

Comstock Holding Reports Closing of Transaction by Its Real Estate Services Division

Arranges Equity Placement for Acme Development's Latest Multi-Family Development near San Antonio, Texas

WASHINGTON & RESTON, Va.--(BUSINESS WIRE)-- Comstock Holding Companies, Inc. ("Comstock"), (NASDAQ:CHCI), announced that its wholly owned subsidiary, Comstock Real Estate Services, LC ("CRES") has arranged the equity placement for the development of *The Heights @ Converse* on behalf of Acme Development, LLC of San Francisco, California ("Acme Development"). CRES facilitated the placement of approximately \$3.8 million of equity capital, provided by Kavalia, a Salt Lake City, Utah based investment group.

The Heights @ Converse is a \$22 million, 204-unit Class-A, multi-family community being developed by Acme Development in Converse, Texas, 15 miles northeast of San Antonio, a market where demand for rental housing continues to be fueled by an expanding employment base in the San Antonio MSA. *The Heights @ Converse* is being developed on a 10 acre site proximate to Randolph Air Force Base and will include numerous amenities such as a community clubhouse, fitness center, swimming pool and business center.

The new venture brings together Acme and Kavalia for the first time. "The key for Acme is having a financial partner and a capital markets advisor that understand the development process and the challenges that developers face on a daily basis. The teams at Kavalia and Comstock demonstrated an acute knowledge of residential real estate and were supportive throughout the acquisition process," stated Vince Sosniwski, President of Acme Development.

"Comstock Real Estate Services was established to provide investment advisory and other real estate related services where Comstock's extensive real estate development and capital markets experience add value beyond the traditional capital markets fee-for-services arrangement," said Comstock's Chairman and CEO Christopher Clemente. "Because of Comstock's diverse real estate development platform and the ability of CRES to draw on the resources of the entire Comstock organization, clients of CRES benefit from the value-add services that CRES is able to deliver while providing a conduit to the equity and debt capital markets."

"We are pleased to announce the partnering of Acme and Kavalia for *The Heights @ Converse*," said Stephen Trauner, Managing Director of Comstock Real Estate Services. "This development is a well positioned asset in a strong multi-family market being developed by an experienced operator. We look forward to CRES' continued expansion as we focus on our pipeline of capital markets and other real estate related assignments with well established sponsors."

For more information, contact Stephen Trauner, Managing Director of Comstock Real Estate Services, LC at 703-230-1293 or email: strauner@comstockcompanies.com.

About Comstock Holding Companies, Inc.

Comstock is a multi-faceted real estate development and services company that builds a wide range of housing products under its Comstock Homes brand through its wholly owned subsidiary, Comstock Homes of Washington, LC, and provides a variety of capital markets advisory and real estate asset related services through its wholly owned subsidiary, Comstock Real Estate Services, LC. Comstock's extensive real estate development experience positions Comstock Real Estate Services, LC to provide a unique brand of experience based capital markets advisory and real estate asset management services to clients nationwide. Comstock Holding Companies, Inc. is a publicly traded company, trading on NASDAQ under the symbol CHCI. For more information about Comstock, please visit: www.comstockhomes.com.

Cautionary Statement Regarding Forward-Looking Statements

This release contains "forward-looking" statements that are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties that may cause actual future results to differ materially from those projected or contemplated in the forward-looking statements including incurring substantial indebtedness with respect to projects, the diversion of management's attention and other negative consequences. Additional information concerning these and other important risks and uncertainties can be found under the heading "Risk Factors" in the Company's most recent Form 10-K, as filed with the Securities and Exchange Commission. Comstock specifically disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

Comstock:

Joe Squeri, 703-230-1229

Chief Financial Officer

jsqueri@comstockholding.com

or

Investor Relations:

LHA

Harriet Fried/Jody Burfening

212-838-3777

hfried@lhai.com

Source: Comstock Holding Companies, Inc.

News Provided by Acquire Media