



LEO
IMPACT CAPITAL
A JBG SMITH COMPANY

2025 IMPACT REPORT

**UNLOCKING ACCESS
TO OPPORTUNITY**

About LEO Impact Capital



LEO Impact Capital unlocks access to opportunity by acquiring and operating multifamily housing in high impact neighborhoods to maintain affordability for the market’s “missing middle” — everyday working renters who earn too much to qualify for assistance but increasingly struggle to afford rent. Across its portfolio, LEO served more than 3,200 households in 11 communities during 2025.

Guided by its evidence-based Impact Framework, LEO drives long-term economic mobility for residents alongside competitive, non-concessionary returns for investors, at scale and without federal subsidies.

LEO Impact Capital is a subsidiary of JBG SMITH (NYSE: JBGS), a publicly traded real estate owner and operator. More information can be found at www.leoic.com.

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A Message from Our President

2025 was a pivotal year for LEO Impact Capital. We launched the LEO Impact Housing Fund and expanded beyond the Washington, D.C. region for the first time with the acquisition of Sharon Crossing in Charlotte, North Carolina.

These milestones represent real progress toward our founding objective: building a scalable, replicable platform for investing private capital to generate non-concessionary returns alongside measurable impact. What began as a regional effort has grown into something larger — a platform with expanded reach and a clear mandate.

Across our communities, LEO now provides affordable housing to more than 3,200 households in high impact neighborhoods — resource-rich communities that can deliver returns for residents and investors alike. Stable housing in these neighborhoods, combined with genuine social connection and resident-focused management, creates a path for long-term economic mobility. When residents are stably housed in flourishing communities, they build credit, renew leases, and develop relationships with their neighbors. That upward momentum strengthens the performance of the properties themselves in a self-reinforcing cycle. At LEO, we believe impact is a driver of performance, not a concession.

We are proud of what 2025 represents, and we invite you to explore our impact in the pages that follow.



Brian Allan 'AJ' Jackson



*“At LEO,
we believe
impact is
a driver of
performance,
not a
concession.”*

Our Approach

WHO WE IMPACT:

LEO invests to maintain **long-term housing affordability for the nation's 14 million "missing middle" renters**, who earn too much to qualify for assistance but struggle to afford rent and other necessities. These everyday working renters — teachers, healthcare workers, first responders, and other essential professionals — are increasingly cost-burdened. Nearly half of renters earning \$45,000 to \$74,999 spend 30% or more of their income on housing, and even renters earning above \$75,000 are seeing cost burdens rise.¹

WHERE WE INVEST:

LEO works **exclusively in high impact neighborhoods**. These resource-rich communities provide access to jobs, transportation, good schools, and essential services, along with low rates of poverty, high levels of educational attainment, and growing populations. Decades of research demonstrate that living in such neighborhoods, paired with social connections to neighbors across the economic spectrum, drives economic mobility, particularly for children in lower-income families.

HOW WE INVEST:

LEO **acquires institutional-scale multifamily properties that are affordable without subsidies and embeds new rent and resident income restrictions to lock in affordability for the long term.** The "naturally occurring affordable housing" we invest in is the largest and most at-risk stock of affordable housing in the country² — making its protection both urgent and high impact.



¹Joint Center for Housing Studies of Harvard University. 2026. America's Rental Housing 2026. www.jchs.harvard.edu/americas-rental-housing-2026
²Kling, et al. "Preserving the Largest and Most At-Risk Supply of Affordable Housing." McKinsey & Company, February 2021

Our 2025 Impact



NEIGHBORHOODS WHERE PEOPLE WANT TO LIVE...

262 Units Acquired in 2025

3,280 Total Units in High Impact Neighborhoods

\$94M Total Investment in High Impact Neighborhoods

HOMES THEY CAN AFFORD...

\$278 Average Monthly Savings Per LEO Unit vs Market Rate³

618 Units Occupied by Voucher-Assisted Households

COMMUNITIES WHERE THEY THRIVE...

25% LEO Resident Turnover vs. 42% National Average

2,270+ LEO Residents Improved Credit Score or Established Credit for the First Time

260+ LEO Resident Engagement Events

³Market Rate" is defined as the weighted average marketed rent as of 12/31/2025 for comparable assets within each submarket.

⁴Lower bound of Average Annual Rent Savings Per LEO Resident represents average savings for moderate-income household. Upper bound of Average Annual Rent Savings Per LEO Resident represents average savings for low-income household.

Our Theory of Change

LEO was founded on the conviction that private investment in well-located, naturally occurring affordable housing, paired with intentional operations, can deliver life-changing opportunity for everyday working renters.

Decades of research are clear: neighborhood quality and social connection shape life outcomes. Families who live in resource-rich communities⁵ — with strong schools, low poverty, access to jobs and transit — and who build trusted relationships across income levels⁶ gain access to improved career pathways, better educational and health outcomes, and practical support neither neighborhood quality nor social connection could unlock alone. It is the combination of place and people that catalyzes real opportunity.

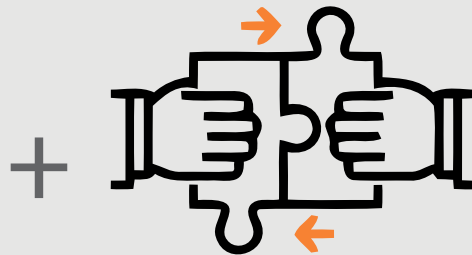
LEO's model brings these elements together: affordable housing in high impact neighborhoods, operated with resident-centered practices that intentionally foster community across socioeconomic lines, creating the conditions for long-term economic mobility while supporting durable returns for investors.



“It is the combination of place and people that catalyzes real opportunity.”



HIGH IMPACT NEIGHBORHOODS



SOCIAL CONNECTION



LONG-TERM ECONOMIC MOBILITY FOR RESIDENTS

⁵Chetty, Raj, Nathaniel Hendren, and Lawrence Katz. 2016. "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Project". American Economic Review 106 (4)
⁶Chetty, Jackson, Kuchler, Stroebel, et al. 2022. "Social Capital I: Measurement and Associations with Economic Mobility." Nature 608: 108–121.

Our Impact Framework

Our work is guided by LEO's four-pillar Impact Framework, designed to enhance the lives of our residents and the performance of our investments by driving affordability, economic opportunity, and equity with transparency.

LEO's Framework aligns with the [United Nations' Sustainable Development Goals](#), the [Multifamily Impact Framework™](#), and the [Global Impact Investing Network's IRIS+ system](#).



EQUITY:

Create mixed-income communities in high impact neighborhoods



AFFORDABILITY:

Lower rent burdens and prevent resident displacement



ECONOMIC OPPORTUNITY:

Increase housing stability and residents' financial resilience



TRANSPARENCY:

Collect and share high-quality data to drive better outcomes

Equity

Create mixed-income communities in high impact neighborhoods

Great neighborhoods filled with people from all walks of life have the power to transform lives — but only when working families can afford to stay in them. Across our 11 communities in Virginia, Maryland, Washington, D.C., and North Carolina, LEO maintains the vast majority of its units at rents affordable to households earning 80% of Area Median Income or less.

These are vibrant, high-performing places where many renters would otherwise be priced out — and keeping them accessible is central to LEO’s impact.








LEO’S HIGH IMPACT NEIGHBORHOODS*

Average median household income:	\$110,775
Average number of grocery stores:	35
Average poverty rate:	11%
Average % bachelor's degree or higher:	29%


**Within a 10-minute drive of each LEO property*





		UNITS AT 80% AMI OR LESS	% OF UNITS
	PARKSTONE ALEXANDRIA	263	81%
	CRYSTAL HOUSE	749	91%
	HAMILTON MANOR	243	99%
	HUNTWOOD COURTS	212	99%
	EARLE MANOR	140	100%
	LOREE GRAND	183	86%
	FRANKLIN APARTMENTS	181	100%
	HAVEN COLUMBIA PIKE	118	100%
	THE GALE ECKINGTON	583	97%
	FALKLAND CHASE	267	100%
	SHARON CROSSING APARTMENTS	136	94%

TRANSPARENCY: 

 **Metric:**
PD5833 (Percent Affordable Housing)



Goals:
10.2 & 10.3 (Reduced Inequalities)



Principle:
Economic Health & Mobility

Affordability

Lower rent burdens and prevent resident displacement

As housing costs continue to outpace wages, millions of renters are priced out of opportunity and stretched thin by monthly rent payments. These everyday working renters who sustain our communities face growing pressure to leave the very neighborhoods where their families have the best chance to thrive. LEO’s affordability commitment is what keeps the door open.

On average, **residents across LEO’s portfolio save \$278 per month compared to market rents** — real dollars that compound into real stability. And the benefit is progressive: The lower a household’s income, the greater the relative savings and the more meaningful the impact on the family’s overall budget. Those savings directly increase the money families have left over after rent for groceries, childcare, healthcare, savings,

- *Low-income renters save an average of \$4,164 per year.*
- *Moderate-income renters save an average of \$1,536 per year.*



2025 LEO RENT SAVINGS

	Number of Units	Average Affordable Rent	Average Market Rent	Monthly Savings (\$)	Monthly Savings (%)
Total Low-Income: <small>60% of AMI or less</small>	1,581 units	\$1,590	\$1,937	(\$347)	(18%)
Total Moderate-Income: <small>80% of AMI or less</small>	730 units	\$2,326	\$2,454	(\$128)	(5%)
Total:	2,311 units	\$1,822	\$2,100	(\$278)	(13%)

TRANSPARENCY:

 **Metric:**
P11748 (Client Savings Premium)



Goals:
11.1 & 11.3 (Sustainable Cities & Communities)



Principle:
Affordability

Economic Opportunity

Increase housing stability and residents' financial resilience

Affordable housing in a high impact neighborhood sets the stage. What LEO builds from there is a path to long-term economic mobility anchored around community.

In 2025, LEO's communities hosted more than 260 resident engagement events. These gatherings with a purpose — like community meals, game nights, and dance lessons — are designed to foster what researchers call “economic connectedness”: trusted relationships that bridge socioeconomic lines. Evidence shows that such relationships are among the most powerful drivers of upward mobility, expanding residents’ access to career pathways, job networks, educational resources, and practical support.



LEO’s approach to economic opportunity extends beyond social connection to include tools that strengthen residents’ financial resilience. Through our partnership with Esusu, a rental payment reporting platform used across every LEO community, residents build credit through on-time rent payments reported to all major credit bureaus — while also gaining access to financial education and monitoring tools and interest-free emergency rent relief. In 2025 alone, 60% of LEO residents improved their credit score, with an average improvement of 34 points, and more than 100 residents established a credit score for the first time.

Esusu Credit Reporting: Impact Across LEO Communities Since Inception*

Residents enrolled:	3,600+
Residents with credit score improvement:	62%
Residents who established a credit score for the first time:	530+
Residents who moved from subprime to prime credit scores:	180+
Credit activities opened by residents who established or enhanced credit**:	\$62M
Emergency financial assistance provided:	\$28,300

*Data only includes residents currently living in LEO communities. Sharon Crossing not included due to timing of acquisition.

**Includes education loans, mortgage loans, auto loans, and credit cards.

TRANSPARENCY:

Metrics:
 IRIS+ PD9681 (Non-financial Support Offered);
 PI9319 (Client Retention Rate)



Goals:
 10.2 & 10.3
 (Reduced Inequalities)



Principles:
 Housing Stability; Economic Health & Mobility; Resident Engagement

Impact Investment in Action

Sharon Crossing

In October 2025, LEO acquired Sharon Crossing, a 144-unit, garden-style community in Charlotte, North Carolina — ensuring long-term affordability for families who are essential to Charlotte’s continued growth. The acquisition marks two firsts for LEO: the inaugural investment from the firm’s newly launched LEO Impact Housing Fund, and the platform’s first transaction outside the greater Washington, D.C. region.

Sharon Crossing is located in a high impact neighborhood that positions residents within reach of the region’s thriving economy. The community offers one- and two-bedroom apartments across 20 residential buildings, with amenities including a swimming pool, a sports court, playground, and dog park.

Sharon Crossing’s High Impact Neighborhood

Median household income: **\$83,268**

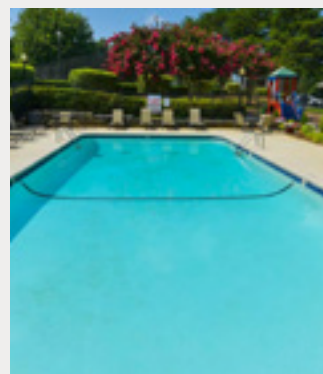
Renter-occupied households: **53%**

Grocery stores nearby: **20**

Residents 25+ years old with bachelor’s degree or above: **35%**

Light rail stops nearby: **5**

LEO has committed to maintaining at least 65% of the units at rent levels affordable for households earning 80% of Area Median Income or less. As part of the acquisition, LEO partnered with the Lotus Campaign, a local nonprofit, to reserve units for individuals transitioning out of homelessness, deepening the community’s impact profile and reflecting LEO’s commitment to mixed-income communities where residents across socioeconomic backgrounds thrive together.



Partnership Spotlight

The Lotus Campaign

At Sharon Crossing, LEO Impact Capital partnered with the Lotus Campaign, a Charlotte-based 501(c)(3) nonprofit that works to address homelessness with an innovative approach. Rather than relying on government funding or purpose-built subsidized units, Lotus deploys philanthropic capital to open access to existing market-rate housing for individuals and families experiencing homelessness. Up to 30 units — roughly 20% of the Sharon Crossing community — are reserved for Lotus clients, creating a model in which working families and formerly homeless residents live side by side in the same mixed-income community.

Working with real estate developers and property owners like LEO, Lotus removes the barriers that typically prevent people who have experienced homelessness from securing housing: gaps in rental history, credit, and references. Lotus



Beth Silverman,
Co-Founder and Executive Director,
Lotus Campaign

“Our partnership with LEO Impact Capital at Sharon Crossing represents an important model for combatting homelessness — one that provides stable housing combined with supportive services.”

covers application fees, provides renter’s insurance, and guarantees participating landlords against loss of rent and tenant-caused damages, while social service partners provide ongoing support.

Since its founding in 2018, 90% of Lotus residents have remained housed at the end of their first

lease, either renewing through the program or transitioning to independent housing. To date, the organization has helped more than 750 people achieve housing stability in the Charlotte and Raleigh-Durham markets.

RESIDENT PERSPECTIVE

“I’m so grateful to have a safe, quiet, and affordable apartment. My favorite thing about Sharon Crossing is the great condition of my home — and the location is hard to beat, with the bus and light rail nearby and plenty of stores within reach. It’s given me stability to focus on my future.”

— Jonathan B., a Lotus Campaign client and resident at Sharon Crossing

Lotus Campaign’s 2025 Impact

379	Supported Residents Total (+44% YoY)
221	Supported Residents in Charlotte (+24% YoY)
22	Landlord Partners
17	Social Service Partners

Appendix

Sustainability & Resilience

LEO embeds sustainability throughout our portfolio, making capital investments that reduce buildings' environmental footprint, lower residents' utility costs, and strengthen long-term asset performance. Our work aligns with seven of the United Nations' Sustainable Development Goals — including five related to environmental stewardship — and reflects LEO's conviction that responsible operations enhance both resident well-being and the enduring value of our communities.

Energy, Water, & Data Coverage (SF)*

LEO Impact Capital Communities	Total Square Feet	Total Energy (MWh)	Total Water (kGal)
Crystal House	746,503	13,857	38,517
Earle Manor	135,000	2,632	7,199
Hamilton Manor	194,126	5,779	21,286
Huntwood Courts	165,000	3,865	16,477
Parkstone Alexandria	375,547	7,075	19,498
Falkland Chase S.W.	242,097	2,702	9,277
Loree Grand	233,206	2,027	10,560
The Gale Eckington	571,904	5,235	22,046
Haven Columbia Pike	93,009	383	3,186
TOTAL	2,756,392	43,555	148,046

Waste*

LEO Impact Capital Communities	Recycling (US tons)	Trash Landfill (US tons)	Total Waste (US tons)	Diversion %
Crystal House	266	737	1,003	26%
Parkstone	27	305	332	8%
Hamilton Manor	22	809	831	3%
Huntwood Courts	6	352	358	2%
Earle Manor	49	46	95	52%
Falkland Chase S.W.	97	127	224	43%
Loree Grand	87	140	227	38%
Haven Columbia Pike	12	85	97	13%
The Gale Eckington	18	10	28	65%
	Total Recycle	Total Landfill	Total Waste	Total Diversion (%)
TOTAL	584	2,611	3,195	18%

*Sharon Crossing not included due to timing of acquisition.

TRANSPARENCY:



Metrics:

O18825; O13324; O12535



Goals:

3 (Good Health and Well-Being); 6 (Clean Water & Sanitation); 7 (Affordable & Clean Energy); 9 (Industry, Innovation and Infrastructure); 12 (Responsible Consumption and Production)



Principle:

Climate & Resilience

Appendix

Carbon Accounting

2025 Absolute GHG Emissions

SCOPE 1:	192 (2025 CO ₂ e MT)
SCOPE 2:	760 (2025 CO ₂ e MT)
SCOPE 3:	9,053 (2025 CO ₂ e MT)
TOTAL:	10,005 (2025 CO ₂ e MT)

INTENSITY: 3.47 (kgCO₂e/SF Carbon Emissions per Square Foot)

Scope Definitions

- SCOPE 1 — DIRECT: greenhouse gas emissions from fuels burned on-site (e.g., natural gas, diesel fuel oil)
- SCOPE 2 — INDIRECT: greenhouse gas emissions from energy purchased and generated off-site but used by base building and master metered systems (e.g., electricity, steam)
- SCOPE 3 — INDIRECT: greenhouse gas emissions generated by producing energy controlled by others (e.g., multifamily and retail tenants that pay their own utility bills)

Notes

- **CO₂e:** Carbon Dioxide Equivalent (CO₂e) is a single metric to account for the global warming potential of all greenhouse gases (methane, nitrous oxide, etc.) relative to carbon dioxide.
- Scope 1 and Scope 2 emissions reported reflect both master metered resident usage, as well as the company's own usage.

TRANSPARENCY:

 **Metric:**
OI1479



Goals:
3 (Good Health and Well-Being); 7 (Affordable & Clean Energy);
9 (Industry, Innovation and Infrastructure); 12 (Responsible
Consumption and Production)



Principle:
Climate & Resilience



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