

Residential property sample calculation

| | Example | Your budget |
|---|----------------|----------------------|
| • A Investment costs or purchase price (100%) | CHF 650 000.00 | <input type="text"/> |
| • B Personal equity (at least 25%) | CHF 162 500.00 | <input type="text"/> |
| • C Borrowed capital / mortgage (A minus B) | CHF 487 500.00 | <input type="text"/> |
| • D First mortgage (65% of A) | CHF 422 500.00 | <input type="text"/> |
| • E Second mortgage (up to a max. of 10% of A) | CHF 65 000.00 | <input type="text"/> |
| • Interest on first mortgage 5%* of D** | CHF 21 125.00 | <input type="text"/> |
| • Interest on second mortgage 5%* of E (can only be variable) | CHF 3 250.00 | <input type="text"/> |
| • Repayment of second mortgage within 10–20 years (E divided by 15 = per year) | CHF 4 300.00 | <input type="text"/> |
| • Annual recurring expenses (maintenance, charges, fees, – usually 1% of A) | CHF 6 500.00 | <input type="text"/> |
| • Insurance premiums (Todesfall, (death, disability, unemployment – these are partly covered by indirect repayment), ca. | CHF 1 500.00 | <input type="text"/> |
| • Costs per year | CHF 35 862.50 | <input type="text"/> |
| • Costs per month, ca. | CHF 2 988.55 | <input type="text"/> |
| • Monthly income | CHF 8 500.00 | <input type="text"/> |

* 5% variable interest rate (in order to ensure viability with rising interest rates, the calculation is based on a long-term average value)

** Zurich offers fixed mortgages of 3–10 years and 15–20 years.

Please note: the mortgage rates for the first and second mortgages plus expenses for the repayment and 1% for annually recurring expenses may not exceed 33% of your income.