidated financial statements.

The allocations presented in the table below are based upon management's estimate of the fair values using valuation techniques including income, cost and market approaches. In estimating the fair value of the acquired assets and assumed liabilities, the fair value estimates are based on, but not limited to, expected future revenue and cash flows that assume expected future growth rates of 1.0% to 1.5%; and an estimated discount rate of 9.6%. The gross profit margins are similar to the ranges used in the Company's second quarter 2016 annual license impairment testing. The Company determines the fair value of the broadcasting licenses by relying on a discounted cash flow approach assuming a start-up scenario in which the only assets held by an investor are broadcasting licenses. The Company's fair value analysis contains assumptions based upon past experience, reflects expectations of industry observers and includes judgments about future performance using industry normalized information for an average station within a certain market. Any excess of the purchase price over the net assets acquired was reported as goodwill.

The following preliminary purchase price allocations are based upon the valuation of assets and liabilities and these estimates and assumptions are subject to change as the Company obtains additional information during the measurement period, which may be up to one year from the acquisition date. These assets and liabilities pending finalization include the valuation of acquired intangible assets and liabilities. Differences between the preliminary and final valuation could be substantially different from the initial estimates.

Description	January 6, 2017 (amounts in thousands)	Useful Lives In Years From	To
Assets			
Land	$ 2,539	non-depreciating	
Buildings	217	15	25
Equipment	4,569	3	40
Total property plant and equipment	7,325		
Deferred tax asset	287	life of underlying asset	
Radio broadcasting licenses and goodwill	17,384	non-amortizing	
Total assets	24,996		
Liabilities			
Unfavorable lease liabilities	735	over remaining lease life	
Deferred tax liability	261	life of underlying liability	
Total liabilities	996		
Net assets	$ 24,000		

Variable Interest Entity And Assets Held For Sale

The Company believes that the Charlotte Trust is a VIE as the Company has the power to direct the activities which significantly impact the economic performance of the Charlotte Trust. Under the terms of the APA, the FCC licenses and related assets of the stations were assigned from Beasley to the Charlotte Trust. The Company also believes it is the primary beneficiary of the VIE as the Company may absorb the profits and losses from the operation of the VIE during the period of the TBA. As of December 31, 2016, the Company consolidated the assets and liabilities of the VIE within its consolidated financial statements, using fair values for the assets and liabilities as if the Company had closed on this transaction as of December 31, 2016. The equity investment by Beasley in the Charlotte Trust is reflected as a non-controlling interest. The assets of the Company's consolidated VIE can only be used to settle the obligations of the VIE, and may not be sold, or otherwise disposed of, except for assets sold or replaced with others of like kind or value. There is a lack of recourse by the beneficial interest holders of the VIE against the Company's general creditors.

The following table reflects that assets and liabilities of the Charlotte Trust VIE at fair value at the effective date of the TBA, which were included in our consolidating balance sheets:

Description	Charlotte Trust December 31, 2016 (amounts in in thousands)
Cash	$ 302
Accounts receivable, net of allowance for doubtful accounts	2,143
Prepaid expenses, deposits and other	244
Total current assets	2,689
Net property and equipment	6,346
Radio broadcasting licenses	15,738
Deferred charges and other assets, net of accumulated amortization	366
Total assets	$ 25,139
Accrued expenses	$ (1,180)
Non-controlling interest - variable interest entity	(23,959)
	$ (25,139)

Insurance

The Company uses a combination of insurance and self-insurance mechanisms to mitigate the potential liabilities for workers' compensation, general liability, property, directors' and officers' liability, vehicle liability and employee health care benefits. Liabilities associated with the risks that are retained by the Company are estimated, in part, by considering claims experience, demographic factors, severity factors, outside expertise and other actuarial assumptions. Under these policies, the Company is required to maintain letters of credit in the amount of $0.7 million.

Broadcast Licenses

The Company could face increased costs in the form of fines and a greater risk that the Company could lose any one or more of its broadcasting licenses if the FCC concludes that programming broadcast by a Company station was obscene, indecent or profane and such conduct warrants license revocation. The FCC's authority to impose a fine for the broadcast of such material is $350,000 for a single incident, with a maximum fine of up to $3,300,000 for a continuing violation. In the past, the FCC has issued Notices of Apparent Liability and a Forfeiture Order with respect to several of the Company's stations proposing fines for certain programming which the FCC deemed to have been indecent. These cases are the subject of pending administrative appeals. The FCC has also investigated other complaints from the public that some of the Company's stations broadcast indecent programming. These investigations remain pending. The Company has determined that, at this time, the amount of potential fines and penalties, if any, cannot be estimated.

The Company has filed, on a timely basis, renewal applications for those radio stations with radio broadcasting licenses that are subject to renewal with the FCC. The Company's costs to renew its licenses with the FCC are nominal and are expensed as incurred rather than capitalized. From time to time, the renewal of certain licenses may be delayed in their renewal. The Company continues to operate these radio stations under their existing licenses until the licenses are renewed. The FCC may delay the renewal pending the resolution of open inquiries. The affected stations are, however, authorized to continue operations until the FCC acts upon the renewal applications. Currently, all of the Company's licenses have been renewed.

The FCC initiated an investigation in January 2007, related to a contest at one of the Company's stations. In October 2016, the FCC designated for a hearing whether the Company operated this station in the public interest and whether such station's license should be renewed. In February 2017, in order to facilitate the Merger, the Company permanently discontinued operation of this station in order to cancel the license, dismiss its renewal application and terminate the renewal hearing. As a result, the Company expects to record in the first quarter of 2017 a $13.5 million loss in the statement of operations in net gain/loss on sale or disposal of assets.

Performance Fees

The Company incurs fees from performing rights organizations ("PRO") to license the Company's public performance of the musical works contained in each PRO's repertory. The Radio Music Licensing Committee, of which the Company is a represented participant, (1) entered into an industry-wide settlement with American Society of Composers, Authors and Publishers that was effective January 1, 2017 for a five-year term; (2) is currently seeking reasonable industry-wide fees from Broadcast Music, Inc. effective January 1, 2017; (3) is currently subject to arbitration proceedings with the Society of European Stage Authors and Composers to determine fair and reasonable fees that would be retroactive to January 1, 2016; and (4) filed in November 2016 a motion in the U.S. District Court in Pennsylvania against Global Music Rights ("GMR") arguing that GMR is a monopoly demanding monopoly prices and asking the Court to subject GMR to an antitrust consent decree. In January 2017, the Company obtained an interim license from GMR for fees effective January 1, 2017 to avoid any infringement claims by GMR for using GMR's repertory without a license.

Other Matters

During the third quarter of 2016, the Company settled a legal claim with British Petroleum as a result of their Deepwater Horizon Oil Spill in the Gulf of Mexico and recovered $2.3 million on a net basis after deducting certain related expenses. The claim was a result of lost business due to the oil spill.

During the third quarter of 2014, the Company settled a legal claim for $1.0 million. The amount was included in corporate general and administrative expenses for the year ended December 31, 2014.

Leases And Other Contracts

Rental expense is incurred principally for office and broadcasting facilities. Certain of the leases contain clauses that provide for contingent rental expense based upon defined events such as cost of living adjustments and/or maintenance costs in excess of pre-defined amounts.

The Company also has rent obligations under a sale and leaseback transaction whereby the Company sold certain of its radio broadcasting towers to a third party for cash in return for long-term leases on these towers. These sale and leaseback obligations are listed in the future minimum annual commitments table. The Company sold these towers as operating these towers to maximize tower rental income was not part of the Company's core strategy.

The following table provides the Company's rent expense for the periods indicated:

	Years Ended December 31,		
	2016	2015	2014
	(amounts in thousands)		
Rent Expense	$ 17,892	$ 16,116	$ 14,556

The Company also has various commitments under the following types of contracts:

	Future Minimum Annual Commitments			
	Rent Under Operating Leases	Sale Leaseback Operating Leases	Programming And Related Contracts	Total
	(amounts in thousands)			
Years ending December 31,				
2017	$ 17,594	$ 868	$ 70,119	$ 88,581
2018	14,767	894	40,718	56,379
2019	13,024	920	22,622	36,566
2020	10,095	948	17,339	28,382
2021	7,169	976	12,688	20,833
Thereafter	23,185	8,739	23,000	54,924
	$ 85,834	$ 13,345	$ 186,486	$ 285,665

21. GUARANTOR ARRANGEMENTS

Guarantor Arrangements

The Company recognizes, at the inception of a guarantee, a liability for the fair value of the obligation undertaken by issuing the guarantee. The following is a summary of agreements that the Company has determined are within the scope of guarantor arrangements:

- The Company enters into indemnification agreements in the ordinary course of business. Under these agreements, the Company typically indemnifies, holds harmless, and agrees to reimburse the indemnified party for losses suffered or incurred by the indemnified party. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is unlimited. The Company believes that the estimated fair value of these agreements is minimal. Accordingly, the Company has not recorded liabilities for these agreements as of December 31, 2016.

- Under the Company’s Credit Facility, the Company is required to reimburse lenders for any increased costs that they may incur in the event of a change in law, rule or regulation resulting in their reduced returns from any change in capital requirements. The Company cannot estimate the potential amount of any future payment under this provision, nor can the Company predict if such an event will ever occur.

- In connection with many of the Company’s acquisitions, the Company enters into a TBA or local marketing agreements for specified periods of time, usually six months or less, whereby the Company typically indemnifies the owner and operator of the radio station, their employees, agents and contractors from liability, claims and damages arising from the activities of operating the radio station under such agreements. The maximum potential amount of any future payments the Company could be required to make for any such previous indemnification obligations is indeterminable at this time. The Company has not, however, previously incurred any significant costs to defend lawsuits or settle claims relating to any such indemnification obligation.

Financial Statements Of Parent

The condensed financial data of the Parent Company has been prepared in accordance with Rule 12-04 of Regulation S-X. The Parent Company’s financial data includes the financial data of Entercom Communications Corp., excluding all subsidiaries.

The most significant restrictions on the payment of dividends by Radio (as contemplated by Rule 4-08(e) of Regulation S-X) are set forth in the Credit Facility.

Under the Credit Facility, Radio is permitted to make distributions to the Parent Company in amounts, as defined, as follows: (a) amounts which are required to pay the Parent Company’s reasonable overhead costs, including income taxes and other costs associated with conducting the operations of Radio and its subsidiaries; and

(b) certain amounts which qualify as “Restricted Payments.” With respect to the Credit Facility, the permitted Restricted Payment is generally $60 million plus Cumulative Retained Excess Cash Flow. The Company’s ability to make a Restricted Payment in these amounts under the Credit Facility is a function of its leverage ratio.

Effectively all of Radio’s assets are subject to these distribution limitations to the Parent Company.

The following tables set forth the condensed financial data (other than the statements of shareholders’ equity as this statement is not condensed) of the Parent Company:

- the balance sheets as of December 31, 2016 and 2015;
- the statements of operations for the years ended December 31, 2016, 2015 and 2014;
- the statements of shareholders’ equity for the years ended December 31, 2016, 2015 and 2014; and
- the statements of cash flows for the years ended December 31, 2016, 2015 and 2014.

ENTERCOM COMMUNICATIONS CORP.
CONDENSED PARENT COMPANY BALANCE SHEETS
(amounts in thousands)

	2016	2015
ASSETS		
Current Assets	$ 7,228	$ 7,289
Property And Equipment - Net	2,866	472
Deferred Charges And		
Other Assets - Net	1,813	3,807
Investment In Subsidiaries / Intercompany	456,161	424,493
TOTAL ASSETS	$ 468,068	$ 436,061
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities	$ 20,042	$ 19,631
Long Term Liabilities	26,920	27,361
Total Liabilities	46,962	46,992
Perpetual Cumulative Convertible Preferred Stock	27,732	27,619
Shareholders' Equity:		
Class A, B and C Common Stock	407	397
Additional Paid-In Capital	605,603	611,754
Accumulated Deficit	(212,636)	(250,701)
Total shareholders' equity	393,374	361,450
TOTAL LIABILITIES AND		
SHAREHOLDERS' EQUITY	$ 468,068	$ 436,061

See notes to condensed Parent Company financial statements.

ENTERCOM COMMUNICATIONS CORP.
CONDENSED PARENT COMPANY INCOME STATEMENTS
(amounts in thousands)

	YEARS ENDED DECEMBER 31,		
	2016	**2015**	**2014**
NET REVENUES	$ 2,131	$ 1,536	$ 1,309
OPERATING (INCOME) EXPENSE:			
Depreciation and amortization expense	1,235	1,123	1,217
Corporate general and administrative expenses	33,218	26,395	26,463
Merger and acquisition costs and restructuring charges	708	6,836	1,042
Other expenses related to financing	565	-	-
Net (gain) loss on sale or disposal of assets	(601)	(601)	(601)
Total operating expense	35,125	33,753	28,121
OPERATING INCOME (LOSS)	(32,994)	(32,217)	(26,812)
Net interest expense, including amortization of deferred financing expense	24	-	15
Net recovery of a claim	100	-	-
Income from equity investment in subsidiaries	(85,977)	(79,838)	(73,561)
TOTAL OTHER (INCOME) EXPENSE	(85,853)	(79,838)	(73,546)
INCOME (LOSS) BEFORE INCOME TAXES (BENEFIT)	52,859	47,621	46,734
INCOME TAXES (BENEFIT)	14,794	18,437	19,911
NET INCOME (LOSS) AVAILABLE TO THE COMPANY	38,065	29,184	26,823
Preferred stock dividend	(1,901)	(752)	-
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	$ 36,164	$ 28,432	$ 26,823

See notes to condensed Parent Company financial statements.

ENTERCOM COMMUNICATIONS CORP.
PARENT COMPANY STATEMENTS OF SHAREHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014
(amounts in thousands, except share data)

	Common Stock				Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
	Class A		Class B				
	Shares	Amount	Shares	Amount			
Balance, December 31, 2013	31,308,194	$ 313	7,197,532	$ 72	$ 604,721	$ (306,713)	$ 298,393
Net income (loss) available to the Company	-	-	-	-	-	26,823	26,823
Compensation expense related to granting of stock awards	638,102	7	-	-	5,225	-	5,232
Exercise of stock options	57,500	-	-	-	82	-	82
Purchase of vested employee restricted stock units	(141,502)	(1)	-	-	(1,513)	-	(1,514)
Forfeitures of dividend equivalents	-	-	-	-	-	5	5
Balance, December 31, 2014	31,862,294	319	7,197,532	72	608,515	(279,885)	329,021
Net income (loss) available to the Company	-	-	-	-	-	29,184	29,184
Compensation expense related to granting of stock awards	738,195	7	-	-	5,517	-	5,524
Exercise of stock options	11,750	-	-	-	35	-	35
Purchase of vested employee restricted stock units	(131,688)	(1)	-	-	(1,561)	-	(1,562)
Preferred stock dividend	-	-	-	-	(752)	-	(752)
Balance, December 31, 2015	32,480,551	325	7,197,532	72	611,754	(250,701)	361,450
Net income (loss) available to the Company	-	-	-	-	-	38,065	38,065
Compensation expense related to granting of stock awards	1,095,759	11	-	-	6,528	-	6,539
Issuance of common stock related to the Employee Share Purchase Plan ("ESPP")	31,933	-	-	-	379	-	379
Exercise of stock options	134,238	1	-	-	264	-	265
Purchase of vested employee restricted stock units	(232,297)	(2)	-	-	(2,266)	-	(2,268)
Payment of dividends on common stock	-	-	-	-	(8,666)	-	(8,666)
Dividend equivalents, net of forfeitures	-	-	-	-	(602)	-	(602)
Payment of dividends on preferred stock	-	-	-	-	(1,788)	-	(1,788)
Balance, December 31, 2016	33,510,184	$ 335	7,197,532	$ 72	$ 605,603	$ (212,636)	$ 393,374

See notes to Parent Company financial statements.

ENTERCOM COMMUNICATIONS CORP.

CONDENSED PARENT COMPANY STATEMENTS OF CASH FLOWS

(amounts in thousands)

	YEARS ENDED DECEMBER 31,		
	2016	**2015**	**2014**
OPERATING ACTIVITIES:			
Net cash provided by (used in) operating activities	$ (24,344)	$ (25,355)	$ (21,652)
INVESTING ACTIVITIES:			
Additions to property and equipment	(1,849)	(304)	(213)
Additions to intangible assets	(182)	(1,142)	(481)
Proceeds (distributions) from investments in subsidiaries	44,527	29,030	23,610
Net cash provided by (used in) investing activities	42,496	27,584	22,916
FINANCING ACTIVITIES:			
Proceeds from issuance of employee stock plan	379	-	-
Payment of fees associated with the issuance of preferred stock	-	(220)	-
Payment of call premium and other fees	(5,977)	-	-
Proceeds from the exercise of stock options	265	35	82
Purchase of vested employee restricted stock units	(2,268)	(1,562)	(1,514)
Payment of dividends on common stock	(8,666)	-	-
Payment of dividend equivalents on vested restricted stock units	(94)	(7)	-
Net cash provided by (used in) financing activities	(18,149)	(2,167)	(1,432)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3	62	(168)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	195	133	301
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 198	$ 195	$ 133

See notes to condensed Parent Company financial statements.

Accounting Policies

The Parent Company follows the accounting policies as described in Note 2 except that the Parent Company accounts for its investment in its subsidiaries using the equity method.

Debt – For a discussion of debt obligations of the Company, refer to Note 8.

Other - For further information, reference should be made to the notes to the consolidated financial statements of the Company.

22. SUBSEQUENT EVENTS

Events occurring after December 31, 2016 and through the date that these consolidated financial statements were issued were evaluated to ensure that any subsequent events that met the criteria for recognition have been included and are as follows:

On January 6, 2017, the Company acquired four radio stations from Beasley as further described in Note 20.

On February 2, 2017, the Company entered into the Merger as more fully described in Note 1.

In connection with an FCC administrative hearing that is described under Note 20, the Company returned a license to the FCC to facilitate certain regulatory approvals that are needed for the Merger.

23. SUMMARIZED QUARTERLY FINANCIAL DATA (Unaudited)

The following table presents unaudited operating results for each quarter within the two most recent years. The Company believes that all necessary adjustments, consisting only of normal recurring adjustments, have been included in the amounts stated below to present fairly the following quarterly results when read in conjunction with the financial statements included elsewhere in this report. Results of operations for any particular quarter are not necessarily indicative of results of operations for a full year. The Company's financial results are also not comparable from quarter to quarter due to the Company's acquisitions and dispositions of radio stations as described in Note 18 and due to the seasonality of revenues, with revenues usually the lowest in the first quarter of each year.

	Quarters Ended			
	December 31	September 30	June 30	March 31
	(amounts in thousands, except per share data)			
2016				
Net revenues	$ 123,207	$ 120,457	$ 120,478	$ 96,103
Operating income	$ 30,040	$ 25,688	$ 27,584	$ 14,745
Net income (loss) available to the Company	$ 11,399	$ 11,420	$ 10,834	$ 4,412
Net income (loss) available to common shareholders	$ 10,849	$ 10,894	$ 10,422	$ 3,999
Net income (loss) available to common shareholders per share - basic [1]	$ 0.28	$ 0.28	$ 0.27	$ 0.10
Weighted average common shares outstanding - basic	38,561	38,485	38,469	38,448
Net income (loss) available to common shareholders per share - diluted [1]	$ 0.27	$ 0.28	$ 0.26	$ 0.10
Weighted average common shares outstanding - diluted	39,800	41,433	41,130	39,260
Preferred stock dividends declared and paid	$ 550	$ 413	$ 413	$ 412
Common stock dividends declared and paid	$ 2,893	$ 2,887	$ 2,886	$ -

	Quarters Ended			
	December 31	September 30	June 30	March 31
	(amounts in thousands, except per share data)			
2015				
Net revenues	$ 117,704	$ 114,662	$ 100,592	$ 78,420
Operating income	$ 32,555	$ 23,159	$ 20,615	$ 9,253
Net income (loss) available to the Company	$ 14,088	$ 8,442	$ 6,747	$ (93)
Net income (loss) available to common shareholders	$ 13,675	$ 8,103	$ 6,747	$ (93)
Net income (loss) available to common shareholders per share - basic [1]	$ 0.36	$ 0.21	$ 0.18	$ -
Weighted average common shares outstanding - basic	38,088	38,076	38,074	38,026
Net income (loss) available to common shareholders per share - diluted [1]	$ 0.34	$ 0.21	$ 0.17	$ -
Weighted average common shares outstanding - diluted	40,974	38,913	38,929	38,026
Preferred stock dividends declared and paid	$ 413	$ -	$ -	$ -
Common stock dividends declared and paid	$ -	$ -	$ -	$ -

[1] Basic and diluted net income per share is computed independently for each quarter and the full year based upon respective average shares outstanding. Therefore, the sum of the quarterly per share amounts may not equal the annual per share amounts reported.

ITEM 16. FORM 10-K SUMMARY PAGE

Not Presented.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in Bala Cynwyd, Pennsylvania, on February 28, 2017.

ENTERCOM COMMUNICATIONS CORP.

By: /s/ DAVID J. FIELD
David J. Field, President, Chief Executive Officer
(principal executive officer)

Pursuant to the requirements of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	CAPACITY	DATE
Principal Executive Officer:		
/s/ DAVID J. FIELD David J. Field	President, Chief Executive Officer and a Director	February 28, 2017
Principal Financial Officer:		
/s/ STEPHEN F. FISHER Stephen F. Fisher	Executive Vice President and Chief Financial Officer	February 28, 2017
Principal Accounting Officer:		
/s/ EUGENE D. LEVIN Eugene D. Levin	Vice President, Treasurer and Controller	February 28, 2017
Directors:		
/s/ JOSEPH M. FIELD Joseph M. Field	Chairman of the Board	February 28, 2017
/s/ DAVID J. BERKMAN David J. Berkman	Director	February 28, 2017
/s/ JOEL HOLLANDER Joel Hollander	Director	February 28, 2017
/s/ MARK R. LANEVE MARK R. LANEVE	Director	February 28, 2017
/s/ DAVID LEVY DAVID LEVY	Director	February 28, 2017

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Entercom Communications Corp.
Corporate Information

Directors

Joseph M. Field
Chairman of the Board

David J. Field
President and Chief Executive Officer

David J. Berkman

Mark R. LaNeve

David Levy

Joel Hollander

Information Requests

Stephen F. Fisher
Executive Vice President and Chief Financial Officer
(610) 660-5647
(610) 660-5620 (fax)

Independent Auditors

PricewaterhouseCoopers LLP
Two Commerce Square, Suite 1700
2001 Market Street
Philadelphia, PA 19103-7042
Robert Fell, Partner
(267) 330-3000

Transfer Agent

American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038
(800) 937-5449
www.amstock.com

Officers

David J. Field
President and Chief Executive Officer

Joseph M. Field
Chairman of the Board

Stephen F. Fisher
Executive Vice President and Chief Financial Officer

Louise C. Kramer
Chief Operating Officer

Andrew P. Sutor, IV
Senior Vice President, General Counsel and Secretary

Eugene D. Levin
Vice President, Treasurer and Controller

Stock Trading

Class A Common Stock of Entercom Communications Corp. is traded on the New York Stock Exchange under the Symbol “ETM”.

Shareholder Records

Shareholders desiring to change the name, address or ownership of stock, to report lost certificates or to consolidate accounts, should contact Entercom Communications Corp.’s transfer agent.