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Buying off the Plan Apartments by Richard

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If you decide to buy a property off the plan, it means that you are buying it before it is built. This is how most apartments and townhouses are sold today. The good thing with this investment is that you will buy a property for months or years to come at today's price. This investment can lead to large capital gains way before you decide to move in. If for instance the next ten years are going to be hit by economic recession, you will be better placed since you are going to protect your savings. What happens is that, those with property and other valuables are not affected by world economy downsides as they will keep living life as normal or even better. You will be required to pay 10% deposit on signing the stamp duty and contract by most developers.

For many investors, it is the combination of property boom and the construction work that has given them a chance to buy apartments off the plan so that they can secure this structure at today's price. They keep on banking on that property whose value is continuously increasing during the construction, as well as the notion that it will sell higher or can easily get rented on completion. Most of these investors have turned quick profits by selling the apartments that were bought off the plan at higher prices, way before the construction is completed.

One thing that you need to consider is that even when the market activities have slowed down due to recession, there is still high demand for the property. Marketing structures have emphasized on tax savings for most of these off the plan investments. However, in most countries, the tax savings can be compared to situations where an investor buys a new property with an allowance for depreciation and warranties on the appliances as well as the development. If the property has been completed and rented out, the same tax regulations apply just as it is for any property investment.

However, financial advisors put it that tax benefits from buying property through this plan should not be taken lightly and that this should not be the sole reason for the purchase. If an investor can claim 2.5% allowance on depreciation for the construction costs, it can be substantial if it is in the case of a new development. However, the depreciation allowance will come off the base of the costs when it comes to the selling of the property. This will also add hugely to the capital gain.

While it is important to buy off the plan apartments, you are advised to be equipped with all the details about the costs to be incurred including that of the first turn on the land's soil. If this is not possible, then you can seek the services of quantity surveyors and you will be good to go. You can visit websites that give insight on buying off the plan as well how to get reputable quantity surveyors. Signing up for the community forums online can be a great idea since you will be able to exchange ideas with colleagues who already know the working of these investments.

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Due to lots of foreign students moving to Melbourne, there are lots of a new apartments Melbourne popping up. This has lowered the average price of a Melbourne apartments for sale.

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