

**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): **May 14, 2024**

Comstock Holding 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.)

1900 Reston Metro Plaza, 10TH Floor
Reston, Virginia 20190
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(703) 230-1985**

(Former name or former address, if changed since last report)

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:

- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.01	CHCI	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On May 14, 2024, Comstock Companies, Inc. (the “Company”) issued a press release providing information regarding earnings for the quarter ended March 31, 2024. A copy of the press release is attached hereto as Exhibit 99.1.

The information included in this Form 8-K is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section. The information in this Form 8-K shall not be incorporated by reference into any filing under the Securities Act of 1933, except as shall otherwise be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Comstock Holding Companies, Inc. press release, dated May 14, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

COMSTOCK HOLDING COMPANIES, INC.

Date: May 14, 2024

By: /s/ CHRISTOPHER CLEMENTE
Christopher Clemente
Chairman and Chief Executive Officer

COMSTOCK

Comstock Reports First Quarter 2024 Results

Significant managed portfolio expansion continues recent growth trajectory

- Revenue increased 4% to \$10.6 million; 15th consecutive period of year-over-year growth
 - 45% increase in recurring fee-based Property & Parking Management revenue
 - 20 additional AUM vs. prior year, including 12 new third-party ParkX contracts
- Net income of \$0.9 million, an increase of 21% vs. prior year; Adjusted EBITDA of \$1.5 million
- 10 commercial leases executed in Q124, including 7 new tenants; Commercial portfolio expansion includes delivery of first trophy-class office tower in The Row at Reston Station, expanding capacity for new leasing activity
- Residential managed portfolio 96% leased; in-place rent growth of 7% vs. prior year

RESTON, Va. — May 14, 2024 — Comstock Holding Companies, Inc. (Nasdaq: CHCI) (“Comstock” or the “Company”), a leading asset manager, developer, and operator of mixed-use and transit-oriented properties in the Washington, D.C. region, announced its financial results for the first quarter ended March 31, 2024.

“In Q1 we achieved comparative revenue growth for the 15th consecutive quarter as expected thanks to versatility of our business model,” said Christopher Clemente, Comstock’s Chairman and Chief Executive Officer. “Our impressive increase in fee-based property and parking management revenue will drive future results, thanks particularly to the efforts of our rapidly growing ParkX team. The high-quality assets in our managed portfolio remain in demand, best evidenced by our ability to sign 5 new tenants in Q1 at The Hartford in Arlington’s vibrant Clarendon neighborhood. Finally, we reached a significant milestone this quarter with the initial delivery of managed assets from The Row at Reston Station, the \$1.3 billion development that will drive our next significant growth phase. I am pleased with our first quarter progress and look forward to adding to our success story throughout the remainder of 2024.”

Key Performance Metrics

<i>(\$ in thousands, except per share and portfolio data)</i>	Q1 2024	Q1 2023
Revenue	\$ 10,638	\$ 10,275
Net income	910	754
Adjusted EBITDA	\$ 1,486	\$ 1,626
Net income per share — diluted	\$ 0.09	\$ 0.07
Managed Portfolio - # of assets	65	45

Please see the included financial tables for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure.

Additional Information

- Managed commercial portfolio leased percentage for stabilized assets of 93% (excludes newly delivered office tower from The Row at Reston Station); executed 10 commercial leases representing over 40,000 square feet.

- Managed residential portfolio leased percentage of 96%, up 3% vs. Q123; more than 170 units leased in Q124.
- ParkX total revenue grew 44% vs. the prior year due to rapid expansion of ParkX managed portfolio that now includes 3 new garages and 15 new contracts (12 with third-party owners).
- Significant construction progress made on The Row at Reston Station development that will deliver 4 new buildings representing 1.2 million square feet and a 1,200-plus space parking garage over the next 12 to 24 months.

About Comstock

Founded in 1985, Comstock is a leading asset manager, developer, and operator of mixed-use and transit-oriented properties in the Washington, D.C. region. With a managed portfolio that includes approximately 10 million square feet of stabilized, under construction, and planned assets that are strategically located at key Metro stations, Comstock is at the forefront of the urban transformation taking place in one of the nation's best real estate markets. Comstock's developments include some of the largest and most prominent mixed-use and transit-oriented projects in the mid-Atlantic region, as well as multiple large-scale public-private partnership developments. For more information, please visit Comstock.com.

Cautionary Statement Regarding Forward-Looking Statements

This release may include "forward-looking" statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by use of words such as "anticipate," "believe," "estimate," "may," "intend," "expect," "will," "should," "seeks" or other similar expressions. Forward-looking statements are based largely on our expectations and involve inherent risks and uncertainties, many of which are beyond our control. You should not place any undue reliance on any forward-looking statement, which speaks only as of the date made. Any number of important factors could cause actual results to differ materially from those projected or suggested by the forward-looking statements. Comstock specifically disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments, or otherwise.

Investor Contact

Christopher Guthrie
Executive Vice President & Chief Financial Officer
cguthrie@comstock.com
703-230-1292

Media Contact

publicrelations@comstock.com
301-785-6327

COMSTOCK HOLDING COMPANIES, INC.
Consolidated Balance Sheets
(Unaudited; In thousands)

	March 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 16,222	\$ 18,788
Accounts receivable, net	387	496
Accounts receivable - related parties	4,862	4,749
Prepaid expenses and other current assets	609	353
Total current assets	22,080	24,386
Fixed assets, net	608	478
Intangible assets	144	144
Leasehold improvements, net	82	89
Investments in real estate ventures	6,328	7,077
Operating lease assets	6,575	6,790
Deferred income taxes, net	10,675	10,885
Deferred compensation plan assets	324	53
Other assets	30	37
Total assets	\$ 46,846	\$ 49,939
Liabilities and Stockholders' Equity		
Current liabilities:		
Accrued personnel costs	\$ 778	\$ 4,681
Accounts payable and accrued liabilities	898	838
Current operating lease liabilities	871	854
Total current liabilities	2,547	6,373
Deferred compensation plan liabilities	324	77
Operating lease liabilities	6,047	6,273
Total liabilities	8,918	12,723
Stockholders' equity:		
Class A common stock	96	94
Class B common stock	2	2
Additional paid-in capital	201,912	202,112
Treasury stock	(2,662)	(2,662)
Accumulated deficit	(161,420)	(162,330)
Total stockholders' equity	37,928	37,216
Total liabilities and stockholders' equity	\$ 46,846	\$ 49,939

COMSTOCK HOLDING COMPANIES, INC.
Consolidated Statements of Operations
(Unaudited; In thousands, except per share data)

	Three Months Ended March 31,	
	2024	2023
Revenue	\$ 10,638	\$ 10,275
Operating costs and expenses:		
Cost of revenue	8,885	8,323
Selling, general, and administrative	535	564
Depreciation and amortization	68	67
Total operating costs and expenses	9,488	8,954
Income (loss) from operations	1,150	1,321
Other income (expense):		
Interest income	141	—
Gain (loss) on real estate ventures	(193)	(411)
Other income (expense), net	22	—
Income (loss) from operations before income tax	1,120	910
Provision for (benefit from) income tax	210	156
Net income (loss)	\$ 910	\$ 754
Weighted-average common stock outstanding:		
Basic	9,794	9,583
Diluted	10,169	10,069
Net income (loss) per share:		
Basic	\$ 0.09	\$ 0.08
Diluted	\$ 0.09	\$ 0.07

COMSTOCK HOLDING COMPANIES, INC.
Non-GAAP Financial Measures
(Unaudited; In thousands)

Adjusted EBITDA

The following table presents a reconciliation of net income (loss) from continuing operations, the most directly comparable financial measure as measured in accordance with GAAP, to Adjusted EBITDA:

	Three Months Ended March 31,	
	2024	2023
Net income (loss)	\$ 910	\$ 754
Interest income	(141)	—
Income taxes	210	156
Depreciation and amortization	68	67
Stock-based compensation	246	238
(Gain) loss on real estate ventures	193	411
Adjusted EBITDA	\$ 1,486	\$ 1,626

The \$0.1 million decrease in Adjusted EBITDA is primarily driven by higher supplemental revenue from leasing finders' fees in 2023, partially offset by an increase in recurring fee-based property management revenue in the current period.

We define Adjusted EBITDA as net income (loss) from continuing operations, excluding the impact of interest expense (net of interest income), income taxes, depreciation and amortization, stock-based compensation, and gain or loss on equity method investments in real estate ventures.

We use Adjusted EBITDA to evaluate financial performance, analyze the underlying trends in our business and establish operational goals and forecasts that are used when allocating resources. We expect to compute Adjusted EBITDA consistently using the same methods each period.

We believe Adjusted EBITDA is a useful measure because it permits investors to better understand changes over comparative periods by providing financial results that are unaffected by certain non-cash items that are not considered by management to be indicative of our operational performance.

While we believe that Adjusted EBITDA is useful to investors when evaluating our business, it is not prepared and presented in accordance with GAAP, and therefore should be considered supplemental in nature. Adjusted EBITDA should not be considered in isolation, or as a substitute, for other financial performance measures presented in accordance with GAAP. Adjusted EBITDA may differ from similarly titled measures presented by other companies.

