

What's your forecast?

If you expect interest rates to remain stable or even fall, the **UBS Libor Mortgage** makes very good sense

Do you track the financial markets and know you can cope with short-term interest rate fluctuations? If so, the UBS Libor Mortgage lets you benefit from particularly attractive rates of interest.

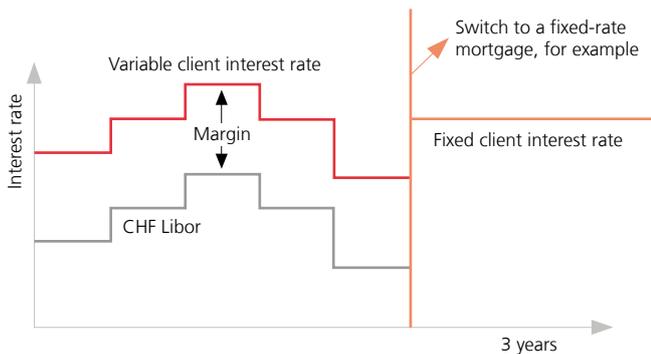
Facts

Interest rate	fixed for the selected fixed-interest period (3, 6 or 12 months)
Term of the contract	3 years
Interest rate risk	interest rates may fluctuate during the term of the mortgage
Reference rate	based on the CHF Libor rate selected for the fixed-interest period*
Use	for all types of real estate, for private clients

* The CHF Libor rate (London Interbank Offered Rate), on which changes in the mortgage rate are based, is set in London before the start of a fixed-interest period. Please note that when determining the rate of interest, CHF Libor may never be less than zero.

How the UBS Libor Mortgage works

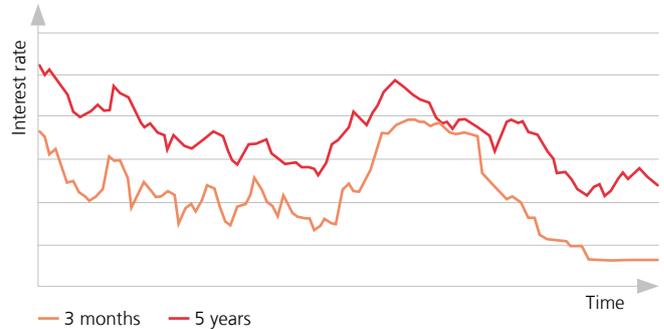
The UBS Libor Mortgage tracks the CHF Libor rate. The CHF Libor rate is the interest rate that prime banks offer each other on short-term deposits in Swiss francs. It is published daily in the media and reflects the general interest rate level for short-term deposits in Swiss francs. You can take out a UBS Libor Mortgage at any time, and choose the fixed-interest period when you arrange the mortgage. The interest rate will be adjusted to the prevailing money market rate, or CHF Libor, at the end of the selected fixed-interest period. The interest rate comprises the CHF Libor rate plus a fixed margin.



In a normal interest rate environment, financing over short-term fixed interest rate periods is cheaper than long-term financing.

Development of short- and long-term interest rates

(for illustration purposes only)



The interest rate on your mortgage can change rapidly. That is why the UBS Libor Mortgage is ideally suited to people who actively track developments on the money and capital markets. If you expect interest rates to remain stable or drop, it makes a lot of sense to take out a UBS Libor Mortgage.

What you need to know

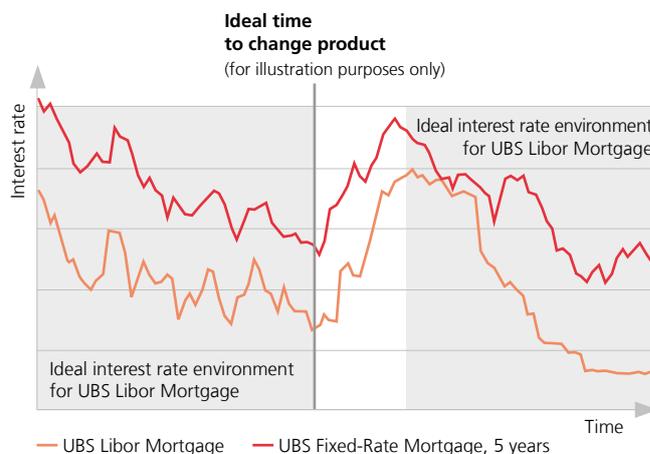
- The UBS Libor Mortgage reacts to developments on the money market, enabling you to benefit from transparent market rates.
- The UBS Libor Mortgage is a type of short-term loan, so that interest rates are lower than for longer-term loan rates in a normal interest rate environment.
- You have the option to terminate all or part of your Libor mortgage at the end of any fixed-interest period, provided that you take out a multi-year UBS Fixed-Rate Mortgage for the amount that was terminated.
- Through indirect amortization, you can cut your tax bill. Regular direct mortgage repayments can be fixed in your mortgage agreement.

Key points

- Mortgage closely linked to the money market
- Attractive interest rates with short-term fluctuations
- Switch to a multi-year UBS Fixed-Rate Mortgage possible at the end of any fixed-interest period

Minimize your interest rate risk

Because the interest rate period is fixed for only a short period, the UBS Libor Mortgage adjusts quickly to changes in the money market. If interest rates fall, this feature is very positive, but can be a drawback when interest rates rise. You can protect yourself against rising interest rates by terminating your Libor Mortgage at the end of a fixed-rate period and taking out a multi-year UBS Fixed-Rate Mortgage for the amount that was terminated. With a UBS Fixed-Rate Mortgage you lock in the interest rate for the entire term of the mortgage.



By dividing your total mortgage financing into several tranches with different terms, unfavorable interest rate changes can never affect your entire loan all at once.

UBS Switzerland AG
P.O. Box
8098 Zurich

For all your questions

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- ☎ UBS Hypoline 0800 884 558
- 📍 Find your nearest branch ubs.com/locations