Max Media Group, Inc.

Annual Disclosure Statement

December 31, 2011

Max Media Group, Inc

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December 31, 2011

PART A – GENERAL COMPANY INFORMATION

ITEM I – **THE EXACT NAME OF THE ISSUER AND ITS PREDECESSOR (IF ANY)**

Max Media Group, Inc.
Formerly-Hesperia Holding, Inc. until 8-2009

ITEM II – **THE ADDRESS OF THE ISSUER'S PRINCIPAL EXECUTIVE OFFICES**

401 Ulelah Avenue
Palm Harbor, FL 34683
Phone: 1 877-243-9327
Fax: 727-934-3281
Email: info@maxmediamxmi.com

ITEM III – **THE JURISDICTION(S) AND DATE OF THE ISSUER'S INCORPORATION OR ORGANIZATION**

Nevada
March 3, 2000

PART B – SHARE STRUCTURE

ITEM IV – **THE EXACT TITLE AND CLASS OF SECURITIES OUTSTANDING**

Title/Class	CUSIP#	Symbol
Common	57747108	MXMI
Preferred Series B	Not Applicable	None

ITEM V – **PAR OR STATED VALUE AND DESCRIPTION OF THE SECURITY**

Title/Class	Par Value
Common	$0.001
Preferred	$0.001

PART B – SHARE STRUCTURE (continued)

A.

Common Stock

a. Dividends – Through December 31, 2011, the Company has not declared or paid any dividends.
b. Voting Rights – one vote per share of common stock
c. Preemption Rights – None
d. Material Rights – None
e. Provisions in Charter or By-Laws that would delay, defer or prevent a change in control of the issuer – None.

Preferred Stock

In 2004, the Company issued 200,000 shares of Preferred Series A stock for $65,000. The Series A stock is entitled to liquidation preference of $.44 per share plus dividends in arrears, is entitled to preferential dividends of $.006 per quarter ($.024 per annum) out of legally available funds and is convertible to common stock at a rate of $.40 per share. All 200,000 preferred shares were converted to 400,000 common shares in May 2009. In 2007, the Company issued 1,000,000 shares of Series B Preferred Stock for the acquisition of certain assets valued at $10,000. The Series B converts to common on a 10-for-1 basis.

In 2010, the Company completed a 1 for 200 reverse split on its common stock and then subsequently recapitalized and authorized 750,000,000 of common stock.

In 2009, the Company issued 7,500,000 Series B Convertible Preferred shares and at $.001 per share or $7,500 and 60,000,000 common shares at $.001 or $60,000 to acquire the assets of Hot Web Properties, Inc., a group of internet sites involved in classic automobile trading.

On December 6, 2010, the Company issued 10 million shares of Series B Convertible Preferred Stock to its CEO James E. Grady at $.0055 per share or $55,000 in lieu of cash compensation for services rendered in 2009 and 2010. The Preferred Stock was convertible into ten (10) shares of its common stock for each share of such Preferred Stock. James E. Grady converted all of his shares of Preferred Stock into 100,000,000 shares of common stock on January 21, 2011.

Also on December 6, 2010, the Company issued 1,300,000 shares of Series B Convertible Preferred Stock to 13 individuals (including G. James Grady, Jr. 100,000 shares) at $.0055 per share or $7,150 in lieu of cash compensation for services rendered to the Company.

On June 2011, the Company issued a $20,000,000 convertible note to acquire the assets of Blackbook2 Inc, a social networking portal with 25,000,000 users. The note provided that it was convertible into common stock at the rate of $.002 per share. Also in June 2011, Blackbook2 elected to convert $5,000,000 of its note to 250,000,000 shares of common stock and issued those shares to former Blackbook2 stockholders.

PART B – SHARE STRUCTURE (continued)

On June 30, 2011 the Company issued 600,000 shares of Series B Convertible Preferred Stock to five individuals at $.0055 per share or $3,300 in lieu of cash compensation for services rendered to the Company.

On September 9, 2011 the Company issued 5,000,000 shares of Series B Convertible Preferred Stock to one individual at $.0055 per share or $27,500 in lieu of cash compensation for services rendered to the Company.

ITEM VI – **THE NUMBER OF SHARES OR TOTAL AMOUNT OF THE SECURITIES OUTSTANDING FOR EACH CLASS OF SECURITIES AUTHORIZED.**

A.

Common Stock	12-31-11	12-31-10
Shares Authorized	750,000,000	750,000,000
Shares Outstanding	(1) 386,611,770	75,098,820
Freely Tradable	51,606,265	33,966,867
Beneficial Shareholders	2	2
Shareholders of Record	548	480

(1) The number of shares noted above is the amounts recorded by the transfer agent. As of December 31, 2011 there were approximately 44,100,000 shares authorized for issuance by the Board of Directors which had not been issued by the transfer agent.

B.

Preferred Stock Series-A	12-31-11	12-31-10
Shares Authorized	0	0
Shares Outstanding	0	0
Freely Tradable	0	0
Beneficial Shareholders	0	0
Shareholders of Record	0	0

C.

Preferred Stock Series-B	12-31-11	12-31-10
Shares Authorized	100,000,000	100,000,000
Shares Outstanding	9,402,000	18,800,000
Freely Tradable	0	0
Beneficial Shareholders	18	15
Shareholders of Record	18	15

PART C – BUSINESS INFORMATION

ITEM VII – **THE NAME AND ADDRESS OF THE TRANSFER AGENT**

Pacific Stock Transfer
4045 S. Spencer St., Suite 403
Las Vegas, Nevada 89119
Phone: (702) 361-3033
Fax: (702) 433-1979
www.pacificstocktransfer.com

Registered with the Securities and Exchange Commission

ITEM VIII – **THE NATURE OF THE ISSUER'S BUSINESS**

A. Business Development

The Company was incorporated under the laws of the State of Nevada on March 3, 2000 as Saveyoutime.com, Inc. On April 10, 2003, the Company filed a Certificate of Merger with the Nevada Secretary of State announcing its merger with Hesperia Holding Corp. The Company was the surviving entity and pursuant to the merger changed its name to Hesperia Holding, Inc.

The Company has operated as a holding company with several operating subsidiaries. Until 2005, the Company operated two subsidiaries in the roofing industry, Hesperia Truss and Pahrump Valley Truss. During 2005, the Company discontinued the operations of the two subsidiaries and began pursuing various acquisitions related to the film and media industry. After completing its due diligence the Company made offers on several potential opportunities none of which ever materialized.

In April 2009, the Company acquired 100 % ownership of Hot Web Properties, Inc. ("HWP") for $67,500 of stock (see Item V above) HWP owns and operates the following internet domains:

www.hotautoweb.com	www.hotcycleweb.com	www.hottruckweb.com
www.hotboatweb.com	www.hotplaneweb.com	www.hotcharityweb.com
www.hotrvweb.com		

In June, 2011, the Company and BlackBook2 Holdings, Inc., a privately held Florida corporation (“BB2”), entered into an agreement whereby the Company acquired substantially all of the assets of BB2 in exchange for a Convertible Promissory Note (the “Note”) in the amount of $20,000,000. The assets acquired by the Company include computer hardware and software, license agreements, URL’s, a database of approximately 25,000,000 unique users of the BB2 website, together with email addresses and the template of the proprietary communications social network platform that formed the basis of the BB2 interactive website. A portion of the Note, $5,000,000, was issued to BB2 in the form of the Company’s common stock, valued at $.02 per share or a total of 250,000,000 common shares. The remaining balance of the Note, ($15,000,000) was by its terms not payable in cash and convertible beginning one (1) year from the closing date, into the Company’s common stock on a conversion ratio based upon the average price of the Company's common stock for a period thirty (30) days prior to the conversion date. The Company and BB2 have agreed to amend that unexercised portion of the Note such that the timing and the conversion ratio of the shares to be issued thereunder, will be dependent upon the realization by the Company of levels of sales and earnings to be determined by the Board of Directors.

The valuation of the Blackbook2 transaction was based in part on study by a nationally recognized valuation and research organization.

B. Business of Issuer

Max Media Group, Inc. currently operates ten web sites including www.hotautoweb.com, www.hotrvweb.com www.hotboatweb.com and www.hotcharityweb.com among others. The domain properties were founded in 2001, with the current management assuming control in 2009. In the past 5 years, hotautoweb.com has generated $17,000,000 in sales in the classic car segment. The Company's objective is to allow professional third-party customers to purchase items (generally sight unseen) without the fear of hidden defects or problems. The Company allows sellers to bypass the learning curve of how to establish a successful online auction while allowing the seller personal privacy protection while reaching a worldwide audience of internet buyers with little time or effort.

As of December 31, 2011, the Company had not implemented any plan to make use of the Blackbook2 internet properties.

The Company has never been a "shell company."

The Company has two full-time employees and five part-time employees.

ITEM IX – **THE NATURE OF PRODUCTS OR SERVICES OFFERED**

The Company currently operates various media outlets to market its listings and listing services. The Company's listings include high-ticket items such as classic cars, boats, RV's, etc. Revenue is derived from listing fees, both flat rate, and a percentage of sale value, independent representative subscription fees and through the monetization of website traffic. Each vehicle listed on hotautoweb.com web site generates thousands of unique visitors or "lookers".

ITEM X – **THE NATURE AND EXTENT OF THE ISSUER'S FACILITIES**

The Company maintains an administrative office at 401 Ulelah Avenue, Palm Harbor, FL 34683 on a "month to month" rental basis.

PART D – MANAGEMENT STRUCTURE AND FINANCIAL INFO

ITEM XI – **THE NAME OF THE CHIEF EXECUTIVE OFFICER, MEMBERS OF THE BOARD OF DIRECTORS, AS WELL AS CONTROL PERSONS**

Listed below are the names of all Directors and Executive Officers of the Company, all positions and offices with the Company held by such person, the period during which he has served as such, and the principal occupations and employment of such persons during the last five years:

A. Officers and Directors

Name	**Officer/Director**	**Shares Owned**	**Address**
James Grady	President, CEO	100,000,000	304 S Pinellas Ave Tarpon Springs FL 34680
James Grady	Director/Chairman	24,940,000	304 S Pinellas Ave Tarpon Springs FL 34680
Stephen G. Reed	CFO, Director	16,667	304 S Pinellas Ave Tarpon Springs FL 34680

PART D – MANAGEMENT STRUCTURE AND FINANCIAL INFO (continued)

James Grady, President, CEO

Son of the Chairman- most recently started the first ever eBay drop store in Palm Harbor, Florida. EZ Auctions & Shipping grew to four locations and in 2005 went public via a reverse merger, becoming Snap N Sold. Snap N Sold then purchased Hot Auto Web, an online seller of high-end collector automobiles, planes, boats, and RV's. Mr. Grady left the company in 2006 when it was sold to the group that eventually sold it to the Company in 2009 (see Items V and VIII above)

Compensation from Issuer	YE 12-31-11	YTD 12-31-10
Salary	0	$51,357
Restricted Stock Awards		100,000,0000

G. James Grady, Director

Mr. G. James Grady is the Chairman of the Board of Max Media Group, Inc. Mr. Grady has over 40 years' experience in the automotive industry. Mr. Grady has served as President of Retail Division for Don Olson Tire Centers where he was responsible for the retail operations of over 30 locations throughout the State of Florida. Additionally, he has served as President/CEO for Ken Towery Firestone, Executive V.P. and Franchise Development Manager for Morgan Tire and SE Regional Manager for Franchise Operations and Development for Tuffy Automotive.

Compensation from Issuer	YE 12-31-11	YTD 12-31-10
Salary	0	0
Restricted Stock Awards		24,940,000

Stephen G. Reed, Chief Financial Officer, Director

Mr. Reed has served as a Vice President/Trust and Investment Services Officer for Bank One, Wells Fargo and Fifth Third Bank. Mr. Reed was also an Employee Benefits Consultant for Wausau Insurance Companies.

Compensation from Issuer	YE 12-31-11	YTD 12-31-10
Salary	0	0
Restricted Stock Awards	0	100,000

PART D – MANAGEMENT STRUCTURE AND FINANCIAL INFO (continued)

B. Legal Diplomacy / History

Within in the last five years, none of the foregoing persons has been convicted in a criminal proceeding or has been named as a defendant in a criminal proceeding; been subject to an order, judgment or decree by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities or banking activities; been subject to a finding or judgment by a court of competent jurisdiction, the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator, of a violation of federal or state securities or commodities law; or been subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

C. Family Relationships

James Grady, President and CEO, is the son of G. James Grady, Chairman. There are no other family relationships to report.

D. Related Party Transactions

There are no transactions within the last three fiscal years involving the issuer in which (i) the amount involved exceeds the lesser of $120,000 or one percent of the average of the issuer's total assets at year-end for its last three fiscal years and (ii) any related person had or will have a direct or indirect material interest other than the stock transactions previously disclosed above.

E. Conflicts of Interest

There were no conflicts of interest with any executive officer or director with competing professional or personal interests.

ITEM XII – **FINANCIAL INFORMATION FOR THE ISSUER(S MOST RECENT FISCAL PERIOD**

SEE FOLLOWING PAGES 16 through 27 appended to the end of this Disclosure Statement. Attached are the Balance Sheet, Statement of Operations, Statement of Shareholder's Equity, Statement of Cash Flows and Notes to Financial Statements.

PART D – MANAGEMENT STRUCTURE AND FINANCIAL INFO (continued)

ITEM XIII – **SIMILAR FINANCIAL INFORMATION FOR SUCH PART OF THE TWO PRECEDING FISCAL YEARS AS THE ISSUER OR ITS PREDCESSOR HAS BEEN IN EXISTENCE**

SEE FOLLOWING PAGES 16 through 27 appended to the end of this Disclosure Statement. Attached are the Balance Sheet, Statement of Operations, Statement of Shareholder's Equity, Statement of Cash Flows and Notes to Financial Statements.

ITEM XIV – **BENEFICIAL OWNERS**

James Grady – 100,000,000 shares
G. James Grady – 24,940,000 shares

ITEM XV – **THE NAME, ADDRESS, TELEPHONE NUMBER, AND EMAIL ADDRESS OF EACH OF THE FOLLOWING OUTSIDE PROVIDERS THAT ADVISE THE ISSUER ON MATTERS RELATING TO OPERATIONS, BUSINESS DEVELOPMENT AND DISCLOSURE:**

Legal counsel -

Clifford J. Hunt, Esquire
Law Office of Clifford J. Hunt, P.A.
8200 Seminole Boulevard
Seminole, Florida 33772
(727) 471-0444 telephone
(727) 471-0447 facsimile
cjh@huntlawgrp.com
http://www.huntlawgrp.com

PART D – MANAGEMENT STRUCTURE AND FINANCIAL INFO (continued)

ITEM XVI – **MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION**

A. The Mission

The Company seeks to become the international premier marketer and publisher of classic cars, higher end vehicles, and other valuable items for individuals and charities. This will be accomplished by a network of more than 100 independent representatives that complete an exhaustive documentation and history of every vehicle with an average of 75 photos, video documentation and, the "story" as told by the owner. The only vehicles listed on the Company's Hotweb.com sites are those for which company personnel has inspected, driven, photographed, and interviewed the owner. The Company's services include:

Complete Digital Photo Shoot
Value Analysis Market
Comparison Professionally
Written Text Fielding
Customer Inquiries
Coordination of Post Sale Arrangements
Title and Fund Transfers

The Company plans to operate with 5-6 support staff with total employment expected to remain under 10 employees. Selected regional and national charities will partner with the Company to advertise their donated vehicles, boats, and 11 other valuable items that could include artwork, real estate, or coin collections. This turnkey approach at a reasonable cost is extremely popular with the individual collector and the non- profit sector. The Company allows buyers and sellers international access to proprietary websites and eBay Motors using a professional auction or non-auction format.

Subsequent to the acquisition of the Blackbook2 internet property, the Company attempted, but was unable to implement, an effective plan to fully utilize the assets acquired and realized no net revenue from this acquisition.

PART D – MANAGEMENT STRUCTURE AND FINANCIAL INFO (continued)

B. Strategic Positioning

The Company offers an attractive option for individuals operating as independent representatives. These representatives will likely have automotive or related background and either full or part time and be able to generate an almost immediate income based on the Company's revenue sharing program. Leads are constantly being generated through failed owner, newspaper, industry, trader publications or other media advertising.

Subsequent to the acquisition of the Blackbook2 internet property, the Company attempted, but was unable to implement, an effective plan to fully utilize the assets acquired and realized no net revenue from this acquisition.

C. Competition

The Company's competitors have greater financial resources than the Company. There is the possibility that new competitors could seize upon the Company's ideas and business model to produce competing operations. Additionally, these new competitors could be better capitalized than us, which could give them a significant advantage and therefore capture significant market share of our intended market.

a. Environmental Issues -
We are not aware of any significant environmental concerns or existing reclamation requirements. Any costs or delays associated with obtaining required permits could have an impact on our ability to timely complete our planned activities.

b. Off Balance Sheet Transactions –
The Company does not have any transactions, agreements or other contractual arrangements that constitute off-balance sheet arrangements.

Subsequent to the acquisition of the Blackbook2 internet property, the Company attempted, but was unable to implement, an effective plan to fully utilize the assets acquire because the competition the Company faced was substantial, well established and better funded than the Company.

PART E – ISSUANCE HISTORY

ITEM XVII – **LIST OF SECURITIES OFFERINGS AND SHARES ISSUED FOR SERVICES IN THE PAST TWO YEARS.**

On August 25, 2009, the Company began a private placement of its equity securities under Securities Act Rule 504. The private placement was to be for 1,000,000 at $0.50 per share, no shares were sold in the offering.

Series B Convertible Offering per Section 4(2) under the securities act of 1933. 12

The shares were sold in the State of Florida pursuant to section 517.061 of the Florida Statutes.

		Shares	
Name of Benficial Owner	**Title/Services**	**Series B Convertible Preferred**	**Common**
James Grady	President	10,000,000	
Grady Family Trust, George J. Grady, Jr., as trustee	Services by Chairman	7,500,000	
Art Tavoularis	Consultant eBay Sales	100,000	
Stewart White	Executive Producer- Maximum Motoring	100,000	
Janet White	Consultant-Marketing	100,000	
Steven Reed Revocable Trust	Consultant-CFO	100,000	
Christopher A Reed	Web Development	100,000	
Judy Reed	Consultant-Web Dev.	100,000	
G. James Grady	Chairman MXMI	100,000	
Elita Clark	Consultant-Marketing	100,000	
Carryl Moore	Consultant-Marketing	100,000	
Frank DeLimba	Consultant -Bldg. Ren.	100,000	
Dorothy Bell	Consultant-Marketing	100,000	
Michele Driscoll Hinton	IT Support	100,000	5,000,000
Herman D Johnston	Consultant -Marketing	100,000	
Glenn & Kara Ramdas	Consultant -Marketing	200,000	
Fu Fu Cognac Family Trust	Consultant -Marketing	300,000	
Andrew Sawyer	Consultant -Marketing	100,000	

All certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale under the Securities Act.

PART F – EXHIBITS

ITEM XVIII – **MATERIAL CONTRACTS**

None

ITEM XIX – **ARTICLES OF INCORPORATION AND BYLAWS**

Incorporated by reference from the Company's Initial Information and Disclosure Statement filed September 3, 2009.

ITEM XX – **PURCHASES**

The Company, as well as any purchasers affiliated with the Company, has made no purchases of any equity securities.

<u>PART F — EXHIBITS (continued)</u>

ITEM XXI – **ISSUER'S CERTIFICATIONS**

A.

a. I, Stephen G. Reed, have reviewed this Annual Disclosure Statement for the year ending December 31. 2011 of Max Media Group, Inc.;
b. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the disclosure statements; an
c. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 31, 2012
<u>*fsf Stephen G. Reed, CFO*</u>
<u>*Max Media Group, Inc.*</u>

B.

a. I, Michael Manocchio, have reviewed the Annual Disclosure Statement for the year ending December 31, 2011 of Max Media Group, Inc. Although only recently appointed as acting president of Max Media Group, Inc., I am fully familiar with its operations and past and present financial condition. As president of a company acquired by Blackbook2 Holdings, Inc., which was then acquired by Max Media Group, Inc., I became acquainted with the nature and scope and detail of Max Media's business and financial condition during this reporting period.
b. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the disclosure statements; an
c. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 31, 2012
<u>*fsf Michael Manocchio, Acting President*</u>
<u>*Max Media Group, Inc.*</u>

PART F — EXHIBITS (continued)

MAX MEDIA GROUP, INC.
BALANCE SHEETS (UNAUDITED)
DECEMBER 31, 2011 AND 2010

	2011	**2010**
Assets		
Current Assets		
Cash	$ 365	$ 91
Total Current Assets	365	91
Other Assets		
Internet Properties	267,500	67,500
Total Other Assets	267,500	67,500
Total Assets	$ 267,865	$ 67,591
Liabilities and Stockholders' Equity		
Current Liabilities		
Accrued Expenses	$ 43,856	$ -
Loans and Notes Payable	41,575	5,000
Total Current Assets	85,431	5,000
Long Term Liabilities		
Note Payable- BB2 Acquisition	15,000,000	-
Stockholder Loan	2,877	-
Total Long Term Liabilities	15,002,877	-
Stockholders' Equity		
Preferred Stock- par value $.001, 100,000,000 shares authorized, 18,800,000 and 9,401,000 issued and outstanding	$ 9,401	$ 18,800
Common Stock- par value $.001, 750,000,000 shares authorized, 430,098,820 and 75,098,820 issued and outstanding	430,098	75,098
Additional Paid in Capital	7,515,418	2,828,219
Retained Earnings (Deficit)	(22,775,360)	(2,859,526)
Total Stockholders' Equity	(14,820,443)	62,591
Total Liabilities and Stockholders' Equity	$ 267,865	$ 67,591

MAX MEDIA GROUP, INC.
STATEMENTS OF OPERATIONS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Revenue	$ 78,867	$ 41,989
	78,867	41,989
Cost of Revenue	63,262	972
	63,262	972
Gross Profit	15,605	41,017
Operating Expenses		
Advertising and Promotion	1,562	3,436
Automobile Expenses	60	138
Bank Charges	481	342
Commissions	-	500
Computer and Internet Expenses	3,812	846
Contract Labor	18,702	8,749
Filing Fees	12,475	-
Interest Expense	1,500	100
Management Fees	-	2,283
Office Supplies	1,019	323
Officer's Compensation	-	51,357
Professional Fees	72,873	7,914
Rent	10,041	4,605
Repairs and Maintenance	-	690
Supplies	1,606	1,134
Travel	426	77
Utilities and Telephone	6,883	4,579
Total Operating Expenses	131,440	87,073
Net Operating Income (Loss)	(115,835)	(46,056)
Other Income (Expense)		
Valuation Adjustment- BB2 Internet Properties	(19,800,000)	-
Total Other Income (Expense)	(19,800,000)	-
Net Income (Loss)	$ (19,915,835)	$ (46,056)

PART F — EXHIBITS (continued)

MAX MEDIA GROUP, INC.
STATEMENTS OF CASH FLOWS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Operating Activities		
Net Income (Loss)	$ (19,915,835)	$ (46,056)
	(19,915,835)	(46,056)
Adjustments to Reconcile Net Income (Loss) to net cash provided (used) in operating activities		
Depreciation and Amortization	-	-
Loss on Write Down of Assets	19,800,000	-
(Increase) Decrease in Assets		
Other Assets	-	-
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	71,657	35,795
Notes Payable	41,575	-
Total Adjustments	19,913,232	35,795
Net Cash Provided (Used) in Operating Activities	(2,603)	(10,261)
Investing Activities		
Purchase of Property and Equipment	-	-
Net Cash Provided (Used) in Investing Activities	-	-
Financing Activities		
Payments on Borrowings	-	-
Proceeds from Borrowings	2,877	-
Purchase of Property and Equipment	-	-
Net Cash Provided (Used) in Financing Activities	2,877	-
Net Increase (Decrease) in Cash and Cash Equivalents	274	(10,261)
Cash and Cash Equivalents- Beginning of Period	91	10,352
Cash and Cash Equivalents- End of Period	$ 365	$ 91
Supplemental Cash Flow Information:		
Cash Paid for Interest	$ -	$ -
Cash Paid for Income Taxes	$ -	$ -
Non Cash Investing and Financing Activities		
Acquisition of Assets by Issuance of Note Payable	$ 20,000,000	$ -
Payment on Note Payable by Issuance of Common Stock	$ 5,000,000	$ -

MAX MEDIA GROUP, INC.
STATEMENT OF STOCKHOLDER'S EQUITY (UNAUDITED)
YEARS ENDED DECEMBER 31, 2011 AND 2010

Date	Description	Preferred Shares	Preferred $	Common Shares	Common $	Additional Paid in Capital	Accumulated Deficit	Total
12/31/10	Balance per Previous F/S- 12/31/10	16,800,000	$ 16,800	75,098,820	$ 75,098	$ 2,777,369	$ (2,804,700)	$ 64,567
	Adjustment to Correct Mathematical Errors	(9,300,000)	(9,300)	-	-	-	(8,770)	(18,070)
12/06/10	Record Grady stock	10,000,000	10,000	-	-	45,000	-	55,000
12/06/10	Record Stock Issued for Compensation- 13@100,000 shares	1,300,000	1,300	-		5,850	-	7,150
	Net Income (Loss)	-	-	-	-	-	(46,056)	(46,056)
	Corrected opening balance- 12/31/10	18,800,000	18,800	75,098,820	75,098	2,828,219	(2,859,526)	62,591
01/21/11	Record Grady Conversion	(10,000,000)	(10,000)	100,000,000	100,000	(90,000)	-	-
06/30/11	Record Stock issued for Compensation- 600,000 shares	600,000	600	-	-	2,700	-	3,300
09/09/11	Record Stock Compensation	-	-	5,000,000	5,000	22,500	-	27,500
09/15/11	Record BB2 Stock Conversion from Note Payable	-	-	250,000,000	250,000	4,750,000	-	5,000,000
12/15/11	Record Stock Purchase	2,000	1	-	-	1,999	-	2,000
	Net Income (Loss)	-	-	-	-	-	(19,915,835)	(19,915,835)
		9,402,000	$ 9,401	430,098,820	$ 430,098	$ 7,515,418	$ (22,775,361)	$ (14,820,444)

PART F — EXHIBITS (continued)

NOTE 1 – Organization and Basis of Presentation

The Company was incorporated under the laws of the State of Nevada on March 3, 2000 as Saveyoutime.com, Inc. On April 10, 2003, the Company filed a Certificate of Merger with the Nevada Secretary of State reporting its merger with Hesperia Holding Corp. The Company was the surviving entity and pursuant to the merger changed its name to Hesperia Holding, Inc. The Company has operated as a holding company with several operating subsidiaries. Until 2005, the Company operated two subsidiaries in the roofing industry, Hesperia Truss and Pahrump Valley Truss. During 2005, the Company discontinued the operations of the two subsidiaries and began pursuing various acquisitions related to the film and media industry. After completing its due diligence, the Company made offers on several potential opportunities none of which ever materialized. In April 2009, the Company entered an agreement to acquire 100 % ownership of Hot Web Properties, Inc. ("HWP"). HWP owns and operates various internet domains. On June 5, 2009, the Board of Directors of the Company executed resolutions, which authorized an amendment to the Company's Certificate of Incorporation to change the name of the Company to Max Media Group, Inc.

In the opinion of management, the accompanying balance sheets and related interim statements of income, cash flows, and stockholders' equity, consisting only of normal recurring items, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Preparing financial statements requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenue, and expenses. Actual results and outcomes may differ from management's estimates and assumptions.

For presentation purposes, certain balances contained in previously issued December 31, 2010 have been reclassified or corrected. Otherwise, these notes are either unchanged or immaterially changed for the period presented are reflected as of the previous year-end, December 31, 2010.

PART F — EXHIBITS (continued)

NOTE 2 – Summary of Significant Accounting Policies

Cash and Cash equivalents
The Company considers those short-term, highly liquid investments with original maturities of three months or less as cash and cash equivalents.

Impairment of Long-Lived Assets
In accordance with Statement of Financial Accounting Standards ("SFAS") 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be disposed of," the Company reviews its long-lived assets for impairments. Impairment losses on long-lived assets are recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable.

Impairment losses then are measured by comparing the fair value of assets to their carrying amounts. At December 31, 2011 the Company recognized an impairment loss of $19,800,000 because it did not implement a plan to fully utilize the assets acquired in the Blackbook2 acquisition.

Revenue Recognition
Revenues, if any, will be recognized when earned.

Earnings per Share
The weighted average number of shares used for computing earnings per share reflects the conversion of convertible preferred shares into common. As of December 31, 2011, there were 9,402,000 convertible preferred shares outstanding.

Income Taxes
The Company records deferred income taxes using the liability method as prescribed under the provisions of SFAS No. 109. Under the liability method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax bases of the Company's assets and liabilities. An allowance is recorded, based upon currently available information, when it is more likely than not that any or not all of the deferred tax assets will be realized. The provision for income taxes includes taxes currently payable, if any, plus the net change during the year in deferred tax assets and liabilities recorded by the Company.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Advertising costs
The Company's policy regarding advertising costs are to expense them as they are incurred. The Company had not incurred any material advertising costs during the periods ended December 31, 2011 and 2010.

Recently Issued Accounting Pronouncements
SFAS No. 149 "Amendment of Statement 133 on derivative instruments and hedging activities". This statement amends and clarifies financial accounting and reporting for derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under SFAS 133, "Accounting for derivative instruments and hedging activities".

SFAS No. 150 "Accounting for certain financial instruments with characteristics of both liabilities and equity". This statement establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity.

The Company believes that the above standards would not have a material impact on its financial position, results of operations or cash flows.

PART F — EXHIBITS (continued)

NOTE 3 – Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. This basis of accounting contemplates the recovery of the Company's assets and the satisfaction of its liabilities in the normal course of business. Through December 31, 2011, the Company had incurred cumulative losses of $22,775,360 and had negative working capital of $85,067 as of December 31, 2011. The Company's ability to continue as a going concern is dependent upon obtaining financing adequate to execute its business plan and achieve a level of revenues adequate to support the Company's cost structure. Management's plan of operations anticipates that the cash requirements for the next twelve months will be met by obtaining capital contributions through the sale of its common stock and cash flows from operations. There is no assurance that the company will be able to implement the plan.

NOTE 4 – Stockholder's Equity

At various stages in the Company's development, the Company has issued shares of common stock for services or assets with a corresponding charge to operations, property and equipment or other assets. In accordance with SFAS 123, these transactions, except for stock issued to employees, have been recorded on the Company's books at the fair value of the consideration received or the fair value of the common stock issued, whichever is more reliably measured.

Common Stock
As of December 31, 2011, the Company had capitalization of 430,098,820 shares of common stock issued and outstanding.

PART F — EXHIBITS (continued)

Preferred Stock

In 2005, the Company issued 200,000 shares of Preferred Series 2004 stock for $65,000. The Series 2004 stock is entitled to liquidation preference of $.44 per share plus dividends in arrears is entitled to preferential dividends of $.006 per quarter ($.024 per annum) out of legally available funds and is convertible to common stock at a rate of $.40 per share. All 200,000 of the Series 2004 preferred shares were converted to 400,000 common shares in May 2009. In 2007, the Company issued 1,000,000 shares of Series A Preferred Stock for the acquisition of certain assets valued at $10,000.

The Series A converts to common on a 15-for-1 basis. In August 2009, all 1,000,000 shares of the Series A Preferred Stock were converted into 15,000,000 shares of common stock. In October 2009, the Company issued 7,500,000 shares of Series B Preferred Stock as additional consideration for its acquisition of certain internet operations and domain names owned by HWP Properties (see Note 5).

As of December 31, 2011, the Company had 9,402,000 shares issued and outstanding. These Series B shares convert to common stock on a 10 for-1 basis and carry 100-for-1 super voting rights

Stock Options and Warrants

There are no outstanding unexpired warrants or options as of December 31, 2011 and 2010.

PART F — EXHIBITS (continued)

NOTE 5 – Acquisitions

In April 2009, the Company entered an agreement to acquire 100 % ownership of Hot Web Properties, Inc. ("HWP"). HWP owns and operates various internet domains. Under the terms of the acquisition, the Company agreed to issue the shareholders of HWP 60,000,000 post-split common shares. With the issuance of the 60,000,000 post-split shares, the Company had a fully diluted post-split capitalization of approximately 75,000,000 shares outstanding. On June 5, 2009, the Board of Directors of the Company executed resolutions, which authorized an amendment to the Company's Certificate of Incorporation. The amendment changed the name of the Company to Max Media Group, Inc., increased the authorized common stock to 750,000,000 shares, increased the authorized preferred stock to 100,000,000 shares and reverse split the Company's common stock by a ratio of one (1) share for each 200 shares issued and outstanding. In August 2009, the Company's 200-1 proposed reverse split became effective.

In June, 2011, the Company and BlackBook2 Holdings, Inc., a privately held Florida corporation ("BB2"), entered into an agreement whereby the Company acquired substantially all of the assets of BB2 in exchange for a Convertible Promissory Note (the "Note") in the amount of $20,000,000. The assets acquired by the Company include computer hardware and software, license agreements, URL's, a database of approximately 15,000,000 unique users of the BB2 website, together with email addresses and the template of the proprietary communications social network platform that formed the basis of the BB2 interactive website. A portion of the Note, $5,000,000, was issued to BB2 in the form of the Company's common stock, valued at $.02 per share or a total of 250,000,000 common shares. The remaining balance of the Note, ($15,000,000) was by its terms not payable in cash and convertible beginning one (1) year from the closing date, into the Company's common stock on a conversion ratio based upon the average price of the Company's common stock for a period thirty (30) days prior to the conversion date. The Company and BB2 have agreed to amend that unexercised portion of the Note such that the timing and the conversion ratio of the shares to be issued thereunder, will be dependent upon the realization by the Company of levels of sales and earnings to be determined by the Board of Directors.

PART F — EXHIBITS (continued)

NOTE 6 – Commitments and Contingencies

Leases
At December 31, 2011 and 2010, the Company was not obligated under any non-cancelable operating or capital lease agreements.

Litigation
At December 31, 2011 and 2010, the Company was not party to any legal proceedings. To the knowledge of management, no federal, state or local governmental agency is presently contemplating any proceeding against the Company

NOTE 7 – Related Parties

There were no related party transactions in the periods ended December 31, 2011 and 2010 other than previously disclosed stock and compensation transactions.

PART F — EXHIBITS (continued)

NOTE 8 – Income Taxes

The Company has adopted FASB 109 to account for income taxes. The Company currently has no issue that creates timing differences that would mandate deferred tax expense. Net operating losses could create possible tax assets in future years. Due to the uncertainty as to the utilization of net operating loss carry forwards, a valuation allowance has been made to the extent of any tax benefit that net operating losses may generate. No provision for income taxes has been recorded due to the net operating loss carry forwards of $22,775,360 and $2,859,526 as of December 31, 2011 and 2010, respectively that will be offset against further taxable income. No tax benefit has been reported in the financial statements.

Deferred tax assets and the valuation account as of December 31, 2011 and 2010 are as follows:

	2011	2010
Net Operating Loss Carryforward	$ (22,775,360)	$ (2,859,526)
Valuation Allowance	22,775,360	2,859,526
Net Deferred Tax Asset	$ -	$ -

The components of income tax expense are as follows:

	2011	2010
Curret Federal Tax	$ -	$ -
Current State Tax	-	-
Change in Net Operating Loss Benefit	-	-
Change in Valuation Allowance	-	-

The Company has incurred losses that can be carried forward to offset future earnings if conditions of the Internal Revenue Codes are met. These losses are as follows:

	Amount	Expiration Date
Year of Loss (Year Ended December 31)		
2005 and prior	$ 2,810,756	2025
2010	46,056	2030
2011	19,815,834	2031
Total Net Operating Losses	$ 22,672,646	