

# COMSTOCK

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MAY 2023

INVESTOR PRESENTATION

Comstock Holding Companies, Inc.

NASDAQ: CHCI





# Disclosures

This investor presentation includes “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 undue reliance on any forward-looking statement, which speaks only as of the date made. Our actual results could differ materially from these projected or suggested by the forward-looking statements. Comstock Holding Companies, Inc. (“Comstock”) and its subsidiaries claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all forward-looking statements contained herein. Comstock specifically disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

While every attempt has been made to ensure the accuracy of included measurements, all future development measurements are based on available information at the time of production of this Investor Presentation and therefore all square foot measurements are subject to change without notice.



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Comstock is a leading real estate asset manager, developer,  
and operator of mixed-use and transit-oriented properties in  
the Washington, D.C. region

**\$1.6B**

Real Estate  
AUM

**\$39.3M**

FY 2022  
Revenue

**45**

Properties  
Managed

**2M**

Commercial  
Sq. Ft.

**1.8M**

Residential  
Sq. Ft.

**~1,700**

Multifamily  
Units

**5.8M**

Sq. Ft. Additional  
Entitled

**~10M**

Sq. Ft. at Full  
Build-Out

**\$5B+**

Real Estate AUM  
at Full Build-Out

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# Comstock



## Experience and Proven Track Record

Nearly 4 decades of experience acquiring, developing, operating, and selling residential, commercial, and mixed-use properties



## Vertically Integrated

Broad suite of real estate service offerings, including asset management, property management, development and construction management, and more



## High Quality Portfolio

AUM portfolio includes two of the largest transit-oriented, mixed-use developments in the Washington, D.C. area and will encompass ~10 million sq ft at full build out

**“ We aspire to be among the most admired real estate asset managers and operators by creating extraordinary places, providing exceptional experiences, and generating excellent results for our shareholders”**

**– Chris Clemente, CEO**





# Investment Highlights



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# Investment Highlights

**1**

**Attractively valued, debt-free, asset-light, fee-based business**

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**2**

**Ownership and management with decades-long track record of success**

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**3**

**Long-term Asset Management Agreement for Anchor Portfolio includes cost-plus feature for downside protection**

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**4**

**Controlled pipeline provides pathway for significant growth**

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**5**

**Portfolio growth driving strong fee related revenue**

# Attractively Valued, Debt-Free, Asset-light, Fee-Based Business

Valuation	Debt	ROE	Adjusted EBITDA Growth	Tax Asset
4.6x 2022 Adjusted EBITDA Multiple	\$0 As of 12/31/2022	27% FY 2022	41% 2019-2022 CAGR	\$132M As of 12/31/2022
Peers 9.2x	Peers \$5.4B	Peers 7%	Peers -4%	Peers \$0

Note: Peers include JBG Smith (JBGS), Boston Properties (BPX), Elme Communities (formerly WashREIT: ELME), and Federal Realty (FRT) . Valuation date as of April 25, 2023. Peer metrics represent straight average.



# Track Record of Positive Quarterly Adjusted EBITDA

First full year focused on multi-point CRE strategy and launch of institutional venture platform

## 2020

Q1-20	\$711
Q2-20	\$1,132
Q3-20	\$684
Q4-20	\$918
<b>TOTAL</b>	<b>\$3.4M</b>

Growing AUM through development pipeline and acquisitions

## 2021

Q1-21	\$617
Q2-21	\$667
Q3-21	\$3,317
Q4-21	\$1,117
<b>TOTAL</b>	<b>\$5.8M</b>

Continuing trend of positive results, demonstrating strength and reliability of our platform

## 2022

Q1-22	\$1,606
Q2-22	\$1,388
Q3-22	\$4,143
Q4-22	\$1,864
<b>TOTAL</b>	<b>\$9.0M</b>

Note: All quarterly numbers in thousands



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# Ownership and Management with Decades-Long Track Record of Success








Chris Clemente, Chairman and CEO, founded Comstock in 1985 and since its inception, has managed its strategic growth into a leading asset manager, developer, and operator of mixed-use and transit-oriented developments. Since 1985 Comstock has acquired, developed, operated and sold thousands of residential units and millions of square feet residential (multi-family), commercial and mixed-use properties for its own account and for institutional and high-net worth clients. Mr. Clemente is Comstock's controlling shareholder and partner in the Comstock Partners, LC (Anchor Portfolio Owner).

Dwight Schar, founder and recently retired Chairman and CEO of NVR, Inc. (NYSE: NVR), a Fortune 500 company and one of the largest residential development companies in the nation with operations in multiple states where it has developed hundreds of thousands of homes and generates billions of dollars of annual revenue. As Comstock's newest significant shareholder and as partner in Comstock Partners, LC (Anchor Portfolio Owner), Mr. Schar is a strategic advisor to Comstock's management team.





## Proven Performance of Managed Assets

		2020	% Increase	2022
	Revenue	\$52M	86%	\$97M
	NOI	\$22M	127%	\$49M
	Multifamily units	1,123	46%	1,638
	Multifamily Leased %	73%	23%	90%
	Commercial SF	1.8M	9%	2.0M
	Commercial Leased %	79%	10%	87%
	Parking Spaces	8,336	70%	14,193

Note: All financial results represent AUM figures asset performance, not CHCI



# Long-term Asset Management Agreement for Anchor Portfolio includes cost-plus feature for downside protection

1



**Long-term Asset Management Agreement on Anchor Portfolio through 2035**

2



**Anchor Portfolio includes ~10 million square feet in stabilized, current, and future development**

3

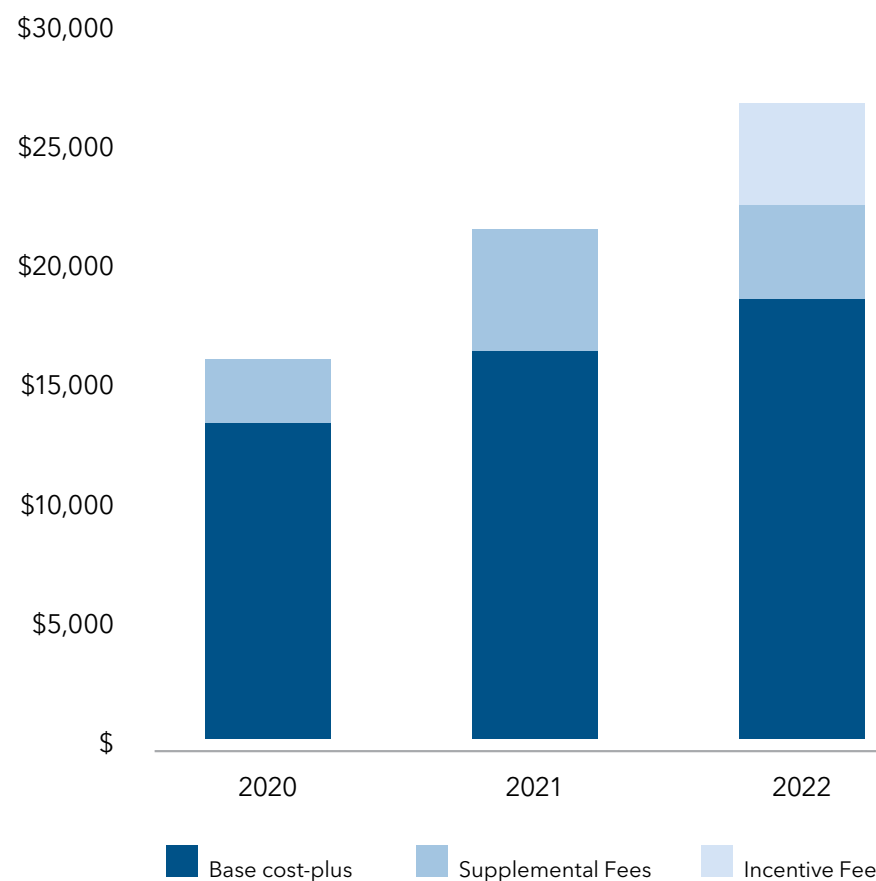


**\$150 million of fee potential over 5 years provides predictable and visible revenue sources**

# Portfolio Growth Driving Strong Fee-Based Revenue

- Cost-plus feature of 2022 Asset Management Agreement covering the anchor portfolio ("2022 AMA") minimizes risk while **supplemental fees enhance revenue growth potential**
  - Supplemental fees include asset performance fees, investment and loan origination fees, leasing fees, and other fees
- **Supplemental fees more than tripled** from 2020 to 2022, with an ~81% CAGR
- **Increasing consistent supplemental fees** a main driver to create shareholder value
- The 2022 AMA provides annual incentive fees based on asset performance
- Our first asset performance incentive fee of \$3.9M was received in Q3 2022

(\$ In Thousands)







# Portfolio Overview





# A Growing Portfolio of Stabilized and Development AUM that includes ~10M SF

## ASSETS UNDER MANAGEMENT

### OPERATING PORTFOLIO

**45 TOTAL ASSETS**

**13 COMMERCIAL**  
2.0M SF

**6 MULTIFAMILY**  
~1,700 UNITS

**26 COMMERCIAL  
GARAGES**  
15,000+ SPACES

### UNDER CONSTRUCTION

**6 TOTAL ASSETS**

**588K SF COMMERCIAL**

**415 MULTIFAMILY UNITS**

**243 KEY HOTEL  
W/ 95 BRANDED  
CONDOS**

**2 GARAGES**  
2,850+ SPACES

### CONTROLLED DEVELOPMENT PIPELINE

**12 TOTAL ASSETS**

**1.5M SF COMMERCIAL**

**2,599 MULTIFAMILY UNITS**

**140 KEY HOTEL**

## ACQUISITIONS SINCE 2019

**13**  
BUILDINGS\*

**3.3M SF**  
ADDED TO AUM

**~\$600M**  
CAPITAL RAISED & DEPLOYED

\*Includes 3 buildings held for redevelopment



# Reston Station Neighborhood



~87  
ACRES



~3.3M SF  
OFFICE



380 KEYS  
2 HOTELS



350K+ SF  
RETAIL &  
ENTERTAINMENT



3,000+  
RESIDENCES



WIEHLE-RESTON  
EAST METRO

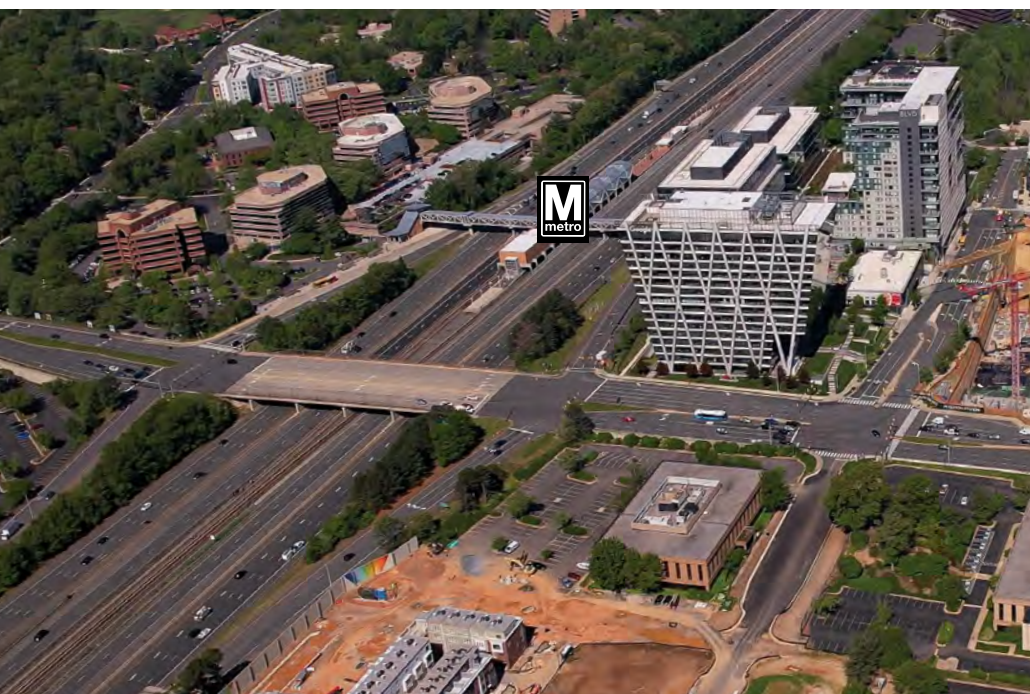


11  
RESTAURANTS



14K  
PARKING SPACES

All numbers are approximate at full build out and include assets owned/operated by unaffiliated parties



## Comstock's Managed Assets at Reston Station



~65  
ACRES



~3.1M SF  
OFFICE



380 KEYS  
2 HOTELS



200K SF  
RETAIL &  
ENTERTAINMENT



~2,700  
RESIDENCES



METRO



11  
RESTAURANTS



~10K  
PARKING SPACES

All numbers are approximate at full build out



# Loudoun Station



~44  
ACRES



UP TO 1.5M SF  
OFFICE



250 KEYS  
HOTEL



375K+ SF  
RETAIL



1,500+  
RESIDENCES



10K  
PARKING SPACES  
& METRO GARAGE



ASHBURN STATION



10  
RESTAURANTS

All numbers are approximate at full build out and include assets owned/operated by unaffiliated parties



## Comstock Managed Assets at Loudoun Station



~28  
ACRES



UP TO  
600K SF  
OFFICE



225+ SF  
RETAIL



1,200+  
RESIDENCES



ASHBURN STATION



7  
RESTAURANTS



~5K  
PARKING SPACES  
& METRO GARAGE



AMC 11  
SCREEN THEATRE

All numbers are approximate at full build out



# Flight to Quality Attracting Premier Tenants to Comstock AUM

## Major Office Tenants



## Leases Executed in 2022



## Major Retail Leases



## Key Statistics

10.6 years\*  
WEIGHTED AVERAGE  
LEASE TERM

~1.3M SF  
OFFICE SPACE  
LEASED SINCE 2019

~260K SF  
OFFICE SPACE  
LEASED IN 2022

~150K SF  
OFFICE SPACE  
LEASED Q1 2023

\*On leases over 20K SF

# Managed Portfolio Stabilized Operating Assets

PROJECT NAME	LOCATION	ASSET CLASS	OFFICE GSF	UNITS	RETAIL SF
<b>BLVD RESTON</b>	Reston Station	Multifamily/Retail	NA	448	8,400
<b>FOUNDING FARMERS</b>	Reston Station	Retail/Dining	NA	NA	12,000
<b>1900 RESTON METRO PLAZA</b>	Reston Station	Office/Retail	370,000	NA	8,500
<b>1902 RESTON METRO PLAZA</b>	Reston Station	Office/Retail	230,000	NA	13,500
<b>1906 RESTON METRO PLAZA</b>	Reston Station	Office/Retail	205,000	NA	8,250
<b>1850 CENTENNIAL PARK</b>	Reston Station	Office/Retail	113,000	NA	3,000
<b>11400 COMMERCE PARK</b>	Reston Station	Office/Retail	146,000	NA	12,400
<b>11440 COMMERCE PARK</b>	Reston Station	Office	175,000	NA	NA
<b>11480 COMMERCE PARK</b>	Reston Station	Office	148,000	NA	NA
<b>1886 METRO CENTER DR</b>	Reston Station	Office	90,000	NA	NA
<b>UNITED BANK</b>	Reston Station	Retail	NA	NA	3,185
<b>BLVD LOUDOUN - PHASE I</b>	Loudoun Station	Multifamily/Retail	NA	359	62,000
<b>BLVD LOUDOUN - PHASE II</b>	Loudoun Station	Multifamily/Retail	NA	318	25,000
<b>43777 CENTRAL STATION</b>	Loudoun Station	Office	52,000	NA	NA
<b>AMC THEATRES</b>	Loudoun Station	Retail	NA	NA	62,000
<b>772 MARQUIS SQUARE</b>	Loudoun Station	Retail	NA	NA	21,000
<b>THE HARTFORD BUILDING</b>	Clarendon	Office/Retail	196,000	NA	16,000
<b>BLVD FORTY FOUR</b>	Rockville Station	Multifamily/Retail	NA	263	16,000
<b>BLVD ANSEL</b>	Rockville Station	Multifamily/Retail	NA	250	20,200
<b>TOTAL</b>			<b>1,725,000</b>	<b>1,638 units</b> ~1,638,000 SF	<b>290,000</b>

As of 3/31/23, figures are approximate



# Under Construction & Controlled Development Pipeline



PROJECT NAME	LOCATION	ASSET CLASS	SQUARE FEET	ESTIMATED COMPLETION
<b>UNDER CONSTRUCTION</b>				
<b>ONE RESTON ROW</b>	Reston Station	Office/Retail	334K	2024
<b>JW MARRIOTT HOTEL AND CONDOS</b>	Reston Station	243 Keys/95 Condos	345K	2025
<b>BLVD HALEY</b>	Reston Station	415 units	427K	2025
<b>TWO RESTON ROW</b>	Reston Station	Office	254K	2025
<b>RESTON ROW PARKING (A + B)</b>	Reston Station	Parking (2,850 Spaces)	N/A	2025
<b>DEVELOPMENT PIPELINE</b>				
<b>HERNDON DOWNTOWN</b>	Herndon	273 units	293K	2025
<b>ONE GRAMERCY</b>	Loudoun Station	Office	187K	2025
<b>BLVD GRAMERCY WEST (A + B)</b>	Loudoun Station	549 units	569K	2025
<b>ONE COMMERCE</b>	Reston Station	Office	462K	2026
<b>BLVD WEST</b>	Reston Station	227 units	237K	2025+
<b>EXTENDED STAY HOTEL</b>	Reston Station	140 Keys/Retail	145K	2026
<b>COMMERCE DISTRICT PHASE II</b>	Reston Station	450 Units	455K	2026
<b>LOUDOUN STATION PHASE IV (2 + 3)</b>	Loudoun Station	Office/Retail	374K	2025+
<b>MIDLINE DISTRICT</b>	Reston Station	1,100 units	1.2M	2026
<b>1891 METRO CENTER DR</b>	Reston Station	Office	512K	2026
<b>TOTAL</b>		<b>3,492 units</b>	<b>5.8M</b>	

# ESG Initiatives

We recognize that development of real estate can have significant impact, positive or negative, for the surrounding community, the region, and the environment that we all share. Supporting and fostering these initiatives in a rational way is instrumental in making our communities better places to live, work, and play while simultaneously bolstering asset value, reducing risk, and positively impacting all stakeholders.



**All buildings at  
Reston Metro Plaza  
LEED silver or above**



**The Hartford  
Building in Arlington  
LEED gold certified**



**The Hartford Building is  
Energy Star certified**  
in addition to buildings at  
Reston Metro Plaza and  
Commerce Districts



**Transit-oriented projects**  
encourages use of and promotes  
public transportation to reduce  
the carbon footprint



**Green Cleaning:**  
use environmentally-friendly  
practices and low toxicity  
cleaning products



**CarbonCure  
Concrete**



**Smoke Free  
Buildings**



**Non Corrosive  
and Non Toxic Ice Melt**



**Electric Charging  
Stations**



**Bike Racks, Bike Repair Rooms,  
Bike to Work Events  
and Bike Share Program**



**Community Involvement**  
Annual Summerbration, Arts  
Program, Community Donations,  
Sponsored Community Events,  
Habitat for Humanity



The Washington Post

**2022 Best Places to Work  
& Best Workplaces  
for Commuters**



# Appendix





# Management Team Combines Local Expertise with Institutional Asset Management Experience



**CHRIS CLEMENTE**

CEO & Chairman of CHCI  
Significant Shareholder of CHCI  
Managing Partner of Comstock Partners, LC  
(Owner of Anchor Portfolio)



**DWIGHT SCHAR**

Former CEO & Chairman of NVR (NYSE: NVR)  
Significant Shareholder of CHCI  
Principal of Comstock Partners, LC  
(Owner of Anchor Portfolio)

## EXECUTIVE COMMITTEE



**TIMOTHY STEFFAN**  
Chief Operating Officer



**CHRISTOPHER GUTHRIE**  
CFO & EVP



**JUBAL THOMPSON**  
General Counsel & EVP



**TRACY SCHAR**  
SVP of Marketing &  
Design Management



**JOHN HARRISON**  
EVP of Development



**PAUL SCHWARTZ**  
SVP of Human Resources

## SENIOR LEADERSHIP



**MICHAEL GUALTIERI**  
Chief Accounting Officer



**MIKE DAUGARD**  
SVP of Acquisitions



**JIMMY MANDICH**  
VP & Controller



**KRIS GREEN**  
VP of Residential  
Property Management



**SHARON FITZGERALD**  
SVP of Commercial  
Property Management



**DYLAN CLEMENTE**  
VP of ParkX Management  
& Security



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# Board of Directors



**CHRISTOPHER CLEMENTE**

Chairman of the Board of Directors  
& Chief Executive Officer



**IVY ZELMAN**

Director



**DAVID GUERNSEY**

Director & Compensation  
Committee Member



**JAMES MACCUTCHEON**

Director, Audit Committee Chair &  
Financial Expert & Compensation  
Committee Member



**ROBERT PINCUS**

Director & Audit  
Committee Member



**TOM HOLLY**

Director & Audit  
Committee Member



**SCORATES VERSES**

Director, Compensation  
Committee Chair

# Corporate Structure Overview

## SHARED ALIGNMENT OF INTERESTS





# Reconciliation of Non-GAAP financial measures (unaudited)

	Full Year		Q4	
(\$ in thousands)	2021	2022	2021	2022
Total revenue	31,093	39,313	7,765	9,302
Total expenses	26,028	31,361	6,772	7,707
<b>Operating income</b>	<b>5,065</b>	<b>7,952</b>	<b>993</b>	<b>1,595</b>
Interest expense	(235)	(222)	(59)	-
Gain (loss) on real estate ventures	(14)	273	79	35
Other income (expense), net	6	2	2	-
Provision for (benefit from) income tax	(11,217)	(42)	72	-
<b>Net (loss) income from continuing operations</b>	<b>16,039</b>	<b>8,047</b>	<b>943</b>	<b>1,630</b>
Interest expense	235	222	59	-
Income taxes	(11,217)	(42)	72	-
Depreciation and amortization	94	206	29	57
Stock-based compensation	633	834	153	212
Gain (loss) on equity methods of investments	14	(273)	(79)	(35)
<b>Adjusted EBITDA</b>	<b>5,798</b>	<b>8,994</b>	<b>1,177</b>	<b>1,864</b>

## Non-GAAP Financial Measures

This investor presentation contains certain non-GAAP financial measures including adjusted earnings before interest, taxes, depreciation, and amortization ("EBITDA").

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 (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.

# COMSTOCK

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