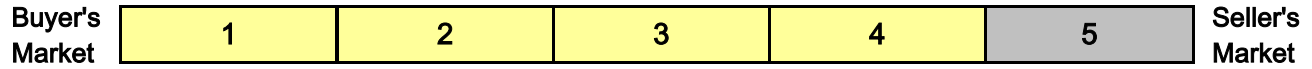


FREDERICKSBURG CITY, VA



Labor Market :

Fredericksburg City saw 84 layoffs occur during October and November. Despite the decline in employment, the average monthly unemployment rate fell from 5.3% during the third quarter to 4.4% in the first two months of the fourth quarter. Despite the job losses, the labor market remains relatively strong leaving record low mortgage rates to drive home sales.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$249,100	\$263,900	↑
# Homes on the Market *	89	102	↑
# Homes Sold **	105	71	↔
# New Homes Built ***	83	19	↑
Avg # of Days on Market	30	34	↔

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
22401	\$265,900	1.26%	68	38.78%	35	98.7%
22404	\$161,000	-	1	-	23	100.7%
OTHER	\$246,500	80.45%	2	-33.33%	39	99.2%