

IN APRIL IN MAY 10





Unlocking Financial Potential:

*The
Appeal
of Lombard
Credit
for UHNWIs*



In the world of wealth management, ultra-high-net-worth individuals (UHNWIs) are constantly seeking ways to leverage their assets and expand their financial horizons. Lombard credit, a highly popular avenue, has emerged as a practical solution for UHNWIs to access liquidity while safeguarding their valuable assets.

Understanding Lombard Credit

Lombard credit, also known as collateralized lending, is a specialized form of lending that allows individuals to obtain loans by using their high-value assets as collateral. These valuable assets can include investment portfolios, real estate properties, precious metals, and more. By pledging these assets as security, UHNWIs can access funds with a loan-to-value ratio determined by the lending institution. This arrangement ensures competitive interest rates and flexible repayment terms.

Preservation of Wealth

A key attraction of Lombard credit for UHNWIs is the ability to retain ownership of their assets while gaining immediate liquidity. Unlike traditional loans, Lombard credit does not necessitate selling assets, thereby avoiding capital gains taxes and transaction costs. This preservation of wealth is highly appealing to UHNWIs who want to keep their valuable holdings intact while utilizing



their capital for various purposes, such as new investments, business ventures, or personal financial obligations.

Quick Access to Liquidity

Lombard credits provide a swift and efficient way for individuals to access liquidity without having to liquidate their investments. This is especially advantageous for borrowers who require funds urgently but wish to maintain their long-term investment strategies and potential market gains.

Streamlined Borrowing Process

Unlike conventional credit facilities, Lombard credits typically do not require extensive credit checks for borrowers. The focus lies on the value of the collateral rather than the borrower's credit history. This makes Lombard credit an attractive option for individuals with less-than-perfect credit scores or those aiming to protect their credit ratings.

Versatile Use of Funds

Lombard credits are often non-purpose loans, allowing borrowers the freedom to utilize the funds for various purposes, be it personal expenses, investments, or business needs. The flexibility of this financing option ensures that UHNWIs can address their diverse financial requirements without restriction.



Higher Loan-to-Value (LTV) Ratios

Lombard credits typically offer higher loan-to-value ratios compared to traditional secured loans. A higher LTV ratio means borrowers can access a larger portion of their assets' value, providing substantial borrowing capacity and potential for greater financial leverage.

Tailored Financing Options

UHNWIs can enjoy significant flexibility in Lombard credit, with lending institutions providing customized solutions based on individual needs and risk appetite. Credit lines can range from a few hundred thousand to several million dollars, depending on the value of the assets. These lines of credit can be accessed as needed, offering a readily available source of funds for both planned and unforeseen expenses.

Lower Interest Rates and Favorable Terms

Due to the secured nature of Lombard credit, lenders can offer loans at lower interest rates compared to unsecured borrowing options. The collateralized nature of these loans reduces risk for lenders, enabling them to extend credit at more favorable terms. Additionally, lenders often grant UHNWIs

more flexible repayment schedules, allowing them to align loan repayments with their cash flow patterns, investment cycles, or other financial commitments.

Preserving Privacy and Confidentiality

Privacy and confidentiality are paramount for UHNWIs, and Lombard credit provides discreet and confidential financing options. The lending process primarily focuses on the quality and value of the assets used as collateral, ensuring that UHNWIs can access substantial funds without compromising their privacy or disclosing sensitive information.


Enhancing financial potential

Lombard credit has proven to be an appealing financing option for UHNWIs, providing a range of benefits that align with their unique wealth management needs. By leveraging their valuable assets as collateral, UHNWIs can unlock liquidity while preserving ownership, benefiting from competitive interest rates, and enjoying flexible repayment terms. Lombard credit stands as a testament to innovation and sophistication within the realm of wealth management, offering UHNWIs a powerful tool to further enhance their financial potential.





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A scenic mountain landscape with a snow-capped peak and a lake reflecting the scene, viewed through a large, stylized black flower-shaped frame. The background is a dark gradient.

Maintain your
Wealth for
Generations to
come.

The logo for alpenpartners, featuring a stylized red and white flower icon to the left of the text "alpenpartners" in a grey sans-serif font.

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