



Comstock Holding Commences Construction of Momentum at Shady Grove

July 10, 2018

RESTON, Va., July 10, 2018 (GLOBE NEWSWIRE) -- Comstock Holding Companies, Inc., (NASDAQ:CHCI) ("CHCI" or the "Company"), announced it has begun development and construction of *Momentum* at Shady Grove, an all workforce housing multifamily building adjacent to the Shady Grove Metro Station in Rockville, Maryland. Comstock is developing this property as Asset Manager, responsible for oversight of development and construction of the property for a partnership group that includes Comstock and Tysons-based Stratford Capital, a leading developer of affordable workforce multifamily communities throughout the United States with particular expertise in Housing Tax Credits programs and HUD financing programs.

Contemporaneously with commencement of construction in June, Comstock closed on the sale of the land for the development, transferring the site to the Comstock - Stratford partnership formed for the purpose of developing *Momentum* at Shady Grove, located at 16011 Redland Road in Rockville, MD.

Momentum will include 110-units built above a two-story garage and is expected to deliver in Q1- 2020. The financing is provided in part through the Maryland Department of Housing and Community Development and the Montgomery County Department of Housing and Community Affairs. All of the units will be available to qualified residents under the Montgomery County Workforce Housing Program.

Stephen Wilson of Stratford Capital, speaking about the Momentum project, said, "The ability to work with Montgomery County and the State of Maryland has given us a great opportunity to provide much needed affordable housing with direct access to Metrorail solutions. It's a great development for the County and its citizens, for the tax base, as well as for Comstock and Stratford."

"We are excited to partner with the Stratford Capital team to develop the Momentum project," said Christopher Clemente, Chairman and Chief Executive Officer of Comstock. "The Momentum project supports Comstock's recently announced new business strategy while further deleveraging our balance sheet and further expanding our asset management platform. I look forward to reporting on additional progress in the coming months."

The Company's latest investor relations presentation describing the strategic plan of the Company can be found at www.ComstockCompanies.com.

About Comstock Holding Companies, Inc.

CHCI is a multi-faceted real estate development, asset management and real estate related services company that, since 1985, has designed, developed, constructed and managed several thousand residential units and millions of square feet of residential and mixed-use projects throughout the Washington, DC metropolitan market and in other key markets in the southeastern United States. In early 2018, CHCI transitioned its operating platform from being primarily focused on developing on-balance sheet, for-sale, homebuilding projects to being focused on commercial real estate development, asset management and real estate related services. As a result, CHCI began operating through two real estate focused platforms, CDS Asset Management ("CAM") and Comstock Real Estate Services ("CRES"). CAM provides real estate development, asset management, and property management services, while CRES provides development supply chain services, including capital markets, real estate brokerage, environmental consulting and design services in the Washington, DC metropolitan area and in New Jersey and Pennsylvania. Anchoring the transition of CHCI is a long-term asset management agreement covering two of the largest transit-oriented, mixed-use developments in the Washington, DC area; Reston Station, a 3 million square foot transit-oriented, mixed-use development located in Reston, VA, and Loudoun Station, a 2.5 million square foot transit-oriented, mixed-use development in Ashburn, VA, as well as other additional development assets. Comstock's substantial experience in entitling, designing, developing, and managing a diverse range of properties including apartments, single-family homes, townhomes, mid-rise condominiums, high-rise condominiums and mixed-use (residential and commercial) properties, as well as large scale commercial parking garages and infrastructure projects, has positioned the Comstock organization as a premier developer and real estate related service provider in the mid-Atlantic Region. Comstock Holding Companies, Inc. is a publicly traded company, trading on NASDAQ under the symbol CHCI. For more information about Comstock, please visit www.ComstockCompanies.com.

About Stratford Capital Group

SCG Development and its affiliate, Stratford Capital Group, comprise a privately owned national real estate investment and development firm, with a particular focus on affordable rental housing, with offices in Boston, Massachusetts and Tysons, Virginia. The principals of Stratford Capital have over 100 years of combined experience in all aspects of Low-Income Housing Tax Credit investment and development. Stratford Capital's current multifamily rental housing portfolio consists of over 23,000 apartment units located in thirty-two states and the District of Columbia. www.scgdevelopment.com

Cautionary Statement Regarding Forward-Looking Statements

This release includes "forward-looking" statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by use of words such as "anticipate," "believe," "estimate," "may," "intend," "expect," "will," "should," "seeks" or other similar expressions. Forward-looking statements are based largely on our expectations and involve inherent risks and uncertainties, many of which are beyond our control. You should not place undue reliance on any forward-looking statement, which speaks only as of the date made. Some factors which may affect the accuracy of the forward-looking statements apply generally to the real estate industry, while other factors apply directly to us. Any number of important factors which could cause actual results to differ materially from those in the forward-looking statements include, without limitation: our ability to successfully transition our business platform, including the winding down of our homebuilding business and our performance under the asset management agreement; completion of Comstock's financial accounting and review procedures; general economic and market conditions, including interest rate levels; our ability to service our debt; inherent risks in investment in real estate; our ability to compete in the markets in which we operate; economic risks in the markets in which we operate, including actions related to government spending; delays in governmental approvals and/or land development activity at our projects; regulatory actions; fluctuations in operating results; our anticipated growth strategies; shortages and increased costs of labor or building materials; the availability and cost of land in desirable areas; adverse weather conditions or natural disasters; our ability to raise debt and equity capital and grow our operations on a profitable basis; and our continuing

relationships with affiliates. Additional information concerning these and other important risk and uncertainties can be found under the heading "Risk Factors" in our Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, for the fiscal year ended December 31, 2017. Our actual results could differ materially from these projected or suggested by the forward-looking statements. Comstock claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all forward-looking statements contained herein. Comstock specifically disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

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