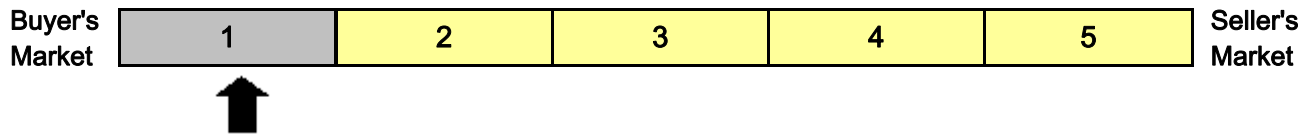


Fredericksburg City, VA



Labor Market :

Employment declined by 34 jobs in October and November. The job losses brought about an increase in the average monthly unemployment rate from 4.3% in the third quarter to 4.6% for the first two months of the fourth quarter. Despite the job losses, the job situation still remains strong in Fredericksburg City. Combined with historically low mortgage rates, employment will help to build up demand for housing.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$316,500	\$364,500	↑
# Homes on the Market *	342	350	↓
# Homes Sold **	47	37	↔
# New Homes Built ***	40	9	↔
Avg # of Days on Market	81	80	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

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

Data by Zip Codes for Q4 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	\$364,500	-0.11%	37	-24.49%	81	89.4%

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