

## INFORMATION SHEET

# Mortgages

**Would you like to finance a home of your own? Choosing the right mortgage depends on many factors, including your planning horizon, your risk appetite and your budget. We will be pleased to advise you.**

SVE offers natural persons and legal entities mortgages in Swiss francs secured by property liens at attractive conditions.

### Mortgage products

#### Fixed-rate mortgages

Fixed-rate mortgages offer a high degree of planning security, as their term and interest charges are known in advance.

- Term: 2–10 years
- Interest: fixed, agreed in advance
- Interest payment: half-yearly
- Termination: not required, agreed in advance

#### Variable mortgages

Variable mortgages offer a high degree of flexibility, as no fixed term is agreed and interest rates are adjusted to the capital market. They can be cancelled daily for three months or, if a property is sold, on the date of transfer of ownership.

- Term: indefinite
- Interest: variable
- Interest payment: half-yearly
- Cancellation: mutual, daily for three months

#### SARON mortgages

With a SARON mortgage, you are opting for financing close to the market, as interest rates are adjusted to the money market. These products are suitable if you want to benefit from attractive market interest rates and can accept interest rate fluctuations.

- Term: 2–5 years
- Interest: variable
- Payment: quarterly
- Termination: not required, agreed in advance

### Financing

The following residential properties in Switzerland are financed with a maximum commercial share of 30%:

- Detached houses
- Owner-occupied apartments
- Apartment blocks
- Residential property under building law
- Building loans

Holiday homes/apartments and character properties are not financed.

### Equity

You need at least 20% of your own funds to finance the purchase price, whereby a maximum of 10% may come from the pension fund.

### Amortisation

Partial repayments are possible on expiry of a mortgage or during the term, provided that this has been contractually agreed. There is no amortisation obligation for first mortgages. Second mortgages must be repaid in full within 20 years. First mortgages are granted up to a maximum of 65% of the appraised value, second mortgages up to a maximum of 80%.

### Sustainability

The imputed housing costs may not exceed 35% of the gross annual salary. Annual mortgage interest charges are calculated at 5%, maintenance and operation at 1% of the loan-to-value basis.

### Interest rates/forward interest rates

Interest rates are set on a monthly basis on the first working day and published on our website at [www.sve.ch/hypotheken](http://www.sve.ch/hypotheken). We reserve the right to adjust interest rates in the event of market changes.

Interest rate hedges are possible for forward mortgages with a lead time of up to 12 months. Hedging is free of charge for up to six months, after which a surcharge will be levied.

### **Favourable interest rates on green mortgages**

We support investments in new buildings and energy-efficient renovations that reduce energy consumption, conserve resources and reduce CO<sub>2</sub> emissions by granting attractive interest rate benefits on 'green' mortgages. If your property has a Minergie certificate, a cantonal building energy certificate (GEAK) or the Swiss Sustainable Building Standard (SNBS), please submit the relevant document.

### **Early termination**

In the event of premature termination, an early repayment penalty will be due; this will be calculated depending on the remaining term and the market interest rate.

### **Contacts**

Our Mortgages team will be happy to assist you:

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SVE Mortgages

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If you have any questions about the early withdrawal of retirement assets to finance home ownership, please get in touch with your personal contact. Contact details can be found on your insurance certificate or at [www.sve.ch/team](http://www.sve.ch/team).