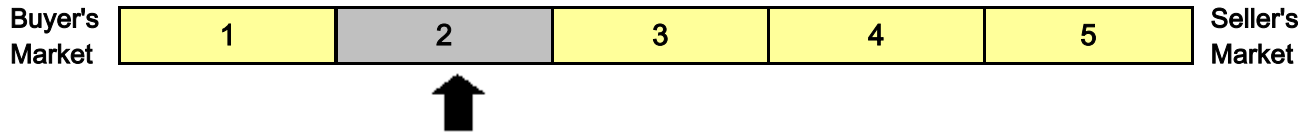


Fredericksburg City, VA



Labor Market :

Employment increased by 141 jobs in Fredericksburg City during July and August. However, the number of job seekers also increased. The combined effect of these two trends was an increase in the average monthly unemployment rate from 3.9% for the second quarter to 4.4% in the first two months of the third quarter. The solid job growth may help to offset the effect of rising mortgage rates on home sales.

Housing Market :

	Q2' 06	Q3' 06	Q4' 06 (Forecast)
Average Price	\$372,500	\$457,900	↑
# Homes on the Market *	245	249	↓
# Homes Sold **	66	46	↑
# New Homes Built	103	49 ***	↑
Avg # of Days on Market	68	50	↓

* Available as of Sep. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 3rd quarter.

Data by Zip Codes for Q3 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
22401	\$457,900	39.52%	46	-26.98%	51	97.1%

**** % Change of current quarter compared to the same quarter to year ago.