

New Supply Shared Equity (NSSE) Properties Information Sheet

Lochaber Housing Association is pleased to offer a low-cost home ownership opportunity at Rankin Crescent, Lochyside.

Through the Scottish Government's New Supply Shared Equity (NSSE) scheme, buyers can purchase an equity stake in the property of between 60% and 90% subject to eligibility. Buyers also need to contribute the maximum they can afford to qualify.

The NSSE scheme

Funded by the Scottish Government, the Low-cost Initiative for First Time Buyers (LIFT) Scheme allows you to buy an equity stake in a property, normally between 60% and 90%. Where the property being offered is a new build, this is known as New Supply Shared Equity (NSSE).

There are no ongoing repayments towards the Scottish Government's stake and the buyer owns the property outright with full maintenance responsibility. The Scottish Government pays between 10% and 40% of the price and the same percentage is repaid to the Scottish Government when the property is sold on the open market for outright sale; or buyers can choose to increase their stake at any point if they prefer.

A full explanation of how the scheme operates can be found on the Scottish Government website: <https://www.mygov.scot/new-supply-shared-equity-scheme/>

Pricing

Property type	Plot numbers available	Valuation price	Minimum purchaser contribution (60%)	Maximum purchaser contribution (90%)
2 bedroom semi-detached house with private garden and in-curtilage parking	8, 10, 12 and 14	£175,000	£105,000	£157,500

Eligibility Criteria and Affordability

The New Supply Shared Equity scheme is open to the following groups:

- First-time buyers
- People aged 60 and over
- Social renters (local authority and housing association tenants)
- People with a disability
- Members of the armed forces
- Veterans who have left the armed forces within the past two years
- Widows, widowers and other partners of service personnel who have lost their life while serving in the armed forces within the last two years;
- Existing or previous homeowners who are unable to sustain or move back into homeownership due to a significant change in household circumstances e.g. a marital breakdown.

The Scottish Government's contribution depends on the amount you can afford to contribute. For example, if the property is valued at £175,000 and you can afford to contribute £105,000 (60% of the price), the Scottish Government would provide the remaining 40% (£70,000). Your contribution can be made up of a mortgage and deposit, or, if you are over 60, it can be made up of the proceeds from your house sale without you taking a mortgage for the new property. When the property is sold, 40% of the sale price would be returned to the Scottish Government. Alternatively, if you choose to, you can increase your equity share to 90% over time.

These homes have a 'Golden Share' retained by the Scottish Government. For more information about Golden Share please enquire.

Lenders may ask for a deposit towards your mortgage. You should discuss this with your Independent Financial Adviser (IFA) before you apply to the scheme.

Buyers aged 60 and over do not need to take a mortgage as they can use equity from the sale proceeds of their existing home provided their IFA confirms they could not afford to buy the home without the Scottish Government's support through the scheme.

Buyers aged 59 and under will need to pay at least part of their contribution with a mortgage and they will also need their IFA to confirm they could not afford to buy the home without the Scottish Government's support through the scheme.

Buyers must contribute 90% of any savings above £5,000 towards the new property. If you can raise more than 90% of the purchase price through a combination of mortgage /sale proceeds and deposit, you will not be eligible for the scheme.

Buyer Responsibilities

When you buy through the NSSE scheme you own the property outright. This means you are responsible for:

- Paying your mortgage
- Home contents insurance
- Repairs and maintenance
- Council tax
- Electricity bills

Reservation and fees

Once an IFA or buyer has completed an online application form, the application will be accepted or declined. If accepted, a payment of £250 can be made to reserve your first and second choice plots. The fee will be taken off the final purchase invoice with the conveyancer.

If a reservation fee is paid but you later choose to withdraw due to a change in personal circumstances, £100 will be refunded.

You will be required to appoint a Solicitor to act on your behalf and you will be expected to meet their fees.

Along with paying for your share of the purchase price in the usual way, as well as associated legal costs, survey fees, etc, you will need to pay for the documenting and securing of the Scottish Government's interest including all registration dues and (if applicable) stamp duty.

You will have to pay for a mortgage valuation report on the property.

How to apply

To reserve a plot, please complete an online application form (normally done by an IFA) stating which plot you would like to reserve (you can include a first and second choice - please refer to the sales brochure for details of each plot). Plots will be allocated on a first come, first served basis on receipt of a complete application with supporting documents. Applications will only be assessed when all supporting documents have been received.

Lochaber Housing Association has engaged with Link Shared Equity (part of C~rb 6 Ltd) to provide a complete purchasing service. This includes the application stage, reservation stage and a final conveyancing stage for applicants who have been made an offer.

To support your application, you need to provide the following for all applicants, regardless of whether they are named on the mortgage:

- One mortgage Decision in Principle, unless you are 60 or over and applying without a mortgage. A mortgage Decision in Principle can be obtained from an independent financial adviser or mortgage advise, or directly from a mortgage provider.
- Your most recent 3 months' bank statements for all savings held for each applicant.
- Your most recent 3 months' (or 12 weeks) payslips for each applicant if applicable.
- If you are self-employed, a copy of your last year's accounts or most recent SA302 tax form.
- Your most recent award notice for any benefit payments including Universal Credit, Working Tax Credit and Personal Independence Payment.
- Proof of accommodation status such as tenancy agreement, mortgage redemption statement or letter from parent or guardian if living with them.
- If you have a disability, a letter or report from a medical professional, such as a Consultant or your GP, advising what your housing need is and why your current home is unsuitable (e.g. you are unable to manage the stairs or require a bedroom on ground floor).
- If you have left the Armed Forces within the last two years, a discharge letter or other official document showing the date you left.
- A signed mandate from you if the IFA is completing the application for you.
- Please ensure you have all of this information before proceeding with an application form.
- If your application is successful, we will contact you and request that you pay the reservation fee.

Further Information

Find out more about NSSE and upcoming developments by visiting:

[New Supply Shared Equity Properties](#)

www.mygov.scot/new-supply-shared-equity-scheme