UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 1997

Commission File No. 0-20293

UNION BANKSHARES CORPORATION
(Exact name of registrant as specified in its charter)

Virginia	54-1598552
(State of Incorporation)	(I.R.S. Employer Identification No.)

211 North Main Street
P.O. Box 446
Bowling Green, Virginia 22427
(Address of principal executive offices)

(804) 633-5031
(Registrant's telephone number)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT: NONE
SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: COMMON STOCK, $4 PAR VALUE

Union Bankshares Corporation (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

As of September 30, 1997, Union Bankshares Corporation had 3,571,492 shares of Common Stock outstanding.

UNION BANKSHARES CORPORATION
FORM 10-Q
September 30, 1997

INDEX

PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets (Unaudited)
(Dollars in thousands)

<TABLE>
<CAPTION>

ASSETS	September 30, 1997	December 31, 1996	September 30, 1996
<S> <C>			
Cash and cash equivalents:			
Cash and due from banks	$ 21,749	$ 19,333	$ 17,876
Interest-bearing deposits in other banks	808	1,016	1,264
Federal funds sold	4,004	2,104	5,734
Total cash and cash equivalents	26,561	22,453	24,874
Securities available for sale, at fair value	138,047	129,268	126,901
Investments securities, fair value of $10,376 and $11,689 and $12,176, respectively	10,150	11,423	11,938
Total securities	148,197	140,691	138,839
Loans, net of unearned income	384,790	352,277	351,376
Less allowance for loan losses (note 2)	4,438	4,388	4,309
Net loans	380,352	347,889	347,067
Bank premises and equpiment, net	16,470	14,221	13,881
Other real estate owned	2,535	4,056	4,059
Other assets	8,859	11,583	11,725
Total assets	$ 582,974	$ 540,893	$ 540,445
LIABILITIES AND STOCKHOLDERS' EQUITY			
Non-interest-bearing demand deposits	$ 58,410	$ 55,005	$ 62,971
Interest-bearing deposits:			
Savings accounts	46,900	54,364	58,723
NOW accounts	60,590	49,834	43,387
Money market accounts	49,199	54,431	53,519
Time deposits of $100,000 and over	58,882	51,812	43,244
Other time deposits	194,636	174,161	177,558
Total interest-bearing deposits	410,207	384,602	376,431

Total deposits	468,617	439,607	439,402
Short-term borrowings	21,279	27,403	28,850
Long-term borrowings	23,745	11,125	11,125
Other liabilities	4,995	4,192	3,886
Total liabilities	518,636	482,327	483,263
Stockholders' equity:			
Common stock, $4 par value. Authorized 12,000,000 shares; issued and outstanding, 3,571,475 and 3,566,915 shares, respectively	14,286	14,267	14,251
Surplus	248	160	84
Retained earnings	48,461	43,863	43,414
Unrealized gains on securities available for sale, net of taxes	1,343	276	(567)
Total stockholders' equity	64,338	58,566	57,182
Commitments and contingencies			
Total liabilities and stockholders' equity	$ 582,974	$ 540,893	$ 540,445

</TABLE>

See accompanying notes to consolidated financial statements.

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Consolidated Statements of Income (Unaudited)
(Dollars in thousands)

<TABLE>
<CAPTION>

<S> <C>

	Quarter Ended September 30, 1997	Quarter Ended September 30, 1996	Nine Months Ended September 30, 1997	Nine Months Ended September 30, 1996
Interest income:				
Interest and fees on loans	$ 9,037	$ 8,216	$ 25,561	$ 24,046
Interest on securities:				
U.S. Government agencies and corpor	674	911	2,501	2,796
States and political subdivisions	972	896	2,921	2,707
Other securities	618	342	1,177	631
Interest on Federal funds sold	118	95	222	239
Interest on interest-bearing deposits	8	23	33	27
Total interest income	11,427	10,456	32,415	30,446
Interest expense:				
Interest on deposits	4,736	4,395	13,637	13,047
Interest on other borrowings	561	583	1,678	1,450
Total interest expense	5,297	4,978	15,315	14,497
Net interest income	6,130	5,478	17,100	15,949
Provision for loan losses (note 2)	310	242	730	563
Net interest income after provision for loan losses	5,820	5,236	16,370	15,386

Other income:				
Service fees	782	628	2,184	1,904
Gains (losses) on sale of securities	(10)	6	3	(97)
Gains (losses) on sales of other real estate owned and bank premises, net	16	4	424	68
Other operating income	171	113	539	649
Total other income	959	751	3,150	2,524
Other expenses:				
Salaries and benefits	2,229	1,919	6,310	5,579
Occupancy expenses	264	197	800	637
Furniture and equipment expenses	293	327	1,039	788
FDIC assessments	26	3	53	5
Other operating expenses	1,409	1,250	3,807	3,441
Total other expenses	4,221	3,696	12,009	10,450
Income before income taxes	2,558	2,291	7,511	7,460
Income tax expense	615	547	1,629	1,663
Net income	$ 1,943	$ 1,744	$ 5,882	$ 5,797
Net income per share of common stock	$ 0.54	$ 0.49	$ 1.65	$ 1.63
Cash dividends per share of common stock	$ -	$ -	$ 0.36	$ 0.30

</TABLE>

See accompanying notes to consolidated financial statements.

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
Nine Months Ended September 30, 1997 and 1996
(Dollars in thousands)

<TABLE>
<CAPTION>

<S> <C>	1997	1996
Operating activities:		
Net income	$ 5,882	$ 5,797
Adjustments to reconcile net income to net cash and cash equivalents provided by operating activities:		
Depreciation of bank premises and equipment	1,093	645
Provision for loan losses	730	563
(Gains) losses on sales of securities available for sale	(3)	66
(Gains) losses on sale of other real estate owned	(423)	1
Other, net	1,749	232
Net cash and cash equivalents provided by operating activities	9,028	7,304
Investing activities:		
Net (increase) decrease in securities	(7,628)	2,760
Net (increase) decrease in loans	(33,668)	(24,558)
Acquisition of bank premises and equipment	(3,342)	(3,740)
Proceeds from sales of other real estate owned	5,389	106
Net cash and cash equivalents used in investing activities	(39,249)	(25,432)
Financing activities:		
Net increase (decrease) in non-interest-bearing deposits	3,405	13,066
Net increase (decrease) in interest-bearing deposits	25,605	10,581
Net increase (decrease) in short-term borrowings	(6,124)	(2,258)
Purchase of common stock	(39)	-
Cash dividends paid	(1,138)	(858)
Proceeds from long-term borrowings	12,800	-
Repayment of long-term borrowings	(180)	(150)

Net cash and cash equivalents provided by financing activities	34,329	20,381
Increase (decrease) in cash and cash equivalents	4,108	2,253
Cash and cash equivalents at beginning of period	22,453	15,623
Cash and cash equivalents at end of period	$ 26,561	$ 17,876

</TABLE>

See accompanying notes to consolidated financial statements.

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements
September 30, 1997

1. ACCOUNTING POLICIES

The consolidated financial statements include the accounts of Union Bankshares Corporation and its subsidiaries (the "Company"). Significant intercompany accounts and transactions have been eliminated in consolidation.

The information contained in the financial statements is unaudited and does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. However, in the opinion of management, all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of the interim periods presented have been made. Operating results for the three- and nine-month periods ended September 30, 1997 are not necessarily indicative of the results that may be expected for the year ending December 31, 1997.

These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 1996 Annual Report to Stockholders. Certain previously reported amounts have been reclassified to conform to current period presentation.

2. ALLOWANCE FOR LOAN LOSSES

The following summarizes activity in the allowance for loan losses for the nine months ended September 30, (in thousands):

	1997	1996
Balance, January 1	$ 4,388	$4,060
Provisions charged to operations	730	563
Recoveries credited to allowance	150	363
Loans charged off	(829)	(677)
Balance, September 30	$ 4,439	$ 4,309

3. EARNINGS PER SHARE

Earnings per share outstanding has been computed by dividing net income by the weighted average number of shares outstanding for the period. Weighted average shares used for the computation were 3,571,492 and 3,567,049 for the three months ended September 30, 1997 and 1996 and 3,568,322 and 3,563,953 for the nine months ended September 30, 1997 and 1996.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Union Bankshares Corporation (the "Company") is a multi-bank holding company organized under Virginia law which provides financial services through its wholly-owned subsidiaries, Union Bank & Trust Company, Northern Neck State Bank, King George State Bank, Union Investment Services, Inc., and Union Mortgage Company, LLC. The three subsidiary banks, Unon Bank & Trust Company, Northern Neck State Bank and King George State Bank, are full service retail commercial banks offering a wide range of banking and related financial services, including demand and time deposits, as well as commercial, industrial, residential construction, residential mortgage and consumer loans. Union

Investment Services, Inc., is a full service discount brokerage company which offers a full range of investment services, and sells mutual funds, bonds and stocks. Union Mortgage Company, LLC provides a wide array of mortgage products to customers in the Company's primary trade area.

The Company's primary trade area stretches from Fredericksburg, south to Hanover County and east to the Northern Neck area of Virginia. The Corporate Headquarters are located in Bowling Green, Virginia. Through its banking subsidiaries, the Company operates 19 branches in its primary trade area. On October 21, 1997, the Company announced it had entered into an agreement to purchase seven Signet Bank branches in the Northern Neck. As a condition of regulatory approval the Company will have to divest of two branches due to market concentration issues. It is anticipated that this transaction will be completed on or before February 13, 1998.

Management's discussion and analysis is presented to aid the reader in understanding and evaluating the financial condition and results of operations of Union Bankshares Corporation and subsidiaries (the "Company"). The analysis focuses on the Consolidated Financial Statements, the footnotes thereto, and the other financial data herein. Highlighted in the discussion are material changes from prior reporting periods and any identifiable trends affecting the Company. Amounts are rounded for presentation purposes, while the percentages presented are computed based on unrounded amounts.

Results of Operations

Net income for the third quarter of 1997 was $1.9 million, up from $1.7 million for the same period in 1996. Earnings per share amounted to $.54 in the third quarter of 1997 as compared to $.49 in the third quarter of 1996. The Company's annualized return on assets for the third quarter of 1997 was 1.34% as compared to 1.31% a year ago. The Company's annualized return on equity totaled 12.19% and 12.39% for the three months ended September 30, 1997 and 1996, respectively.

Net income for the first nine months of 1997 totaled $5.9 million, up 1.5% from $5.8 million for the same period in 1996. Earnings per share totaled $1.65 in the first nine months of 1997 as compared to $1.63 in 1996. The Company's annualized return on assets for the first nine months of 1997 was 1.40% as compared to 1.47% a year ago. The Company's annualized return on equity totaled 12.82% and 13.96% for the nine months ended September 30, 1997 and 1996, respectively.

Net Interest Income

Net interest income on a tax-equivalent basis for the third quarter of 1997 increased by 14.1% to $6.8 million from $5.9 million for the same period a year ago. By managing its interest rate spread and increasing the volume of earning assets over interest-bearing liabilities, the Company has been able to maintain a strong net interest margin. Average earning assets during the third quarter of 1997 increased by $39.6 million to $534.5 million from the third quarter of 1996, while average interest-bearing liabilities grew by $31.1 million to $452.7 million over this same period. The Company's yield on average earning assets was 8.97%, up from 8.74% a year ago, while its cost of average interest-bearing liabilities decreased slightly from 4.68 % to 4.65%.

UNION BANKSHARES CORPORATION
Average Balances, Income and Expenses, Yields and Rates (Taxable Equivalent Basis)

<TABLE>
<CAPTION>

	Three Months Ended September 30, 1997			1996	
	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense
					(Dollars in thousands)
<S>	<C>				
Assets:					
Securities:					
Taxable	$ 81,138	$ 1,333	6.52%	$ 71,006	$ 1,157
Tax-exempt(1)	65,969	1,330	8.00%	66,381	1,415
Total securities	147,107	2,663	7.18%	137,387	2,572
Loans, net.	376,543	9,037	9.52%	348,841	8,210
Federal funds sold	10,316	118	4.54%	7,482	103
Interest-bearing deposits	-	-		-	-

in other banks	508	8	6.25%	1,187	15
Total earning assets	534,474	$ 11,826	8.78%	494,897	$ 10,900
Allowance for loan losses	(4,417)			(4,387)	
Total non-earning assets	43,843			44,812	
Total assets	$ 573,900			$ 535,322	
Liabilities & Stockholders' Equity:					
Interest-bearing deposits:					
Checking	$ 60,012	$ 405	2.68%	$ 48,418	$ 302
Regular savings	46,494	358	3.05%	56,738	511
Money market savings	49,285	425	3.42%	53,857	439
Certificates of deposit:					
$100,000 and over	57,875	780	5.35%	50,893	652
Under $100,000	193,740	2,767	5.67%	171,707	2,483
Total interest-bearing deposits	407,406	4,735	4.61%	381,613	4,387
Other borrowings	45,328	561	4.91%	39,986	581
Total interest-bearing liabilities	452,734	5,296	4.64%	421,599	4,968
Non-interest bearing liabilities:					
Demand deposits	56,141			54,732	
Other liabilities	4,719			4,391	
Total liabilities	513,594			480,722	
Stockholders' equity	60,306			54,600	
Total liabilities and stockholders' equity	$ 573,900			$ 535,322	
Net interest income		$ 6,530			$ 5,932
Interest rate spread			4.14%		
Interest expense as a percent of average earning assets			3.93%		
Net interest margin			4.85%		

<CAPTION>

Three Months Ended September 30,

	1995			
	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
<S> <C>				
Assets:				
Securities:				
Taxable	6.46%	$ 74,985	$ 1,198	6.34%
Tax-exempt(1)	8.46%	62,114	1,234	7.88%
Total securities	7.43%	137,099	2,432	7.04%
Loans, net.	9.34%	315,593	7,595	9.55%
Federal funds sold	5.46%	5,347	97	7.20%
Interest-bearing deposits			-	
in other banks	5.01%	274	8	11.58%
Total earning assets	8.74%	458,313	$ 10,132	8.77%
Allowance for loan losses		(4,454)		
Total non-earning assets		35,935		
Total assets		$ 489,794		
Liabilities & Stockholders' Equity:				
Interest-bearing deposits:				
Checking	2.47%	$ 43,179	$ 288	2.65%
Regular savings	3.57%	56,304	525	3.70%
Money market savings	3.23%	57,163	482	3.35%
Certificates of deposit:				
$100,000 and over	5.08%	42,000	608	5.74%
Under $100,000	5.74%	161,978	2,346	5.75%
Total interest-bearing deposits	4.56%	360,624	4,249	4.67%
Other borrowings	5.76%	27,446	386	5.58%
Total interest-bearing				

liabilities	4.68%	388,070	4,635	4.74%
Non-interest bearing liabilities:				
Demand deposits		48,179		
Other liabilities		4,094		
Total liabilities		440,343		
Stockholders' equity		49,451		
Total liabilities and stockholders' equity		$ 489,794		
Net interest income			$ 5,497	
Interest rate spread	4.06%			4.03%
Interest expense as a percent of average earning assets	3.98%			4.01%
Net interest margin	4.76%			4.76%

</TABLE>

(1) Income and yields are reported on a taxable equivalent basis.

COMBINED

The following table presents the Company's interest sensitivity position at September 30, 1997. This one-day position, which is continually changing, is not necessarily indicative of the Company's position at any other time.

<TABLE>
<CAPTION>

Interest Sensitivity Analysis
September 30, 1997

(In thousands)

<S> <C>

	Within 90 Days	90-365 Days	1-5 Years	Over 5 Years	Total
Earning Assets:					
Loans, net of unearned income (3)	$ 74,539	$ 48,639	$ 138,051	$ 121,237	$ 382,466
Investment securities	315	578	8,015	1,242	10,150
Securities available for sale.	6,532	11,584	35,045	84,886	138,047
Federal funds sold	4,004	-	-	-	4,004
Other short-term investments	808	-	-	-	808
Total earning assets	86,198	60,801	181,111	207,365	535,475
Interest-Bearing Liabilities:					
Interest checking (2)	-	506	60,084	-	60,590
Regular savings (2)	4,815	1,934	40,151	-	46,900
Money market savings	48,317	192	690	-	49,199
Certificates of deposit:					
$100,000 and over	15,765	27,906	15,211	-	58,882
Under $100,000	39,727	102,605	52,304	-	194,636
Short-term borrowings.	16,679	4,600	-	-	21,279
Long-term borrowings	30	120	16,455	7,140	23,745

Total interest-bearing liabilities	125,333	137,863	184,895	7,140	455,231
Period gap	(39,135)	(77,062)	(3,784)	200,225	
Cumulative gap	$ (39,135)	$ (116,197)	$ (119,981)	$ 80,244	$ 80,244
Ratio of cumulative gap to total earning assets	-7.31%	-21.70%	-22.41%	14.99%	

</TABLE>

(1) The repricing dates may differ from maturity dates for certain assets due to prepayment assumptions.
(2) The Company has found that interest-bearing checking deposits and regular savings deposits are not sensitive to changes in related market rates and therefore, it has placed them predominantly in the "1-5 Years" column.
(3) Excludes non-accrual loans

INTERNAL NOTE: Due to differences in the grouping of g/l accounts, the initial GAP table above contained immaterial differences compared to the balance sheet; differences have been adjusted to the 1-5 year category.

Provision for Possible Loan Losses

The provision for possible loan losses totaled $310,000 for the third quarter of 1997, up from $242,000 for the third quarter of 1996. The provision for the first nine months of 1997 totaled $730,000, up from $563,000 a year ago. These provisions reflect increased charge-offs, principally in the consumer loan portfolio and management's assessment of the credit risk in the portfolio. (See Asset Quality)

Non-Interest Income

Non-interest income for the third quarter of 1997 totaled $959,000 up from $751,000 a year ago. Over the first nine months of 1997 non-interest income totaled $3.2 million up from $2.5 million a year ago. The nine-month total reflects $424,000 in gains on sales of real estate owned including $299,000 in the second quarter. The second quarter of 1996 included approximately $261,000 in proceeds from life insurance. The remaining increase in non-interest income is due to increases in service fees on deposit accounts, increases in other service fees and increased brokerage commissions. Management continues to seek additional sources of non-interest income, including increased emphasis on its credit card operations, mortgage banking activities and discount brokerage services.

Non-Interest Expense

Non-interest expense increased by 14.2% for the third quarter of 1997, totaling $4.2 million as compared to $3.7 million for the quarter ended September 30, 1996. Personnel costs comprised much of this change, increasing approximately 16.2% over the third quarter of 1996.

Non-interest expense for the first nine months of 1997 increased by 14.9% over 1996 levels for the same period. Much of these costs are attributable to infrastructure associated with the consolidation of certain functions and the development and introduction of new products and delivery systems, which are expected to enhance future earnings through increased revenue and/or improved efficiencies. Over the period from November 1996 to July 1997 the Company consolidated its data processing operations for all subsidiaries to a single in-house system. The personnel, equipment and other costs associated with these conversions are reflected in 1997 results. Management expects to begin to realize increased operating efficiencies through improved access to information and economies of scale beginning in early 1998.

The Company continues to stress budgetary expense controls and operates at considerably more efficient levels than its peers, as measured by the efficiency ratio (ratio of non-interest expenses to net interest income plus non-interest income). For the first nine months of 1997 the Company's efficiency ratio was 57.1%.

Financial Condition

Total assets as of September 30, 1997 were $583.0 million, an increase of 7.8% from $540.9 million at December 31, 1996 and 7.9% from $540.4 million at September 30, 1996. Asset growth continued to be fueled by steady loan demand, as loans totaled $384.8 million at

September 30, 1997, an increase of 9.2% from $352.3 million at December 31, 1996, and 9.5% from $351.4 million at September 30, 1996. Stockholders' equity totaled $64.3 million at September 30, 1997 which represents a book value of $ 18.01 per share.

Deposit growth, though outpaced by loan growth, remained steady. Total deposits at September 30, 1997 were $468.6 million, up 6.6% from $439.6 million at December 31, 1996 and 6.7% from $439.4 million a year earlier. Other borrowings totaled $45.0 million a 16.9% increase over $38.5 million at the end of 1996 and a 12.6% increase from $40.0 million at September 30, 1996. The Company continues to utilize other borrowings to supplement deposit growth and, periodically, in wholesale leverage transactions. These wholesale leverage transactions are typically executed at spreads of approximately 150 to 200 basis points and, although they may negatively impact the Company's net interest margin, they have a positive effect on earnings and return on equity.

Continued competition for deposits, particularly as it impacts certificate of deposit rates, is reflected in the deposit mix. Management continues to focus on increasing lower cost deposit products, including non-interest bearing demand deposits and savings accounts. Increased competition for funds, particularly by non-banks, continues to contribute to a narrowing of the net interest margin which has been largely offset by increases in the volume of earning assets.

Asset Quality

The allowance for credit losses is an estimate of an amount adequate to provide for potential losses in the loan portfolio. The level of credit losses is affected by general economic trends as well as conditions affecting individual borrowers. The allowance is also subject to regulatory examinations and determination as to adequacy, which may take in to account such factors as the methodology used to calculate the allowance and comparison to peer groups.

The allowance for loan losses totaled $4.4 million at September 30, 1997 or 1.15% of total loans, as compared to 1.25% at December 31, 1996 and 1.23% at September 30, 1996. At September 30, 1997, non-performing assets of $5.0 million included foreclosed properties of $1.2 million and a $1.40 million investment in income-producing property. The decrease from December 31, 1996 is principally due to the sale of a single property comprising over 1800 acres in King George County and which had been carried at $1.9 million and continuing sales of homes which comprise the aforementioned income-producing property.

	September 30, 1997	December 31, 1996	September 30, 1996
Non-accrual loans	$2,324	$ 420	$ 477
Foreclosed properties	1,151	4,056	4,059
Real estate investment	1,384	2,970	-
Non-performing assets	$4,859	$7,446	$4,536
Allowance for loan losses	$4,439	$4,388	$4,309
Allowance as % of total loans	1.15%	1.25%	1.23%

Capital Resources

Capital resources represent funds, earned or obtained, over which financial institutions can exercise greater or longer control in comparison with deposits and borrowed funds. The adequacy of the Company's capital is reviewed by management on an ongoing basis with reference to the size, composition, and quality of the Company's resources and consistency with regulatory requirements and industry standards. Management seeks to maintain a capital structure that will assure an adequate level of capital to support anticipated asset growth and absorb potential losses.

The Federal Reserve, along with the Comptroller of the Currency and the Federal Deposit Insurance Corporation, has adopted capital guidelines to supplement the existing definitions of capital for regulatory purposes and to establish minimum capital standards. Specifically, the guidelines categorize assets and off-balance sheet items into four risk-weighted categories. The minimum ratio of qualifying total assets is 8.0%, of which 4.0% must be Tier 1 capital, consisting of common equity and retained earnings, less certain goodwill items.

At September 30, 1997, the Company's ratio of total capital to risk-weighted assets was 16.04% and its ratio of Tier 1 capital to risk-weighted assets was 14.98%. Both ratios exceed the fully phased-in capital requirements. The following summarizes the Company's regulatory capital and related ratios at September 30, 1997:

Tier 1 capital	$ 62,752
Tier 2 capital	$ 4,438
Total risk-based capital	$ 67,190
Total risk-weighted assets	$418,847
Capital Ratios:	
Tier 1 risk-based capital ratio	14.98%
Total risk-based capital ratio	16.04%
Leverage ratio (Tier I capital to average adjusted total assets)	10.94%
Equity to assets ratio	10.81%

The Company's book value per share at September 30, 1997 was $18.01. Dividends to stockholders are typically declared and paid semi-annually in June and December. On October 27, 1997, a dividend was declared of $0.38 per share payable on December 1, 1997 to shareholders of record as of November 21, 1997. Total dividends for 1997 amount to $0.72.

Liquidity

Liquidity represents an institution's ability to meet present and future financial obligations through either the sale or maturity of existing assets or the acquisition of additional funds through liability management. Liquid assets include cash, interest bearing deposits with banks, federal funds sold, investments and loans maturing within one year. The Company's ability to obtain deposits and purchase funds at favorable rates determines its liability liquidity. Additional sources of liquidity available to the Company include its capacity to borrow

additional funds when necessary through Federal funds lines with several regional banks and a line of credit with the Federal Home Loan Bank. Management considers the Company's overall liquidity to be sufficient to satisfy its depositors' requirements and to meet its customers' credit needs.

At September 30, 1997, cash, interest-bearing deposits in other banks, federal funds sold, securities available for sale and loans maturing or repricing in one year were 53.7% of total earning assets. At September 30, 1997 approximately $123.2 million or 32.0% of total loans would mature or reprice within the next year. The Company utilizes federal funds purchased, FHLB advances, securities sold under agreements to repurchase and customer repurchase agreements, in addition to deposits, to fund the growth in its loan portfolio, and to fund securities purchases, periodically in wholesale leverage transactions.

PART II - OTHER INFORMATION

Item 6 - Exhibits and Reports on Form 8-K

(a) No Form 8-K was required to be filed during the most recently completed quarter.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Union Bankshares Corporation
(Registrant)

November 14, 1997	/s/ G. William Beale
(Date)	G. William Beale, President, Chief Executive Officer and Director
November 14, 1997	/s/ D. Anthony Peay
(Date)	D. Anthony Peay, Vice President and Chief Financial Officer

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Index to Exhibits
Form 10-Q / September 30, 1997

Exhibit No.	Description	
2	Plan of acquisition, reorganization, arrangement, liquidation or succession -	Not Applicable
4	Instruments defining the rights of security holders, including indentures	Not Applicable
10	Material contracts	Not Applicable
11	Statement re: computation of per share earnings	Not Applicable
15	Letter re: unaudited interim financial information	Not Applicable
18	Letter re: change in accounting principles	Not Applicable
19	Previously unfiled documents	Not Applicable
20	Report furnished to security holders	Not Applicable
22	Published report re: matters submitted to vote of security holders	None
23	Consents of experts and counsel	Not Applicable
24	Power of Attorney	Not Applicable
99	Additional Exhibits	None

<TABLE> <S> <C>

<ARTICLE> 9
<MULTIPLIER> 1,000

<S>	<C>
<PERIOD-TYPE>	9-MOS
<FISCAL-YEAR-END>	DEC-31-1997
<PERIOD-END>	SEP-30-1997
<CASH>	21,749
<INT-BEARING-DEPOSITS>	808
<FED-FUNDS-SOLD>	4,004
<TRADING-ASSETS>	0
<INVESTMENTS-HELD-FOR-SALE>	138,047
<INVESTMENTS-CARRYING>	10,150
<INVESTMENTS-MARKET>	0
<LOANS>	384,790
<ALLOWANCE>	4,438
<TOTAL-ASSETS>	582,974
<DEPOSITS>	468,617
<SHORT-TERM>	21,279
<LIABILITIES-OTHER>	4,995
<LONG-TERM>	23,745
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	14,286
<OTHER-SE>	248
<TOTAL-LIABILITIES-AND-EQUITY>	582,974
<INTEREST-LOAN>	9,037
<INTEREST-INVEST>	2,264
<INTEREST-OTHER>	128
<INTEREST-TOTAL>	11,427
<INTEREST-DEPOSIT>	4,736
<INTEREST-EXPENSE>	561
<INTEREST-INCOME-NET>	6,130
<LOAN-LOSSES>	310
<SECURITIES-GAINS>	(10)
<EXPENSE-OTHER>	4,221
<INCOME-PRETAX>	2,558
<INCOME-PRE-EXTRAORDINARY>	2,558
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	1,943
<EPS-PRIMARY>	0.54
<EPS-DILUTED>	0.54
<YIELD-ACTUAL>	8.78
<LOANS-NON>	2,324
<LOANS-PAST>	2,069
<LOANS-TROUBLED>	0
<LOANS-PROBLEM>	2,069
<ALLOWANCE-OPEN>	4,297
<CHARGE-OFFS>	219
<RECOVERIES>	51
<ALLOWANCE-CLOSE>	4,439
<ALLOWANCE-DOMESTIC>	4,439
<ALLOWANCE-FOREIGN>	0
<ALLOWANCE-UNALLOCATED>	4,439

</TABLE>