

# Simplified prospectus

## UBS (CH) Property Fund – Swiss Residential “Anfos”

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

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

This simplified prospectus contains a summary of the key information about the investment 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 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 – Swiss Residential “Anfos” invests primarily in residential properties in German-speaking Switzerland predominantly and in other investments as permitted under the fund contract.

This real estate fund can engage in securities lending.

Derivative financial instruments can be used to ensure that the fund’s assets are managed efficiently. Derivatives are used solely for the purposes of hedging investment positions.

Currency of account: Swiss franc (CHF)

#### **Risk profile of the 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 fund management company can use derivatives in the interests of efficient management of the fund’s assets. Even under extraordinary market circumstances, the use of these instruments may not alter the fund’s investment goals or lead to a change in its investment profile.

The fund management company may only use derivatives for the purposes of hedging interest rate, currency and market risks.

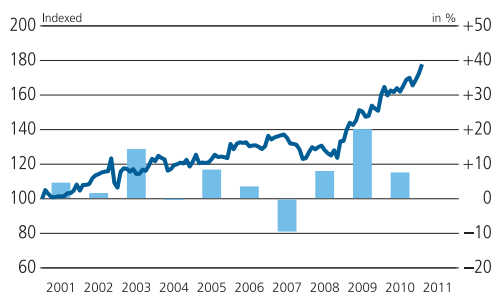
Besides market risk, derivatives are also subject to counterparty risk, i.e. the risk that the contracting party is unable to meet its obligations and causes a financial loss as a result.

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

## Performance

### Performance (CHF-based)

The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.



in %	2007	2008	2009	2010	2011 YTD <sup>1</sup>	January 2011	5 years	Ø p.a. 5 years
Fund (CHF)	-9.48	8.03	20.14	7.62	3.07	3.07	38.26	6.69

<sup>1</sup> YTD: year-to-date (since beginning of the year)

### Average annual return as at end-January 2011:

Past 3 years:	11.85%
Past 5 years:	6.69%
Past 10 years:	5.40%

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

The 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.

### Distributions

The net income of the 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 (investment fund)).

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

### Unit classes

The real estate fund is not subdivided into unit classes.

## Economic Information

### Remuneration and incidental costs

Remuneration and incidental costs	2008 <sup>1</sup>	2009 <sup>2</sup>	2010 <sup>3</sup>
<b>Remuneration and incidental costs incurred directly by the investor when subscribing to and redeeming units</b>			
Issuing commission max.	5%	5%	5%
Redemption commission max.	2%	2%	2%
<b>Remuneration and incidental costs charged to the fund's assets on an ongoing basis</b>			
Flat fee charged by fund management company p.Q.	0.225%	0.225%	0.225%
<b>Total expense ratio (TER) (excluding securities transaction costs)</b>	0.87%	0.88%	0.87%

<sup>1</sup> For the financial year 1 October 2007 to 30 September 2008

<sup>2</sup> For the financial year 1 October 2008 to 30 September 2009

<sup>3</sup> For the financial year 1 October 2009 to 30 September 2010

The flat fee can be used in full or in part for distribution remuneration and/or for reimbursements granted to specific types of investors.

### Fee-sharing agreements and soft commissions

There are no fee-sharing agreements.

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

**Tax aspects (investment fund)**

The real estate fund has no legal personality in Switzerland. It is subject to neither income tax nor capital gains tax.

Real estate funds with direct property holdings are an exception to this rule. The income from direct property holdings is liable to direct federal tax with respect to the fund itself; consequently unitholders are tax-exempt in this regard. Capital gains from direct property holdings are also only taxable with respect to 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 fund.

Any income and capital gains realised abroad may be subject to the relevant withholding tax deductions imposed by the country of investment. These taxes will, as far as possible, be reclaimed by the fund management company on behalf of investors resident in Switzerland under the terms of double taxation treaties or other such agreements.

**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 withholding tax (tax at source) at a rate of 35%. Income or capital gains that are generated via property owned directly and distributed via a separate coupon or listed separately in the statement sent to the investor are not subject to withholding tax, nor are capital gains resulting from the sale of participating interests and other assets. 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%. Income or capital gains that are generated via property owned directly and distributed via a separate coupon or listed separately in the statement sent to the investor are not subject to withholding tax, nor are capital gains resulting from the sale of participating interests and other assets.

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

Income distributions and/or interest income realised on sale or redemption are not subject to European savings tax in 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.

**Issue and redemption of 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 in the Swiss Commercial Gazette (SHAB) and 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 two 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 investment fund**

Inception date of fund	1969 under Swiss law
Financial year	1 October to 30 September
Securities no.	1 442 082
ISIN	CH0014420829
Listing	on SIX Swiss Exchange
Promoter	UBS AG, Zurich and Basel
Fund management company	UBS Fund Management (Switzerland) AG, Basel
Delegation of other duties	Property administration and technical maintenance Wincasa AG, Winterthur Livit AG, Zurich EPM Swiss Property Management AG, Wallisellen Privera AG, Bern
Custodian bank	UBS AG, Zurich and Basel
Auditors	Ernst & Young AG, Basel
Supervisory authority	Swiss Financial Market Supervisory Authority FINMA, Berne

**Contacts****In Switzerland:**

UBS Fund Management (Switzerland) AG  
Brunngässlein 12, CH-4002 Basel  
Tel.: +41 (0)800 899 899  
or the following Internet address: [www.ubs.com/funds](http://www.ubs.com/funds)

**In Liechtenstein:**

Liechtensteinische Landesbank Aktiengesellschaft  
Städtle 44, FL-9490 Vaduz