

There can be some major benefits when purchasing property off the plan. Not all will apply to every individual, but there is still some great benefits.

Secure a Property at Today's Price

Purchasing off-the-plan secures a property at today's price with settlement generally taking place up to 18 months later, or in some cases even longer. The benefit being that while you have to outlay a 10% deposit to secure the property, you don't have to pay the balance of the money until construction is complete. In the meantime, especially in a rising market, purchasers can enjoy the benefit of any capital growth that occurs on the property.

New Stamp Duty Savings

The new stamp duty savings make buying off the plan even more attractive than ever. Read more about exactly what you'll save and eligibility.

Time is on Your Side

If you're an owner occupier purchasing off-the-plan, you instantly have the added advantage of 'sorting things out' before you move in. Co-ordinating the sale of an existing property can be stressful, but knowing that you have some time before your new property is ready to occupy provides you with valuable time to plan for your move and can reduce stress considerably.

More Pocket Money

If you buy property during the planning stages, or early on in construction, the extra time before settlement can be used to save money. While the deposit needs to be paid when the contract is signed, the balance of the purchase price does not have to be paid until construction is complete. This means you don't actually need your bank finance until settlement. Since construction can take 18 months or more, it's easier to build a substantial nest-egg over time that can be used to help reduce your mortgage.

The Early Bird Catches the Worm

One of the greatest benefits of buying off-the-plan is that you get to choose your property from everything that is available in the development. Normally you don't have that opportunity. If you are quick off-the-mark the selection is even greater. A wider range of choice means a greater opportunity to make sure you purchase an apartment with a superior position, aspect and floor layout. It's quite common for example, for penthouses, corner units, those with the best views and ground-floor apartments with private gardens to be sold first. This in turn, can offer better potential for strong capital growth and maximise rental yields.

Priced to Sell

Generally when developers first offer their new products to the market they usually start with lower prices to encourage a faster sales rate. When construction commences, and the developer has met their construction finance requirements, prices usually rise. Therefore, for investors who commit early to the project there is often a good price incentive.

Get More from the Tax Man

For investors off the plan property purchases can produce some significant tax benefits. These benefits are greater when property is newer because there are more tax depreciations available. Those benefits are greatest when the property is brand-new so buying off-the-plan maximises your available tax deductions.

[Find properties to buy Off the Plan.](#)