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Comstock Homebuilding Companies, Inc. Issues Guidance for Third Quarter 2005 of \$0.80 Diluted EPS

Company Issues Revised Diluted Earnings Per Share Guidance for 2005 of \$2.75 and Issues Guidance for 2006 of \$3.95-\$4.05 Diluted Earnings Per Share

RESTON, Va., Oct. 10 /PRNewswire-FirstCall/ -- Comstock Homebuilding Companies, Inc. (Nasdaq: CHCI), today announced that it was issuing guidance for the three months ended September 30, 2005 of \$0.80 diluted earnings per share. Previous diluted earnings per share guidance as adjusted for the Company's June 2005 follow-on offering was \$0.77 to \$0.80.

The Company also announced that it was revising previously issued 2005 diluted earnings per share guidance to \$2.75 based on an estimate weighted average share count for 2005 of approximately 13.1 million shares. Previous guidance for 2005 was \$2.68 to \$2.73. In addition, the Company announced first time guidance of \$3.95 to \$4.05 diluted earnings per share for fiscal 2006.

"We are confident in the strength of the greater Washington, DC market and in our business plan," said Christopher Clemente, Chairman and CEO. "We believe that our inventory is well positioned to deliver results into 2007 and we are confident about our ability to execute. Major projects such as The Eclipse at Potomac Yard are progressing on schedule. The strength of our balance sheet has given us an advantage when competing for land deals and we have been adding to the inventory which we control. Sales in September were weaker than we had hoped because we had fewer projects actually open and selling during the month. By the end of the year we plan to open six new projects and resume selling at four existing projects where we had either sold through existing releases or were waiting for development to catch up to sales. The management team and I remain focused on our business and as a team we are committed to executing on our projections."

About Comstock Homebuilding Companies, Inc. Comstock is a production homebuilder that develops, builds, and markets single-family homes, townhouses, mid-rise condominiums, high-rise condominiums, mixed-use developments and condominium conversions. The Company currently operates in the Washington, D.C. and Raleigh, North Carolina markets where it targets a diverse range of buyers, including first-time, early move-up, secondary move-up, empty nester move-down and active adult home buyers. For more information on Comstock, please visit <http://www.comstockhomebuilding.com>.

This press release includes "forward-looking statements" within the meaning of the federal securities laws, which involve uncertainties and risks. These include statements regarding events or developments that the Company expects or anticipates will occur in the future, such as statements about the Company's strategies to improve operating performance. Please refer to the Company's prospectus and its other filings with the Securities and Exchange Commission for a complete discussion of these and other important factors that could cause results to differ materially from those projected by these forward-looking statements.

SOURCE Comstock Homebuilding Companies, Inc.

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