

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **September 9, 2005 (September 2, 2005)**

COMSTOCK HOMEBUILDING COMPANIES, INC.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE
(State or Other
Jurisdiction of Incorporation)

1-32375
(Commission File Number)

20-1164345
(IRS Employer
Identification No.)

**11465 SUNSET HILLS ROAD, SUITE 510
RESTON, VIRGINIA 20910**
(Address of principal executive offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: **(703) 883-1700**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Transaction.

A. On September 2, 2005, Comstock Homebuilding Companies, Inc. (the "Company"), through Comstock Bellemeade, L.C. (the "Bellemeade Subsidiary"), a wholly-owned subsidiary of the Company, completed its due diligence and formally committed to an acquisition to be made pursuant to the Agreement of Sale, dated August 12, 2005 (as amended, the "Sale Agreement"), by and between Bellemeade Subsidiary and Fairfield Bellemeade Farms LLC, a Delaware limited liability company (the "Seller"). The Sale Agreement provides for the acquisition of an apartment property known as Bellemeade Farms Apartments located in Leesburg, Virginia to be converted into condominiums, for a purchase price of approximately \$44.1 million. The Company, through Bellemeade Subsidiary, now intends to proceed to settlement on the acquisition.

Bellemeade Farms Apartments is currently a 316-unit apartment complex consisting of studio, one and two bedroom apartments. The Company plans to convert the apartment units to condominium units and sell those converted and upgraded units to the public. The Sale Agreement provides for the payment in full of the \$44.1 million purchase price on the closing date, which is currently scheduled for September 2005.

B. On September 2, 2005, the Company, through Comstock Carter Lake, L.C. (the "Carter Lake Subsidiary"), a wholly-owned subsidiary of the Company, completed its due diligence and formally committed to an acquisition to be made pursuant to the Agreement of Purchase and Sale, dated June 23, 2005 (as amended, the "Purchase Agreement"), by and between Carter Lake Subsidiary and ER Carter, L.L.C., a Delaware limited liability company (the "Seller"). The Purchase Agreement provides for the acquisition of an apartment property known as Carter Lake Apartments located in Reston, Virginia for a purchase price of approximately \$36.2 million. The Company, through Carter Lake Subsidiary, now intends to proceed to settlement on the acquisition.

Carter Lake Apartments is currently a 258-unit apartment complex consisting of one and two bedroom apartments. The Company plans to redevelop the community and convert the apartments to condominium units and sell those converted and upgraded units to the public. The Purchase Agreement provides for the payment in full of the \$36.2 million purchase price on the closing date, which is currently scheduled for December 2005.

Item 9.01. Financial Statements and Exhibits.

- (a) Exhibits.

**Exhibit
Number**

Description

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 9, 2005

COMSTOCK HOMEBUILDING COMPANIES, INC.

By: /s/ Jubal R. Thompson
Jubal R. Thompson
General Counsel and Secretary

EXHIBIT INDEX

<u>Exhibit Number</u>	
99.1	Press Release by Comstock Homebuilding Companies, Inc., dated September 9, 2005.

Media Contact:
 Carrie Blewitt
 cblewitt@qorvis.com
 202-448-3129

**COMSTOCK HOMEBUILDING COMPANIES, INC. ENTERS INTO
 PURCHASE CONTRACTS TO ACQUIRE CONDOMINIUM CONVERSIONS**

*Company contracts to purchase two existing apartment projects with a
 total of 594 units in the Northern Virginia suburbs*

Reston, Virginia (September 9, 2005) – Comstock Homebuilding Companies, Inc. (Nasdaq: CHCI) (“Comstock or the “Company”) today announced that it had entered into definitive agreements to purchase two condominium conversion projects totaling 574 units in the Company’s primary market of the greater Washington DC metropolitan area.

Carter Lake Condominiums is a 258-unit existing apartment community located in Reston, Virginia in Fairfax County. Through a substantial redevelopment effort including reconfiguration of unit layouts, new kitchens and flooring, exterior refinishing and amenity improvements the project is being converted to moderately priced, for-sale condominiums targeted to first time and early move-up home buyers. Closing on the property by the Company is set for late 2005. Sales are expected to open in the fourth quarter of 2005 with deliveries to begin in the second quarter of 2006.

Bellmeade Condominiums is a 316-unit existing apartment community located in Leesburg, Virginia in Loudoun County. Through a redevelopment effort including new kitchens and flooring, exterior refinishing and amenity improvements the project is being converted to for-sale condominiums targeted to first time home buyers. Closing on the property by the Company is set for late September 2005. Financing will be provided by Bank of America. Sales are expected to open in the fourth quarter of 2005 with deliveries to begin in the first quarter of 2006.

“These two acquisitions are perfectly aligned with our strategic focus on developing quality homes at price points targeted to first time and early move-up buyers,” said Christopher Clemente, Chairman and CEO. “We see these types of condominium conversion projects as perfectly positioned to bridge the new and resale markets. By identifying unique projects in desirable locations we offer quality “like-new” homes with standard warranties. These projects fill what we see as an affordability void in the greater Washington DC area. This is another example of our ability to efficiently invest the capital we raised in our IPO and follow-on offering and we are very excited these two projects.”

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.