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## **Comstock Homebuilding Companies, Inc. Reports 71% Increase in Net Unit Sales for First Two Months of 2005**

RESTON, Va., March 14, 2005 /PRNewswire-FirstCall via COMTEX/ -- Comstock Homebuilding Companies, Inc. (Nasdaq: CHCI) today announced that it has generated 166 net new orders valued at \$63.6 million for the first two months of 2005. This was an increase of 69 units and \$29.3 million as compared to 97 net new orders valued at \$34.3 million for the first two months of 2004. These increases represented a 71% year over year growth in net new orders and an 86% increase in net new order value.

The company reported a backlog of 572 undelivered orders as of February 28, 2005 valued at \$225.7 million as compared to 203 units at February 29, 2004 valued at \$65.8 million and 453 units at December 31, 2004 valued at \$174.6 million. This represents a 182% increase in units and a 243% increase in backlog contract value as compared to February 29, 2004 and a 26% increase in units and a 29% increase in backlog contract value as compared to December 31, 2004.

The company reaffirmed its guidance both for \$2.15-\$2.20 per share for 2005 and 50-60% revenue growth in 2006 over the previously estimated \$250-260 million in revenue for 2005.

"Our results for the first two months of 2005 are representative of the tremendous demand for new homes in our core market of the greater Washington DC area," said Christopher Clemente, founder and CEO, Comstock Homebuilding. "The driving forces of demand for new homes are job growth and population growth, not interest rates. Job growth in the Washington area leads the nation and the population is estimated to increase by over 800,000 over the next 5 years. There is a shortage of new homes in the region and the current supply simply cannot keep up with demand. Traffic at our projects remains strong. And, as a result of our IPO, we are in a position to capitalize on some of the best opportunities in the market. We expect that the greater Washington, DC area will continue to be a great place to be in the homebuilding business."

About Comstock Homebuilding Companies, Inc.

Comstock is a production homebuilder that develops, builds, and markets single-family homes, townhouses, and 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>.

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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