

Comstock Homebuilding Companies, Inc. Issues Guidance for Q4 2005

Company's board of directors authorizes a one million share buyback program

RESTON, Va., Dec. 5 /PRNewswire-FirstCall/ -- Comstock Homebuilding Companies, Inc. (Nasdaq: CHCI) ("Comstock or the Company") today issued guidance for the fourth quarter of 2005 of \$1.01 to \$1.10 diluted earnings per share on an estimated 14.3 million shares outstanding and adjusted its guidance for fiscal year 2005 to \$2.50 to \$2.60 diluted earnings per share based on an estimated 13.1 million weighted average shares outstanding. The Company noted that while this amount is slightly lower than previous guidance, it is still greater than the initial guidance provided by the Company on March 1, 2005 of \$2.15 which when adjusted for the current estimated weighted average share count for 2005 equates to approximately \$1.98 per share. Accordingly, the revised guidance remains significantly above initial guidance for 2005.

The Company also reported that its board of directors has authorized a one million share buyback program to be administered by management. No shares have been redeemed to date under this authorization.

In addition, the Company reported that it has begun planning an expansion in certain markets outside its core market of Washington DC.

"We have accomplished a great deal in our first year as a public company," said Christopher Clemente, Chairman and CEO. "Our achievements in 2005 will surpass our initial expectations for the year and position Comstock for tremendous additional growth in 2006 and beyond. Our backlog of sales remains very strong and will provide a solid foundation for organic growth during 2006 and 2007 in our core markets, while our access to capital will enable Comstock to generate additional growth through expansion into other strong housing markets. We have several initiatives in process and will be outlining our expansion plans further in the first quarter. We will stay true to our strategy of providing a diverse selection of affordably priced products in all of our operations because we believe it minimizes the impact of shifting market conditions."

About Comstock Homebuilding Companies, Inc.

Comstock is a production homebuilder and real estate developer that develops, builds, and markets single-family homes, townhouses, mid-rise condominiums and high-rise condominiums. 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>.

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 prospectus from Comstock's initial public offering, as filed with the Securities and Exchange Commission on December 15, 2004. Comstock specifically disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

SOURCE Comstock Homebuilding Companies, Inc.

CONTACT: Carrie Blewitt, +1-202-448-3129, cblewitt@qorvis.com