

January 19, 2024

**Stormmaster**

Dear **Rocky**,

We want to thank you for your generous contribution. It is through the support of organizations like yours that we can continue to fulfill the mission of Homes for HOPE. Your contribution will provide business loans, savings services, biblically based business training, and mentoring to entrepreneurs living in poverty in 21 underserved countries across the globe through HOPE International and like-minded organizations, empowering them to lead their families out of poverty for good.

Due to the way that Homes for HOPE (H4H) projects are structured, contributions are handled a little differently than traditional in-kind donations. While your contribution to the H4H project was in kind, it needed to be converted to liquid cash before Homes for HOPE could accept it and utilize it to support this amazing work. Fortunately, Keystone Custom Homes does that for you.

Instead of sending the zero or discounted invoices directly to Homes for HOPE, invoices are sent to the building contractor - in your case, Keystone Custom Homes. This effectively embeds your in-kind donation and the increased profit margin of the home itself. Once the home is sold, your in-kind donation is converted to liquid cash, and Homes for HOPE receives the contribution.

Doing this allows trade partners and suppliers to contribute to Homes for HOPE projects using non liquid assets such as inventory and labor, instead of writing checks and depleting cash reserves. However, it requires that Homes for HOPE handle acknowledgement differently.

Since you sent a zero or discounted invoice to Keystone Custom Homes, the IRS will see us as the primary benefactor of your in-kind donation in the case of an audit. That is unless we acknowledge in writing that the discounted amount was in participation with the campaign raising money for tax exempt, 501(c)3 nonprofit organization.

For this reason, Homes for HOPE provided Keystone's team with this template as the tax treatment letter acknowledging your participation was a part of the Homes for HOPE project, and it should satisfy any IRS requirements to make your contribution eligible for a tax deduction.

The value of products donated determined by you, the trade partner:

Date: 2023

Amount: **\$2,500.00**

For: Homes for HOPE 2023 Fall Winter Fundraising Campaign

Should you have further questions, please do not hesitate to contact my assistant, Marcelle, at [marcelleh@keystonecustomhome.com](mailto:marcelleh@keystonecustomhome.com) or 717-629-5536.

We are grateful for your partnership with KCH and coming alongside the families and communities that HOPE International and Homes for HOPE serves around the world.

Gratefully,



**JEFF RUTT, CEO, Keystone Custom Homes**  
**Chairman/ Founder, HOPE International**  
**717.464.9060 x1142**

cc: meh, accounting