

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

FORM 8-K

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

Date of Report (Date of earliest event reported): July 31, 1998

Commission File No. 0-20293

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

Virginia
(State of Incorporation)

54-1598552
(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)

ITEM 5. Other Events

On July 1, 1998, Union Bankshares Corporation ("Union") completed its acquisition of Rappahannock Bankshares, Inc. ("RBI"), in a stock-for-stock exchange of shares accounted for as a pooling-of-interests. The Securities and Exchange Commission, in its Accounting Series Release No. 135, prohibits affiliates of all parties to a transaction accounted for as a pooling-of-interests from selling any shares received in the transaction until at least 30 days of post merger combined results have been published.

Accordingly, attached hereto is the consolidated balance sheet for Union, including RBI as of July 31, 1998 and the related consolidated statements of income for the one and seven month periods then ended.

2

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

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	July 31 1998
ASSETS	-----
Cash and cash equivalents:	
Cash and due from banks	\$ 20,425
Interest-bearing deposits in other banks	1,461
Federal funds sold	3,688
Total cash and cash equivalents	----- 25,574
Securities available for sale, at fair value	147,487
Investment securities	22,055
Total securities	----- 169,542
Loans, net of unearned income	459,309
Less allowance for loan losses	5,320
Net loans	----- 453,989
Bank premises and equipment, net	20,866

Other real estate owned	1,390
Other assets	19,244

Total assets	\$ 690,605
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LIABILITIES AND STOCKHOLDERS' EQUITY	
Non-interest-bearing demand deposits	\$ 76,489
Interest-bearing deposits:	
Savings accounts	59,806
NOW accounts	75,363
Money market accounts	61,462
Time deposits of \$100,000 and over	72,142
Other time deposits	228,943

Total interest-bearing deposits	497,716

Total deposits	574,205

Short-term borrowings	37,210
Long-term borrowings	2,435
Other liabilities	5,205

Total liabilities	619,055

Stockholders' equity:	
Common stock	14,365
Surplus	337
Retained earnings	55,118
Accumulated other comprehensive income	
Net unrealized gains on securities available for sale, net of taxes	1,730

Total stockholders' equity	71,550

Total liabilities and stockholders' equity	\$ 690,605
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See accompanying notes to consolidated financial statements.

3
UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Consolidated Statements of Income Unaudited)

(Dollars in thousands)

<CAPTION>

	One month ended July 31, 1998	Seven months ended July 31, 1998
	-----	-----
Interest and fees on loans	\$ 3,411	\$ 23,134
Interest on securities:		
Taxable securities	507	3,472
Tax-exempt securities	331	2,247
Interest on Federal funds sold	31	330
Interest on interest-bearing deposits in other banks	4	47
	-----	-----
Total interest income	4,284	29,230
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Interest on deposits	1,876	12,374
Interest on other borrowings	204	1,596
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Total interest expense	2,080	13,970
	-----	-----
Net interest income	2,204	15,260
	-----	-----
	160	1,075
	-----	-----
Net interest income after provision for loan losses	2,044	14,185
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Service charges on deposit accounts	271	1,610
Other service charges and fees	132	1,097
Gains (losses) on securities transactions, net	-	(25)

Gains on sales of other real estate owned	-	
and bank premises, net	23	39
Other operating income	39	178
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Total other income	465	2,899
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Salaries and benefits	909	6,092
Occupancy expenses	102	716
Furniture and equipment expenses	129	982
Other operating expenses	550	3,584
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Total other expenses	1,690	11,374
	-----	-----
	819	5,710
	191	1,128
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Net income	\$ 628	\$ 4,582
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4

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)

August 25, 1998

(Date)

s/ G. William Beale

G. William Beale,
President, Chief Executive Officer
and Director

August 25, 1998

(Date)

s/ D. Anthony Peay

D. Anthony Peay,
Vice President and Chief Financial Officer

5