**PEP 120 Edited\_Transcription**

[Daniel Hill] (0:06 - 1:44)

Welcome to the official Property Entrepreneur podcast. It is the first of the month, ladies and gents, which means it's time to lift the bonnet on some of the UK's most creative, lucrative and award-winning deals on our Deals, Deals, Deals podcast with my good friend, Mr. Mark Barrett. Mark is an award-winning entrepreneur.

He has a wealth of experience in property investing. He's done 25 years as a landlord, 10 years as a broker, and he's been sourcing property deals for other people for over a decade. Mark joined us on the Property Entrepreneur board in 2016 and has been a board member ever since, which is our highest level programme where I work directly with our Property Entrepreneur board members.

He's done over 50 option deals, as well as delayed completions, planning gains, commercial developments, and over 40 HMO conversions. As well as property, Mark was also the founder of the HMO Agency. He now runs the Property Brokerage, which broker property deals for landlords and investors.

He knows this stuff inside out. During these podcasts, what he's going to do is share everything he can with his experience, his expertise, his wisdom and insight to give you all the information and inspiration you need to apply this in your own business. Each month, on the first of the month, Mark's going to be interviewing some of the UK's market-leading and award-winning investors and developers to show various deals, structures, and strategies to enable you to apply this in practice.

It's the first of the month. It's time for Deals, Deals, Deals. So over to you, Mark.

[Mark Barrett] (1:47 - 1:57)

So on this special 1st of January edition, there should be no other guest than Mr. Santa himself. Mr. Santa, how are you doing?

[Rohit Santa] (1:58 - 2:11)

Very well, thanks. I like how you asked me if my surname was actually real before we just did this recording. Yes, it is.

It's absolutely real. It's very timely. It's very timely to be doing this recording with you.

[Mark Barrett] (2:11 - 2:22)

Yeah, we were actually just discussing Rohit Santa as your full name. Yeah. And trying to get reservations in December using Mr. Santa is proving difficult.

[Rohit Santa] (2:23 - 2:45)

Very much so. I mean, people think I'm being very festive, which is great, but they always have to ask me, is that really your name? And I have to say, yes, yes, it's my name.

Or sometimes someone doesn't say anything, but after I've given my name, I can almost see a small grin on their face. Like I know what they're thinking, but I just let it slide. I'm used to it now.

Fantastic. But it's good fun at this time of the year, actually.

[Mark Barrett] (2:45 - 2:50)

Yeah. Very good. Do your children think the same as well?

[Rohit Santa] (2:50 - 3:09)

They won't. I do remember going through school and whenever the name's brought up, you know, you get the usual school kids that make fun of you. It helps build character.

So I'm yet to see what it's going to do to the children and my nephews and nieces as well. It's going to be the same thing. So I do feel for them.

[Mark Barrett] (3:09 - 3:15)

Good, good. Where were you brought up? Where was that?

[Rohit Santa] (3:15 - 3:16)

Yeah, I was brought up here in the UK.

[Mark Barrett] (3:16 - 3:17)

Yeah.

[Rohit Santa] (3:18 - 3:31)

So what I was referring to was in school when we were giving our names and, you know, people in the class would just call you Santa Claus and things like that. And, you know, all kinds of things. I've heard all the jokes.

[Mark Barrett] (3:31 - 3:41)

Yeah, yeah, yeah. Very good. So today we've just got one half of the team.

Do you want to just give us an introduction about yourself and your partner?

[Rohit Santa] (3:42 - 4:02)

Yeah, sure. So I'm Rohit Santa, one half of Alliance Group. Myself and my business partner, Roberto Scandin, he couldn't be with us today.

He's in Brazil doing some work out there. And, yeah, unfortunately he couldn't be on with us. So it's just me you're going to have to put up with, Mark.

[Mark Barrett] (4:03 - 4:09)

Very good. So you joined Property Entrepreneur, was it like COVID time?

[Rohit Santa] (4:09 - 4:38)

It was. So before COVID. So we had gone onto the blueprint during the summer of 2019.

Yeah. And then joined the program as of September. And, yeah, COVID and lockdown really hit in March.

Okay. Yeah. So then we did a couple of sessions and then it turned into the online sort of mentoring for about three or four months.

Uh-huh. I don't know if you remember where we were having three sessions a week.

[Speaker 5] (4:38 - 4:38)

Yeah, yeah, yeah.

[Rohit Santa] (4:39 - 4:48)

And it was quite intense, but it was great. And then went back into slowly weaving back into sort of meeting back at the Belfry, which is always good fun.

[Speaker 5] (4:48 - 4:49)

Yeah.

[Rohit Santa] (4:50 - 5:35)

Yeah. And then we've been on it since. So that was the program, which is sort of the entry level into the blueprint.

Yeah. And just laying in the foundations. We then moved over to advanced the following year.

And this being the third year running around the track, you know, it's called going around the track because, you know, you have your segments of each month means what. We were fortunate enough to join the board as of September, just gone. So that's been that's been fun already.

You know, we've been on the retreat, just got back from the retreat about three weeks ago in Center Parcs. Awesome. Yeah.

And looking forward to a good year ahead.

[Mark Barrett] (5:36 - 5:43)

Yeah. I think your application was fantastic because you've done like a video. Yeah.

So I thought that was really cool.

[Rohit Santa] (5:44 - 6:01)

Yeah. Thanks. So when we heard about the process for the board and we it was said that you've got to do a three minute video.

I thought someone sitting there watching Roberto and I speak for three minutes and especially because there's both of us joining. We thought, would it have to now be six minutes? Because technically there's two people.

[Speaker 5] (6:01 - 6:01)

Yeah.

[Rohit Santa] (6:02 - 6:30)

I thought that might be quite boring. So let's let's, you know, let's add a bit more context to what we're talking about, what we're doing. Yeah.

So we we hired a videographer and got them to the offices, got them to the sites and then did a set around the table and just talked about what it's like working for each other, working with each other and then why we were looking to join the board. So, yeah, that was that was actually good fun. And we've used that video since since then.

But it was really, really good fun.

[Mark Barrett] (6:30 - 6:38)

Yeah. Yeah. Very good.

Very good. So your background then, what did you do before getting involved in property?

[Rohit Santa] (6:38 - 8:44)

So throughout studying, I was studying sort of technology. My degree was in computing as well. It was always a fun for there was always a like towards technology.

So I sort of followed suit and then I started working in sales. So I did I took a year out of university. I worked full time at a company which which gave me the grounding for for sales.

And at the time at the time I was working, I didn't take a year out of university. I was doing university part time, actually. I did my degree part time in the in the last year.

And that allowed me to gain some experience, but also finish off my degree. So I kind of coupled in the sales and technology together and and started applying for for other jobs. So throughout the career, it's been sales, business development in sort of I.T. reselling cloud sales, software sales. And it's really helping companies to to scale. I've worked in and then my role grew into sort of leading teams and covering different regions like Amir, U.S. So I used to travel quite a lot. And I was actually before when I got into property, I was actually working full time already.

So my first ever bike to let was 2008. I remember it happening vividly. And it was after I'd read Rich Dad, Poor Dad, believe it or not.

And I always had a had a had a like for property. I was like the idea of property and what it can sort of bring you. But I think, you know, that the penny really dropped when I read Rich Dad, Poor Dad.

And that sort of thing got the mindset going. Yeah. And, you know, the assets, liabilities and all of those things that really started started to set the foundation for me there.

[Mark Barrett] (8:45 - 8:50)

Fantastic. Yeah. And then when did you then make the transition then into full time property?

[Rohit Santa] (8:51 - 9:23)

It's probably been about seven years now, I'd say seven years. I have done some consulting work since in between, but it's been very much sort of full time. Yeah.

And working with Alliance. Alliance had been working with for about three years. So before then I was doing some.

Some sort of consulting in patches here and there. Yeah. Just to see me through throughout my sort of buy to let and refurb work life.

Yeah.

[Mark Barrett] (9:23 - 9:37)

OK. And then you tell me about your Wealth Dynamics profile. How does that work?

And Roberto's. And then how do you how did you meet also? And then how do you kind of like work as a team?

[Rohit Santa] (9:37 - 10:35)

Yeah, sure. So I'm a creator mechanic. So that's sort of the dynamo.

Roberto's a blaze. So, you know, it's often been said that blaze just like to talk and, you know, they like they like they like people. They work through and through people.

And that's really the magic that they have and their flow. For me, it's a little bit, you know, you know, we come up with some wild ideas sometimes. But then then the mechanical side of me comes in and starts to think about, OK, how will those cogs actually turn?

Yeah. And how can you turn this into a self-propelling sort of machine, so to speak? Like how can you turn this business, this idea into something that should start to run in its own right?

Yeah. So that that's. But the other thing is he's he's a blaze, but he also loves numbers.

And, you know, when you understand the Wealth Dynamics profiles, a blaze and numbers don't really go together. They're almost like two opposites.

[Mark Barrett] (10:35 - 10:36)

That's right.

[Rohit Santa] (10:36 - 11:58)

One is high flying on stage. And then the other one is in a in a room happy to spend time on just spreadsheets and crunch numbers. And that's that's what they love doing.

So I. Yeah. So.

So we work quite interestingly, actually. You might get a different answer from the team if you ask them the question, but you'll hear that we often create chaos. And we've got better with it, actually.

But in the first sort of year, actually, I say the first two years. It's only in the last year we've really sort of matured up a bit. But the first two years of Alliance, we really created a lot of chaos in the business in terms of, you know, it's.

From the wayside. All right, what are we going to get done now? Let's get it done.

Let's go. Let's go. Let's go.

And then you've got people with different profiles in the company that are really trying to just manage some of that chaos and really understand where you're coming from. You know, we're asking things to get done without actually giving a full breakdown of how it needs to be done and how we do it. Yeah.

And that, I think, gets overwhelming for some people. So we've now got better and we've started to write processes for everything that we do. And I learned that from from, you know, being on property entrepreneur, you learn about the assets that you create in a business.

Yeah.

[Mark Barrett] (11:59 - 12:01)

And how did you meet up then?

[Rohit Santa] (12:01 - 12:43)

Yeah, sure. So we went to. I.

OK, so the journey here is I decided that I wanted to get into doing developments. I'd done refurbs, but I wanted to get a little bit more educated on some more of the planning rules, finding sites and all of those things. I went on to Whitebox's three day course at the weekend.

Yeah. And I'd known Andy and Lloyd before that because I'm part of a mastermind with Rob and Mark from Progressive. And they're on there.

So I sort of knew them before that and thought, OK, so this is a good place to start. Let's go here.

[Speaker 5] (12:44 - 12:44)

Yeah.

[Rohit Santa] (12:45 - 15:07)

Went on the course for the weekend. You know, I was blown away with the content. Really good, good, high energy and really good content.

Skilled people coming in and specialists in planning, project management coming in and really giving you the ins and outs of what to do in development. So Roberto was one of the 50 people there for that weekend. So you can imagine your networking day and day and night.

You stay at the hotel, you stay a night networking for that weekend. But Roberto and I never really spoke to each other. There was a point when it was.

So here's a funny thing. So there was a point when Andy really made a joke about something and he really got everyone's energy up. Yeah.

So he did talk some numbers and then he really made a joke and got everyone's energy up and he made them all go around tables and everything else. And we all sat back down again. This is my first memory of Roberto.

And Roberto says, hang on, wait a minute. And then he started asking questions about numbers and he was going back into the numbers question. And Andy said, you can't like I've just created this high energy and you want to go back into doing these numbers.

You can't just do that. And he made him do a forfeit. I think he made him stand on a chair or do something.

It was quite hilarious. So I thought, OK, that's funny. And again, I still didn't speak to Roberto that weekend.

It was only at the end when everyone was saying bye to each other. I started collecting some business cards and said, yeah, guys, look, you know, we'll follow up. We'll follow up.

It's great. So I collected a few, got one of Roberto. And Monday morning, you know, you're really high energy.

You're you're looking at things so differently, you know, as a creator. Yeah. Yeah.

Yeah. You know, I remember that day I was getting a train to central London on that Monday. I remember going there and I'm just seeing fields and all of those things.

And I think, OK, land, where can you get this kind of land? You know, it'd be good to see where you can start building things and that. So I went into an office there on Monday and called up a few people.

That I got business cards from and one of them was Roberto and I said, yeah, look, great to talk. Let's catch up. And.

And he said, OK, look, why don't we arrange to meet over at my place, Milton Keynes? I said, yeah, fine. I was living in West London at the time.

[Speaker 5] (15:08 - 15:08)

OK.

[Rohit Santa] (15:08 - 16:53)

So, yeah, I drove there perhaps a week later and we were sat in his kitchen and we were just looking at sites. So, you know, we said, OK, let's let's get on this bit of software which helps you find sites. And let's start looking at sites.

So we started looking at some. We started saying, yeah, no, that would work. That wouldn't work.

This is why. And all of those things. And as we started doing that, we thought, OK, let's let's let's give this a go.

Let's why don't why don't we start looking for some more sites a bit more aggressively? And I remember in the space of a couple of weeks, we we had researched probably about 200 sites at that time. Which, to be honest, now is is is so easy to do because there's so much software which allows you to do it now.

And it can be done in like minutes, but it took us ages. And we got the letters out. You know, we got letters, got that process automated.

So we started getting letters out to landowners and building owners and everything else and really started just looking out for deals. And so we started that and we landed our first deal. This was actually through an agent.

So we were also calling agents. So we're doing the whole thing. You know, you send letters, you find sites, you contact agents, you contact sources.

You know, you speak to other people. We did all of those things. And one of them came up from from an agent which, you know, which really started it for us.

And we said, OK, you know, what should we call our company? And there was actually a third person, believe it or not, who wanted to be. It was three of us that formed it.

[Speaker 5] (16:53 - 16:53)

Yeah.

[Rohit Santa] (16:55 - 17:10)

And we were already at the very beginning having some some challenging conversations because his he he he wanted a different name. OK. And the name that he wanted at the time was Trinity because it was three of us.

[Speaker 5] (17:10 - 17:10)

Yeah.

[Rohit Santa] (17:10 - 18:05)

I just couldn't feel the name. It didn't work for me. So we're having some some conflict there.

And then after a week of, you know, going formal, he sort of resigned. So then it was just Roberto and I. Yeah.

So then we started looking at sites. We got an offer accepted. We also then created our network event.

And that was. Sort of, yeah, three months into Alliance, four months into lights, and that was held in Milton Keynes at the stadium. OK, so that was really good.

Alliance property meet. We used to get all, you know, all kinds of professionals there. We got accountants, we got developers, we got people that do buy to let's we had brokers, all kinds of things.

So we did that for best part of two years, really. Some of it we did through covid. And then we did our last one just just last year.

[Speaker 5] (18:06 - 18:07)

OK.

[Rohit Santa] (18:08 - 18:24)

Yes. That's a little bit about how we met. And we've been doing some deals since.

And then the recent one we've just sort of finished on and got signed off from building control is the one in Milton Keynes in Fenny Stratford, which we call Fenny One.

[Mark Barrett] (18:25 - 18:34)

And that's the one that we're going to go through now. So your core strategy then is it. So do you want to just say as to what you want?

Yeah.

[Rohit Santa] (18:35 - 19:23)

The core strategy is to buy buildings, refurb them, turn them into residential units and rent them out. However, we do keep the option open to sell some if we need to. Yeah.

And depending on some JV partners that may come in, their preferred route may be exit. OK. In which case we're always open to the fact that we may just sell units as well.

And what area do you focus on? So at the moment, it's Milton Keynes and sort of 25 miles out of there. Bedford, Northampton and those areas.

OK. I'm yet to look at some deals. I'm making some offers on some deals in Camberley at the moment, which is where I live now.

But yeah, Milton Keynes predominantly is where we've got our sites.

[Mark Barrett] (19:23 - 19:35)

OK. So the site that we've got then, do you want to just explain what that was when you viewed it? Yeah.

And then it was on how you found it.

[Rohit Santa] (19:35 - 20:28)

Yeah. So this site is in Fenny Stratford and Milton Keynes. It was on the market in towards the end of 2019.

And there's five commercial units downstairs and the upstairs was a gym which had been closed down. So the upstairs really was just a vacant unit upstairs. Yeah.

And they had some legacy tenants, commercial tenants downstairs. So the building was on the market for $850 at the time and came to us through one of the local agents that we know, who had also come to our event and met with us. Again, we were building relationships.

So came on at, yeah, it was on at $850. We've done some numbers and we looked at, OK, what would the bill cost be? What would the end GDV be?

[Mark Barrett] (20:30 - 20:33)

GDV for people who've not come across that?

[Rohit Santa] (20:34 - 22:00)

Yeah. GDV is the gross development value. So what is the value at the end once you've done everything?

Yeah. If this is the purchase price and then you add the bill cost and other expenses, what will the building be worth? Yeah.

So that's, yeah, we said, OK, what is the GDV and worked backwards. We worked out percentage profit, worked out the bill cost and said, OK, this is around about the sales price that we think would work. And so we bought, we offered $780, which was accepted.

And then we started the conveyancing process and fell into COVID. And we were going through COVID. As we were trying to buy the building.

And what had happened, because obviously lending froze. I mean, a lot of things happened at that time. And we were still going through it.

You know, the conveyancing, the legals were taking forever because every, you know, the world had almost stopped to some extent. And then as we started coming out of COVID, we realized that the price was probably no longer what we would warrant it at. So we asked, we were negotiating and got the price down to 700 just because it wasn't working on the numbers and it wouldn't make the deal viable.

[Mark Barrett] (22:01 - 22:06)

Building costs at this point were going up as well. Materials and labor.

[Rohit Santa] (22:06 - 22:41)

Yeah, absolutely. We were quite fortunate that we already had a build quote from our contractor before lockdown. And we were quite fortunate that he honored the price before lockdown as well.

So that actually really helped. There were a few surprises further down the road. But had he not done that, it would have turned the deal very differently.

So it worked quite well. So we're very fortunate he did that. And, you know, we're still good friends with him at the moment, which is always a nice thing at the end of a development.

[Speaker 5] (22:42 - 22:42)

Yeah, yeah.

[Rohit Santa] (22:42 - 24:38)

Yeah. So the build cost was around, it was quoted at around 330, 340. In the end, it turned out to be about 390 in terms of build cost.

There were a few surprises along the way. And what did you convert it into then? So the upstairs was a gym, and we converted it to four flats, residential flats, two bedrooms.

Quite a lot happened during COVID. So the planning was about to expire as well. We actually completed on that deal one week before planning had expired.

One week. And at that point, we had the contractors in and started the development. And we had to get sign off from the council that the development had started within the three-year timeframe.

Granted, we also did actually have the nine-month extension from, because anything that had been granted planning throughout COVID, there was an extension given. Yeah, and that helped us. And then we managed to complete just before the end.

But there were a few challenges along the way. Because we had already spoken about this deal quite publicly at our events and to our networks, there were people calling up the agents and telling them that we're not going to buy the deal, that we're not serious about it, and wanted to sort of underhand us a little bit. So these are surprising things that you often hear about.

And we were quite shocked to hear that. We were not given any names or anything like that. But, you know, we were just made aware that this is what's being said.

And therefore, people are going to try to maybe undercut us or give a higher price or whichever it might be. So we were really motivated to get exchanged and get the thing moving.

[Daniel Hill] (24:40 - 25:14)

Just jumping in quickly with two things. So the first is, if you're enjoying these podcasts, and you haven't already ordered a copy of my brand new first ever released book, Karma Credits, please go to Amazon now and order yourself a copy of Karma Credits by Daniel Hill. And it'll explain to you the universal law of wealth, health and happiness.

And the second, if you want a free report that you can read straight away, go to www.boomorbust.co.uk to understand the five things that I'm doing as we head into this next phase of recession. Back to the podcast.

[Mark Barrett] (25:17 - 25:24)

How did you actually structure the deal then? And also fund that? Obviously, it was difficult times.

[Rohit Santa] (25:24 - 26:41)

Yeah. So we had funding in place at first, which was purchase and development. We then proceeded to buy it.

And the lender then said, we're not going to do the development, we're only going to help you fund the purchase. And the rates they were offering were ridiculous. Because what had happened, we'd spent so long on the side, some of the leases started coming up to near 12 months, therefore, they were not counted in the valuation.

Right. And all these things. So we managed to find a bridging lender to help us just buy the building.

We had one of our partners invested heavily into the project with us as well. Mark, he's still with us and really talented guy. You know, he's one of our JV partners on here, on this project, really got a lot of time for him.

And then we had some other investors which sort of helped us along the way, and invested with us as well. So yeah, it was our cash, investors cash, really just to get the thing going. Yeah, and yes, it worked out, worked out alright in the end.

[Mark Barrett] (26:41 - 26:47)

So you can, and then the ground floor, did you, how many units was there?

[Rohit Santa] (26:47 - 27:03)

So the ground floor was five units. What we did was, one of the tenancies were coming up to expiry. So they served their notice and left.

Another tenant went bust. So he had left with some rental debt.

[Speaker 5] (27:04 - 27:04)

Yeah.

[Rohit Santa] (27:04 - 27:16)

So we immediately replaced those. We got new tenants in there. So the building downstairs was fully let on minimum five-year leases.

And we started doing some of the development work upstairs. That's good.

[Mark Barrett] (27:17 - 27:20)

What kind of tenant types and was there any break clauses in those?

[Rohit Santa] (27:21 - 27:42)

Yeah, so these were five-year leases with a three-year rent review. But we didn't put any, we put a break clause in one-sided, because the tenants had already committed that they're going to be there a length of time. But we also wanted to give them some rent-free period so they can get settled in.

And that would help them as well.

[Mark Barrett] (27:42 - 27:42)

Yeah.

[Rohit Santa] (27:42 - 27:43)

Okay, that's good.

[Mark Barrett] (27:44 - 27:58)

So five units on the ground floor, and then you did four, two beds upstairs. What would you say, probably the COVID and financing was the main challenges, but what would you say were the issues?

[Rohit Santa] (27:59 - 29:02)

They definitely were, because what happened was, because we used bridging just to buy the building, we were then using a lot of our own cash to start the development. And then we had to find a development lender to lend us on the development itself. So at that point, it was really tricky.

And yeah, those were the challenges. Some of the other challenges were things that just creep up on you. The roof, you know, the tiles on the roof that need fixing, which were not part of the original quote.

Yeah. And we had to get a lot of roof work done. When you start tearing back the layers of the upstairs, you start realizing there's more work to be done there as well.

We had to get the building insulated. We had to get it fireproofed. We had to get, yeah, the council were over a number of times just asking us to do various things and we were having to do that.

We had to deal with issues in the car park. So people were just leaving their vans over the weekend, going to the pub down the road.

[Mark Barrett] (29:02 - 29:06)

Oh, yes. So the site also had a car park at the back? Yeah.

[Rohit Santa] (29:06 - 29:51)

Is that right? And there were some car park spaces allocated to the flats upstairs and some were for the downstairs. And there was a handful for visitors.

But of course, there was no way of manning or monitoring who parked there and for how long. So we quickly found a solution to that. We partnered with another company that does car parks.

And what they did was they managed the car park. So they put the meters in, they put the cameras in, they put the signs in, and any fines that come from that, we take on a revenue split with them. But it means that we don't have to manage that ourselves.

And the commercial tenants are happy downstairs.

[Mark Barrett] (29:52 - 29:59)

So the commercial tenants, they still have spaces and the flats have spaces. And then is it just the visitor ones, they can just charge?

[Rohit Santa] (30:01 - 30:15)

Yeah. The visitors will just charge and the commercial tenants can place vouchers or permits on their customers' cars. So they'll be excluded from any payment.

That's good.

[Mark Barrett] (30:16 - 30:18)

And you get small revenue from that, do you?

[Rohit Santa] (30:19 - 30:33)

Yeah, it's not a lot, but it's handy. Yeah, yeah. It just means it's one thing we don't have to think about.

And the tenants are happy because not anyone can just park there for any length of time without any consideration. So that massively helps us.

[Mark Barrett] (30:33 - 30:40)

Yeah. So as far as the rents that you achieved then, what were they for the units?

[Rohit Santa] (30:41 - 31:08)

So we've got about, so downstairs for the commercials, we get about 4.5k gross, and upstairs is 4.4k gross. So 1,100 each flat upstairs. Yeah, so all-in building is about 8.9, just under 9k, which is good. So we've got five-year leases downstairs, and we've got strong tenancies upstairs.

[Mark Barrett] (31:09 - 31:19)

That's good. So gross rents, we've got 9,000, and the total then is 108,000. What was the valuation come back at Rohit?

[Speaker 4] (31:19 - 31:25)

Valuation's at 1.75, which gives us a profit of about 660k.

[Mark Barrett] (31:25 - 31:28)

Excellent. Yeah, well done.

[Speaker 4] (31:28 - 31:47)

See you on the team. Fantastic. It's been a hard slog.

I mean, I wouldn't have done it. We wouldn't have done it without our team and the investors that put their trust in us, definitely. So I'm extremely grateful to all of them.

They know who they are, but really extremely grateful to all of them to put their trust in us to get this back for them.

[Mark Barrett] (31:48 - 31:52)

Great. And you, did you change the name of the building?

[Rohit Santa] (31:52 - 34:09)

Yeah, you were going to come to that, weren't you? So yes. So for me, property is all about legacy.

What I do on a daily basis is all about building a legacy. And the way to, I don't know where I saw it or heard it, but I thought about the way to overextend some kind of legacy beyond yourself is to have a family name on there. And what better fitting name to have on a building than Santa House?

Yeah. I did say when I announced this at one of the meets that we had, I did say that the postmen are going to have real good fun during the December and January delivery posts because they're going to say, what's this, Santa House? I like that.

But yeah, so we've done Santa House, and that's just for the residentials upstairs. We could have done it for the commercials, but it would have meant rewriting all the leases and reissuing them. So we thought best not to do that because there's a lot of legal costs involved in doing that.

So we thought it would be best just to keep it in the residential space upstairs. Yeah, and now we've got a family name on the building. Excellent.

Yeah, great. And what's next? So we've recently bought the building next door.

Okay. That one's a little bit more tricky. So it's a grade two listed building.

It's got planning permission for five flats. It did have planning permission for seven flats previously. We've just put another application in to get two more flats.

So it just gives us some flexibility. High level numbers on that is around, yeah, so we bought it for 715. It was on the market for just under 900.

Okay. Bought it for 715. Build cost on that is probably around 600K, and it should get us to about 1.9 on the GDV. We're going to rent out the commercial units downstairs. We know the price per square foot, so that helps us. And we're going to let out the residential flats upstairs.

Okay.

[Mark Barrett] (34:09 - 34:14)

And how many units are there on the ground floor for that one?

[Rohit Santa] (34:14 - 34:50)

So there's two commercial units downstairs. Yeah. So, yeah, but it's a grade two listed building.

So that's good fun. And it's quite a historic building for that area. Everyone's aware of it.

It's called Pollards. Very historic. I mean, the gentleman who sold it to us, he had been there for the best part of 60 years.

Wow. Amazing. In that place.

So, yeah, he's got some history with it. And everyone that I've spoken to in that area know the building well. So we're keen to bring some life to it.

[Mark Barrett] (34:51 - 34:56)

So good luck with that new project. Thank you. Have you just bought it and you're just starting the refurb?

Is that where you're at?

[Rohit Santa] (34:57 - 35:16)

We've just bought it. We're just going through the, just getting in all the reports, some calculations and everything else. And we are tendering it to some of the local contractors.

And soon we'll be, yeah, we'll be looking to start and doing some of the demolition work in the new year.

[Mark Barrett] (35:16 - 35:21)

Brilliant. So top three tips for the project you've just done. What would you say those are?

[Rohit Santa] (35:24 - 35:54)

Top three tips. So first one I'd say is work really closely with all the people that are involved in the project. We've lost, you know, there's been a number of times where we've spent so much time on the project, but less time informing the people or the investors on the, on how the project's going every step of the way.

And some rightly so, some didn't really care.

[Speaker 5] (35:54 - 35:55)

Yeah.

[Rohit Santa] (35:55 - 36:29)

But some really wanted to learn. So we started bringing some of our investors in on the internal calls so they can see some of the ins and outs. What I'd say is, yeah, keep communication open as much as you can with your investors.

Also your contractors, also your broker who helps with the finance and anyone else, like such as the QS is keeping communication open with all of them. You can very much get tunnel vision very quickly because you're dealing with a problem and not have the oversight to communicate to the team.

[Speaker 5] (36:30 - 36:30)

Okay.

[Rohit Santa] (36:32 - 37:56)

A second one is keep looking at your numbers and keep, I would say keep asking yourself, would I go into this deal from the beginning if I know, if I knew what I know now? The reason I asked that is, and the reason I say that is because sometimes we get so engrossed with completing a project or completing even a sale of a project, that we just want to get the project completed, but we haven't stopped to restock and say, is this still a deal? The current times, is this still a deal?

Because had the contractor not honored his price before COVID, that could have really stung us. And the third one I'd say is, yeah, just have fun with it because we sometimes get really serious with our team and our contractors and our professional team. We get quite serious with them because, I mean, you are dealing with a building and there is fire and safety and all of those things that come into play.

So I think there's sometimes you've got to, you've got to have a bit of fun with it and you've got to, whilst you're seriously looking at the numbers, you've got to, you've got to look at the lighter side of it and just say that, you know, you're providing jobs, you're providing homes to the community. And it's something that we should all be proud of once it's completed. Yeah.

[Mark Barrett] (37:56 - 38:00)

So enjoying the journey as well. There's challenges to overcome, but still.

[Rohit Santa] (38:00 - 38:33)

Yeah, absolutely. There's one more thing I'd add actually. We boasted about this, we'll call it tip number four, if you want, or a bonus tip.

I did talk about this earlier in the conversation, but we boasted about this deal to a lot of people, rightly so, but that could have stung us in a bad way because other people trying to get in and influence the agents in different ways. So what we did with the building next door, we didn't mention it to anybody until we actually exchanged on it.

[Mark Barrett] (38:33 - 38:46)

Yeah. Okay. That's good.

That's great tip. So for people wanting to contact you, what kind of things are you interested and then how people, yeah, how will people contact you Rohit?

[Rohit Santa] (38:46 - 40:14)

So some of the things we're interested in looking at in the new year. So one of them is, I've come from working full time and gone straight into business and I want to work with people throughout the next year and years beyond in helping them transition from working full time in an employment and where they want to get into business and actually help them with that transition. Okay.

The campaign is called employee to entrepreneur and it's helping those that are professionals who are working but they feel they can bring more value to the, to the, to the open market. And really I want to help them do that because I've gone through that transition and I want to help others do the same. Secondly is always want to work closely with investors who I would, you know, deem as friends.

So we're looking for friends who would turn into investors or people that are looking to invest in projects and maybe learn alongside and see alongside the project and what happens, what are the ins and outs, all of the challenges that come along the way and, and the exit at the end as well. So the way people can contact me, so we've got our website www.alliancegroup.uk. My email is rohit.alliancegroup.uk. And my Instagram is rohitsanta.alliance. Excellent.

[Mark Barrett] (40:15 - 40:24)

So yeah, thank you for your time. Thank you for going through that deal. Congratulations to you and Roberto.

Fantastic results and good luck with the next one.

[Rohit Santa] (40:24 - 40:29)

Yeah, thanks. And thanks for having me on really been, been enjoying this conversation. So thank you.

[Daniel Hill] (40:31 - 41:32)

I hope you enjoyed this episode of the official proper entrepreneur podcast. If you are not already subscribed, click subscribe now to make sure you never miss an episode again. If you're not already following me on social media, Instagram is property entrepreneur underscore Facebook is downhill.

And if you're not already in the official property entrepreneur community on Facebook, there's over eight and a half thousand of us in there now. Join that group. And if you're not in one of the private WhatsApp groups, maximum of 20 people in each group in the show notes type VIP podcast and send it to the number that's in the show notes on WhatsApp.

And we'll get you added to one of the private VIP WhatsApp groups where you can request your own podcast. It will be dedicated to you and your business. And every Tuesday I'm in there answering questions, giving you one-to-one direct support.

And we don't know how long we're going to keep these open for success and failure are both very predictable. I will see you on the next episode.