



July 21, 2020

Mr. Stephen R. DeSimone  
Very Good Building and Development LLC  
PO Box 402  
Narragansett, RI 02882

***Letter of Eligibility: Matunuck Beach Road Condominiums, Plat 92-2, Lot 56***

Dear Mr. DeSimone:

We have received your application for a letter of eligibility to pursue a Comprehensive Permit in the town of South Kingstown. You have represented that you propose a twelve-unit condominium development that would include nine market rate units and three affordable units. The affordable units will be sold to households earning a maximum of 100% of the Area Median Income (“AMI”). All units would have two bedrooms.

Based on the current AMI, the Freddie Mac Primary Mortgage Market Survey 30-year fixed-rate mortgage average interest rate as of the date of this letter, anticipated taxes, insurance and mortgage insurance costs, the maximum sales price in South Kingstown for an affordable condominium unit with a condo fee of \$200, priced for households earning 100% of the AMI, is \$282,375. The maximum permitted sales price may change in the future due to changes in any of the above noted inputs.

In addition to requirements for affordability and monitoring, under R.I.G.L. 45-53, the construction or rehabilitation of qualifying low and moderate income housing units must be assisted by a state, federal or municipal subsidy program.

After preliminary review of the plans and financial assumptions for the proposed sale of nine market rate units and three affordable units to households earning 100% of the AMI, all to be located at Plat 92-2, Lot 56, in South Kingstown, RIHousing has determined that:

- This project appears to be eligible for a municipal subsidy under Article 5, Section 502.6 of the Town of South Kingstown Zoning Ordinance.
- In conformance with R.I.G.L. 42-55-5.3 RIHousing performed an on-site inspection of the site, and has reviewed pertinent information supplied by the applicant.
- The initial project proforma was reviewed and the project appears to be feasible based on projected overall development costs and potential sources.
- The applicant, Very Good Building and Development LLC, has provided evidence of site control.

Matunuck Beach Cottages  
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Based upon the review of the submitted information and supporting materials and based on the representations in your request, ***Very Good Building and Development LLC is eligible to pursue a Comprehensive Permit application in the town of South Kingstown to develop Plat 92-2, Lot 56.***

Modifications to the development proposal resulting from local review do not require a revised letter of eligibility.

Thank you for your commitment to providing affordable housing opportunities to low- and moderate-income Rhode Island families.

Sincerely,



Eric Shorter  
Director of Development

cc: Jason Parker, South Kingstown Planning Department