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 March 31, 2000

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.)

212 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, $2 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.

YES X NO

As of April 10, 2000, Union Bankshares Corporation had 7,499,242 shares of Common Stock outstanding.

UNION BANKSHARES CORPORATION
FORM 10-Q
March 31, 2000

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PART 1 - FINANCIAL INFORMATION
Item 1. Financial Statements

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

<TABLE>
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ASSETS	March 31, 2000	December 31, 1999	March 31, 1999
	(Unaudited)		(Unaudited)
<S>	<C>	<C>	<C>
Cash and cash equivalents:			
Cash and due from banks	$ 19,967	$ 18,804	$ 23,738
Interest-bearing deposits in other banks	565	867	2,315
Federal funds sold	76	248	9,916
Total cash and cash equivalents	20,608	19,919	35,969
Securities available for sale, at fair value	213,660	201,721	193,859
Investment securities fair value of $8,701, $9,518 and $13,106, respectively	8,761	9,578	12,873
Total securities	222,421	211,299	206,732
Loans held for sale	6,572	6,680	15,209
Loans, net of unearned income	570,484	543,367	479,971
Less allowance for loan losses	7,044	6,617	6,708
Net loans	563,440	536,750	473,263
Bank premises and equipment, net	21,208	21,458	

			22,520
Other real estate owned	1,889	2,016	912
Other assets	24,042	23,705	25,413
Total assets	$ 860,180	$ 821,827	$ 780,018
LIABILITIES AND STOCKHOLDERS' EQUITY			
Noninterest-bearing demand deposits	$ 88,318	$ 79,048	$ 80,410
Interest-bearing deposits:			
Savings accounts	58,767	58,209	59,029
NOW accounts	100,875	95,882	85,914
Money market accounts	62,323	63,249	63,439
Time deposits of $100,000 and over	106,893	107,654	95,687
Other time deposits	248,912	242,824	234,120
Total interest-bearing deposits	577,770	567,818	538,189
Total deposits	666,088	646,866	618,599
Short-term borrowings	36,860	39,159	17,269
Long-term borrowings	80,778	54,420	47,220
Other liabilities	5,999	12,588	22,189
Total liabilities	789,725	753,033	705,277
Stockholders' equity:			
Common stock, $2 par value. Authorized 24,000,000 shares; issued and outstanding, 7,494,202, 7,487,829 and 7,530,356 shares, respectively	14,988	14,976	15,061
Surplus	248	163	599
Retained earnings	60,025	58,603	57,537
Accumulated other comprehensive income (losses)	(4,806)	(4,948)	1,544
Total stockholders' equity	70,455	68,794	74,741
Total liabilities and stockholders' equity	$ 860,180	$ 821,827	$ 780,018

</TABLE>

See accompanying notes to consolidated financial statements.

Consolidated Statements of Income (Unaudited)
(dollars in thousands, except per share data)

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	2000	1999
Interest income:		
Interest and fees on loans	$ 11,898	$ 10,318
Interest on securities:		
Non taxable	1,245	1,062
Taxable	2,188	1,548
Interest on Federal funds sold	19	59
Interest on interest-bearing deposits in other banks	16	28
Total interest income	15,366	13,015
Interest expense:		
Interest on deposits	6,029	5,678
Interest on short term borrowings	517	152
Interest on long term borrowings	1,058	453
Total interest expense	7,604	6,283
Net interest income	7,762	6,732
Provision for loan losses	564	762
Net interest income after provision for loan losses	7,198	5,970
Noninterest income:		
Service charges on deposit accounts	806	692
Other service charges and fees	484	393
Gains on securities transactions, net	22	19
Gains on sales of loans	1,045	2,476
Gains (losses) on sales of other real estate owned and bank premises, net	5	(2)
Other operating income	99	85
Total noninterest income	2,461	3,663
Noninterest expenses:		
Salaries and benefits	4,643	4,508
Occupancy expenses	607	396
Furniture and equipment expenses	731	464
Other operating expenses	2,126	1,992
Total noninterest expenses	8,107	7,360
Income before income taxes	1,552	2,273
Income tax expense	131	458
Net income	$ 1,421	$ 1,815
Basic net income per share	$ 0.19	$ 0.24
Diluted net income per share	$ 0.19	$ 0.24

</TABLE>

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
THREE MONTHS ENDED MARCH 31, 2000 AND 1999
(dollars in thousands)

<TABLE>
<CAPTION>

	Shares Outstanding	Common Stock	Surplus
<S>	<C>	<C>	<C>
Balance - December 31, 1998	7,507,394	$ 15,015	$ 311
Comprehensive income:			
Net income - 1999			
Other comprehensive income net of tax:			
Unrealized holding losses arising during the period (net of tax, $297)			
Less reclassification adjustment (net of tax, $6)			
Other comprehensive income (net of tax, $291)			
Total comprehensive income			
Stock repurchased under Stock Repurchase Plan (38,928 shares)	(38,928)	(77)	(593)
Issuance of common stock under Incentive Stock Option Plan (400 shares)	400	1	4
Issuance of common stock in exchange for net assets in acquisition (61,490 shares)	61,490	122	877
Balance - March 31, 1999	7,530,356	$ 15,061	$ 599
Balance - December 31, 1999	7,487,829	$ 14,976	$ 163
Comprehensive income:			
Net income - 2000			
Other comprehensive income net of tax:			
Unrealized holding gains arising during the period (net of tax, $84)			
Less reclassification adjustment (net of tax, $7)			
Other comprehensive income (net of tax, $ 73)			
Total comprehensive income			
Stock repurchased under Stock Repurchase Plan (11,300 shares)	(11,300)	(23)	(116)
Issuance of common stock in exchange for net assets in acquisition (17,673 shares)	17,673	35	201
Balance - March 31, 2000	7,494,202	$ 14,988	$ 248

</TABLE>

<TABLE>
<CAPTION>

	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Comprehensive Income (Loss)
<S>	<C>	<C>	<C>
Balance - December 31, 1998	$ 55,690	$ 2,343	
Comprehensive income:			
Net income - 1999	1,815		$ 1,815
Other comprehensive income net of tax:			
Unrealized holding losses arising during the period (net of tax, $297)			

(786)
Less reclassification adjustment (net of tax, $6)
(13)

Other comprehensive income (net of tax, $291) (799)
(799)

Total comprehensive income $
1,016

================
Stock repurchased under Stock Repurchase Plan (38,928 shares) -
Issuance of common stock under Incentive Stock Option Plan (400 shares) -
Issuance of common stock in exchange for net assets in acquisition (61,490 shares) 32

Balance - March 31, 1999	$ 57,537	$ 1,544
Balance - December 31, 1999	$ 58,603	$ (4,948)
Comprehensive income:		
Net income - 2000	1,421	

$ 1,421
Other comprehensive income net of tax:
Unrealized holding gains arising during the period (net of tax, $84)
157
Less reclassification adjustment (net of tax, $7)
(15)

Other comprehensive income (net of tax, $ 73) 142
142

Total comprehensive income $
1,563

================
Stock repurchased under Stock Repurchase Plan (11,300 shares) 1
Issuance of common stock in exchange for net assets in acquisition (17,673 shares)

Balance - March 31, 2000	$ 60,025	$ (4,806)

</TABLE>

<TABLE>
<CAPTION>

<S>	Total <C>
Balance - December 31, 1998	$ 73,359
Comprehensive income:	
Net income - 1999	1,815
Other comprehensive income net of tax:	
Unrealized holding losses arising during the period (net of tax, $297)	
Less reclassification adjustment (net of tax, $6)	
Other comprehensive income (net of tax, $291)	(799)
Total comprehensive income	
Stock repurchased under Stock Repurchase Plan (38,928 shares)	(670)
Issuance of common stock under Incentive Stock Option Plan (400 shares)	5
Issuance of common stock in exchange for net assets in acquisition (61,490 shares)	1,031
Balance - March 31, 1999	$ 74,741
Balance - December 31, 1999	$ 68,794
Comprehensive income:	
Net income - 2000	1,421
Other comprehensive income net of tax:	
Unrealized holding gains arising during the period (net of tax, $84)	
Less reclassification adjustment (net of tax, $7)	
Other comprehensive income (net of tax, $ 73)	142

Total comprehensive income	-
Stock repurchased under Stock Repurchase Plan (11,300 shares)	(138)
Issuance of common stock in exchange for net assets in acquisition (17,673 shares)	236
Balance - March 31, 2000	$ 70,455

</TABLE>

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows (Unaudited)
Three Months Ended March 31, 2000 and 1999
(dollars in thousands)

<TABLE>
<CAPTION>

<S>	<C> 2000	<C> 1999
Operating activities:		
Net income	$ 1,421	$ 1,815
Adjustments to reconcile net income to net cash and cash equivalents used in operating activities:		
Depreciation of bank premises and equipment	462	401
Amortization	172	365
Provision for loan losses	564	762
(Gains) on sales of securities available for sale	(22)	(19)
(Gains) losses on sale of other real estate owned and fixed assets, net	(5)	2
(Increase) decrease in loans held for sale	108	(18,852)
(Increase) decrease in other assets	(258)	(1,089)
Increase (decrease) in other liabilities	(6,660)	17,272
Net cash and cash equivalents used in operating activities	(4,218)	657
Investing activities:		
Net increase in securities	(10,910)	(30,411)
Net increase in loans	(27,315)	(610)
Acquisition of bank premises and equipment	(379)	(1,864)
Proceeds from sales of bank premises and equipment	181	-
Proceeds from sales of other real estate owned	187	190
Net cash and cash equivalents used in investing activities	(38,236)	(32,695)
Financing activities:		
Net increase (decrease) in noninterest-bearing deposits	9,270	(919)
Net increase in interest-bearing deposits	9,952	11,889
Net (decrease) in short-term borrowings	(2,299)	(2,207)
Proceeds from long-term borrowings	26,500	18,925
Repurchase of common stock	(138)	(671)
Repayment of long-term borrowings	(142)	(30)
Net cash and cash equivalents provided by financing activities	43,143	26,987
Increase (decrease) in cash and cash equivalents	689	(5,051)
Cash and cash equivalents at beginning of period	19,919	41,020
Cash and cash equivalents at end of period	$ 20,608	$ 35,969
Supplemental Disclosure of Cash Flow Information		
Cash payments for:		
Interest	7,406	6,131
Income taxes	-	802

</TABLE>

See accompanying notes to consolidated financial statements.

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements (Unaudited)
March 31, 2000

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 month period ended March 31, 2000 are not necessarily indicative of the results that may be expected for the year ending December 31, 2000.

These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 1999 Annual Report to Shareholders. 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 three months ended March 31, (in thousands):

	2000	1999
Balance, January 1	$ 6,617	$ 6,407
Provisions charged to operations	564	762
Recoveries credited to allowance	74	87
Loans charged off	(211)	(548)
Balance, March 31	$ 7,044	$ 6,708

3. Earnings Per Share

Basic earnings per share (EPS) is computed by dividing net income by the weighted average number of shares outstanding during the period. Weighted average shares used for the computation of basic EPS were 7,494,470 and 7,528,729 for the three months ended March 31, 2000 and 1999. Diluted EPS is computed using the weighted number of common shares outstanding during the period, including the effect of dilutive potential common shares outstanding attributable to stock options. Weighted average shares used for the computation of diluted EPS were 7,499,214 and 7,645,214 for the three months ended March 31, 2000 and 1999.

4. SEGMENT REPORTING DISCLOSURES

Union Bankshares Corporation has two reportable segments: its traditional full service community banks and its mortgage loan origination business. The community bank business includes four banks, which provide loan, deposit, investment, and trust services to retail and commercial customers throughout their locations in Virginia. Through its mortgage subsidiary, the Company provides a variety of mortgage loan products in a multi-state market. These loans are originated and sold principally in the secondary market through purchase commitments from investors, which subject the company to only de minimis market risk.

Profit and loss is measured by net income after taxes including realized gains and losses on the Company's investment portfolio. The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies. Intersegment transactions are recorded at cost and eliminated as part of the consolidation process.

Both of the Company's reportable segments are service based. While the banks offer a distribution and referral network for the mortgage services, the mortgage company does not offer a similar network for the banks due largely to the lack of overlapping geographic markets. Another major distinction is the source of income. The mortgage business is a fee based business while the banks are driven principally by net interest income.

Information about reportable segments and reconciliation of such information to the consolidated financial statements as of March 31, 2000 and March 31, 1999 follows:

<TABLE>
<CAPTION>

Three Months ended March 31, 2000

(dollars in thousands)	Banks	Mortgage	Other	Elimination	Consolidated Totals
<S>	<C>	<C>	<C>	<C>	<C>
Net interest income	$ 7,791	$ 63	$ (92)	$ -	$ 7,762
Provision for loan losses	564				564
Net interest income after provision for loan losses	7,227	63	(92)		7,198
Noninterest income	1,152	1,045	1,788	(1,524)	2,461
Noninterest expense	5,632	2,072	1,927	(1,524)	8,107
Income before taxes	2,747	(964)	(231)	-	1,552
Income taxes (benefits)	527	(328)	(68)	-	131
Net income (loss)	$ 2,220	$ (636)	$ (163)	$ -	$ 1,421
Assets	$853,823	$ 7,373	$ 74,951	$ (75,967)	$ 860,180

</TABLE>

The following summary reconciles segment profit (loss) to income after taxes (dollars in thousands):

Net Income	
Segment profit	$ 1,584
Other subsidiary	37
Parent	(200)
Intersegment profit elimination	-
Net Income	$ 1,421

<TABLE>
<CAPTION>

Three Months ended March 31, 1999

(dollars in thousands)	Banks	Mortgage	Other	Elimination	Consolidated Totals
<S>	<C>	<C>	<C>	<C>	<C>
Net interest income	$ 6,761	$ -	$ (29)	$ -	$ 6,732
Provision for loan losses	762				762
Net interest income after provision for loan losses	5,999	-	(29)		5,970
Noninterest income	1,007	2,352	304	-	3,663
Noninterest expense	4,908	1,771	681	-	7,360
Income before taxes	2,098	581	(406)	-	2,273
Income taxes (benefits)	413	177	(132)	-	458
Net income (loss)	$ 1,685	$ 404	$ (274)	$ -	$ 1,815

Assets	$770,549	$ 23,452	$ 84,254	$ (98,237)	$ 780,018

</TABLE>

The following summary reconciles segment profit (loss) to income after taxes (dollars in thousands):

Net Income	
Segment profit	$ 2,089
Other subsidiary	(4)
Parent	(270)
Intersegment profit elimination	-
Net Income	$ 1,815

5. RECENT ACCOUNTING STATEMENTS

In June 1998 the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities", which establishes accounting and reporting standards for derivative instruments and for hedging activities. It requires that a company recognize all derivative instruments as either assets or liabilities in the consolidated balance sheet and measure those instruments at fair value. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation. In June of 1999 the FASB issued SFAS 137, "Accounting for derivative instruments hedging activities--deferral of the effective date of FASB Statement 133". SFAS 137 delayed the effective date of SFA3133 until fiscal years beginning after June 15, 2000. As such, the effective date for the Company will be January 1, 2001. The impact of adopting SFAS 133 will be dependent on the specific derivative instruments in place at the date of adoption. At this time management believes the adoption of this new standard will not have a material impact on the financial condition or results of operations of the Company.

6. FORWARD-LOOKING STATEMENTS

Certain statements in this report may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although the Company believes that its expectations with respect to certain forward-looking statements are based upon reasonable assumptions within the bounds of its knowledge of its business and operations, there can be no assurance that actual results, performance or achievements of the Company will not differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

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, Rappahannock National Bank, the Bank of Williamsburg, Union Investment Services, Inc., and Mortgage Capital Investors, Inc. The four subsidiary banks, Union Bank & Trust Company, Northern Neck State Bank, Rappahannock National Bank and the Bank of Williamsburg 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. Mortgage Capital Investors, Inc. provides a wide array of mortgage products through its 13 offices in Virginia, Maryland, New Jersey, Connecticut, and South Carolina.

The Company's primary trade area stretches from Rappahannock County to Fredericksburg, south to Hanover County, east to Williamsburg and throughout the Northern Neck area of Virginia. The Corporate Headquarters is located in Bowling Green, Virginia. Through its banking subsidiaries, the Company operates 29 branches in its primary trade area. In addition to the primary banking trade area, Mortgage Capital Investors, Inc. expands the Company's mortgage origination business to four additional states.

In February 1999 the Company opened the Bank of Williamsburg in temporary headquarters in the Williamsburg Crossing Shopping Center. In March 2000 the

Bank of Williamsburg moved into its permanent location at 5125 John Tyler Parkway, which should enhance its continued growth in this community. Deposits have increased significantly since the move, and we expect this bank to achieve monthly profitability during the fourth quarter of 2000. In addition, the company's mortgage subsidiary, Mortgage Capital Investors Inc., has opened a Williamsburg office in the space formerly occupied by the Bank.

Management's discussion and analysis is presented to aid the reader in understanding and evaluating the financial condition and results of operations of 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 first quarter of 2000 was $1.4 million, down from $1.8 million for the same period in 1999. The decrease in net income for the period was caused primarily by a decrease in gains on the sale of loans of $1.4 million, which more than offsets a $1.0 million increase in net interest income. The net interest income increase reflects the growth of the core banking business, while the decline in the gain on sale of loans is reflective of the effect of higher mortgage rates on mortgage loan production volumes. Also included in net income was a decrease in the provision for loan losses of $198,000 from the first quarter of 1999. Diluted earnings per share amounted to $.19 in the first quarter of 2000, as compared to $.24 in the first quarter of 1999. The

Company's annualized return on average assets for the first quarter of 2000 was .68% as compared to .94% a year ago. The Company's annualized return on average equity totaled 8.41% and 9.88% for the three months ended March 31, 2000 and 1999, respectively.

Net income from the Company's community banking segment increased from approximately $1.7 million in the first quarter of 1999 to over $2.2 million in the first quarter of 2000. Continued growth in existing markets, as well as the performance of acquired and denovo banks and branches and previously implemented initiatives to consolidate backoffice functions are reflected in improved operating efficiencies and contributed to the improvement in the profitability of the community banking segment.

Rising interest rates, coupled with continued strong loan demand and competition for deposits, have continued to compress the net interest margin. Deposit competition has heightened as banks, seeking to fund this loan growth, have offered higher rates on deposits, often repricing their liabilities more rapidly than their assets. In addition to increasing certain deposit rates to attract deposits, the Company has also utilized Federal Home Loan Bank Advances and other borrowings to fund this growth. Such funding is typically more expensive than lower cost customer deposits and compresses the net interest margin, but increases net interest income by enabling the Company to grow earning assets.

The mortgage banking segment continued to suffer from the effects of higher mortgage rates, the inversion in the yield curve and, in some markets, depressed inventories of homes. Due to the decline in volumes, the mortgage company has reduced its noncommission personnel, closed several marginal loan production offices, and opened two loan production offices in higher volume locations in Connecticut and New Jersey. The first quarter is typically the slowest in the mortgage segment and the Company anticipates the mortgage segment will return to monthly profitability during the second quarter.

Net Interest Income

Net interest income on a tax-equivalent basis for the first quarter of 2000 increased by 13.5% to $8.4 million from $7.4 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. The current interest rate environment and competition for deposits continue to put pressure on net interest margins. In addition, the subsidiary banks have periodically engaged in wholesale leverage transactions, borrowing funds to invest in securities at lower margins of 150 - 200 basis points. Although such transactions increase net income and return on equity, they do reduce the net interest margin. As of March 31, 2000 such transactions accounted for $25 million of the Company's total borrowings. Also, the Bank of Williamsburg, with most of its capital invested in the investment portfolio much of 1999, contributed to the narrowed interest margin. However, with more of its funds going into loans this year, it should begin contributing to the margin. Average earning assets during the first quarter of 2000 increased by $103.0 million to $777.0 million from the first quarter of 1999, while average interest-bearing deposits grew by $40.0 million to $571.0 million over this same period. The Company's yield on average earning assets was 8.29%, up 5 basis point from 8.24% a year ago, while its cost of average interest-bearing liabilities increased 4 basis points from 4.42% in first quarter 1999 to 4.46% in first quarter 2000.

Union Bankshares Corporation
Average Balances, Income and Expenses, Yields and Rates
(Taxable Equivalent Basis)

<TABLE>
<CAPTION>

	Three Months Ended March 31, 2000		
	Average Balance	Interest Income/ Expense	Yield/ Rate
<S>	<C>	<C>	<C>
Assets:			
Securities:			
Taxable	$ 119,970	$ 2,188	7.33%
Tax-exempt(1)	98,611	1,887	7.70%
Total securities	218,581	4,075	7.50%
Loans, net..	556,083	11,898	8.56%
Federal funds sold	767	19	9.96%
Interest-bearing deposits in other banks	1,088	16	5.91%
Total earning assets	776,519	16,008	8.29%
Allowance for loan losses	(6,842)		
Total non-earning assets	70,372		
Total assets	$ 840,049		
Liabilities & Stockholders' Equity:			
Interest-bearing deposits:			
Checking	97,134	502	2.08%
Regular savings	58,689	351	2.41%
Money market savings	63,162	506	3.22%
Certificates of deposit:			
$100,000 and over	103,638	1,363	5.29%
Under $100,000	248,018	3,307	5.36%
Total interest-bearing deposits	570,641	6,029	4.24%
Other borrowings	114,446	1,575	5.54%
Total interest-bearing liabilities	685,087	7,604	4.46%
Noninterest bearing liabilities:			
Demand deposits	80,440		
Other liabilities	6,727		
Total liabilities	772,254		
Stockholders' equity	67,795		
Total liabilities and			

stockholders' equity	$ 840,049		
Net interest income		$ 8,404	
Interest rate spread			3.83%
Interest expense as a percent of average earning assets			3.94%
Net interest margin			4.35%

</TABLE>

<TABLE>
<CAPTION>

Union Bankshares Corporation
Average Balances, Income and Expenses, Yields and Rates
(Taxable Equivalent Basis)

<S>	<C> Average Balance	<C> Interest Income/ Expense	<C> Yield/ Rate
	Three Months Ended March 31, 1999		
			(Dollars in thousands)
Assets:			
Securities:			
Taxable	$ 99,670	$ 1,538	6.26%
Tax-exempt(1)	85,819	1,624	7.68%
Total securities	185,489	3,162	6.91%
Loans, net..	481,763	10,444	8.79%
Federal funds sold	4,337	57	5.33%
Interest-bearing deposits in other banks	1,919	26	5.49%
Total earning assets	673,508	13,689	8.24%
Allowance for loan losses	(6,714)		
Total non-earning assets	65,129		
Total assets	$ 731,923		
Liabilities & Stockholders' Equity:			
Interest-bearing deposits:			
Checking	$ 82,283	461	2.27%
Regular savings	57,841	398	2.79%
Money market savings	64,041	515	3.26%
Certificates of deposit:			
$100,000 and over	88,154	1,171	5.39%
Under $100,000	238,686	3,133	5.32%
Total interest-bearing deposits	531,005	5,678	4.34%
Other borrowings	45,673	606	5.38%
Total interest-bearing liabilities	576,678	6,284	4.42%

Noninterest bearing liabilities:			
Demand deposits	78,472		
Other liabilities	3,566		
Total liabilities	658,716		
Stockholders' equity	73,207		
Total liabilities and stockholders' equity	$ 731,923		
Net interest income		$ 7,405	
Interest rate spread			3.82%
Interest expense as a percent of average earning assets			3.78%
Net interest margin			4.46%

</TABLE>

<TABLE>
<CAPTION>

Union Bankshares Corporation
Average Balances, Income and Expenses, Yields and Rates
(Taxable Equivalent Basis)

	Three Months Ended March 31,		
	1998		
	Average Balance	Interest Income/ Expense	Yield/ Rate
<S>	<C>	<C>	<C>
Assets:			
Securities:			
Taxable	$ 96,770	$ 1,517	6.36%
Tax-exempt(1)	71,467	1,432	8.13%
Total securities	168,237	2,949	7.11%
Loans, net	423,812	9,531	9.12%
Federal funds sold	10,608	116	4.43%
Interest-bearing deposits in other banks	1,171	24	7.97%
Total earning assets	603,828	12,620	8.48%
Allowance for loan losses	(4,950)		
Total non-earning assets	53,679		
Total assets	$ 652,557		
Liabilities & Stockholders' Equity:			
Interest-bearing deposits:			
Checking	$ 65,037	380	2.37%
Regular savings	55,363	416	3.05%
Money market savings	57,025	490	3.48%
Certificates of deposit:			
$100,000 and over	65,531	896	5.55%
Under $100,000	208,882	2,904	5.64%
Total interest-bearing deposits	451,838	5,086	

			4.56%
Other borrowings	56,645	735	5.26%
Total interest-bearing liabilities	508,483	5,821	4.64%
Noninterest bearing liabilities:			
Demand deposits	69,469		
Other liabilities	4,914		
Total liabilities	582,866		
Stockholders' equity	69,691		
Total liabilities and stockholders' equity	$ 652,557		
Net interest income		$ 6,799	
Interest rate spread			3.84%
Interest expense as a percent of average earning assets			3.91%
Net interest margin			4.57%

</TABLE>

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

Provision for Loan Losses

The provision for loan losses totaled $564,000 for the first quarter of 2000, down from $762,000 for the first quarter of 1999. The provision for loan losses for the first quarter of 1999 included $350,000 related to a single credit relationship. These provisions reflect the performance of the loan portfolio and management's assessment of the credit risk in the portfolio. (See Asset Quality)

Noninterest Income

Noninterest income for the three months ended March 31, 2000 totaled $2.5 million, down from $3.7 million for the same period a year ago. This decrease is due principally to the decrease in income from gains on sales of loans in the mortgage banking segment totaling $1.0 million for the first quarter versus $2.5 million for the first three months of 1999. All other categories of noninterest income for first quarter 2000 increased over the same period in 1999 with deposit service charges up $114,000 and other service charges and fees up $91,000, reflecting deposit growth and initiatives to enhance fee income. Management continues to seek additional sources of noninterest income, including increased emphasis on cross-selling services and better leveraging the financial services available throughout the organization.

Noninterest Expense

Noninterest expense in the first quarter of 2000 totaled $8.1 million, an increase of $747,000 over the same period in 1999. Personnel costs comprised $135,000 of the increase and includes a decline of $141,000 for the mortgage banking segment. Occupancy expense was up $211,000 and furniture & equipment expense was up $267,000 over last year's first quarter. These increases reflect a full quarter of expenses in 2000 for MCI (acquired February 10, 1999) and depreciation expenses for major technology investments made in the second and third quarters of 1999.

Financial Condition

Total assets as of March 31, 2000 were $860.2 million, an increase of 10.3% from $780.0 million at March 31, 1999. Asset growth was fueled by loan growth, as loans totaled $570.5 million at March 31, 2000, an increase of 18.9% from $480.0 million at March 31, 1999. Stockholders' equity totaled $70.5 million at March 31, 2000, which represents a book value of $9.40 per share.

Deposit growth was strong as the banks continued to increase market share but was outpaced by the loan growth. Total deposits at March 31, 2000 were

$666.1 million, up 7.7% from $618.6 million at March 31, 1999. Other borrowings totaled $117.6 million at March 31, 2000, an 82.3% increase over $64.5 million at March 31, 1999. As a result, the Company utilizes other borrowings to fund the excess growth; compressing the net interest margin but increasing net interest income. The Company also, periodically engages in wholesale leverage transactions to better leverage its strong capital position The increases in other borrowings reflect about $25 million in leverage transactions over the last five quarters. These wholesale leverage transactions have typically been executed at spreads of approximately 150 to 200 basis points and, although they have negatively impacted the Company's net interest margin (as a percentage), they have had 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 noninterest bearing demand deposits and savings accounts and effective management of competitive rates on interest sensitive products. Increased competition for funds by banks seeking to fund strong loan growth and 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 loan losses is an estimate of an amount adequate to provide for potential losses in the loan portfolio. General economic trends as well as conditions affecting individual borrowers affect the level of credit losses. The allowance is also subject to regulatory examinations and determination as to adequacy, which may take into account such factors as the methodology used to calculate the allowance and comparison to peer groups.

The allowance for loan losses totaled $7.0 million at March 31, 2000 or 1.23% of total loans, as compared to 1.22% at December 31, 1999 and 1.40% at March 31, 1999.

	March 31, 2000	December 31, 1999	March 31, 1999
	(dollars in thousands)		
Non-accrual loans	$1,208	$1,487	$3,063
Foreclosed properties	1,889	2,016	1,601
Non-performing assets	$3,097	$3,503	$4,664
Allowance for loan losses	$7,044	$6,617	$6,708
Allowance as % of total loans	1.23%	1.22%	1.40%
Non-performing assets to loans and foreclosed properties	.54%	.64%	.97%

At March 31, 1999, the allowance for loan losses included reserves of approximately $1.4 million related to a single credit relationship totaling approximately $1.8 million. Management has previously restructured this credit with the borrowers in an attempt to work out repayment of this debt, but collection is uncertain and accordingly, in late 1999 $1.1 million of this credit was charged off against previously established reserves.

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 March 31, 2000, the Company's ratio of total capital to risk-weighted assets was 12.05% and its ratio of Tier 1 capital to risk-weighted assets was

10.93%. Both ratios exceed the fully phased-in capital requirements. The following summarizes the Company's regulatory capital and related ratios at March 31, 2000 (dollars in thousands):

Tier 1 capital	$ 68,827
Tier 2 capital	$ 7,044
Total risk-based capital	$ 75,871
Total risk-weighted assets	$630,076
Capital Ratios:	
Tier 1 risk-based capital ratio	10.93%
Total risk-based capital ratio	12.05%
Leverage ratio (Tier I capital to average adjusted total assets)	8.26%
Equity to assets ratio	8.18%

The Company's book value per share at March 31, 2000 was $9.40. Dividends to stockholders are typically declared and paid semi-annually in June and December.

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 (available for sale) 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 March 31, 2000 cash, interest-bearing deposits in other banks, federal funds sold, securities available for sale and loans maturing or repricing in one year were 21.5% of total earning assets. At March 31, 2000 approximately $145.2 million or 25.4% 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.

The following table presents the Company's interest sensitivity position at March 31, 2000. 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

March 31, 2000

<S>	Within 90 Days <C>	<C>	90-365 Days
	(In thousands)		
Earning Assets:			
Loans, net of unearned income (3)	$ 113,666		$ 31,492
Investment securities	1,730	-	1,913
Securities available for sale.................	197		4,276
Federal funds sold	76		-
Other short-term investments	565		-
Total earning assets	116,234		37,681
Interest-Bearing Liabilities:			

Interest checking (2)	$ -	$ -
Regular savings (2)	-	-
Money market savings	-	62,323
Certificates of deposit:		
$100,000 and over	31,206	47,430
Under $100,000	39,965	128,535
Short-term borrowings.........................	36,860	-
Long-term borrowings	6,500	150
Total interest-bearing liabilities	114,531	238,438
Period gap	1,703	(200,757)
Cumulative gap	1,703	(199,054)
Ratio of cumulative gap to total earning assets	0.21%	-25.08%

</TABLE>

<TABLE>
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Interest Sensitivity Analysis

March 31, 2000

(In thousands)

<S>	<C>	1-5 Years <C>	<C>	Over 5 Years <C>
Earning Assets:				
Loans, net of unearned income (3)	$ -	$ 266,535	$ -	$ 158,791
Investment securities	-	3,452	-	1,666
Securities available for sale.................	-	96,330	-	112,857
Federal funds sold	-	-	-	-
Other short-term investments	-	-	-	-
Total earning assets		366,317		273,314
Interest-Bearing Liabilities:				
Interest checking (2)	$ -	$ 100,875	$ -	$ -
Regular savings (2)	-	58,767	-	-
Money market savings	-	-	-	-
Certificates of deposit:				
$100,000 and over	-	28,149	-	108
Under $100,000	-	80,064	-	348
Short-term borrowings.........................	-	-	-	-
Long-term borrowings	-	39,128		35,000
Total interest-bearing liabilities		306,983		35,456
Period gap		59,334		

237,858		
Cumulative gap	$ (139,720)	$ 98,138
Ratio of cumulative gap to total earning assets	-17.61%	12.37%

</TABLE>

<TABLE>
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	Interest Sensitivity Analysis March 31, 2000	
		Total
	(In thousands)	
<S>	<C>	<C>
Earning Assets:		
Loans, net of unearned income (3)	$ -	$ 570,484
Investment securities	-	8,761
Securities available for sale.......................	-	213,660
Federal funds sold	-	76
Other short-term investments	-	565
Total earning assets		793,546
Interest-Bearing Liabilities:		
Interest checking (2)	$ -	$ 100,875
Regular savings (2)	-	58,767
Money market savings	-	62,323
Certificates of deposit:		-
$100,000 and over	-	106,893
Under $100,000	-	248,912
Short-term borrowings...............................	-	36,860
Long-term borrowings	-	80,778
Total interest-bearing liabilities		695,408
Period gap		
Cumulative gap		$ 98,138
Ratio of cumulative gap to total earning assets		

</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

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Earnings Simulation Analysis

Management uses simulation analysis to measure the sensitivity of net interest income to changes in interest rates. The model calculates an earnings estimate based on current and projected balances and rates. This method is subject to the accuracy of the assumptions that underlie the process, but it provides a better analysis of the sensitivity of earnings to changes in interest rates than other analysis such as the static gap analysis.

Assumptions used in the model, including loan and deposit growth rates, are derived from seasonal trends and management's outlook, as are the assumptions used to project yields and rates for new loans and deposits. All maturities, calls and prepayments in the securities portfolio are assumed to be reinvested in like instruments. Mortgage loans and mortgage backed securities prepayment assumptions are based on industry estimates of prepayment speeds for portfolios with similar coupon ranges and seasoning. Different interest rate scenarios and yield curves are used to measure the sensitivity of earnings to changing interest rates. Interest rates on different asset and liability accounts move differently when the prime rate changes and are accounted for in the different rate scenarios.

The following table represents the interest rate sensitivity on net interest income for the Company using different rate scenarios as of March 31, 2000:

Change in Prime Rate	% Change in Net Interest Income
+200 basis points	-0.62%

Flat	0
-200 basis points	+0.31%

Market Value Simulation

Market value simulation is used to calculate the estimated fair value of assets and liabilities over different interest rate environments. Market values are calculated based on discounted cash flow analysis. The net market value is the market value of all assets minus the market value of all liabilities. The change in net market value over different rate environments is an indication of the longer term repricing risk in the balance sheet. The same assumptions are used in the market value simulation as in the earnings simulation.

The following chart reflects the change in net market value over different rate environments as of March 31, 2000:

Change in Prime Rate	Change in Net Market Value (dollars in thousands)
+200 basis points	$ -41,580
+100 basis points	-25,092
Flat	-15,477
-100 basis points	8,109
-200 basis points	23,040

PART II - OTHER INFORMATION

Item 6 - Exhibits and Reports on Form 8-K

(a) See attached list of exhibits

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)

May 12, 2000 (Date)

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

May 12, 2000 (Date)

/s/ D. Anthony Peay
D. Anthony Peay,
Vice President and Chief Financial Officer

UNION BANKSHARES CORPORATION AND SUBSIDIARIES
Index to Exhibits
Form 10-Q /March 31, 2000

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

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