September 2026

Mortgage Radar

Your monthly guide for residential and investment property financing

"Despite global geopolitical and macroeconomic uncertainties, the Swiss interest rate environment remains remarkably stable. A change in course by the SNB is currently unlikely. Financing conditions therefore remain attractive for mortgage borrowers."

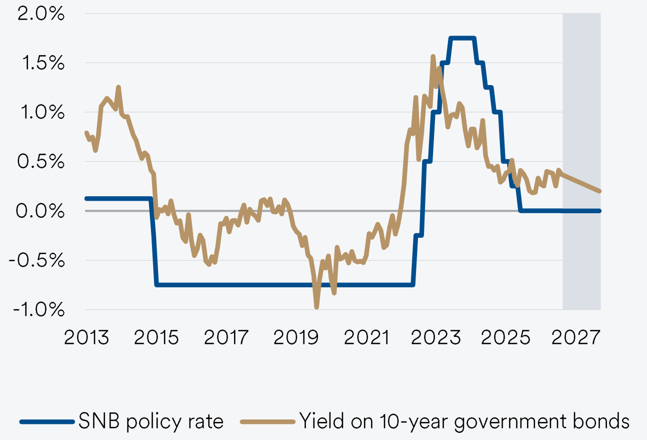
Burak Er, *Head Research & Advisory Solutions*

Long-term interest rates remain stable

The SNB's next monetary policy assessment is scheduled to take place on 22 September. There is currently little to suggest that the policy rate will be changed: economic growth remains positive, inflation is low, and the Swiss franc has weakened somewhat in recent weeks. We therefore expect the SNB to leave its policy rate at 0.00% until year-end and to maintain its current monetary policy stance.

At the long end of the curve, interest rates have also moved surprisingly little recently. The yield on ten-year Swiss government bonds is currently around 0.40%, close to the level seen at the beginning of the year. At the same time, yields on US and European government bonds have risen again significantly. Despite this comparatively solid position, the Swiss interest rate market is unlikely to remain completely immune to global forces over the long term. **We are therefore revising our forecast from further declines in long-term interest rates to a sideways trend.**

The interest rate on 10-year bonds is rising slightly
Key Swiss interest rates and forecast



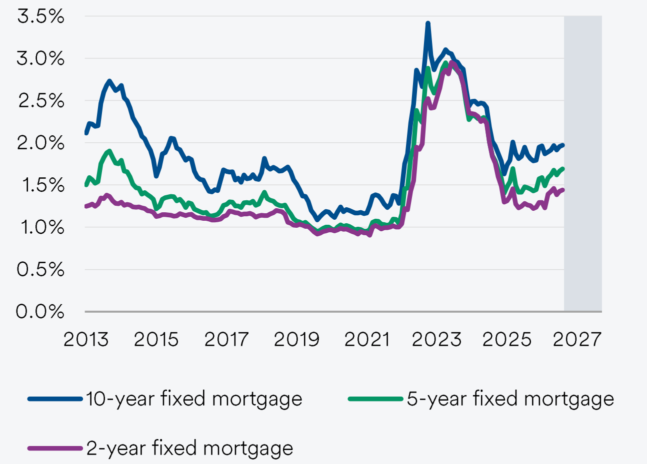
Source: SNB, smzh ag.

Mortgage rates and home financing

Fixed mortgage rates have remained broadly stable. Depending on the provider, ten-year fixed-rate mortgages are currently between around 1.65% and 2.10%, while two-year to five-year fixed-rate mortgages range from around 1.40% to 1.75%. SARON mortgages, at approximately 0.90% to 1.20%, remain the most cost-effective option.

In this environment, staggered financing can initially provide useful protection. **In practice, however, banks often create additional room for negotiation as soon as the shorter tranche needs to be refinanced.** It therefore makes sense to structure financing in a balanced way over the entire term while leaving sufficient flexibility for future negotiations.

Fixed interest rates are slightly higher
Interest rates for fixed-rate mortgages and forecast



Source: smzh ag. Average values based on indicative rates.

The mortgage market remains competitive

With the stable real estate market, the mortgage market is also developing robustly. While property prices have risen by more than 3% on average over the past twelve months, outstanding mortgage volumes are also continuing to increase. **Many banks are currently very well positioned and are therefore competing intensely for mortgage clients. This is reflected in sometimes significant differences in offered interest rates.**

Significant differences between offers

The range of fixed-rate mortgage offers remains wide. For ten-year maturities, the difference between providers is currently up to 0.50 percentage points. For a mortgage of CHF 800,000, this corresponds to around CHF 4,000 in additional annual costs, or CHF 40,000 over ten years.

SARON mortgages also remain the most cost-effective option. After rising significantly over the past few years, credit margins have stabilized of late, but continue to differ noticeably between providers. Depending on the bank, additional interest costs of around 0.20 to 0.30 percentage points per year can arise for the same financing.

The swap curve remains steep and unchanged

The interest rate swap curve has barely changed compared with the previous month and continues to show a clearly upward-sloping profile. The interest rate market is currently pricing in no change in the policy rate. **We therefore expect the interest rate swap curve to move sideways until the end of the year, remaining broadly at its current level.**

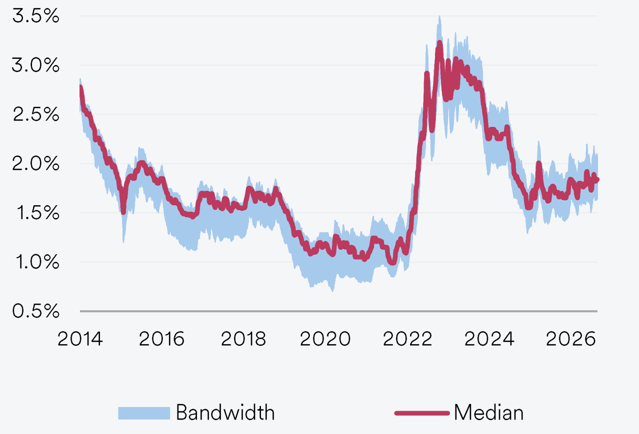
A professional financing approach pays off

For owner-occupied residential property, the interest rates offered by lenders play an important role. The differences between providers can amount to several thousand francs over the life of a mortgage. At the same time, administrative fees and contractual conditions should also be taken into account. A structured comparison creates transparency and strengthens the negotiating position.

For investment properties and construction projects, the interest rate is not the only decisive criterion. The main focus is on the fundamental feasibility of the financing, the lending level and the amortization conditions. **Banks remain selective in these segments, but in some cases have become more flexible than last year. The key factor is the respective bank's risk appetite.**

Wide range for 10-year fixed-rate mortgages

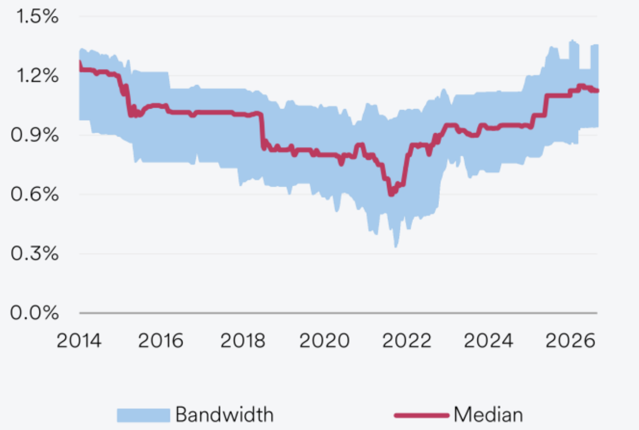
Median and range of offers since 2014



Source: smzh ag. Based on published indicative rates. The breadth captures 90% of all observed offers.

High credit margins for SARON mortgages

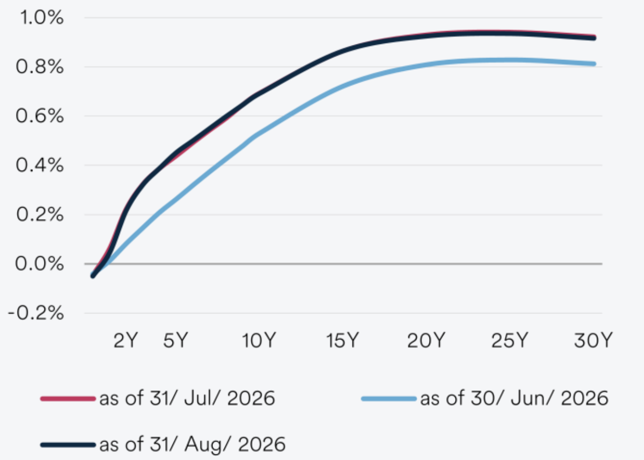
Median and range of offers since 2014



Source: smzh ag. Based on published indicative rates. The breadth captures 90% of all observed offers. Values prior to January 1, 2022 (switch to SARON) correspond to LIBOR credit margins.

Swap curve remains steep

Interest rate swap curve compared to previous months



Source: Bloomberg, smzh ag.

Do you have any questions about real estate or mortgages? Contact our experts

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A mortgage is part of a comprehensive overall view. We guide our clients holistically.

Financial decisions are interconnected. What matters is not the isolated choice of a product, but how it is embedded within your overall financial strategy. This is exactly where the smzh 360° Check-Up comes in, providing a comprehensive overview of your financial situation.

Our value proposition for you:

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- Clear assessment of your financial position
- Identification of untapped potential
- Concrete, prioritized recommendations for action

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