

# UBS (CH) Property Fund – Direct Urban

Simplified prospectus

**Contractually based investment fund under Swiss law (Category “Real Estate Funds”)**

**Fund management company:** UBS Fund Management (Switzerland) AG  
**Custodian bank:** UBS Switzerland AG

This simplified prospectus contains a summary of the key information about the real estate fund. The detailed prospectus including the fund contract governs the legal and economic aspects definitively. These include such aspects as the rights of investors, the duties and obligations of the fund management company and the custodian bank and the investment policy of the real estate fund. Investors are advised to consult the detailed prospectus. The annual and semi-annual reports provide information about the capital account and income statement. These documents are available free of charge from the fund management company, the custodian bank and all distributors.

## **Investment information**

### **Investment objective**

The investment objective of the real estate fund is principally to maintain its long-term value and to make appropriate income distributions.

### **Investment strategy (Investment policy)**

UBS (CH) Property Fund - Direct Urban primarily invests in real estate assets in urban areas of Switzerland and in other investments as permitted under the fund contract. The real estate fund mainly owns direct property holdings.

This real estate fund cannot engage in securities lending.

No derivative financial instruments are used.

Currency of account: Swiss franc (CHF)

### **Risk profile of the real estate fund**

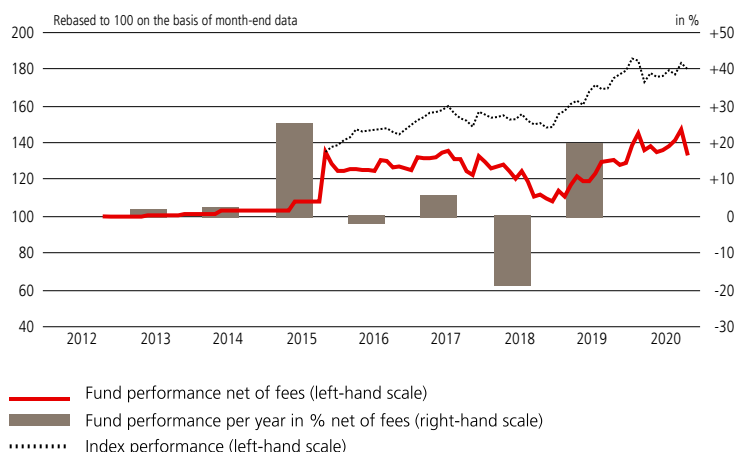
The main risks of the real estate fund are its sensitivity to economic developments, changes in the Swiss real estate market, limited liquidity, interest-rate developments, environmental risks, competition and pricing.

The value of the investments can go down as well as up and investors may not recoup their original investment.

The detailed prospectus contains more specific information about the risks noted here.

## Performance

Basis CHF, net of fees<sup>1</sup>



in %	2016	2017	2018	2019	2020 YTD <sup>2</sup>	Oct. 2020	5 years	Ø p.a. 5 years
Fund (CHF)	-1.96	5.24	-18.50	19.30	3.99	-8.86	24.21	4.43
Ref. Index <sup>3</sup>	6.85	6.60	-5.32	20.67	0.49	-1.77	n.a.	n.a.

1 From 29.11.2012 to 26.11.2015 development of net asset value; from 26.11.2015 stock market performance in accordance with SFAMA after listing. The performance shown does not take account of any remuneration and incidental costs charged when subscribing to and redeeming units.

2 YTD: year to date

3 LTD: launch to date

4 Benchmark in currency of real estate fund (excluding costs)

### Average annual performance as at 31 October 2020:

Past three years:	3.13%
Past five years:	4.43%; see above footnote 1
Past ten years:	n/a

Past performance provides no indication of the future performance of the fund units. This depends on market developments and how successfully the asset manager implements the investment policy.

### Profile of the typical investor

This real estate fund is appropriate for investors with a long-term horizon who are focused on income and have moderate risk tolerance. The primary objective is to maintain the value of the units and to provide partial protection against inflation.

### Appropriation of net income

The net income of the real estate fund will be distributed free of charge to the investors annually within four months of the close of the financial year in the accounting currency Swiss franc (CHF) (see Tax aspects (real estate fund)).

As a rule, capital gains are not distributed but are retained in the real estate fund for reinvestment.

### Unit classes

This real estate fund is not subdivided into unit classes.

## Economic Information

### Remuneration and incidental costs

	2018/2019 <sup>1</sup>	2019/2020 <sup>2</sup>
<b>Remuneration and incidental costs incurred directly by the investor when subscribing to and redeeming units</b>		
Issuing commission max.	5%	5%
Redemption commission max.	2%	2%
<b>Incidental costs in favour of the fund's assets that accrue to the fund from the investment of an amount paid in or the sale of investments</b>		
Surcharge on net asset value max.	5%	5%
Deduction from net asset value max.	5%	5%
<b>Remuneration and incidental costs charged to the fund's assets on an ongoing basis</b>		
Flat fee charged by fund management company max.	1.0%	1.0%
<b>Remuneration and incidental costs in accordance with the fund contract Section 19 (2) and (3)</b>		
<b>Total expense ratio (TER)</b>		
(TER <sub>REF</sub> ) – GAV	0.78%	0.77%
(TER <sub>REF</sub> ) – MV (Market Value)	0.99%	0.98%

<sup>1</sup> For the financial year 1 July 2018 to 30 June 2019

<sup>2</sup> For the financial year 1 July 2019 to 30 June 2020

The fund management company and its agents do not pay retrocessions to third parties as compensation for the distribution activities in respect of real estate fund units in or from Switzerland.

In accordance with the provisions of the prospectus, the fund management company and its agents may, upon request, pay discounts directly to investors as part of distribution in or from Switzerland. Discounts may serve to reduce fees or costs charged to the respective investors.

#### Commission-sharing agreements and soft commissions

The fund management company has not concluded any commission-sharing agreements.

The fund management has not concluded any soft commission agreements.

The fund management company has not concluded any agreements on retrocessions relating to so-called soft commissions.

#### Tax aspects (real estate fund)

The real estate fund has no legal personality and is subject to Swiss law. It is subject to neither income tax nor capital gains tax.

The real estate fund holds properties mainly via the real estate companies it holds. Profit and capital gains tax is not paid by the real estate fund, but by the real estate companies held by the fund. The capital gains realised by the real estate fund on the sale of real estate companies and other assets (e.g. short-term fixed-income securities) are exempt from withholding tax, provided they are distributed with a separate coupon or listed separately in the statement sent to the investor.

The income from direct property holdings is liable to direct federal tax with respect to the fund itself; consequently uni-tholders are tax-exempt in this regard. Capital gains from direct property holdings are also taxable only at the level of the real estate fund. The fund management company shall apply for a refund of all Swiss federal withholding tax levied on the real estate fund's domestic income on behalf of the real estate fund.

The tax information stated above is based on the current legal situation and practice. This tax information is expressly subject to changes in legislation, jurisdiction and ordinances and the practices of tax authorities.

### **Tax aspects (investors with tax domicile in Switzerland)**

Income distributions made by the real estate fund to investors domiciled in Switzerland are subject to Swiss federal with-holding tax (tax at source) at a rate of 35%. Income or capital gains from direct property holdings and capital gains from the sale of real estate companies and other assets are not subject to withholding tax provided they are distributed with a separate coupon or listed separately in the statement sent to the investor.

Investors domiciled in Switzerland may reclaim Swiss withholding tax by declaring it in their tax returns, or by submitting a separate application for a refund.

### **Tax aspects (investors with tax domicile abroad)**

Income distributions made by the real estate fund to investors domiciled outside Switzerland are subject to Swiss federal withholding tax (tax at source) at a rate of 35%. Capital gains from direct property holdings and capital gains from the sale of real estate companies and other assets are not subject to withholding tax provided they are distributed with a separate coupon or listed separately in the statement sent to the investor.

Investors domiciled abroad are able to reclaim withholding tax, if applicable, under the terms of double taxation agreements (DTA) with Switzerland.

Other tax implications for investors who hold, buy or sell fund units are defined by the tax laws and regulations in the investor's country of domicile. For information in this regard, investors should contact their tax advisors.

### **The real estate fund has the following tax status:**

#### **International automatic exchange of information in tax matters (automatic exchange of information)**

For the purposes of the automatic exchange of information in accordance with the Common Standard on Reporting and Due Diligence for Financial Account Information (CRS) of the Organisation for Economic Co-Operation And Development (OECD), the Fund qualifies as a non-reporting financial institution.

#### **FATCA**

The real estate fund is registered as a Registered Deemed-Compliant Financial Institution under a Model 2 inter-governmental agreement (IGA) in accordance with Sections 1471 – 1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act (FATCA) and associated decrees).

### **Issue and redemption of real estate fund units**

#### **Publication of prices**

Net asset values are published for each day units are issued or redeemed. They can be viewed at any time at Swiss Fund Data AG ([www.swissfunddata.ch](http://www.swissfunddata.ch)) and are updated annually after presentation of the audited closing statement for the year.

Other information is published by Swiss Fund Data AG ([www.swissfunddata.ch](http://www.swissfunddata.ch)).

#### **Type and manner of acquiring and redeeming units**

Units may be issued at any time. They may only be issued via tranches. The fund management company shall determine the planned number of new units to be issued, the subscription ratio for existing investors, the issuing terms for the subscription right and the other terms in a separate issuing prospectus.

Investors may redeem their units at the end of a financial year, subject to 12 months' notice. Under certain conditions the fund management company may repay the proceeds from units redeemed during a financial year ahead of schedule. If investors wish to have early redemption, they must provide written notice to this effect. Ordinary and early unit redemptions are made within three months of the close of the financial year.

The net asset value of the real estate fund is calculated at the market value at the end of the financial year and each time units are issued.

The fund management company ensures the regular trading of the real estate fund units on SIX Swiss Exchange.

## Brief description of the real estate fund

Inception date of fund	2012 according to Swiss law
Financial year	1 July to 30 June
Securities no.	19294039
ISIN	CH0192940390
Listing	on SIX Swiss Exchange
Promoter	UBS AG, UBS Asset Management Switzerland AG, Zurich
Fund management company	UBS Fund Management (Switzerland) AG, Basel
Delegation of other duties	Property management and technical maintenance: Wincasa AG, Winterthur Livit AG, Zurich Apleona Real Estate AG, Wallisellen Privera AG, Bern de Rham & Cie S.A., Lausanne
Custodian bank	UBS Switzerland AG, Zurich
Auditors	Ernst & Young AG, Basel
Supervisory authority	Swiss Financial Market Supervisory Authority FINMA, Berne

### Contacts

#### In Switzerland:

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