



Information sheet
Mortgages
For your social security

SVE mortgages for beneficiaries and now also for third parties

From 1 July 2016, SVE will provide Swiss franc mortgages secured by lien for natural persons (now also including non-insured members) and legal entities.

Mortgage products

- ▶ Fixed-rate mortgages with terms of 2 to 10 years
- ▶ Variable-rate mortgages

Properties financed

- ▶ Single-family houses
- ▶ Owner-occupied apartments
- ▶ Multi-family houses with maximum 30% commercial occupancy
- ▶ Leasehold residential property
- ▶ Financing of construction projects

Limitations

- ▶ First mortgage up to a maximum of 65% of the estimated value
- ▶ Second mortgage up to a maximum of 80% of the estimated value, mandatory repayment
- ▶ Only residential properties located in Switzerland (max. 30% commercial occupancy)
- ▶ Loans cannot be secured against holiday houses, holiday apartments or exclusive enthusiasts' properties which are difficult to sell.

Required equity

- ▶ Minimum of 20% of purchase price or market value
- ▶ Minimum of 10% of equity to consist of assets other than second-pillar pension assets

Affordability

- ▶ Housing costs to account for a maximum of 32% of gross annual salary
- ▶ Long-term mortgage interest calculated at 5%
- ▶ Maintenance and operation calculated at 1% of the mortgageable value

Repayment

- ▶ The second mortgage must be repaid within a maximum of 20 years, or at the latest by the borrower's ordinary retirement age.
- ▶ The first mortgage is not subject to any repayment requirement.
- ▶ Individual, faster repayment arrangements may be agreed.

Interest rates/forward interest rates

- ▶ Interest rates are fixed monthly on the first working day of the month and are published online at www.sve.ch/de/lebenssituationen/wohneigentum. The interest rates listed are indicative values. In the event of changes in the market, SVE reserves the right to adjust the interest rates. Agreed fixed interest rates remain valid until the expiry of the term.
- ▶ Interest terms on fixed-rate mortgages can be fixed for up to 12 months in advance (forward rates). Fixing in advance for up to three months is free of charge; longer-term fixing may be subject to surcharges.

Interest due dates

Half-yearly on 30 June and 31 December.

Termination

- ▶ Fixed-rate mortgages generally run until the end of the agreed term and do not need to be terminated. In the event of an early exit from an ongoing fixed-interest commitment, an early repayment compensation payment will be due depending on the remaining term to maturity and the market interest rate at the time of the exit.
- ▶ Variable mortgage loans may be terminated by either party daily, subject to a six-month period of notice.

Effective date

This guideline document is valid from 1 July 2016 and replaces all previous provisions governing SVE mortgages.



For more information please contact our SVE mortgage team

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Responsible for second-pillar withdrawals under the home-ownership promotion scheme:

Please take note of the 'Promotion of home ownership' information sheet
www.sve.ch/de/service/downloads

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No legal claims can be derived from this information sheet.
The current provisions of the law and the pension fund regulations are binding.

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