

# MANSION

'Castles in the air—they are so easy to take refuge in. And so easy to build too.'

—Henrik Ibsen

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## CASTLE SWEET CASTLE

Built for German nobility, these homes offer promise of a fairy-tale life—but can cost a king's ransom



### CENTRAL BAVARIA

Burg Kipfenberg, a 9,500 square-foot castle, is listed for \$7.45 million.

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BY LAURA STEVENS

atural, hand-cut stone construction, 14-foot vaulted ceilings, expansive gardens. And your very own drawbridge.

It seems the thing of fairy tales—owning a private castle. And in Germany, there are plenty of them to be had. Germany's long history as a number of fractured principalities, each with its own noble resi-

dences, has left the country with more than 5,000 castles. About 20 to 40 of those come onto the market each year. At the same time, Germany has a relatively stable economy where real-estate values have continued to climb, making property a somewhat safe investment to foreigners across Europe and abroad.

But agents warn the purchase of a *burg* or *schloss* is not for the faint of heart—or the light of pocket.

"My main tip is you need a lot of money," says Bernd Neuhäuser, managing director of Vermittlung historischer Immobilien, which specializes in selling

historical buildings. "A totally renovated castle is expensive, and is expensive to keep up. A new building could cost a lot less than the heating of an old castle."

A small castle with about 3,300 square feet of living space and adjoining land can cost anywhere from about \$650,000 to \$6.5 million, based on recent sales. A large, completely renovated castle can cost more than \$26.1 million. Renovations and maintenance can add millions of dollars to the original price tag.

German castles are typically located in the coun-  
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MANSION

# Castle Sweet Castle: Owning a Palace in Germany—For a King’s Ransom

Castle Call



**\$1.02 million**  
**North Rhine Westfalia, Nörvenich**  
 Burg Bubenheim: 10 rooms, one bathroom on 3 acres

Fully renovated in the past 10 years, this 4,736-square-foot castle was built in the Middle Ages. It has a large garden that is reached by three bridges over the moat. Outbuildings belong to another owner.  
**Agent:** Vermittlung historischer Immobilien



**\$6.54 million**  
**Schleswig-Holstein, near Osdorf**  
 Manor House: 17 rooms, four baths on 20½ acres

The 6,458-square-foot castle was built in 1911 and is about 15 minutes from the city of Kiel, the Baltic Sea beaches and two golf courses. The property has a tennis court and three garages. An additional building has four rental apartments.  
**Agent:** Engel & Völkers

**\$196,100**  
**Thuringia**  
 Residence Palace: 120 rooms, several large communal bathrooms for patients on 8.6 acres

Built in the 1700s, this castle is 48,000 square feet and is in need of extensive repairs, costing an estimated \$6.53 million, the listing agent says. It was previously used as a nursing home. The property includes an orangery, ponds and terraces.  
**Agent:** Vermittlung historischer Immobilien

Vermittlung historischer Immobilien OHG (Norvenich); Engel & Völkers (Osdorf)



**SCHLOSS RAMHOLZ** Built in the late 1800s, this castle, shown above, below and at right, is north-east of Frankfurt and could fetch \$13 million.



**BURG RHEINSTEIN** Markus Hecher and his family live in this 13th-century castle on the Rhine River.



**SCHLOSS NEIDSTEIN** Actor Nicolas Cage bought the 11th-century castle in 2006 for about \$2.61 million. He renovated it and put it back on the market in 2009.

rooms in about 60,000 square feet. Currently eight bedrooms and eight bathrooms are in use in the new castle area, with four bedrooms and four bathrooms in use in the older palace.

A Victorian manor house a half-hour's drive from Hamburg is currently on the market for about \$5.04 million. The house, which was built as a residence for an English family in 1894, sits on 20 acres with 28 rooms, five bathrooms and four garages. Mr. Neuhäuser has the listing.

Things to keep in mind when looking at buying a German castle: About 99% of these properties are historically protected. This comes with some benefits, including no property taxes and some tax write-offs. Potential matching funds for renovations are available from regional monument-protection authorities, but the changes must first be approved. While most approve modernization plans, there are others that insist on maintaining the complete integrity of the castle—sometimes including the lack of indoor plumbing. The listing agent should be familiar with local restrictions.

Owners should be prepared to spend around \$131,000 a year on upkeep, heating, electricity and other castle-related expenses, Mr. Neuhäuser adds. For example, Burg Kipfenberg needs about 8,000 gallons of heating oil a year to fuel its central heating. Many owners also hire a “castle keeper” who lives on site and takes care of the buildings and grounds.

The properties are rarely flipped—in fact, it can often take years to find a good fit with a buyer, so be prepared to invest for the long term, brokers caution.

Castle buyers will pay about 10% of the purchase price on taxes and brokerage fees, agents say. Brokerage fees typically range from 3% to 6%, with a 19% value-added tax. Notary fees are 1.5%, and most states have a purchase tax of 5%. Still, there can be a payoff, especially if the castle comes with a lot of land.

“They’re beautiful and romantic. They give us a sense of stability which our modern times are lacking,” says Christoph von Schenck, head of castles and manor houses for Engel & Völkers.

then that’s a little difficult,” Mr. Hecher says.

One of the most famous German-castle owners was actor Nicolas Cage, who bought the 11th-century Bavarian Schloss Neidstein in 2006 for about \$2.61 million, according to media reports. He spent a few years renovating the rundown 28-room, 10,000-square-foot castle before putting it back on the market in 2009 and selling it. A spokesman for Mr. Cage didn’t respond to requests for comment.

In January, German TV star Thomas Gottschalk sold his 14-room castle overlooking the Rhine River for about \$7 million to a German solar-company CEO. The castle, which sits on 25 acres and includes a swimming pool, a sauna and a home theater, was built in 1859 and has been completely modernized.

One castle currently listed by Mr. Neuhäuser is the towering Burg Kipfenberg, a 9,500-square-foot castle listed for \$7.45 million in central Bavaria.

In the early 1900s, a widow from Berlin purchased the 12th-century ruin and restored it. The resulting 18-room castle maintains some quirky charms from that era—including servant entrances and quarters, as well as some old-fashioned

bathrooms—but other areas of the castle have been thoroughly modernized. The current owners, who inherited the property, are selling because they no longer want to live there. The list price includes 27 acres and outbuildings.

Other castles on the German market start at about \$196,000 for an 18th-century residential palace in the former East Germany that was used as a nursing home during the Cold War era. It needs a complete overhaul—a project that could potentially cost about \$6.5 million.

Schloss Ramholz, which is being listed by Engel & Völkers, is on the market for the first time since its construction in the late 1800s by a German steel magnate. The ivy-covered palace is located about an hour’s drive northeast of Frankfurt and is expected to fetch as much as \$13 million. The property includes an old castle and new extension with a total of 150

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 tryside, often on a hill or mountain, and are usually far away from most cities, grocery stores, train stations and other conveniences. Most palaces located in the major German cities are publicly owned.

The properties range from 1,000-year-old fortress ruins to elegant palaces built around the turn of the last century, which were typically occupied by German nobility who oversaw small kingdoms or territories.

While German nobility privileges were abolished after World War I, many of the castles were retained by families for generations. Those that go on the market usually come from owners too old to continue to maintain the property, those who can no longer afford it or heirs who would rather live elsewhere.

There is no “typical” castle buyer, but Russians have been the most recent group to enter the exclusive German market and can sink huge amounts of money into buying and renovating castles, agents say.

Many international buyers come to Germany for the perfect castle, but few end up purchasing, agents say. Although there are no special residency requirements or specific limitations for foreign buyers, many discover that the fairy-tale image is different from the reality.

Markus Hecher is the owner of Burg Rheinstein, a castle on a scenic stretch of the Rhine River that dates back to the 13th century. Mr. Hecher, his wife, his adult son and his son’s girlfriend all live on the castle grounds, where they also have a museum and restaurant.

One of their biggest challenges is that they can’t drive up to the castle. Instead, the family must park and take a five-minute uphill walk to the front door, which is accessed by a drawbridge. As a result, the family uses a small tractor or a conveyor belt from the valley floor to get everything from groceries to building materials up to the castle. They make one trip to the grocery store a week, with an extensive list.

“If you say, ‘I forgot the butter!’

**20 to 40 castles hit the market in Germany every year.**



**BURG KIPFENBERG** The castle, shown above and below, dates to the 12th century. In the early 1900s, a widow from Berlin purchased and completely rebuilt it.



Andreas Reeg for The Wall Street Journal (5)

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Alexa Vachon for The Wall Street Journal (2)