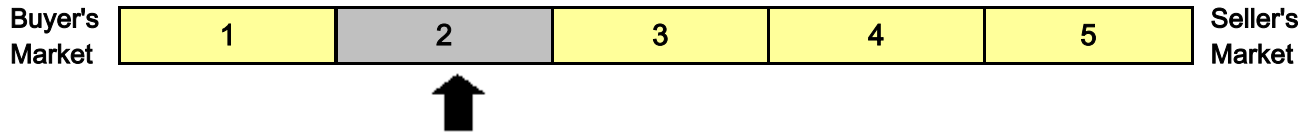


Fredericksburg City, VA



Labor Market :

In the first two months of the second quarter, 91 jobs were added to the payrolls of Fredericksburg City. As a result of these new jobs, the average monthly unemployment rate fell from 5.2% during the first quarter to 4.1% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 07	Q2' 07	Q3' 07 (Forecast)
Average Price	\$314,200	\$296,400	↑
# Homes on the Market *	245	336	↓
# Homes Sold **	73	64	↔
# New Homes Built	18	25	↔
Avg # of Days on Market	66	80	↑

* Available as of Jun. 30, 2007.

** May not add to total of zip codes.

Data by Zip Codes for Q2 2007

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/Original List Price)
22401	\$296,400	-21.55%	64	4.92%	81	92.9%

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