

## MORE HOMES DIVISION GUIDANCE NOTE



**To:** All Registered Social Landlords and Local Authorities

**Subject:** Open Market Shared Equity Scheme & New Supply Shared Equity Scheme – Update of Administrative Procedures.

**Issued by:** More Homes Division

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This Guidance Note tells you about certain changes to the Open Market Shared Equity (OMSE) and New Supply Shared Equity (NSSE) Scheme Administrative Procedures. A new Post Purchase Information Leaflet for shared equity owners has also been published on the Scottish Government website. The changes to the OMSE Administrative Procedures were introduced in April 2016 and the changes to the NSSE Administrative Procedures will apply with **immediate effect**.

### **OMSE Administrative Procedures**

The following changes have been made to the OMSE Administrative Procedures:-

- Minor amendments to the Standing Instructions and shared equity documentation in Annex A;
- Added information in Annex C on establishing affordability and means testing applications from disabled applicants;
- Changes made to the Passport Letter in Annex D to accommodate the requirements of the Mortgage Credit Directive;
- An update to the threshold prices in Annex E;
- Changes to the Sales Log Form in Annex H to simplify it and to help improve monitoring information on the scheme.

### **NSSE Administrative Procedures**

The following changes have been made to the NSSE Administrative Procedures:-

- Minor changes to the Offer of Grant and shared equity documentation set out in ANNEX A;
- A new template letter is included Annex K. In order to accommodate requirements under the Mortgage Credit Directive, a copy of the letter **must be sent to every eligible buyer** who has been assessed as eligible for shared equity support, **before** the RSL instructs its solicitors to issue to the purchaser's solicitors a formal legal offer for the sale of the property. This is required to accommodate the requirements of the Mortgage Credit Directive.
- Changes to the Sales Log Form in Annex F to simplify it and to help improve monitoring information on the scheme.

## **Post Sales Information Leaflet**

A [Post Sale Information Leaflet](#) for shared equity owners has been published on the Scottish Government website and registered social landlords and local authorities should ensure that a copy is provided to every buyer at settlement.

It has been prepared in a question and answer format and covers the main queries that shared equity owners ask after they have purchased their home. It should also be helpful to registered social landlords and local authorities should they receive any post-sale queries from shared equity owners.