

## Comstock Homebuilding Reports Preliminary Results for Three Months Ended March 31, 2008

RESTON, VA, Apr 25, 2008 (MARKET WIRE via COMTEX News Network) -- Comstock Homebuilding Companies, Inc. (NASDAQ: CHCI) ("Comstock" or the "Company") today released unaudited preliminary results for its first quarter of 2008 which ended on March 31, 2008.

Highlights of 1Q 2008 preliminary results are as follows:

(dollars in 000s)	All			
	DC Metro	Raleigh	Atlanta	Markets
Gross new orders	24	18	9	51
Cancellations	4	8	4	16
Net new orders	20	10	5	35
Gross new order revenue	\$ 8,240.2	\$ 4,207.1	\$ 2,785.7	\$ 15,233.0
Cancellation revenue	\$ 888.9	\$ 2,726.3	\$ 954.7	\$ 4,569.9
Net new order revenue	\$ 7,351.3	\$ 1,480.7	\$ 1,831.1	\$ 10,663.1
Settlements	16	22	10	48
Settled revenue	\$ 6,062.2	\$ 6,473.6	\$ 3,398.0	\$ 15,933.8
Backlog	17	27	14	58
Backlog revenue	\$ 4,609.7	\$ 7,949.2	\$ 4,665.0	\$ 17,223.8

Additional highlights of the quarter ended March 31, 2008 include:

- Gross new order revenue at the Company's Eclipse project was \$5.8 million on 12 gross new orders. Net new order revenue at the Eclipse was \$5.2 million on 9 net new orders after cancellations. Settlement revenue for the quarter at the Eclipse was \$4.4 million on 9 settlements at an average of \$484,230 per unit or \$494.90 per square foot;
- The Company will report positive gross margin of approximately 13% before non-cash charges for the quarter. Based on preliminary results, the Company expects to report positive net income for the quarter;
- During the quarter the Company closed on a \$40.0 million revolving credit facility with KeyBank National Association which refinanced the Company's Eclipse at Potomac Yard and Towns at Station View projects and provided discretionary working capital to the Company;
- Concurrent with the closing of the KeyBank facility the Company executed on its option to restructure its \$30.0 million senior unsecured debt with JP Morgan Ventures. Under the terms of the option, the Company paid \$6.0 million in cash to JP Morgan Ventures, entered into an amended and restated five-year indenture for \$9.0 million and issued a seven-year warrant to JP Morgan Ventures for the purchase of 1.5 million shares of the Company's Class A common stock at \$0.70 per share. The remaining \$15.0 million previously outstanding under the indenture was cancelled;
- The \$15.0 million of debt cancellation was accounted for in accordance with FAS 15, 'Accounting by Debtors and Creditors for Troubled Debt Restructurings.' Under FAS 15, the Company will record an \$8.4 million pre-tax gain in the quarter after accounting for \$2.2 million of restructuring expenses and \$4.4 million of future interest cost associated with the restructured notes. In accordance with FAS 15, the \$4.4 million of future interest cost is carried on the Company's balance sheet at March 31, 2008 as additional debt associated with the restructured notes. The Company will reduce the incremental outstanding debt and recognize the \$4.4 million gain on a quarterly basis over the remaining life of the notes.

The Company announced that it will hold an investor conference call hosted by Christopher Clemente, Chief Executive Officer, and Bruce Labovitz, Chief Financial Officer, on Wednesday, May 14, 2008 at 1:00 p.m. EDT. To participate by telephone, the domestic dial-in number is 877-323-2090 and the international dial-in is 416-695-6120. There is no access code required. Investors are advised to join at least five minutes prior to the call to register. The call will also be available via live webcast on the Company's website at <http://www.comstockhomebuilding.com> in the "Investor Relations" section. The call will be archived for seven days. Domestic callers can access the instant replay at 800-408-3053 and international caller can access the instant replay at 416-695-5800. The access code for the instant replay is 3259537.

## About Comstock Homebuilding Companies, Inc.

Established in 1985, Comstock Homebuilding Companies, Inc. is a publically traded, diversified real estate development firm with a focus on affordably priced for-sale residential products. Comstock builds and markets single-family homes, townhouses, mid-rise condominiums, high-rise condominiums, mixed-use urban communities and active adult communities. The company currently markets its products under the Comstock Homes brand in the Washington, D.C.; Raleigh, North Carolina; and Atlanta, Georgia metropolitan areas. Comstock Homebuilding Companies, Inc. trades on Nasdaq under the symbol CHCI. For more information on the Company or its projects please visit [www.comstockhomebuilding.com](http://www.comstockhomebuilding.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. Statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "may," "will," "expects," "projects," "anticipates," "estimates," "believes," "intends," "plans," "should," "seeks," and similar expressions, including statements related to Comstock's expected future financial results and anticipated growth in the Washington, D.C. housing market, are forward-looking statements. 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. These risks and uncertainties include, but are not limited to, economic, market and competitive conditions affecting Comstock and its operations and products, risks and uncertainties relating to the market for real estate generally and in the areas where Comstock has projects, the availability and price of land suitable for development, materials prices, labor costs, interest rates, Comstock's ability to service its significant debt obligations, fluctuations in operating results, anticipated growth strategies, continuing relationships with affiliates, environmental factors, government regulations, the impact of adverse weather conditions or natural disasters and acts of war or terrorism. 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 on March 16, 2007. 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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