

Comstock Homebuilding Companies, Inc. and Senior Unsecured Noteholder Modify Terms and Extend Closing on Restructuring of \$30 Million Notes

In Connection With Extension, Company Postpones Filing of 10-K and Investor Conference Call

RESTON, VA, Mar 10, 2008 (MARKET WIRE via COMTEX News Network) -- Comstock Homebuilding Companies, Inc. (NASDAQ: CHCI) ("Comstock" or the "Company") today announced that it entered into an amended and restated agreement (the "Agreement") with JP Morgan Ventures (the "Noteholder") relating to its \$30.0 million senior unsecured notes (the "Notes"). Under the terms of the Agreement the Company and the Noteholder have extended the Company's option to secure a \$15.0 million discount in the outstanding principal amount of the notes from March 10, 2008 to March 14, 2008. The Company indicated that it intends to make a \$6.0 million cash payment to the Noteholder (as compared to \$8.0 million previously required), enter into an amended and restated indenture for \$9.0 million (as compared to \$7 million previously required) and issue the Noteholder a warrant for the purchase of one million five hundred thousand (1,500,000) shares of the Company's Class A Common Stock with a seven-year term at an exercise price of \$0.70 per share (as compared to 1,000,000 shares previously required). Under the terms of the Agreement the Company increased its non-refundable deposit from \$250,000 to \$1,000,000 with the deposit to be applied at closing. Other terms of the Agreement remained the same. The closing extension was requested by the Company to allow it time to close on the financing needed to execute on its option.

For fiscal year 2007 the Company is a non-accelerated filer which means it has until the end of March to file its 10-K. In connection with the extension of closing on the restructuring of the Notes, the Company has elected to postpone the filing of its 10-K and its investor conference call both to accommodate full disclosure of the transaction and associated funding in its filing and to allow for discussion of the transactions during its investor conference call. The Company now expects to release its 10-K on March 24, 2008 and hold its investor conference call on March 25th, 2008. Details for the call will be forthcoming.

About Comstock Homebuilding Companies, Inc.

Established in 1985, Comstock Homebuilding Companies, Inc. is a publicly traded, diversified real estate development firm with a focus on affordable 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 DC; 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.

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 DC housing market, are forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause 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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SOURCE: Comstock Homebuilding Companies, Inc.