

COMSTOCK HOLDING™

COMSTOCK HOLDING COMPANIES, INC.

April 30, 2018

Dear Fellow Stockholders:

You are cordially invited to attend the annual meeting of stockholders of Comstock Holding Companies, Inc. (the "Company") to be held at 10:00 a.m. local time, on June 12, 2018, in the Conference Center at Reston Station, located at 1900 Reston Metro Plaza, Reston, Virginia 20190.

This year promises to be a year of significant change and renewed opportunity for our Company. As recently announced, we have determined that the slim margins generated by exclusively focusing on for-sale homebuilding in the Washington, DC region are not adequate to drive shareholder value. Given Comstock's significant experience with commercial real estate development and asset management, we have recently implemented a change in strategic direction focusing on our exit of a higher risk, low margin for-sale homebuilding model to refocus our Company on commercial real estate development, asset management, and higher margin development supply-chain services.

The transition of the Company's business platform represents the integration of the previously separate for-sale homebuilding operating platform of CHCI and the commercial development operating platform of privately held entities that I own into one public operating company: CHCI. The combination leverages the diverse capabilities and relationships developed over more than 30 years of commercial and residential development operations of the Comstock organization in the Washington, DC metropolitan area. The enhanced operating platform of CHCI will be service focused, transitioning from a small-scale, for-sale residential builder with significant balance sheet exposure, into a large-scale commercial development firm with a significant portfolio of investment-grade commercial real estate assets under management ("AUM") with no balance sheet risk associated with the development of the assets we manage.

The enhanced operating platform of the Company will operate through two real estate focused platforms:

- CDS Asset Management ("CAM"), which provides real estate development, asset management and property management services, and
- Comstock Real Estate Services ("CRES"), which provides development supply chain services including capital market services, real estate brokerage, environmental consulting/remediation, and design services.

By refocusing our Company, I believe that we have positioned CHCI for greater financial stability, profitability and growth. The transition will result in a substantial reduction in short-term and long-term debt, enhancing the overall financial profile of the Company in the near term as we complete the majority of our for-sale homebuilding projects by year-end 2018. It also positions the Company to benefit from tremendous growth taking place in the key employment centers throughout the Washington, DC area. With our initial asset management agreement in place and with development entitlements substantially in place, our Company is positioned to increase revenue through fee-based development of multiple properties in markets experiencing high-demand for the type of mixed-use, transit-oriented properties that are covered by the initial asset management agreement, while pursuing expansion of AUM and additional growth of service based revenue.

In addition to the regular agenda items for the annual meeting detailed below, the Company's management team will be in attendance at the annual stockholders meeting to answer questions and to provide an overview of the Company's new business platform and strategy, provide an update regarding the winding down of Comstock's for-sale homebuilding projects, and discuss progress being made with respect to our recently adopted focus on commercial real estate development, asset management, and fee based services. It is intentional that we have scheduled the upcoming stockholders meeting at a new location, Reston Station, as this mixed-use, transit-oriented development is one of the key assets in the 5+ million square foot portfolio of stabilized and development assets that represents Comstock's initial assets under management. For those unable to attend the annual stockholders meeting, a detailed discussion of the Company's strategic approach to creating value is covered in the Company's latest investor relations presentation, which can be found at www.ComstockCompanies.com.

At the annual meeting, stockholders of record as of May 11, 2018 will be asked to: (i) elect two directors, each serving for a three-year term expiring at the 2021 annual meeting of stockholders, or until their successors are duly elected and qualified, or until their earlier resignation or removal; (ii) ratify the appointment of our independent registered public accounting firm for 2018; (iii) approve, on a non-binding, advisory basis, the 2017 compensation of our named executive officers (referred to as a "say-on-pay" vote); and (iv) transact any other business that may come before the stockholders of Company that are in attendance. Details regarding the matters to be acted upon at the annual meeting appear in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement. Our Board of Directors unanimously recommends that stockholders vote in favor of each of these proposals.

If you do not you plan to attend the annual meeting, we urge you to complete, sign and date the accompanying proxy card and return it in the enclosed postage-prepaid envelope as soon as possible so that your shares will be represented at the annual meeting. If after submitting your proxy, you decide to attend the annual meeting in person or change your vote, you may withdraw your proxy and vote in person at the annual meeting. Voting by written proxy simply ensures your representation at the annual meeting if you do not attend in person.

Thank you for your continued support of Comstock. I hope to see you at the annual meeting.

Very truly yours,



Christopher Clemente
Chief Executive Officer and Chairman