

DOING THE RIGHT THING



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REYNALDO A. CARPIO, Ph.D.

President
Grand Monaco Real Estate Developers Inc.

By BERNIE CAHILES-HAGLILAT

The recent flooding in the Metro Manila area has sent property developers thinking. There must be some kind of rethinking about strategies for development, the promotion and pricing schemes.

To Reynaldo A. Carpio, president of Grand Monaco Real Estate Developers Inc., he has already thought of a mantra "Flood-Free" for his projects, which cater to the middle-income sector.

FLOOD-FREE

"Flood free" is now the battlecry of Carpio to distinguish his developments from the "free flood" areas.

Carpio is thankful that his projects have been spared from the devastating flood that destroyed even some of the high-end real estate developments in the country.

"All our properties are flood-free," declares Carpio.

"If your property developments are flood free then you are going to ride the tide of a robust real estate sector, but if your property is characterized as free flood then prices are going to suffer," says Carpio.

His projects are in the flood free areas of Quezon City, Antipolo, the Rizal province, and other accessible areas.

He is set to open four more locations within the year in Paranaque, Pasig, City Hall, Novaliches and Balantawak.

These are single-detached units and townhouses with a maximum of four rooms with prices ranging from P2 million to P4.5 million to cater to the middle-income sector.

Of the 8 locations, three have yet to be fully completed, but all are already fully sold out.

"Our fastest selling products are those in the P2 million to P3 million price level," says Carpio noting that out of 10 sales 7 are overseas Filipino workers.

GRAND MONACO

Carpio started as a contractor of the country's purveyor in low-cost mass housing development - Manny Villar, who later made it as a suc-

cessful politician. Carpio was one of the biggest contractors of Villar's Camella Homes.

"As a contractor, I have to make sure I finished a project within the shortest time possible," says Carpio.

Carpio has learned a lot from Villar. He remembers Villar conducting a breakfast meeting among his contractors and managers at the McDonald's Alabang where Villar ordered the cheapest value meal breakfast. As the boss, Villar's breakfast became the benchmark for the rest.

"That was in the late '80s," says Carpio.

He spent 12 good years as a housing contractor until he decided to try his hand at developing real estates himself taking with him lessons he learned from Villar.

He established Grand Monaco Estate Developers Inc. in 2003 with a vision to create quality and affordable homes for people in the metropolis and help them live a better life.

According to Carpio, he was so inspired of his visit to Monaco that he named his company after it.

"I traveled a lot since I was with the Rotary. I had a month-long trip to Europe, starting in France, and Monaco was part of the itinerary. When I went to Monaco, the architecture there inspired me and I liked it. I considered it one of the best places in the world. The climate is great and cool that's why it's a magnet for tourists, the cars, the food, the expensive lifestyle is there. So the Monaco look served as inspiration for the design of our properties. But even if they're Monaco-inspired, mostly Mediterranean, the price is affordable," says Carpio.

Carpio started with 3 housing units, 6 then 30 units to 60 up to 100 housing units at a time. Now, he is constructing by the hundreds and is getting a fair share of the market.

"What I earned in 12 years as a contractor, I earned only in two years as real estate developer. I should have started earlier," says Carpio.

To entice buyers, Grand Monaco has crafted a very attractive package of 20 percent downpayment without interest payable in two years and the rest of 80 percent would be through bank financing.

"Our very easy installment packages for our kind of development make it even more attractive and affordable for buyers," says Carpio.

His housing projects have been selling like hot cakes.

In six years, the company has grown exponentially in terms of value with 1,400 housing units in inventory.

"We are booked in the next four to five years," says Carpio.

Already the company has projected sales to hit P300 million this year and P500 million next year.

But Carpio said he did not make money in selling houses but rather in buying properties. Most of his properties were purchased during the Asian financial crisis when real estates were at basement prices.

Carpio also realized that he does not need a huge capital to make his plans fly.

"Use OPM, other people's money. All you need is a good project and a good plan and the bank will fund it," says Carpio.

"With good plan plus funding support, your project will fly," adds Carpio.

He remembered though how he had been rejected by banks before, but now that Grand Monaco has an established track record several banks have kept knocking at their doors offering various products.

TRADE SECRETS

If there is one thing Carpio never tires of doing - that is going to school. A double degree holder in college as civil and geodetic engineer, he took up and finished his MBA and later as Doctor of Philosophy in Management.

Not to be content, Carpio is again back in school now taking up Real Estate Investment.

"Every time there is a crisis, I go back to school to sharpen my ax. Now, I can look at the forest instead of the trees," says Carpio.

Last year, he started enrolling his managers for MBAs for free. After their graduation, they are in for automatic promotions.

To Carpio, education is not merely learning new things. It is also meeting people, networking and bonding with future business associates. It is a strategy.

Carpio explained that once you start taking up MBA, you are going to meet future leaders. When you are going to your doctorate, you are actually meeting owners of companies, CEOs and top executives. You are meeting leaders.

Carpio has been involved in several organizations and has served as national president for National Real Estate Association and Association of Junior Geodetic Engineers of the Philippines, among others.

As a result of these extra-curricular activities, he was accorded and gained recognition with distinct appreciation from this numerous undertakings.

"I always look at the opportunities. In every disadvantage there are advantages. In crisis, there are always opportunities," stresses Carpio.

He also never stops reading, writing his thoughts and listening to inspirational speeches occupied him during traffic and meetings that normally start late.

"Put your thoughts and plans in writing so you will be able to review it against actual results. If you don't, then they are just pure air," says Carpio.

So far, he has a batting average of 70 percent.

Stressing there is no price to setting lofty ambitions, Carpio is now training his eyes to become one of the country's major and trusted developers. He also wants to put up his own bank in the future.

Apart from Manny Villar, his other business idols are Donald Trump and Andrew Tan.

LESSONS LEARNED

As a contractor, Carpio admitted that having the right connections could make your deals easier but it pays to just do the right thing.

"Doing the right thing may not be easy and would not make you popular, but your foundation will be stronger. At the end of the day, free enterprise should prevail and not the monopoly of the few," says Carpio.

"You have to compete fairly, produce quality products and be fair to all," says Carpio.

"Be fair and honest to clients because if they are happy you have built goodwill and the results would

be long term," he adds.

As an employer, Grand Monaco sees to it that it responds positively to the needs of its 300 to 400 workers.

"I deal with them fairly and professionally where everybody is expected to do their job well. In that sense, I am a strict manager, but whatever is their problem they can come to me anytime," says Carpio.

"Some company presidents hide behind locked doors, but my door is always open," says Carpio.

One measure of success for the company is that it has very low turnover rate. Some workers have been working with the company for 22 years already.

In fact, those who had been retrenched as a result of the Asian financial crisis in 1997 have been taken back into the fold.

Carpio attributed this to the bonding and relationship the company has cultivated with the workers over the years.

Another thing that Carpio has learned is that there is a third element to success and that is ability. One must develop or learn an ability to make his plans work.

He, however, said that there is no substitute to hardwork and perseverance. He said that successful people work 16 hours a day.

"If you are working 8 hours a day only then you belong to the ordinary who are working only for survival, but if you are working for another 8 hours a day you belong to the extraordinary class who are working for success," says Carpio.

Despite living a regimented life, Carpio never forgets to relax with his Miriam and their three kids. He loves ballroom dancing, staging and playing golf.

Throughout his professional career, he found time to express his social responsibility by involving himself in civic, professional and non-governmental organizations, providing scholarship grants to less fortunate but deserving students, providing books for public schools, conducting medical mission, providing relief goods to poor communities, adopt a school program, among others.

These things add to a more productive and well planned life.