

WIPO



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WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA

**SPECIAL UNION FOR THE INTERNATIONAL REGISTRATION OF MARKS
(MADRID UNION)**

ASSEMBLY

**Fortieth (23rd Extraordinary) Session
Geneva, September 22 to 30, 2008**

MADRID UNION BUILDING - MORTGAGE

prepared by the International Bureau

1. It is recalled that the Madrid Union owns an apartment building in Meyrin in the Canton of Geneva. That building was purchased, in 1974, subsequent to the decision of the Assembly of the Madrid Union, in 1972 (doc. MM/A(Extr.)/III/4), to secure a reasonable rate of return on part of the Union's reserves.
2. On the Organization's balance sheet, the building represents a value of approximately 3.4 million Swiss francs and is partially financed by a mortgage loan, presently with the Banque Cantonale de Genève, amounting to 876,000 Swiss francs.
3. The initial mortgage of 1,820,000 Swiss francs was secured with the Union Bank of Switzerland in August 1975. As the balance of the credit, as of June 30, 2008, amounted to 876,000 Swiss francs, a total of 944,000 Swiss francs has consequently been amortized since the beginning of the credit. The yearly amortization, effected on a quarterly basis, amounts to 36,400 Swiss francs since the beginning of the credit. The yearly interest cost, during the 2006-2007 financial period, amounted to 44,000 Swiss francs (representing an annual rate of 2.35%).

4. In view of the fact that the building was purchased as an investment and considering that the Reserve Fund of the Madrid Union, as of December 31, 2007, amounted to some 39.8 million Swiss francs and that the balance due on the mortgage is relatively small (876,000 Swiss francs), it is proposed to reimburse it in full and to draw the amount from the said Reserve Fund.

5. For information, the Madrid building is fully rented and the income generated amounted to approximately 344,000 Swiss francs in 2007, that is, a rate of return of 10.1% on invested capital.

6. The Assembly of the Madrid Union is invited to approve that the mortgage of the Madrid Union building be reimbursed and the corresponding amount drawn from the Union's Reserve Fund.

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