



PRESS RELEASE

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FOR IMMEDIATE RELEASE:

COMSTOCK EXPANDS HOMEBUILDING INTO ACTIVE ADULT MARKET

Two Rivers Community Could Generate in Excess of \$50 Million in Revenues over Project Life

Washington, DC/Reston, VA (NOVEMBER 5, 2014) - Comstock Homes of Washington, LC, a wholly owned subsidiary of Comstock Holding Companies, Inc. (NASDAQ: CHCI), has entered into a lot option contract covering 120 building lots in *The Preserve at Two Rivers*, a master planned active adult community in Anne Arundel County, Maryland.

Beginning in early 2015, Comstock plans to introduce a new model line of villa-style homes ranging in size from approximately 1,950 to 2,500 square feet priced from the low to mid \$400's. Comstock joins other leading homebuilders, such as NV Homes, Ryan Homes and Classic Communities, in this amenity-rich community, which will include over 2,000 homes at build-out.

Two Rivers is ideally situated midway between Washington, DC and Baltimore, MD and within easy reach of Annapolis, MD. Designed for the mobile 55+ resident, Two Rivers features robust lifestyle amenities, including two swimming pools, an elegant clubhouse, and extensive open space with walking/biking paths.

The demand for age-targeted communities is increasing as the nation's population ages. More than 10,000 people reach the age of 50 each day in America, increasing the active adult target market from 80 million in the 1990s to more than 135 million today. The growth of this age demographic has contributed to this segment of the housing market being among the best performing in recent years, as downsizing baby boomers become empty nesters seeking new lifestyles.

"Our entry into the active adult segment of the market with the Two Rivers project will provide us an additional opportunity to grow Comstock and enable us to continue our strategic expansion in our core market, the Washington, DC region," said Christopher Clemente, Chief Executive Officer. "Increasing scale is critical to our mission of achieving consistent profitability. Our success over the past two years in expanding our open community count illustrates Comstock's ability to achieve growth. We believe expanding our already diverse product offerings to include age-targeted products will enable us to pursue growth in an additional and proven segment of the market."

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 the growth of the active adult market, building on the

lots purchased through the lot option contracts, realization of the pricing and sale of the units, and incurring substantial indebtedness with respect these projects. 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.

About Comstock Holding Companies, Inc.

Comstock is a multi-faceted real estate development and services company, which builds a wide range of housing products under its Comstock Homes brand through its wholly owned subsidiary, Comstock Homes of Washington, LC. 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 prominent real estate 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 projects please visit <http://www.comstockhomes.com>

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