

Comstock Holds Initial Closing for Private Placement Offering

RESTON, Va.--(BUSINESS WIRE)-- Comstock Holding Companies, Inc. (Nasdaq: [CHCI](#)) ("Comstock" or the "Company"), a homebuilding and multi-faceted real estate development and services company in the Washington, D.C. metropolitan area, today announced the initial closing of the private placement offering (the "Offering") by Comstock Investors VIII, L.C. ("Investors VIII"), the latest in a series of private placement offerings sponsored by the Company to raise capital to fund its development pipeline.

The initial closing of the Offering raised \$1.55 million for Investors VIII, and the Company intends to keep the Offering open until Investors VIII raises its targeted amount of \$4 million. Participants in Investors VIII are entitled to a preferred return of 20% per annum. The proceeds from the Offering will be used to build a 45-unit Maxwell Square condominium in historic Frederick, Md. and Hall Crest, a community of 42 townhomes, in Sterling, Va. and for general corporate purposes.

Upon the final closing of the Offering and the full funding of Investors VIII, which is expected by the end of month, the Company, through its subsidiaries, will have raised approximately \$11 million in 2013 to fund its most recent residential projects.

Prospective investors interested in the Offering or Comstock should contact Stephen Trauner, Vice President-Investments at strauner@comstockcompanies.com or 703.230.1985. To participate in the Offering, an investor must be qualified as an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended. Generally, individuals are considered "accredited investors" if they have (i) gross income (or joint gross income together with a spouse) in excess of \$200,000 (\$300,000 jointly) in each of the last two calendar years with the expectation of the same in the current year, or (ii) a net worth greater than \$1,000,000 (excluding their primary residence).

About Comstock Holding Companies, Inc.

Comstock is a homebuilding and multi-faceted real estate development and services company that builds a wide range of housing products under its Comstock Homes brand through its wholly owned subsidiary, Comstock Homes of Washington, LC. Our track record of developing numerous successful new home communities and more than 5,500 homes, together with our substantial experience in building a diverse range of products including apartments, single-family homes, townhouses, mid-rise condominiums, high-rise condominiums and mixed-use (residential and commercial) developments, has positioned Comstock as a leading residential developer and homebuilder in the Washington, D.C. metropolitan area. Comstock Holding Companies, Inc. is a publicly traded company, trading on NASDAQ under the symbol CHCI. For more information about Comstock or its new home communities, please visit www.comstockhomes.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. 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 including incurring substantial indebtedness with respect to projects, the diversion of management's attention and other negative consequences. 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. 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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