

Fix your interest  
rate for free  
up to a year ahead\*

# No surprises

With a **UBS Fixed-Rate Mortgage**, you'll sleep soundly, as you're protected against rising interest rates.

**Would you like to be able to budget your interest costs and avoid surprises? With the UBS Fixed-Rate Mortgage you know exactly what interest rate you'll pay throughout the entire term.**

## Facts

Interest rate	fixed
Term	limited (2–10 years)
Interest rate risk	only at maturity
Conclusion	Mortgage paid out immediately or at a later date (up to 12 months in advance; longer waiting periods on request)
Financing	for all types of real estate
Mortgage payments	can be fixed in your mortgage agreement
Use	for all types of real estate, for private clients

## What you need to know

- The UBS Fixed-Rate Mortgage has a fixed interest rate and a fixed term, guaranteeing you low rates for years to come. Although the agreed rate means you are no longer vulnerable to interest rate increases, you will not benefit from interest rate cuts during the fixed term.
- Choose the term of your UBS Fixed-Rate Mortgage taking current interest rates into account: Long-term financing is the best way to plan when interest rates are low. When they are high, it's better to borrow short-term.
- By locking in your interest rate you can plan your budget with certainty, because you know how much interest you'll be paying for the entire term of your mortgage. Interest is charged on a quarterly basis.

## Protect yourself against rising interest rates

If you expect interest rates to be higher at the end of your current UBS Fixed-Rate Mortgage term or for future UBS mortgage financing, you can protect yourself against this. You can fix the rate of interest on your new UBS Fixed-Rate Mortgage up to 12 months before it is paid out. So the rate of interest is fixed and the mortgage paid out on different dates. You would normally pay an additional fee for this interest rate hedge. The earlier

you take out a UBS Fixed-Rate Mortgage, the higher this additional fee will usually be. **Until further notice, however, we will waive this additional fee when you take out a UBS Forward Mortgage.**

## Minimize interest rate risk

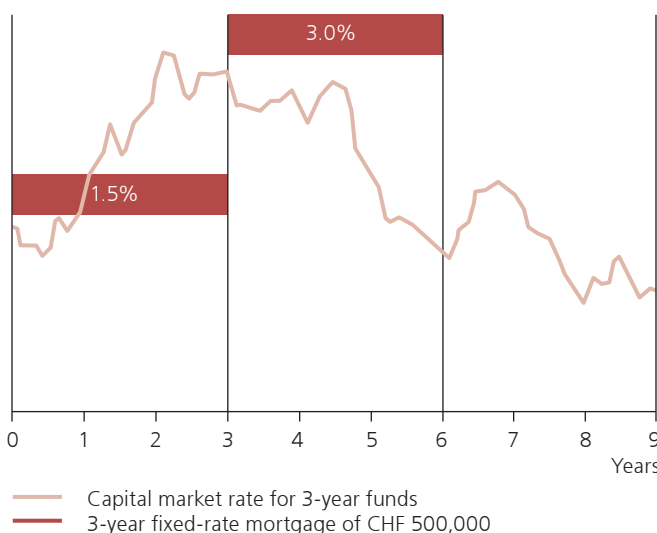
When the term of your mortgage expires, the general level of interest rates may be higher than the rate you have been paying for your UBS Fixed-Rate Mortgage. You would then have to reckon with higher interest payments for the subsequent financing of the total mortgage. That's why, to minimize the interest rate risk, it's better to finance larger amounts through making your own product combination, for example by using two UBS Fixed-Rate Mortgages with different terms.

## Example without product combination

You have borrowed CHF 500,000 in the form of a 3-year fixed-rate mortgage at 1.5% interest. After the three years have elapsed, a new 3-year fixed-rate mortgage would cost you 3.0%. This increase of 1.5% in the interest rate corresponds to an additional CHF 7,500 a year.

## High interest rate risk (option 1)

Interest rate in percent  
(for illustration purposes only)



### Example with product combination

By combining products, you can reduce your interest rate risk. For example: you take CHF 250,000 as a 3-year mortgage at 1.5% and CHF 250,000 as a 5-year mortgage at 1.6%. If you do this, you will only need to pay the higher 3.0% rate of interest on half of the financing after three years. The remainder will continue to be fixed at the lower interest rate for another two years. In the end, you'll pay CHF 8,750 less than in the example without a mortgage combination.

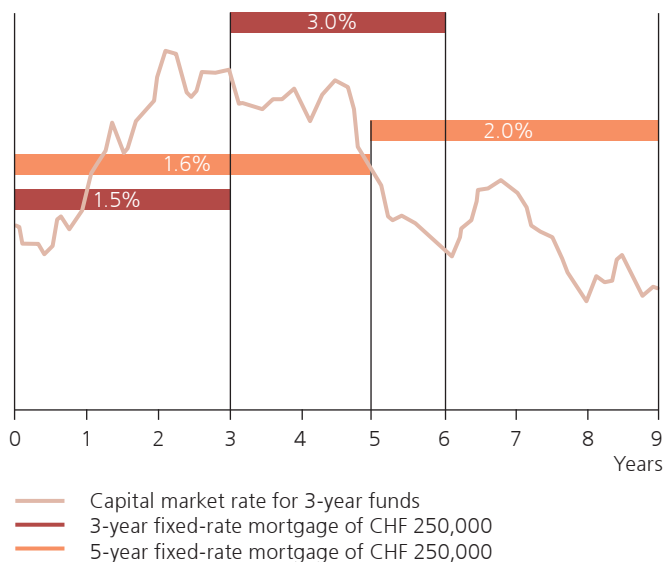
### Key points

- Fixed interest rate lets you plan your spending
- Interest rate fixed throughout the term of the contract
- Protect yourself ahead of time against rising interest-rates by taking out a UBS Fixed-Rate Mortgage to be paid out at a later date
- Minimized interest rate risk with a product combination

### Optimized interest rate risk (option 2)

Interest rate in percent

(for illustration purposes only)



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### For all your questions

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