

# Flex mortgage



## Brief description

The Flex mortgage is a way of financing residential and commercial real estate. It has a floating interest rate adjusted in line with the SARON<sup>®</sup> rate every 1, 3 or 6 months. It is calculated using the daily compounded rate (SARON<sup>®</sup> compound). A premium based on the mortgage client's credit rating and the property is added. The interest rate on the Flex mortgage is not known until the end of each agreed interest rate period. If interest rates rise it is possible to switch to another mortgage model at the end of the term or use a combination of different mortgage models.

## Suitability

The Flex mortgage is suitable for property owners looking to benefit rapidly from falling interest rates and willing to bear the higher costs if rates rise sharply. The Flex mortgage is available to retail clients and companies resident/registered in Switzerland.

## Your benefits

- Quick adjustment when interest rates are falling**  
 You benefit from transparent and market-related interest rates and rapid adjustment of your interest burden when rates are falling.
- Flexibility in the choice of mortgage model**  
 You can quickly and flexibly switch to another mortgage model at the end of the term and/or choose a combination of several mortgage models.
- Flexible repayment**  
 You can make repayments at the end of every interest period and repay some or all of your mortgage.
- Indirect repayment**  
 Indirect repayment lets you save even more tax using our 3a retirement account for owner-occupied residential property.

### Minimum amount

CHF 100 000 minimum tranche

### Minimum contract term

3 years

### Conditions

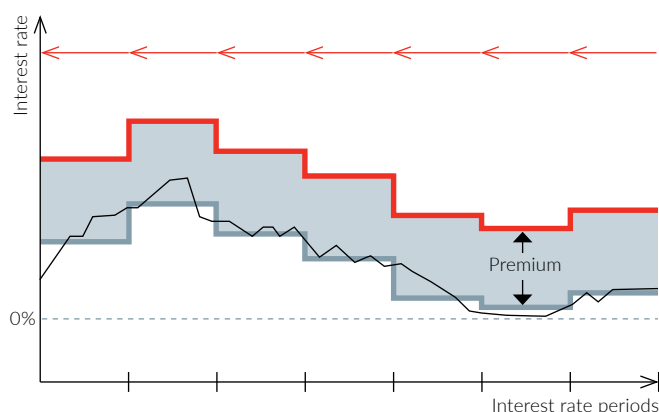
**Interest rate:** Fixed for a period of 1, 3 or 6 months based on the corresponding SARON<sup>®</sup> rate (SARON<sup>®</sup> compound + premium).

**Interest payment:** Interest is payable at the end of each agreed interest period.

**Repayment:** Direct or indirect (on condition that a 3a retirement account is held at Bank CIC)

**Term of loan:** Indefinite

**Loan commission:** None



- Customer interest rate
- SARON<sup>®</sup> interest rate
- «SARON<sup>®</sup> compound» basic interest rate\*
- ◀ Interest rate set at end of period (lookback variant)
- Floor on basic interest rate

\* The individual SARON<sup>®</sup> rates in each period (e.g. 3 months) are compounded to give a basic interest rate («SARON<sup>®</sup> compound»).

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## Potential risks

- **Interest rate risk**

Because the SARON<sup>®</sup> rate may fluctuate, the interest burden may be hard to calculate over the medium term and, depending on the maturity, could rise sharply.

- **Affordability risk**

Unexpected private or professional changes could mean that you can no longer finance the mortgage payments.

- **Loss of property value**

The Bank reserves the right to reduce credit limits or request additional collateral.



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