

Losing Money to Become a Tycoon: Starting with Games

Chapter 536: Still Going with the "Bare Walls" Style

President Pei's sudden praise completely caught Liang Qingfan off guard.

He stood there stunned for two seconds before replying somewhat awkwardly,

"But, President Pei, this isn't just a design issue. It's also a cost issue."

"Take this apartment, for example. The unit itself only costs 500,000 yuan, but a full renovation and remodel would cost at least 300,000 yuan. The renovation would end up costing almost as much as the apartment itself! That's just not cost-effective."

"And you bought two entire buildings at once—a total of 32 units. If each one is renovated to the standard of 300,000 yuan per unit, the renovation costs alone will come to nearly 10 million yuan."

"The mixed-use building is the same. It has 77 units. At roughly 120,000 yuan in renovation costs per unit, that's another 10 million yuan."

"Allowing for some extra expenses, you'll end up spending 20 million yuan just on renovating these apartments."

President Pei fell silent.

Liang Qingfan let out a sigh of relief.

Good.

So President Pei simply hadn't done the math. He'd probably seen the low purchase prices and decided to buy without realizing how much the renovations would cost.

The Shengjing City Dawn building had also required an expensive renovation, but those apartments were large.

Besides, they had already been high-end, fully finished units that could be rented to wealthy tenants.

These apartments, on the other hand, were in terrible condition. Nobody wanted to buy them or live in them, yet they'd still require another 300,000 yuan each just to renovate.

That seemed completely irrational.

It wasn't that renovating them was impossible—it was simply an awful value proposition.

After a moment of silence, however, Pei Qian asked, "Twenty million... could we spend even more? Would adding another 10 million yuan be difficult?"

Although buying the buildings had already used up most of the profits from A Better Tomorrow, revenue sharing from Aili Island had already begun.

After the movie won awards last month, its viewership on Aili Island had continued to skyrocket. Under the revenue-sharing agreement, large sums of money were flowing in every month.

Pei Qian was eager to pour as much money as possible into renovations. After all, spending on renovations seemed like one of the safest ways to burn through money.

Liang Qingfan blinked.

He suddenly realized he had completely misunderstood.

Wait...

President Pei didn't think 20 million was too much.

He thought it was too little?

Liang Qingfan frowned deeply as his mind raced.

"President Pei... I understand now."

"You want to use exquisite design and luxurious renovations to give these ordinary properties a sense of luxury, so they can be rented at a premium to tenants who aren't particularly sensitive to price?"

"The previous apartment was large and had high rent, so it naturally targeted wealthy tenants."

"But these new buildings all consist of small apartments, and the buildings themselves are inexpensive. So you're planning to attract middle-class professionals by giving them luxury interiors—essentially offering them a chance to experience a luxurious lifestyle—"

Pei Qian interrupted him.

"—Twenty million. Don't add a single yuan."

Liang Qingfan's explanation suddenly made Pei Qian realize that this could lead to serious consequences.

The system imposed an upper limit on the rent Sloth Apartments could charge. Although the quality of the renovation was taken into account, the primary factor was still the average rent for apartments of similar size in the same location.

That was why the large luxury apartment Pei Qian lived in could command such high rent—mainly because of its size.

These newly purchased buildings, however, were all small units.

The mixed-use apartments were under 40 square meters, while the suburban apartments were only a little over 60 square meters. One was a commercial-residential property, and the other was in an undesirable location.

No matter how luxurious the renovations were, the system would never allow Pei Qian to charge extremely high rent.

At best, the monthly rent would probably be capped somewhere between 2,000 and 4,000 yuan.

Now imagine if he poured money into lavish renovations, expensive designer sofas, huge televisions, luxury furniture, then had Liang Qingfan work his design magic...

Sure, it would scare away the poorest renters.

But it would attract exactly the young middle-class professionals he wanted to avoid!

Those artsy white-collar workers would look at the apartment and think:

"Sure, it's smaller than other apartments. The floor plan is weird. The lighting isn't great. I can't bring my own furniture. It has plenty of flaws. And the rent is more than 1,000 yuan higher than comparable apartments."

"But look at this luxury renovation!"

"That sofa alone probably costs 10,000 to 20,000 yuan. Paying an extra 1,000 yuan in monthly rent to experience this kind of luxury is absolutely worth it!"

At that point, they'd probably be lining up to rent the place.

Pei Qian finally realized what the real issue was. These new apartments absolutely could not receive the same kind of lavish renovations as the previous one.

The large luxury apartment had been affordable to very few wealthy renters in Jingzhou. But the smaller the apartment, the less sensitive potential tenants would be to paying a premium.

Moreover, because these units were so small, the "whole-unit rental only" rule would lose much of its deterrent effect.

"Let's stick to the budget you just suggested: 20 million yuan. Renovate these suburban apartments at 300,000 yuan per unit, and the mixed-use apartments at 150,000 yuan per unit. That's final."

Liang Qingfan: "..."

Wasn't I supposed to carefully infer President Pei's intentions?

I tried it for the first time today... and failed immediately?

As expected, it's a difficult skill. I still need a lot more practice.

Liang Qingfan had thought he had finally figured out President Pei's way of thinking.

Yet the moment he voiced his conclusion, President Pei rejected it without hesitation.

He couldn't help feeling a little discouraged.

Meanwhile, Pei Qian looked at Liang Qingfan with even greater admiration.

Excellent. This is exactly the kind of person I like—someone who says what's on his mind.

Everyone else figures things out behind my back and never tells me.

You figure things out right in front of me and explain your reasoning in full.

You just saved me from making what could have been a serious mistake. You're definitely someone worth cultivating.

Pei Qian cleared his throat.

"Mr. Liang, have you thought about what I mentioned before—becoming the person in charge of Sloth Apartments?"

"Or rather, to be precise, becoming a partner. You'll receive the same treatment as Tenda Group's senior management, including monthly bonuses based on your project's investment level and its ratings on the TPDb website."

Liang Qingfan was even more tempted.

A month earlier, President Pei had already expressed his interest in recruiting him. At the time, Liang Qingfan had deliberately held back instead of accepting immediately.

Over the past month, however, he had learned much more about Tenda Group and had already made up his mind.

Of course I have to join.

The benefit is simply too good.

As the person in charge of a project, he could receive extremely generous bonuses based on both the project's reputation and its investment. Compared with running his own studio, the difference in income would be overwhelming.

More importantly, being able to work under someone like President Pei would be an enormous boost to his career.

Liang Qingfan was just about to accept on the spot.

After hesitating for a moment, however, he said,

"President Pei... may I make one small request?"

Pei Qian was pleasantly surprised.

Oh? This young man can actually resist Tenda Group's generous benefits and negotiate with me?

Excellent. I like people who ask me for more.

It saves me from having to rack my brain looking for excuses to raise their salary.

Go ahead. Squeeze me for everything you've got.

Pei Qian nodded.

"Of course. Ask for anything."

Liang Qingfan coughed lightly.

"President Pei, I've noticed that Tenda operates a large number of physical businesses, and you're continuing to expand them—Moyu Internet Cafés, Moyu Food Delivery locations, Managed Fitness gyms, and so on."

"Naturally, I'll devote myself fully to renovating Sloth Apartments."

"But I've also noticed that the interior designs of your other stores are... somewhat ordinary."

"If, in the future, you plan to renovate all of those stores as well... could you let me handle those projects too?"

"I don't mean anything else by it. I just feel that the current store designs don't really match Tenda Group's overall standards."

Pei Qian couldn't help feeling slightly disappointed.

That's it?

You're not even going to ask for a raise?

Then he thought about it again.

Actually, it wasn't a bad proposal.

Pei Qian nodded.

"Of course. They're all yours."

"Here's the plan: once you're finished with Sloth Apartments, start looking at the stores. Whichever locations have the best business... renovate those first."

If this had happened back when Moyu Internet Café hadn't become popular, Pei Qian would have rejected the idea outright.

Renovate them? Why?

They're already losing money perfectly well—why would I renovate them?

But things are different now.

Moyu Internet Café was already a huge success. It was packed every day. Renovating it again wouldn't make it any more popular or profitable—but it would cost a fortune in renovation expenses, and the stores wouldn't be able to operate during construction.

Adding all that up, how much money would they lose?

It was a fantastic deal!

That was why Pei Qian specifically instructed Liang Qingfan to renovate only the stores that were making the most money. Stores that were operating at a loss—such as Managed Fitness—were not to be touched.

Liang Qingfan nodded.

"Understood, President Pei. Thank you for your trust."

Although he didn't quite understand why President Pei wanted him to start with the most profitable locations, he didn't ask any questions. After all, entrusting him with something this important already demonstrated how much President Pei trusted him.

"Very well, President Pei. I'll prepare several design renderings tailored to the characteristics of these new apartment layouts. Once you've selected one, I'll immediately arrange construction crews to begin work."

Liang Qingfan couldn't help feeling energized.

The mixed-use building would be relatively straightforward, since the structural work was already complete and only the furnishings and interior finishes needed attention.

The apartments in Binhu Community, however, were a much bigger undertaking. Both buildings required full interior renovations, meaning they'd have to hire a large number of construction teams, and the schedule would be extremely tight.

Fortunately, all the apartments shared the same floor plan, so one design could be used for every unit.

"Choose from renderings? No, no, no," Pei Qian interrupted. "There's no need to create new designs. We'll use the same style as before."

"The minimalist style."

After thinking for a moment, he added, "The smart home systems and giant televisions aren't necessary this time. You can adjust those according to the overall renovation budget. What's important is that the overall style remains consistent."

The giant television in the previous apartment alone had cost 240,000 yuan, and it had been a limited-edition model that wasn't even readily available anymore.

More importantly, Pei Qian worried that if these small apartments were equipped with televisions that expensive, people might end up competing to rent them just for the TV.

After all, the rent for these smaller apartments would be much lower than the rent for the large luxury apartment in Shengjing City Dawn.

It was safer to stick with the "bare walls" minimalist aesthetic.

That way, it would continue discouraging ordinary renters while also avoiding the kind of extravagant luxury that might attract artists or young middle-class professionals.

Liang Qingfan froze.

"The minimalist style... here too?"

"President Pei, these are all small apartments. A minimalist style loses much of its impact in small spaces."

"And storage space is especially important in small apartments. If we eliminate all of it, these places won't even be livable."

Pei Qian's eyes lit up with delight.

The effect will be worse?

They won't even be livable?

Perfect!

That's exactly what I want!

If even a professional architect thinks this is a terrible idea, then there's no way these apartments can possibly make money.

Absolutely no way.

Pei Qian smiled.

"Don't worry. This is the defining style of Sloth Apartments."

"If they're all under the same brand, then naturally the design language has to remain consistent, don't you think?"