IMPROVING VETERANS’ LIVES ONE HOME AT A TIME
John Gallina and Dale Beatty joined the North Carolina National Guard in 1996. During their service to our nation, both Gallina and Beatty had the opportunity to respond to calls from the Governor of North Carolina to help victims of Hurricane Fran and Hurricane Floyd. It was through those experiences that they gained their humanitarian passion and spirit.

They also responded to the call of duty from the President of the United States to liberate an oppressed nation from the utmost corruption during the Global War on Terrorism serving in Operation Iraqi Freedom. They were both 25 years old at the time.

Their unit was attached to the 1st Infantry Division near Bayji, Iraq. On November 15, 2004, they were on a dangerous mission to provide security for an engineer unit that was sweeping the area for mines...a route that had numerous land mine and IED explosions over the previous weeks.

SPC Gallina was driving with SGT Beatty and two other members of the unit. The vehicle struck two anti-tank mines that detonated, ripping through the weaker armor in the floor leaving Beatty a double amputee below the knees and Gallina with severe back injuries, Traumatic Brain Injury (TBI) and Post Traumatic Stress Disorder (PTSD).

Their journey together is one of friendship, service, courage and leadership. Their shared experiences in the National Guard created a strong sense of community, a deep passion to give back, and a desire to make a difference in the lives of Service Connected Disabled Veterans.

GALLINA AND BEATTY CO-FOUNDCERS OF PURPLE HEART HOMES

As both men reintegrated into their communities, they were humbled by the number of people who would come up to them to thank them for their service and sacrifice. They were trained to never leave a soldier behind on the battlefield, and as two combat wounded Iraq veterans, they became committed to not leaving them behind at home as well.

Recognizing an unmet need, they decided to reach across the generational divide to provide housing solutions for qualified Service Connected Disabled Veterans and co-founded Purple Heart Homes together in 2008. The organization strives daily to give back and continues to grow their efforts. 2017 was a year of many highlights and exciting happenings (see pages 6 & 7). We hope you'll enjoy learning about our mission, and we’re hopeful that you’ll connect with us to get involved supporting the many men and women who have served our great country.

WWW.PURPLEHEARTHOMESUSA.ORG

Volunteers from H.E.A.R.T. 9/11 and the Denver Fire Department worked together on framing a house for a Service Connected Disabled Veteran.
Since 2008, Purple Heart Homes has continued to be a beacon of hope and light to hundreds of veterans and thousands of Americans who volunteer and support us across the nation. We believe that ALL veterans are deserving of a safe and accessible home and that the community of neighbors, businesses, and churches all has a role in the reintegration process of our armed forces members. We work continuously to connect veterans with their communities, provide a safe place for a veteran to call home, as well open the door for friendship, acceptance, and healing to take place.

In 2017, we experienced a growth in donations, volunteers, and projects completed as well an increase in the number of applications received, resulting in a backlog of veteran projects. By the end of the year, we had 10 official Purple Heart Homes Chapters, with another dozen in the process of being formed. We served 89 veterans and their families to provide an array of housing services and tremendous impacts. When asked what a safe and accessible home meant to him, David Holland, one of our veterans, said, “I hadn’t taken an actual shower since September 12, 2015. I’d only been able to wash myself with pails of water. These renovations mean that life will be easier for my family and me.”

At Purple Heart Homes, we work diligently each day to coordinate hundreds of activities for fundraising events and construction related projects. The Hearts of Honor Club, Purple Heart Homes’ monthly giving club that started in 2016 with just 15 donors, ended 2017 with 168 donors, who with their combined efforts bring in thousands of dollars each month that makes our mission possible. The pledge and consistency of these combined monthly donations allows for better planning and project execution. Donations ranging from $10 to $200 dollars each month, every single dollar to make a difference for the lives of veterans around the country. We simply could not thank our donors and supporters enough. Witnessing and being a part of the life changing impact that having a safe home within a community that you feel accepted by is nothing short of amazing. Thank you to all who support: individuals, corporations, churches, civic organizations, school clubs, foundations, neighbors, and friends!

To do all of this work, we needed a home of our own. At the end of December 2016, we closed on the property we now occupy located at 755 Washington Ave. Statesville NC. 28677. Moving into the property has had a significant impact on the organization and the veterans we serve. A home for an organization is not that different from a home for an individual; it provides a sanctuary, the feeling of security, and a place to plan and rejuvenate. For tomorrow will come and tomorrow we will gather together once again to serve our nation’s heroes, helping them to live safely and with dignity.

Warmest Regards,
OUR MISSION

Purple Heart Homes is dedicated to providing housing for Service Connected Disabled Veterans that is substantial in function, design and quality fit to welcome home the fighting men and women of America.

OUR VALUES

We demonstrate unwavering dedication to the veteran community through:

- Integrity
- Commitment to Excellence
- Teamwork
- Respect
- Compassion

Purple Heart Homes VAIP Program recipients, Robert Stokes and family, stand atop of their new wheelchair ramp built by local volunteers.
WHERE WE SERVED

In 2017, Purple Heart Homes helped 89 veterans in 27 states.

California
Colorado
Connecticut
Delaware
Florida
Georgia
Illinois
Kentucky
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Nebraska
New York
North Carolina
Ohio
Oklahoma
Pennsylvania
South Carolina
Tennessee
Texas
Virginia
Washington
West Virginia
Wisconsin
2017 HIGHLIGHTS & OUTCOMES

300 COMPLETED VETERAN PROJECTS
By November of 2017, Purple Heart Homes was able to complete a total of 300 VAIP & VHOP projects in 30 states since becoming established in 2008!

VETERANS AGING SUMMIT
Purple Heart Homes partnered with The Home Depot Foundation and National League of Cities to host the first Veterans Aging Summit at UNC Chapel Hill.

IRIS BALL FUNDRAISER
A group of young professionals out of Nashville, TN, launched a black-tie fundraiser called The Iris Ball. $63,424 was raised from this event and allocated toward forming a Middle Tennessee Chapter.

THIRD HOME COMPLETED IN DENVER, NC
Purple Heart Homes joined forces with four other nonprofits to construct the third home in the Lakehaven Estates community of Denver, NC, for a veteran, his wife, and their four children.

OPERATION VETERAN HOME RENOVATION
Defense Credit Unions in six cities across the U.S. stepped up to assist with needed veteran home renovations.

HEARTS OF HONOR CLUB REACHED 100 MEMBERS
Our monthly giving club gained its 100th member in August! This member got to attend a live in-studio session of The John Boy & Billy Big Show.

DEFENSE CREDIT UNION COUNCIL CONFERENCE
The Defense Credit Union Council Board of Directors selected Purple Heart Homes as their benefiting charity of 2017.

ENDOWED SCHOLARSHIP
Katie Baich, a girl scout in Lincolnton, NC, established an endowed scholarship of $50,000 to benefit a child or grandchild of a Purple Heart Homes veteran as part of her Gold Award project.

3.7 MILLION REACHED
Purple Heart Homes reached approximately 3.7 million people digitally through our website and Social Media accounts.

PURPLE HEART HOMES MOVED INTO NEW FACILITY
On May 22, Purple Heart Homes moved into its new warehouse and office spaces at the Washington Avenue Headquarters in Statesville, NC.
VAIP (Veterans Aging In Place)

VAIP is for Service Connected Disabled Veterans who currently own a home that no longer meets their physical needs. Purple Heart Homes partners with local volunteers in the community with the intent of restoring dignity and quality of life by creating a safe, barrier free living environment.

Renovations are provided at no cost to the veteran. Services are currently provided to veterans living east of the Mississippi River or in areas where a Purple Heart Homes Chapter has been formed.

Meet Reuben Edwards

Branch of Service: U.S. Army
Rank: Sergeant
Length of Service: 1946-1947
Age: 90
Hometown: Baltimore, MD

After having a disagreement with his father about whether he should go to school or get a job, Reuben Edwards decided to enlist in the U.S. Army to serve his country during World War II.

Mr. Edwards completed basic training at Fort McClellan, Alabama, before shipping out to Japan and specializing as a Fire Fighter. He sustained a Traumatic Brain Injury along with severe damage to his ears during his service. Mr. Edwards worked his way up the ranks and classified as a Sergeant by the time he was honorably discharged in 1947.

Purple Heart Homes fixed Mr. Edwards’ roof and improved the ceiling in his kitchen. When asked about what the intervention from Purple Heart Homes means to him, Mr. Edwards says, “I appreciate the help. I’ll have a warm place to stay, and I can feel comfortable in my house until I die.”
MEET ROBBIE JAMES

BRANCH OF SERVICE: Marine Corps & Army National Guard
RANK: PFC
LENGTH OF SERVICE: 1996-2005
AGE: 40
HOMETOWN: Denver, NC

Robbie spent most of his Marine career in Okinawa, Japan. Robbie left active duty in 2000 and pursued a civilian career as an EMT. By May of 2001, Robbie realized that he missed life in the military. He decided to reenlist, but not with the Marines. This time, he enlisted in the North Carolina Army National Guard. The events that took place on September 11, 2001, caused Robbie’s job in the National Guard to change drastically. Everyone in his unit anticipated going to Afghanistan, but they all ended up going to Iraq instead to serve in OIF. Robbie told us, "There were a few bumps in the road along the way... ambushes, IED explosions, mortar attacks... but we made it out alive."

Purple Heart Homes provided Robbie with his first home through our Veteran’s Home Ownership Program.

VHOP

(VETERANS HOME OWNERSHIP PROGRAM)

VHOP is for Purple Heart Homes Qualified Service Connected Disabled Veterans who are prepared to accept the responsibility of homeownership.

The program’s purpose is to provide Purple Heart Homes Veterans with newly renovated and/or modified homes that have been donated from various sources specifically for the VHOP program.

Veterans who meet the requirements and expectations of the program will have the opportunity to obtain a mortgage and own one of these homes at NO MORE than 50% of the final appraised value.
OUTSIDE FUNDRAISING FOR PURPLE HEART HOMES

Organizations both big and small can become an integral part of our success by raising much-needed funds for our Service Connected Disabled Veterans.

Plan a fundraiser for Purple Heart Homes by contacting us at info@phhusa.org

The Nashville Young Professionals raised $64,000.00 for Purple Heart Homes by selecting our organization as the beneficiary of the inaugural Iris Ball.

HEARTS OF HONOR

The Hearts of Honor Club officially launched on March 15, 2016. Purple Heart Homes wanted to find a way of acknowledging our existing monthly donors and to encourage others to support us in a convenient way.

This club helps to ensure the long-term success of Purple Heart Homes and allows us to complete more projects for Service Connected Disabled Veterans each year. Becoming a member requires only a minimum commitment of $10 a month, and all members receive a personalized welcome kit with various items, dependent upon the level of giving.

In January of 2017, we started with 67 members that were contributing $2,620.00 per month in total. By December of 2017, Hearts of Honor grew to 168 members, giving a total of $6,170.83 per month! The yearly total Hearts of Honor members gave in 2017 totaled $48,849.49 to assist Service Connected Disabled Veterans to be able to live in safe, barrier-free homes!
2017 FINANCIALS

REVENUE AND EXPENSE STATEMENT

REVENUE

<table>
<thead>
<tr>
<th>Source</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Contributions and grants</td>
<td>$2,382,635</td>
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<tr>
<td>Program service revenue</td>
<td>$12,935</td>
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<tr>
<td>Investment income</td>
<td>$99.00</td>
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<tr>
<td>Other revenue</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$2,395,669</strong></td>
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EXPENSES

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<thead>
<tr>
<th>Category</th>
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<tbody>
<tr>
<td>Program Service Expenses</td>
<td>$1,859,859</td>
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<tr>
<td>Management and General</td>
<td>$504,820</td>
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<tr>
<td>Fundraising</td>
<td>$292,263</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$2,656,942</strong></td>
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</tbody>
</table>

THANK YOU!

THANK YOU TO OUR SUPPORTERS!

BECAUSE OF YOU, 89 PROJECTS WERE COMPLETED IN 2017 AND 70 CENTS OF EVERY DOLLAR SPENT WENT DIRECTLY TO HELP OUR VETERANS.

CONSOLIDATED BALANCE SHEET

ASSETS

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Cash &amp; Equivalents</td>
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<tr>
<td>Accounts receivable</td>
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<td>Other current assets</td>
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<td><strong>Total current assets</strong></td>
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<tr>
<td>Real Estate</td>
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<tr>
<td>Property &amp; Equipment net</td>
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<tr>
<td>Other assets</td>
<td>$607</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$3,297,642</strong></td>
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LIABILITIES

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<tbody>
<tr>
<td>Accounts payable</td>
<td>$145,662</td>
</tr>
<tr>
<td>Accrued compensation &amp; related taxes</td>
<td>$24,918</td>
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<tr>
<td>Other current liabilities</td>
<td>$122,275</td>
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<td>Total current liabilities</td>
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<td>Long-term debt</td>
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<td>Other long-term liabilities</td>
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<td><strong>Total Liabilities</strong></td>
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Net Assets

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<tr>
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</thead>
<tbody>
<tr>
<td>Net Assets</td>
<td>$2,455,289</td>
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<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$3,297,642</strong></td>
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These figures are within plus or minus 5%. This information has not yet been audited.
PURPLE HEART HOMES BOARD
Charles Page, Chairman
Ryan Repp, Vice Chairman
Samantha Christopher
Darrin Sirois
Victoria Schweizer
Liz Paradise
Keith Hotchkiss
Sherry Yaskins

EXECUTIVE TEAM
John Gallina, Chief Executive Officer
Dale Beatty, Strategic Development Officer
Tim Parker, Chief Operations Officer
Mark Dillard, Chief Financial Officer
Brad Borders, Construction Director

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home of the free, because of the brave