

**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): **March 29, 2023**

**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, 10<sup>TH</sup> 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
<b>Class A Common Stock, par value \$0.01</b>	<b>CHCI</b>	<b>NASDAQ Capital Market</b>

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 March 29, 2023, Comstock Companies, Inc. (the "Company") issued a press release providing information regarding earnings for the three and nine months ended December 31, 2022. A copy of the press release is attached hereto as Exhibit 99.1.

The information including Exhibit 99.1 in Item 2.02 of 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

<b>Exhibit Number</b>	<b>Description</b>
99.1	<a href="#">Comstock Holding Companies, Inc. press release, dated March 29, 2023</a>
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: March 29, 2023

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

# COMSTOCK

## Comstock Reports Fourth Quarter and Fiscal Year 2022 Results

- Revenue increased 20% to \$9.3 million in Q4 2022 vs. \$7.8 million in Q4 2021; FY 2022 revenue increased 26% to \$39.3 million vs. \$31.1 million in 2021
- Operating income increased 61% to \$1.6 million in Q4 2022 vs. \$1.0 million in Q4 2021; FY 2022 operating income increased 57% to \$8.0 million vs. \$5.1 million in 2021
- Net income increased 39% to \$1.3 million in Q4 2022 vs. \$0.9 million in Q4 2021; FY 2022 net income of \$7.7 million vs. \$16.0 million in 2021, primarily due to \$11.2 million non-cash tax benefit in 2021
- Adjusted EBITDA increased 58% to \$1.9 million in Q4 2022 vs. \$1.2 million in Q4 2021; YTD 2022 Adjusted EBITDA increased 55% to \$9.0 million vs. \$5.8 million in 2021

RESTON, Va. — March 29, 2023 — Comstock Holding Companies, Inc. (Nasdaq: CHCI) (“Comstock” or the “Company”) announced its financial results for the fourth quarter and fiscal year ended December 31, 2022.

“Our Q4 results once again demonstrated significant year-over-year growth in revenue, net income, and Adjusted EBITDA, while our FY 2022 results highlight the benefits and resiliency of our asset-light and debt-free strategy,” said Christopher Clemente, Comstock’s Chairman and Chief Executive Officer. “Comstock’s ability to consistently produce positive financial results quarter after quarter during uncertain economic times speaks to the risk mitigation strategy that is at the core of our business model. The significant transactions we executed in 2022 to streamline our balance sheet, eliminate remaining debt, and further strengthen our robust managed portfolio further enhanced our ability to continue generating excellent results for all stakeholders.”

### Key Performance Metrics<sup>1</sup>

(\$ in thousands, except per share and portfolio data)

	Q4 2022	Q4 2021	FY 2022	FY 2021
Revenue	\$ 9,302	\$ 7,765	\$ 39,313	\$ 31,093
Income from operations	\$ 1,595	\$ 993	\$ 7,952	\$ 5,065
Net income	1,311	943	7,728	16,039 <sup>2</sup>
Adjusted EBITDA	\$ 1,864	\$ 1,177	\$ 8,994	\$ 5,798
Net income per share — diluted	\$ 0.13	\$ 0.11	\$ 1.02	\$ 1.76 <sup>2</sup>
Managed Portfolio - # of assets	41	34	41	34

<sup>1</sup> All amounts represent continuing operations. Please see the included financial tables for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure

<sup>2</sup> Amounts reflect impact of \$11.2 million tax benefit stemming from partial release of deferred tax valuation allowance

#### **Q4 2022 Highlights**

- Structured 4.5% fixed-rate \$77.5 million refinancing of “Phase II” of its Loudoun Station development.
- Managed commercial portfolio leased at 86.8%, up from 81.4% in the prior year.
- Continued occupancy growth within managed residential portfolio as well as higher in-place rents, which increased 9% vs. the prior year.
- Further expansion of the ParkX managed portfolio with the execution of 6 new management contracts.

#### **Fiscal Year 2022 Highlights**

- Welcomed Dwight Schar, recently retired founder, CEO, and Chairman of NVR, Inc. (NYSE: NVR) as a major shareholder of the Company, further enhancing alignment of Anchor Portfolio asset ownership with the Company.
- Significant balance sheet deleveraging through redemption of Series C Preferred Stock at a substantial discount to redemption value.
- Paid off entire \$5.5 million outstanding balance of revolving credit facility, both eliminating impact of rising variable interest rates and ensuring full \$10 million line is available for strategic use.
- Increased managed portfolio of assets, including BLVD Ansel (Rockville, Md.) and two developments that further expanded the Reston Station community - Midline and 1891 Reston Station (Reston, Va.).
- Executed a new asset management agreement covering the Anchor Portfolio, extending the term through 2035 while adding significant additional revenue streams.
- Finalized divestiture of Comstock Environmental Services (“CES”) line of business, enhancing our ability to focus resources on growth of core business.

#### **About Comstock**

Founded in 1985, Comstock is a leading asset manager and developer of mixed-use and transit-oriented properties in the Washington, D.C. region. With a managed portfolio comprising approximately 10 million square feet of transit-oriented and mixed-use properties, including stabilized and development assets strategically located at key Metro stations, Comstock is at the forefront of the urban transformation taking place in the fastest growing segments of 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](http://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. Any number of important factors could cause actual*

*results to differ materially from those in the forward-looking statements. Additional information concerning important risk factors and uncertainties can be found under the heading "Risk Factors" in our latest Annual Report on 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.*

**Investor Contact**

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

**Media Contact**

Shanna Wilson  
shanna.wilson@allisonpr.com  
917-674-3096

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

	December 31, 2022	December 31, 2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 11,722	\$ 15,823
Accounts receivable, net	504	46
Accounts receivable - related parties	3,291	1,697
Prepaid expenses and other current assets	264	197
Current assets held for sale	—	2,313
Total current assets	15,781	20,076
Fixed assets, net	421	264
Intangible assets	144	—
Leasehold improvements, net	119	—
Investments in real estate ventures	7,013	4,702
Operating lease assets	7,625	7,245
Deferred income taxes, net	11,355	11,300
Other assets	15	15
Total assets	<u>\$ 42,473</u>	<u>\$ 43,602</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accrued personnel costs	4,959	3,468
Accounts payable and accrued liabilities	742	783
Current operating lease liabilities	791	616
Current liabilities held for sale	—	1,194
Total current liabilities	6,492	6,061
Credit facility - due to affiliates	—	5,500
Operating lease liabilities	7,127	6,745
Total liabilities	13,619	18,306
Stockholders' equity:		
Series C preferred stock	—	6,765
Class A common stock	93	81
Class B common stock	2	2
Additional paid-in capital	201,535	200,617
Treasury stock	(2,662)	(2,662)
Accumulated deficit	(170,114)	(179,507)
Total stockholders' equity	28,854	25,296
Total liabilities and stockholders' equity	<u>\$ 42,473</u>	<u>\$ 43,602</u>

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

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Revenue	\$ 9,302	\$ 7,765	\$ 39,313	\$ 31,093
Operating costs and expenses:				
Cost of revenue	7,259	6,374	29,371	24,649
Selling, general, and administrative	391	369	1,784	1,285
Depreciation and amortization	57	29	206	94
Total operating costs and expenses	7,707	6,772	31,361	26,028
Income (loss) from operations	1,595	993	7,952	5,065
Other income (expense):				
Interest expense	—	(59)	(222)	(235)
Gain (loss) on real estate ventures	(117)	79	121	(14)
Other income (expense), net	—	2	2	6
Income (loss) from continuing operations before income tax	1,478	1,015	7,853	4,822
Provision for (benefit from) income tax	167	72	125	(11,217)
Net income (loss) from continuing operations	1,311	943	7,728	16,039
Net income (loss) from discontinued operations, net of tax	(5)	(1,706)	(381)	(2,430)
Net income (loss)	1,306	(763)	7,347	13,609
Impact of Series C preferred stock redemption	—	—	2,046	—
Net income (loss) attributable to common stockholders	<u>\$ 1,306</u>	<u>\$ (763)</u>	<u>\$ 9,393</u>	<u>\$ 13,609</u>
Weighted-average common stock outstanding:				
Basic	9,470	8,236	8,974	8,213
Diluted	10,055	8,236	9,575	9,095
Net income (loss) per share:				
Basic - Continuing operations	\$ 0.14	\$ 0.11	\$ 1.09	\$ 1.95
Basic - Discontinued operations	—	(0.2)	(0.04)	(0.29)
Basic net income (loss) per share	<u>\$ 0.14</u>	<u>\$ (0.09)</u>	<u>\$ 1.05</u>	<u>\$ 1.66</u>
Diluted - Continuing operations	\$ 0.13	\$ 0.11	\$ 1.02	\$ 1.76
Diluted - Discontinued operations	—	(0.2)	(0.04)	(0.26)
Diluted net income (loss) per share	<u>\$ 0.13</u>	<u>\$ (0.09)</u>	<u>\$ 0.98</u>	<u>\$ 1.50</u>



**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 December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net income (loss) from continuing operations	\$ 1,311	\$ 943	\$ 7,728	\$ 16,039
Interest expense	—	59	222	235
Income taxes	167	72	125	(11,217)
Depreciation and amortization	57	29	206	94
Stock-based compensation	212	153	834	633
(Gain) loss on equity method investments	117	(79)	(121)	14
Adjusted EBITDA	<u>\$ 1,864</u>	<u>\$ 1,177</u>	<u>\$ 8,994</u>	<u>\$ 5,798</u>

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.

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.

