

DEVELOPMENT ASPECTS OF MANORS AS A PART OF CULTURAL HERITAGE IN LATVIA

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Abstract

Both movable and immovable cultural monuments provide opportunities to meet interests of many stakeholders – their owners and managers, local community, researchers, tourists, businesses, mass media, heritage institutions, etc., as well as society as a whole. Along with aesthetic, symbolic, educational, research, etc., interests, no less important are the economic ones induced by these monuments' development potential.

It is nevertheless widely acknowledged that investment in cultural heritage sites (including conservation, restoration, maintenance, marketing, etc.) may outweigh their direct economic benefits due to inevitable payments and obligations. Thus, the question arises: what are those factors that restrict and those that facilitate socio-economic development of the immovable cultural monument?

Immovable monuments are divided into several typological groups, and the most numerous in Latvia are architectural monuments. Assuming that the effectiveness of development may depend on the type of the monument within one group, this article focuses primarily on manors as relatively numerous architectural monuments characteristic for Latvian regions (parishes) and valuable cultural-historical objects, representing large tourism potential.

The article, analyzing the situation in Latvia and making international comparisons, uses integrated socio-economic and legal approach to the researched issue. It provides both theoretical and practical insight into the actualities of manors' development potential and possible solutions thereto.

Keywords: *cultural heritage, immovable cultural monuments, manors, real estate, socio-economic development.*

Introduction

Immovable cultural objects¹ satisfy a variety of interests of different stakeholders. While e. g., local communities stand up for preserving indigenous sites and traditions, municipalities focus on improvement of quality of life and creating positive image of the area, tourists enjoy the aesthetics of the objects and get to know cultural-historical information [Brodie 2010: 261]. In a larger context these objects are used to affirm national identity, promote solidarity and social inclusion [Greffé 2004: 301; Krishnamurthy et al. 2020: 4]. Thus, conviction of the need to preserve and restore cultural objects reaches far beyond the issue of concern uniquely of the immediate owners.

Along with symbolic, educational, historical and other non-material interests, economic interests massively underlie full-scale use of the benefits ensured by cultural objects [Heritage Europe 2019]. While absence of regular proper maintenance reduces healthy state of a site, its aesthetic appeal, as well as inevitably negatively affects its economic profitability [Interviews 4, 7], the object itself nevertheless remains a subject of taxation, special treatment of heritage authorities and attention of the society.

While vast variety of stakeholders has economic interests in the prosperity of cultural sites [Nijkamp, Riganti 2004: 4; Kairiss, Olevska 2020: 51–54], the first to be under the legal obligation of proper maintenance of and respective investment therein is the owner. The owner is also solely financially responsible for conservation, maintenance, renovation and restoration of a cultural monument.²

This paper reviews several administrative, legal and economy-related aspects related to immovable cultural monuments, obligations and limitations of their owners to use the objects in economic activity as well as issues that restrict or help the owners in developing socio-economic potential of the cultural property. The research specifically addresses manors³ as far as they:

- form a significant part (more than 7.5%) of architectural heritage which is the most numerous in Latvia;⁴

¹ Cultural objects include *inter alia* cultural monuments within the meaning of Protection Law.

² Sec. 24, Protection Law.

³ For the purposes of this article, a manor is an administration building or a complex of buildings on a land ownership. It usually includes a manor house or a castle/palace, a land steward's house, buildings for collecting payments, storing products, etc. [AkadTerm].

⁴ According to the data of Monuments' Register as of 06.05.2021, there were 3507 architecture objects. The number and proportion of manors is determined by the authors performing analysis in the public section of the Monuments' Register (data selection by object type, e. g. "manor", in the register is not possible, therefore the selection was made using keyword search).

- have significant cultural and historical implication (at least 264 manors are cultural monuments¹);
- form an integral part of Latvia's cultural history and cultural landscape (in the past serving also as parish centers), being significantly involved in economic activities [Interviews 4, 5; LACPM website] and having tourism potential [Latvia Travel 2021].

The paper focuses on cultural monuments in private (either physical or legal persons) and municipal property, as far as municipalities take on the role of the owner in relationship with the state authorities. The paper looks at Latvian situation compared to the practice of the neighbouring countries and explores factors the effective use of the cultural object owner's opportunities depend on.

The above findings then shape an answer whether in the current situation the cultural monument's status of the manor facilitates or restricts the owner in unlocking socio-economic potential of his/her property in Latvia.

This article is not the first attempt to answer the above questions in the Latvian context. In 2002, a study by the Institute of Economics of the Latvian Academy of Sciences [IELAS; Karnīte 2002] was published, which addressed similar issues in the wider context of cultural heritage. This study concluded, *inter alia*, [Karnīte 2002: 57–58] that due to restrictions imposed on the economic activities, opportunities for property modernization, decision-making on one's property, as well as reasons related to bureaucracy, corruption and other negative phenomena, there are limited opportunities to earn income from the owned cultural monument and lower profitability. It was pointed out that the surveyed owners considered that the benefits granted by the state were insignificant and did not cover the additional costs arising from the status of the property – a cultural monument.

For the purposes of the present research, the authors have studied scientific literature, governmental and news feed information, analysed the existing statutory requirements in Latvia and abroad providing for rights and obligations of the owners of cultural objects, reviewed statistical information and reports of supervisory authorities, municipalities et al. organizations, as well as:

- conducted ten expert interviews with and received additional information from heads of Latvian and Estonian manors' associations (LACPM – 96 manors, 89% – cultural monuments², about 30% are privately owned; EMA – 106 manors³, 98% – cultural monuments, only private owners⁴),

¹ According to the analysis performed in the Monuments' Register by the authors of the article.

² LACPM strategy, p. 11.

³ EMA website.

⁴ Interview 3.

administration of the LAPHH (10 manors, at least 50% – cultural monuments, only private owners¹), chairman of the Board of the Riga Historical House Association, representatives of the NCHB and municipalities, private manors owners and researchers;

- received written answers of the head of Lithuanian manors' association (64 manors in association, 9% – cultural monuments, about 50% – privately owned²);
- received five survey responses of private owners – members of the LAPHH.

General description of the situation

According to the available data, there are about 2000 manors and their remains in Latvia, about 1200 of which are being included in the encyclopedic edition³ [Delfi 2021/1; Interview 2]. A significant part of the manors has the status of a cultural monument (see above).

In Latvia, cultural objects may be owned by the State, local governments, other public persons as well as private individuals⁴. Although precise statistical information on the ownership of cultural monuments is not available,⁵ information from various sources makes it possible to assume that most cultural monuments, including manors [LACPM strategy: 65], are privately owned [Cultural policy guidelines: 5;⁶ Karnīte 2002: 55]. Besides there is a gradual process that publicly owned manors are transferred to private hands [Interview 4].

According to various sources, from about 50 [Interview 2] to a few hundred manors in Latvia are in usable condition [LACPM strategy: 7]. Some owners have invested in the renovation of buildings and use manors for economic activities, others renovate the buildings in parts by little, while others have not been able to

¹ LAPHH website.

² Interview 7.

³ Masnovskis 2018; Masnovskis 2019; Masnovskis 2020: The 3 volumes of the encyclopedia already contain information about 366 manors.

⁴ Section 7, Protection Law.

⁵ NCHB Information – Information on the ownership of the manors – cultural monuments is not available because the information system “Cultural Monuments Information Management System “*Mantojums*”” is not yet interconnected with the other state information systems that maintain information on real estate owners (according to information available to the authors, corresponding content-related and technical work has been started to improve the information system). Another aspect is related to the fact that cultural monuments could represent complex objects (e. g., group of constructions related to manor) consisting of a large number of real estate objects, which have different owners and thus, different parts of one and the same monument can be owned by the state, municipality, physical persons and legal entities at the same time.

⁶ As of the end of 2014, 40% of cultural monuments belonged to private persons, 24.5% – to the public sector.

renovate or preserve the buildings, so the buildings gradually fall to decay [LACPM strategy: 7].

Privately owned manors, in case their condition allow, are mostly used for economic activities [Interviews 4, 5]. Among other things, it helps to cover part of the expenses for the maintenance of the manor [Interview 1]. Only in rare cases the owner of the manor, living in the manor himself/herself, does not use it for economic activities [Interviews 3, 4, 5, 7].

According to several experts and manors owners [Interviews 4, 5; LAPHH answers], investments in the restoration and maintenance of manors are very significant and the investments made are unlikely to pay off even in the long run, so for private owners of many developed manors, the use of manors in economic activities is not their main occupation. An important guiding principle is that owners are interested in cultural history, they want to do something to preserve cultural heritage and to contribute to it. Similar situation is in Lithuania and Estonia [Interviews 3, 7].

Private owners of the manors and castles in three Baltic states are predominantly local citizens [Interviews 3, 4, 7]. This might be caused by certain limitations to purchase (agricultural) land in rural areas placed on foreigners,¹ on the other hand these objects might be mostly evaluated by the local stakeholders who highly rate cultural and historic values these objects carry along with perceiving economic potential in their development.²

The development of the manor is also a matter of prestige. Many owners are young entrepreneurs who want to do something useful for the society. In Latvia, there is a positive shift in mentality among entrepreneurs: while in the past they wanted to buy expensive cars, now they aim at developing manors [Interview 5]. This suggests that if the owner wants to develop the manor and use it in economic activities, he/she should be relatively wealthy in order to make significant investments and be able to operate at a loss. V. Masnovskis, for example, notes [Interview 2] that in case the manor's owner is not wealthy, then it is difficult for him/her to cope with the necessary expenses and even small crises (e. g., heating boiler accident) can cause great financial pressure if not a collapse.

¹ For example, p. 5, part 1, Sec. 29 of Land Privatization Law provides that persons other than Latvian, EU, EEA, the Swiss Confederation or the Member States' of the OECD citizens are unable to acquire agricultural and forest land, except for sections in which construction is intended in conformity with the territorial planning of local government.

² As pointed out by Madliena parish administration, majority of foreign owners were unable to tidy up their cultural property in the parish, which damaged the aesthetic environment. Part of the objects was sold. Thus, in summer 2020 private owner – foreign entrepreneur – was selling a manor (architectural monument of local significance) for 1 EUR with the obligation of a potential purchaser to invest in reconstruction works [LSM 2020].

The structure of manor expenses can be conditionally classified into two parts – initial (renovation) and maintenance expenses (authors' analysis and Interviews 4, 5). Certain expenses may be relevant during both the renovation and the maintenance phases (see Appendix 1).

The analysis performed by the authors and manor associations' presidents' survey [Interviews 3, 4, 7] shows that the most significant types of income from privately owned manors in Latvia, Estonia and Lithuania¹ are mainly related to²:

- visiting of a cultural and historical object (visiting of buildings, interiors, parks, gardens, etc., incl. accompanied by a guide);
- organization of short-term events (e. g. weddings, anniversaries, photo sessions, corporate events, conferences, seminars, etc.);
- accommodation services, catering services (incl. sale of food / beverages in the course of public/ private events) and tastings, health improvement services (e. g., SPA, saunas etc.).

The opinion of experts and manors owners on the advantages and limitations of the status of a cultural monument is ambiguous. The mentioned key benefits are:

- the status of a cultural monument denotes authenticity and cultural-historical significance of a cultural object, which, among other things, has a positive effect on attracting visitors interested in history and culture (including admirers of original (authentic) values) [Interviews 1, 3, 4, 5; LAPHH answers]. The status of a cultural monument is also a matter of prestige [LAPHH answers];
- only those cultural objects that have the status of a cultural monument can participate in the most relevant competitions to obtain funding for their restoration/conservation [Interviews 1, 4, 5; LAPHH answers].

Key limitations are:

- cultural monument status limits the possibilities to re-plan the premises, increase the building volume, install modern heating, etc. systems. Comfort is important for many visitors, but in many cases it cannot be provided at the appropriate level, taking into account the requirements raised for a cultural monument [Interview 5; LAPHH answers];
- sometimes the requirements raised for a cultural monument involve significant financial investment [Interviews 2, 3; LAPHH answers]. For the list of main legal restrictions applicable to manors as cultural monuments see Appendix 2.

¹ The full table "The use of manors in economic activities in the Baltic States" is attached in Appendix 3.

² LAPHH members informed that all of them provide accommodation service; frequently provided are also object's visiting, catering services, organizing public and short-term events, and related services, e. g. equipment rental and organizing events [LAPHH answers].

Development factors

The analysis of various information sources allowed to identify a number of factors that, as national and international practice shows, influence the development opportunities of the socio-economic potential of manors. Although financial factors have a significant impact, not all factors are related solely to the availability of financing.

Development vision and strategy

It is generally accepted that in order to unlock socio-economic potential of the cultural monument there should be a clear vision of its possible development [Interviews 1, 3, 4, 5]. The absence of such vision results in inability to formulate the main business area, causing inappropriate allocation of resources and respective losses in terms of invested money, time and work effort. Development vision and strategic approach are important for the development of both privately and publicly (e. g., municipally) owned cultural objects [Interview 9; Kuldīga 2021/1; Engure 2016]. Besides, renovation and adaptation of a cultural monument to the updated functioning requests approval of the supervising authorities and mutual coordinated efforts. Showing a reasoned strategy can increase mutual understanding between the owner and the public authority that is to approve or support the budget or the project (thus, e. g., relatively detailed information on the restoration plans has been requested from the owner of the object in order to receive co-financing for the renovation/restoration purposes announced, e. g., by Tukums City Council [Tukums 2021; Tukums regulations 2021]).

Therefore, clear concept and well-established strategy are vital for successful development of cultural object's potential, where motivation (making the business possible) and particular niche (sharpening the business) form the basic elements. It is important that the clear development concept is prepared **before** the purchase, otherwise, as practice shows, its absence, taking into account the amount of work and significant investments, causes confusion for the owner and influences reckless use of funding.

The particular niche (or key business area) might be subject to exceptional monument's memory elements that constitute a reference (e. g., well-known historical place), or specific skills or hobbies of the owner, being it, e. g., gastronomy (the object can become famous for its restaurant), wine/beer making, collecting (e. g., creating a museum), etc.

The absence of development strategy and motivation leads the object to a downturn, decreasing interest of potential investors. One of the recent examples of such deterioration of the site is Bērvircavas manor, architectural monument of local significance.¹ Due to lack of financial capacity and clear vision the municipality cannot

¹ Monuments' Register, <https://is.mantojums.lv/5242>

determine the potential function of the building, find investment opportunities or the owner that would be interested in full concept development and renovation of the building [Delfi 2021/2]. While there are few solutions available, without vision and motivation the manor is currently falling to decay.

On the contrary, Kuldīga municipality is one of the examples approving positive effect of long-term development vision and stated strategic objectives. Thus, having clear and well-designed documentation and a plan of action, the municipality was successful in drafting and submission in January 2021 the nomination for inscription of Kuldīga Old Town on the UNESCO World Heritage List [UNESCO Nomination 2021; Kuldīga 2021/2].

Financial factors

All the experts and manors owners pointed out that manors require significant investments, there are difficulties in recovering investments even in the long run and the owners should be ready to work at a loss [Interviews 1, 3, 4, 5, 7; LAPHH answers].¹ The owners (especially the young ones) sometimes do not assess their financial possibilities and cannot cope with the restoration, maintenance, etc. expenses. Despite the fact that the owner must have sufficient equity,² financial support (including state and municipal support), especially taking into account that the development of manors contributes to the development of the county as a whole,³ facilitates the owners' motivation to restore and develop their property. Financial support may take a form of tax reliefs for the heritage owners or direct subsidies to preserve the cultural object. Tax issues are discussed in greater detail below.

Tax regime

There are no special tax reliefs applicable to owners of cultural monuments in Latvia⁴ except for real estate tax discounts [Real Estate Tax Law]. Thus, generally,

¹ In this respect the situation has not substantially improved over the last 20 years. According to IELAS [Karnīte 2002: 37], the largest financial liabilities were for the maintenance and restoration of cultural monuments. According to the research, this caused difficulties, because there was no policy on cultural monuments linked to an economic mechanism to reimburse owners for the costs associated with respect for the public interest.

² Many owners earn income in non-manor business [Interviews 4, 5].

³ For example, in the field of tourism [LAPHH answers; Interviews 3, 7].

⁴ In other European countries, however, income tax deductions and other financial assistance to owners of old buildings are quite common. Thus, e. g., Germany provides for deduction of the costs of refurbishment at 9% per annum for eight years and 7% per annum for an additional four years [Sec. 7i, Income Tax Act DE]. In the Netherlands, up to 1 January 2019, 80% of the costs of maintenance of the building listed as national monument were in general tax deductible. From 2019 tax deductions are no more applicable, but a subsidy can be requested to cover costs of renovating monumental buildings [Netherlands 2020]. In France, as a general rule, the assistance

cultural monuments are exempt from real estate tax, except from residential houses and land for their maintenance, objects used in economic activity (except cultural functions) and monuments that are not properly maintained/preserved in accordance with the requirements for the protection of cultural monuments (hereinafter – properly preserved).¹

The above exemptions are covered by the real estate tax rate² determined by municipalities in their binding regulations. The Law does not provide for a common approach to tax reliefs granted to cultural objects by the local governments, therefore there are different amounts of discounts and different preconditions that should be met in order to be eligible for such a discount. Thus, in Riga, e. g., the owner of a cultural monument can receive 25% discount from real estate tax if the object is properly preserved as well as 50% to 90% based on full restoration of certain parts of the monument [Riga regulations 2019]. This discount is applicable to buildings only.³ Other Latvian municipalities (e. g., Liepāja, Jelgava, Talsi, Kuldīga)⁴ provide for different real estate tax discounts (generally from 25% to 90%) depending on certain preconditions, the most common of which are category of monument protection (Jelgava, Talsi, Kuldīga), proper preservation (Jelgava, Talsi), restoration works and public access (Jelgava, Kuldīga).

In the opinion of the authors such uneven allotment of tax reliefs places owners of cultural sites in unequal situations and differentiates the excellency of the monuments based on their location rather than on their cultural significance (while according to the Protection Law and basic principles of heritage protection, the monuments of equal cultural significance should enjoy the same treatment and level of protection).⁵ Moreover, according to the Real Estate Tax Law, Sec. 3, the

is in the form of tax relief up to 50% of costs if the building is close and 100% if the building is open to the public [Heritage Europe]. Besides, CE Recommendation 1991, inter alia, provides for a range of tax reliefs related to conversion and restoration of historic monuments classified as having a cultural function and belonging to private owners, e. g., deduction from taxable income of all maintenance and restoration costs of listed heritage buildings

¹ Sec. 1, Real Estate Tax Law.

² The real estate tax rate can be from 0.2 to 3% from the cadastral value of the object [Sec. 3, Real Estate Tax Law].

³ The tax relief rate for cultural monuments appropriately preserved is decreasing over time. Thus, according to Riga regulations 2012 (were in force till 30.01.2020) the discount for buildings corresponding to the same criteria was 50%.

⁴ Liepāja regulations 2017, Jelgava regulations 2015, Talsi regulations 2018, Kuldīga regulations 2017.

⁵ It should be noted that at the time of writing of the article the draft of the new Cabinet regulations “Rules for the registration, protection, use and restoration of cultural monuments” is being reviewed, which annotation, inter alia, provides for delegation to the Cabinet to determine criteria and characteristics of cultural monuments, according to which real estate tax reliefs or exemptions are to be applied [Draft of the Cabinet regulations].

municipality is to publish the respective regulations by 1 November of the pre-taxation year, thus the tax discount may be comparatively easily changed once a year.

It should be noted that private manor owners [LAPHH answers] either do not consider the Latvian legal norms related to tax conditions (incl. corporate income tax, VAT, real estate tax) in the field of manors to be motivating or it is difficult for them to give an unambiguous answer. Opinions were expressed that no discounts are applied to certain manors, and it would be necessary to balance the taxes of privately owned manors with those owned by the state and local governments in order not to distort the market.

Correlation of cadastral value with the status of cultural monument and real estate tax

According to the law, cadastral value is the value of a cadastre object¹ in monetary terms, which is specified in accordance with single principles of mass appraisal on a certain date according to the cadastre data.² Cabinet regulations provide for unified reduction of 35% from the cadastral value of buildings registered as cultural monuments of State or local significance, if their physical depreciation exceeds 35%. This discount is based on the level of restrictions of rights or limitations on economic activities, evaluating the difference in market price of a building with and without usage restrictions.³ Thus, it has been statutorily approved that the object with preservation of less than 65% being a cultural monument imposes limitations of the rights and restrictions on performance of economic activities, negatively effecting the market price that is reflected in the amount of cadastral value.⁴

Cadastral value is used for different statutory purposes,⁵ including for the purposes of the administration of the real estate tax.⁶ Respectively, the higher is the cadastral value of the object, the higher is tax payment of the owner. This approach in the opinion of the authors may lead to adverse effect on the owner of the cultural monument expressed in:

¹ Cadastre object is an immovable property registered in the State Immovable Property Cadastre Information System as a set of property objects, as well as a land parcel, structure, building unit and a section of a land parcel (Part 6, Sec. 1, Cadastre Law).

² Part 9, Sec. 1, Cadastre Law.

³ Par. 72, Cadastral Assessment Regulations 2020.

⁴ Cadastral Assessment Regulations 2006 (in force 11.05.2006–21.02.2020) provided for a reduction of cadastral value of the building by 45%, if the building was registered as a cultural monument of State significance, or by 35% if the building was registered as a cultural monument of local significance (par. 112), independently of level of depreciation. From 01.01.2017, the discount became applicable only to the buildings with physical depreciation of more than 30%.

⁵ Sec. 66, Cadastre Law.

⁶ Part 2, Sec. 73, Cadastre Law.

- the perception of the cultural object as a burden, not a privilege (since the status of a cultural monument and physical depreciation of the object decreases the (cadastral) value thereof);
- the realization that investment into the proper management and timely renovation of the cultural object is not rewarded by public authorities, but on the contrary, causes increase in tax payments. Some respondents mentioned that constant increase in cadastral value, leading to the increase in the real estate tax, demotivates the owners of manors [Interview 1].

As mentioned before, municipalities try to diffuse the impact of taxation load by introducing real estate tax deductions for the cultural objects located in their territory. Several experts [Interviews 5, 6] mentioned though that cadastral value and the respective real estate tax reliefs are essential development factors for Riga (since cadastral value is high there), while in the rural area, where land/real estate is much cheaper (and the cadastral value much lower), the respective correlation of cadastral value v. real estate tax v. tax reliefs probably is not that substantial for manors owners.

Cooperation with public sector

It is widely acknowledged that development of cultural objects, including manors, is a socially useful activity. The public sector does not have sufficient resources to effectively manage all cultural heritage objects, therefore, cooperation between manor developers and public institutions is important both in terms of preservation and development of manors' potential.

There is quite strong cooperation of manors owners with NHCB and local governments – experts and manors owners mostly describe their mutual cooperation positively [Interviews 4, 5, 8, 9, 10; LAPHH answers]. The identified negative aspects refer to the lack of interest of some municipal employees in solving issues, unwillingness or inability to understand aspects of cultural heritage development (possibly related to insufficient staff qualifications) [Interviews 1, 4, 5], bureaucratic obstacles (e. g., in cooperation with some construction boards) [Interview 5], some distrust on the part of the business and unpredictability of the situation due to lack of confidence that the municipal heritage development policy will not change when there is a change in municipal administration [Interviews 3, 5]. One of the issues to be addressed, which to some extent affects mutual cooperation and project implementation, is the clarity regarding the possibility of violating the norms of the Squandering Prevention Law,¹ if the value of private property is (potentially) increased. An important aspect is that in Latvia there is an institution responsible for the preservation of cultural

¹ For example, Part 1, Part 3, Sec. 10 of the Squandering Prevention Law.

heritage (NCHB), but there is no institution responsible for the development of cultural heritage potential, while conservation and development activities are closely related [Interview 1]. In general, the interviewed experts, representatives of the municipalities and the NCHB indicated that co-operation (e. g., over the last 10–20 years) has improved. Several experts have mentioned that the general trend is that NCHB becomes more flexible and helping – often NCHB inspectors help owners in finding appropriate solutions [Interviews 1, 4].

There is also a stable cooperation between municipalities and the NCHB as well as between municipalities and NGOs [Interviews 8, 10]. Several identified aspects of the cooperation are discussed below.

Private sector involvement in the management of public property

The maintenance and development of public property, including cultural objects, requires significant resources, which rarely are at the disposal of public institutions. Thus, public-private partnership projects are important, attracting private capital for the performance of relevant activities and provision of services and sharing between the public and private partners the risks, investments and benefits related to the implementation of the project. Although Latvia has a regulatory framework for public-private partnerships,¹ PPP projects in the country are not yet sufficiently developed, e. g., in the period from 2015 to March 2021, only 10 project financial and economic calculation decisions have been made (all of them relating to infrastructure projects and not to the cultural field).² Also in Lithuania there are no PPP projects in the field of cultural heritage [Interview 7]. However, the available information shows that there is interest in PPP projects in Latvia (both at the state and municipal level), including development of cultural objects [Brencis 2020]. Interviewed municipal experts [Interviews 8, 10] mentioned that PPP projects may be relevant, but there are some risks in their implementation, including not always constructive approach of the controlling authorities. The development of PPP projects in Latvia is also hindered by a certain level of unpredictability in the relations between entrepreneurs and local governments – cooperation can be successfully started, but after the change of local government administration it may worsen [Interviews 5, 6]. In Estonia, co-operation between manors owners and municipalities is developing and improving, although sometimes similar unpredictability problems as in Latvia are observed [Interview 3].

According to the information of European Investment Bank, from 1990 to 2021 there have been 87 European PPP projects in the “recreation and culture” sector with

¹ See, e. g., PPP Legal framework.

² Decisions CFCA.

total value of EUR 7.3 B.¹ The overwhelming majority of projects have been realized by the UK (28 projects) and France (33 projects).²

It is quite common for many countries that private sector is granted the right to operate and manage the tourism asset and the ownership of the asset remains in public hands. One of the examples is the Schonbrunn Palace in Vienna, where concessionaire is responsible for restoring, investing and financing the castle, while eligible to retain operating revenue from about 3 million tourists per year [Medda 2013: 14–15]. Similar programme is applied by a few leading municipalities of Russian Federation, which have introduced a special rent programme for cultural heritage objects. Thus, Saint-Petersburg municipality provides an option to buy rental rights of the heritage object from the city for the period up to 49 years. The buyer pays market price for the rights to rent (at the auction) and market rent price till the end of renovation process, after which he/she is entitled to almost no rent (1 RUR/m² per year) for the remaining period of the rent with possibility to perform commercial activity in the object. While the interests of potential buyer are obvious, the municipality gets restored heritage objects without losing property rights [Rent Law of St.-Petersburg³].

Aspects of infrastructure and marketing

Manors are especially characteristic of rural areas, so the issues of the surrounding amenities are important. The most popular manors in Latvia are located about 100 km around Riga, which can be explained directly by the more developed access routes and other infrastructure [Interview 4]. First of all, as noted by the experts and private owners of manors [Interviews 1, 3, 4, 5; LAPHH answers], this applies to access communication. If someone wants to visit the manor, then it must be possible to drive to it (moreover, the manors are often located in places where it is difficult to get by public transport) – so an orderly road infrastructure is needed. Roads must not only be constructed but also properly maintained and cleaned. The latter would largely be a matter of local government competence. Respectively, it is important that the manor is developed, thus giving a signal that the municipality is worth investing resources in the driveway, because the possibilities of the public budget are limited [Interview 3]. Other investments that municipalities can make in infrastructure development are related to walking, cycling, horseback riding, etc. installation in the territory of the municipality [Interview 5], as these services are also used by the guests of the manors.

¹ EPEC data portal.

² Ibid.

³ Similar programmes with certain distinctions are in force in Moscow [TASS 2018], Leningrad region [Kommersant 2021], Perm [Rewizor 2021].

The socio-economic development of manors is significantly related to advertising activities, so that domestic and foreign visitors get information about them. Insufficient tourist flows, for example, can be explained by a lack of advertising or an incorrect advertising strategy [Interview 4]. Experts and private owners of manors [Interview 1, 3, 4, 5; LAPHH answers] believe that the state and local governments can provide support¹ in marketing activities. As the practice of several municipalities shows, information about manors and the services they offer is regularly included in tourism guides and other information materials of the counties free of charge. Guides, maps, etc. production and distribution are good support for business on the part of municipalities [Interview 5]. Dissemination of such information benefits the counties themselves, increasing their attractiveness to visitors and promoting business development. An important issue for public institutions is the promotion of Latvian manors abroad (e. g., inclusion in foreign guides) and the promotion of Latvia as a tourist destination [Interview 2; LAPHH answers].

Informational support

For owners of cultural monuments, not only financial support is often important, but also different kind of informational support.² The main types of informational support include:

- consultations regarding renovation, restoration, etc. of a cultural monument³ [Interview 3, 4, 5; LAPHH answers]. Work in this direction is being done both by the NCHB and by several municipalities (the involvement of the Latvian Society of Restorers would also be desirable – [Interview 4],⁴ however, it depends on the capacity of the relevant institutions – it would be desirable to intensify the relevant activities;

¹ In many cases local governments do provide such support [for example, Interviews 8, 10].

² Representatives of NCHB confirm the importance of understanding of the owners in proper preservation of cultural heritage objects [LA 2020].

³ According to the law, the new owner of the cultural monument is to receive instructions from the NCHB for the use and preservation of the cultural monument, and explanations thereof [Part 3, Sec. 8, Protection Law]. Failure to follow these instructions may result in administrative [Secs 32 and 33, Protection Law] and even criminal liability [Part 2, Sec. 229, Criminal Law]. Representatives of NCHB confirm the importance of understanding of the owners in proper preservation of cultural heritage objects [LA 2020].

⁴ NCHB specialists, within their capacity, provide relevant consultations free of charge, including by inspecting the object on site, developing and distributing methodological materials [Interview 9]. Assistance, including in cooperation with NCHB, is also provided by municipalities [Interview 10], e. g. Kuldīga municipality has established a restoration centre where residents can receive consultations [LV Portāls 2014; Interview 8]. From time to time, seminars are organized (including for private owners) on the issues of restoration and preservation of cultural monuments. NCHB specialists also provide assistance in drafting project applications [Interview 9].

- raising awareness about funding opportunities (e. g., 4 out of 5 manors owners – LAPHH members indicated that their awareness of funding opportunities is at a medium level, 1 – that they are bad [LAPHH answers]). Municipalities and NCHB do inform about funding opportunities on their respective websites, but there is no single source of information on funding opportunities (including EU/foreign funding);
- consultations and awareness raising in legal, tax and other issues. Appropriate consultations are provided upon request, but according to the information provided by the private owners of manors [LAPHH answers] there are questions (especially in the field of construction), in which even construction boards are not always well-versed (e. g., coordination of construction in monument protection zones with monument owners). Greater clarity on, for example, the provisions of the Construction Law (or amendments thereto) would be desirable, so that both public authorities and businesses can clearly understand when an architect is needed and when they can outline the work to be carried out themselves.

Diverse and collaborative services

The development of the socio-economic potential of manors and the attraction of visitors is significantly related to the developed local cooperation in the provision of various services and goods – thus the development opportunities of other businesses not directly related to the manor are also promoted. If the owner of the manor provides accommodation, etc. services, but his neighbour – a workshop related to some kind of craft, such as ceramics, or offers wine tasting, etc., then both service providers and, most importantly, guests win [Interview 4]. If catering services are provided in the manor, then good cooperation with local (high quality) food and beverage producers/suppliers is important; there are cases when guests spend the night in one manor, but are fed in another [Interview 1].

The added value is provided by the combination of manors' offered services with rural tourism services (for example, a large part of LACPM manor owners are also members of the rural tourism association "*Lauku Ceļotājs*" – Interview 4).

Public attitude

The attitude of the society towards the cultural heritage, understanding of it, the desire to know and protect it – these are the key factors in ensuring the development of the socio-economic potential of not only the manors, but the entire cultural heritage. If the public knows about and respects cultural heritage, it will not only increase the rate of manors visiting, but more funding will be available for the preservation and development of cultural heritage.

In Latvia, the intellectual society is to be developed, education in the field of cultural heritage (already from school) should be ensured, and professionals who know how to provoke interest must be involved in the education process – this would be a state task in the first place [Interview 2]. It should be noted that activities in this area are carried out by both municipalities¹ and NGOs. Thus, e. g., LAPHH organizes competitions for young people every year where teams travel through historical properties and prepare something similar to a development business plan; LAPHH management emphasizes that it is very important that young people are aware of the importance of Latvia's cultural history and the place and role of manors in the heritage [Interview 5].

Public attitude should also change to understand that a quality service cannot be obtained for free – this applies to both the development of manors and cultural heritage in general [Interview 4; LAPHH answers].

In this context, the work of many private manors owners in the development of manors, which, despite the economic disadvantages, is aimed *inter alia* at the protection of public interests, is to be welcome. The researcher of Latvian manors V. Masnovskis pointed out that Latvian manors can be saved by enthusiasts with financial means [Interview 2]. The owners of the manors themselves, *inter alia*, indicated (LAPHH answers, 3 out of 5 respondents) that they develop manors (despite the fact that the financial benefits that can be obtained from the commercial use of manors in Latvia do not allow to hope for recovery or recovery within a reasonable time) because it is important for them to take care of the cultural heritage and do something useful for the society. This is compliant with the general opinion, that the more highly people value things for cultural reasons, the more they will be willing to pay for them [Throsby 2012: 57].

Development of manors and tourism

Several interviewed experts [Interviews 1, 4, 5, 8, 10] have noted that in Latvia there is a significant potential for the development of the socio-economic potential of manors. The development of the aforementioned potential is directly related to manors' visitation by interested parties, incl. by domestic and international tourists. Over the last 20 years there have been significant positive changes in rural, cultural and other areas of tourism, development of both medium and high-class services, adoption of the best foreign practices, more personal treatment of guests [Interviews 5, 8, 10]. Public awareness of the importance of manors and relevant recreational opportunities is gradually increasing [Interview 4], this is also shown by research,²

¹ See Tukuma muzejs 2021.

² E.g., Travel Habits LV [2019: 7–8] – the second most visited by nature territories are cultural and historical places, including manors.

as well as (possibly due to COVID-19 related international tourism restrictions) increased demand for qualified service in rural Latvian regions in 2020 [Interview 5]. According to experts [Interviews 1, 4, 8, 10], Latvia is still a lesser-known land for foreign tourists, and important advantages are natural objects, good and affordable service, diverse offer, well-preserved local traditions and developed cultural life, short distances, convenient location in Europe, etc. This allows assuming that the development of manors in Latvia has good opportunities in the context of tourism development.

Conclusions

Performing analysis of the received information, the authors have come to the conclusion that the cultural monument status of a manor can be both a facilitating and a restricting factor of its development. The benefits of this status, such as greater value in the eyes of authenticity admirers and greater eligibility for grants, are significantly reduced by additional obligations, site modification restrictions and financial investments resulting from the requirements applicable to cultural monuments. The key moment is to preserve the authenticity of the manor in case of its modification – so that the cultural and historical value of the object does not decrease as a result of the performed modifications. The precise definition of the purpose of the use of the manor and the main audience of visitors, on which the economic use of the manor is focused, are crucial. In any case, the caring and professional restoration and maintenance of the manor are important, because restored and well-kept cultural objects, even without the status of a cultural monument, have cultural and historical value, are attractive to visitors and can be used effectively for economic activities.

It is important to note that the number of manors as cultural objects does not increase, but their value, if properly cared for and managed, increases. The status of a cultural monument in certain circumstances can be decisive within the development potential of the manor (e. g., if the owner wants to expand the scope of the premises), but the development opportunities are mostly influenced by other factors.

The most important factors in the development of the socio-economic potential of manors are related to a clear development vision and original approach (to attract guests and stand out from similar service providers), availability of sufficient financial resources (various financial programmes and grants can help) and readiness not to recover investments even in the long run. It should be noted that the preservation and development of manors in Latvia is mostly based on wealthy private owners – enthusiasts who have creative thinking.

Development restricting factors:

- the need for significant financial investment;
- the number of benefits granted by the state and local governments (if the

manor has the status of a cultural monument) is disproportionately small in comparison with the restoration and maintenance expenses of the manors (often revenues from economic use of the manor cover only maintenance expenses) and legal obligations imposed on manors owners;

- lack of PPP projects in the field of cultural heritage, including in the field of manors development, in Latvia. The most likely reasons for this are unpredictability in cooperation between the private sector and local government, some mutual distrust, local government's anxiety to violate Squandering Prevention Law. As a result, many manors do not have a real owner, they are not restored and used in economic activities, and thus gradually fall to decay;
- insufficient public awareness of cultural heritage, as well as the misconception that a quality cultural service can be provided for free.

Development facilitating factors:

- in the last 20 years, the tourism infrastructure and service in Latvia have significantly improved, which in turn has a positive impact on the development opportunities of manors;
- cooperation between manor owners and the public sector (first of all – NCHB and local government) has been gradually improving over the last 10–20 years. Cooperation is hampered by the fragmentation of manor ownership (e. g., owners cannot agree on activities, costs, etc.), lack of public policy in the field of manors preservation and development, as well as unprofessionalism of some municipal employees. In Latvia, co-operation in the field of cultural heritage protection is developing between the NCHB and local governments, as well as between local governments and NGOs. Several local governments, based on the developed strategic documents, systematically implement measures for the protection and development of cultural heritage, thus promoting co-operation, *inter alia* with private owners of manors;
- cooperation with other manors / service providers to combine various services in the complex offer, cooperation with local suppliers (e. g., to provide good quality local food, etc.);
- motivation, diligence and increasing professionalism of manors owners. Many owners develop manors despite economic losses, because often their motive is not purely economic, but is related to the desire to do something for the benefit of the society, preserve cultural heritage.

Comparing the obtained results with the IELAS 2002 study [Karnīte 2002], it should be noted that the surveyed presidents of manor associations and private owners of manors still believe that the amount of tax relief granted is not motivating

and does not offset the relevant costs of restoration and maintenance. On the positive side, however, the development opportunities of manors increased due to the development of tourism and better cooperation both among entrepreneurs and with the public sector.

Recommendations

Manors are a characteristic, immediately visible part of Latvia's cultural heritage, which addresses people at once. The development of the socio-economic potential of manors not only provides income to their owners, but, for example, through ancillary spending, promotes entrepreneurship and the well-being of the population in the counties. Thus, according to the authors, the development of manors requires special attention from the involved institutions and the society. Realizing that the primary concern for privately owned manors lies with their owners, but recognizing that the preservation and development of cultural heritage is a socially useful activity, it would be inappropriate not to provide support to manor owners (regardless of their financial situation) from the state and municipalities (provision of support is also an important motivating factor). The state and local governments cannot take care of the renovation and maintenance of all the manors; therefore, the primary solution is the development of cooperation with manor owners from the non-public sector.

In view of the above and based on the research results, the authors offer the following recommendations (all of them relate to manors, but can relate also to other cultural heritage objects):

- to develop a policy for the conservation and development of manors, taking into account information provided by stakeholders and certain identified needs;
- to introduce a uniform procedure for the application of real estate tax by local governments (e. g., by setting a minimum tax relief threshold for cultural monuments, which local governments can increase based on their financial capabilities) in order to exclude unequal treatment of cultural monuments owners in different regions of Latvia;
- to detach the cadastral value size from the cultural monument's depreciation rate and introduce positive dependence of cadastral value on the restoration of the object (the better condition of the monument, the higher cadastral value), thus making a clear perception of a cultural monument as a privilege, instead of a burden. Simultaneously, it is recommended to develop a complete tax policy, letting the owners of restored and well-maintained cultural monuments to enjoy major tax discounts (e. g., real estate, VAT, income tax). These changes adopted jointly would motivate the owners to invest into and justify restoration and preservation of their cultural property;

- taking into account the positive effect of the development of manors on business development and increase of well-being of the population in the region, to provide support to manors owners in the field of improvement/maintenance of public infrastructure (primarily – road infrastructure);
- since safeguarding of cultural heritage is socially beneficial, it is recommended to introduce discounts to monuments owners on inspections/checks targeted at preservation of cultural monuments;
- to create a single website (a section on one of the existing websites of the institutions), which would contain information on the most important/larger consultations, seminars, etc. services (e. g., in connection with restoration, legal aspects, etc.), as well as methodological materials for the owners of cultural monuments, as well as opportunities to attract financing for restoration and other construction/maintenance works of cultural monuments and objects of cultural and historical significance;
- to continue advertising activities of privately-owned cultural objects at the municipal and state level, paying special attention to advertising activities in materials and media available to foreign interested parties;
- to pay increased attention to the development opportunities of PPP projects in the field of cultural heritage by collecting and analyzing information on obstacles to cooperation and, if necessary, developing recommendations for the development of the corresponding PPP projects;
- to identify cultural monuments divided in terms of property rights as soon as possible and to draw up a plan of measures to ensure their protection and preservation;
- in cooperation with specialists in the field of culture and education, to develop and implement (starting from the basic education level) studies in the field of cultural history in order to instil respect for and admiration of Latvian and world cultural heritage.

Research limitations and future research directions

The main limitations of the study relate to the lack of accurate information about manors – both with and without the status of a cultural monument. In the first case, it is related to the ongoing content and technical improvement of the Monuments' Register information system, in the second – to the fact that information about all Latvian manors has not yet been collected. Despite the fact that information was analyzed in the course of the study, including on the development of the socio-economic potential of manors in Lithuania and Estonia, the extrapolation of the results to these countries should be subject to significant additional research.

The other major limitations relate to the admissible size of the article, thus the authors had to back out of detailed reflecting several aspects, e. g., financial (incl. availability and scope of direct subsidies available to the manors owners) and administrative (incl. problematics of recording/registration of manors, value groups of property objects within one cultural monument, mixed ownership of manors' complexes).

This article is the first in a series of articles intended by the authors on the development opportunities of socio-economic potential of Latvian cultural heritage objects. Given the fact that both economic constraints and socio-economic development opportunities may relate differently to different types of cultural heritage, further research will focus on other heritage objects.

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Additional sources

- Interview 1.** Interview with the head of SIA “Kukšu muiža”, Mr. Daniels Jans, 18.03.2021.
- Interview 2.** Interview with cultural historian and photographer, honorary member of the Latvian Academy of Sciences *Dr.h.c.hist.* Mr. Vitolds Masnovskis, 06.04.2021.
- Interview 3.** Interview with the president of the Estonian Manor Association Mr. Andrej Dvorjaninov, 24.03.2021.
- Interview 4.** Interview with the president of the Latvian Association of Castles, Palaces and Manors Mr. Jānis Lazdāns, 09.03.2021.
- Interview 5.** Interview with the president of the Latvian Association of Private Historic Houses Ms. Egita Karlsona, 08.04.2021.
- Interview 6.** Interview with the chairman of the Board of the Riga Historical House Association Mr. Aleksis Karlsons, 08.04.2021.
- Interview 7.** Written answers of the president of the Lithuanian Castles and Manors Association Mr. Gintaras Karosas, 23.03.2021.
- Interview 8.** Interview with the representatives of the Kuldīga municipality, 27.04.2021.: Architect of the Construction Board, Ms. Ina Jansone, Old town management specialist, Ms. Sintija Vitoliņa, Deputy Head of the Institution “Kuldīga Development Agency” Mr. Kaspars Rasa.

Interview 9. Interview with the head of Zemgale regional department of the National Cultural Heritage Board, Ms. Elvīra Mantrova, 11.05.2021.

Interview 10. Written and oral interview with the head of the Tukums Information Centre and deputy head of Tourism and Branding of the Tukums County Council Culture, Sports and Tourism Board, Ms. Ingrīda Smušková, 27.04.2021.

LAPHH answers. Questionnaire filled-in by owners of manors – members of Latvian Association of Private Historic Houses (in total – 5 questionnaires filled).

NCHB information. Information letter No. 08-01/2287 provided by the National Cultural Heritage Board as of 29.04.2021. upon the request of A. Kairiss as of 17.03.2021.

Appendix 1

The structure of manor expenses

| Renovation costs more often include: | Maintenance costs typically include: |
|------------------------------------------------------------|---------------------------------------------------------------------|
| architectural and artistic research | utilities' / management costs |
| archaeological research | outdoor area maintenance and cleaning |
| engineering inspection / expertise | arrangement of the exposition |
| development and coordination of construction documentation | extraction / restoration of objects, e. g., for exhibition purposes |
| performance of construction works on the site | remuneration of employees and involved specialists |
| outdoor area design, renovation, improvement | insurance |
| | costs of advertising / marketing services |
| | taxes / fees / permit costs |

Appendix 2

Restrictions on the rights of the owners of cultural monuments

The main restrictions and obligations related to manors as specially protected real estate objects are:

- **State preemptive rights**

The owner of a cultural monument of State significance has the right to alienate the whole monument according to the terms and conditions he/she thinks fit, but the State has the right of first refusal in the potential deal.¹ No such rights are applicable in case of alienation of the monument of local or regional significance.

- **Division and alienation of a cultural monument**

The owner is not allowed to alienate separate parts of one cultural monument or a complex of monuments, and also to divide or join land if, as a result, preservation of a cultural monument is endangered.² Prior to alienation of a cultural monument the owner is to inform NCHB.³ There are also certain preconditions to be fulfilled before realization of the ownership transfer (e. g., inspection of the monument, if necessary, and receiving of instructions issued by NCHB addressed to the new owner regarding the use and preservation of the cultural monument).⁴

- **Limited possibilities for modification of a cultural monument**

Cultural monuments protection system provides for strict limitations on reconstruction works, which are prescribed by law,⁵ cabinet or municipal regulations, and instructions issued by NCHB to the new owners of the cultural monuments.⁶ Modification of a cultural monument or replacement of the original parts thereof with new parts shall be permitted only if it is the best way to preserve the monument, or if the cultural and historical value of the monument does not decrease as a result of the modification.⁷ Restoration of a cultural monument, thus, requires higher quality and more professional work than an ordinary building [Karnīte 2002: 24–25]. Difficulties are also often related to the fact that modern standards are not adapted to cultural and historical objects, so, for example, it is important to find a balance between preserving authenticity and ensuring the energy efficiency of the object [Interview 8].

¹ Section 8, Protection Law.

² Part 2, Section 8, Protection Law.

³ Part 3, Section 8, Protection Law.

⁴ Ibid.

⁵ For example, Section 3, Protection Law provides for mandatory permission of the NCHB for any modification of the cultural monuments. General construction regulations 2014 (par.105, 120) provide for mandatory author's supervision and supervision of the construction work.

⁶ Section 20, Protection Law.

⁷ Section 3, Protection Law.

There are also certain obligations on informing the NCHB before any construction works begin¹, ensuring surveying of cultural values in the area of intended activity², etc.

Separate regulations are sometimes adopted with regard to particular monuments or complexes thereof. Thus, for instance, Protection of Historic Riga Regulations 2004³ provide that upon performing the maintenance (repair), conservation, and restoration of culturally and historically unique, very valuable, and valuable buildings, the volume of the building, the form of its roof, the finish of its facades, its historically original windows and doors, its construction system and planning, as well as its culturally and historically valuable interiors and furnishings shall be preserved.⁴

- **Inspections and controls**

Real estate objects are subject to a range of protection (e. g., fire prevention system) and inspection (e. g., chimneys, ventilation, electroinstallation)⁵ requirements. Cultural monuments, as more vulnerable (due to age, construction, materials and additional cultural historical values) and specially protected objects, are subjects to more detailed protection recommendations. Thus, NCHB has issued “Advice to owners of cultural monuments: fire safety in cultural historical buildings”,⁶ where it recommends to build fire barriers, perform fire treatment of wooden surfaces, install technical fire safety devices, etc.

Besides, certain types of economic activities (e. g., catering) require licenses and annual, biannual or even more frequent inspections (e. g., food surveillance).⁷ Predominantly, obtaining of licenses and periodical inspections (for instance, electroinstallation checks or annual validations of fire extinguishers) are to be paid by the owner, and, as mentioned by the owners of the manors [Interview 1], these expenses are comparatively high.

- **Restrictions on economic activities**

There are no general statutory restrictions in Latvia on the use of cultural monuments in economic activity, as long as it does not harm the monument or diminish its historical, scientific and artistic value.⁸

¹ Section 11, Protection Law.

² Section 22, Protection Law.

³ Protection of Historic Riga Regulations 2004.

⁴ Par. 4, Protection of Historic Riga Regulations 2004.

⁵ Fire safety regulations 2016.

⁶ NCHB Fire protection.

⁷ Rules of food surveillance.

⁸ Section 19, Protection Law.

Appendix 3

The use of manors in economic activities in the Baltic States (the same object can be used for several activities at the same time)

| Activity | Example | Type of income | Very significant type of income | | | Moderately significant type of income | | | Less significant type of income | | | Total |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------------|-----|-----|---------------------------------------|-----|-----|---------------------------------|-----|-----|-------|
| | | | LVA | LTU | EST | LVA | LTU | EST | LVA | LTU | EST | |
| Visiting of a cultural and historical object | Visiting of buildings, interiors, parks, gardens, etc., incl. accompanied by a guide (can be combined with a museum / exposition tour) | Entrance fee, service fee | | 3 | 3 | 2 | | | | | | 8 |
| Organization of short-term events (organizational support) | Weddings, anniversaries, photo sessions, corporate events, conferences, seminars, etc. (incl. provision of related services: decoration services, furnishing of premises, etc.). Renting / leasing of certain objects (e. g., tea house, etc.) | Rent, service fee | | | 3 | 2 | 2 | | | | | 7 |
| Accommodation services | Hotel furnishing, Airbnb, tent places for rent | Service fee | | | 3 | 2 | | | | 1 | | 6 |
| Catering services, tastings | Arranging of pubs, etc. Cooking according to historical recipes. Beverage / food tastings. Sale of food / beverages in the course of public / private events | Service fee | | | 3 | 2 | | | | 1 | | 6 |
| Medical and health improvement services | SPA, functioning of specialized care centres, sauna, etc. services | Service fee | | | 3 | 2 | | | | 1 | | 6 |
| Organization of public events (organizational support) | Festivals, concerts, performances, movie evenings, public celebrations, etc. (incl. provision of related services or support for their provision in the course of events) | Rent, service fee | | | | 2 | 2 | | | | 1 | 5 |
| Arranging of museums / exhibitions | Physical or virtual exhibitions, related (e. g., guide) services | Entrance fee, service fee | | | | 2 | | 2 | | | | 4 |
| Manufacture and sale of related products | Production of local / thematic souvenirs, production of local (traditional) food products (e.g., bread, cheese, beer, etc.), publication of guides, booklets, storybooks, etc., issuing gift cards, etc. | Payments for goods | | | | | | 2 | | 1 | | 3 |

| | | | | | | | | | | | | |
|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--|--|--|---|---|--|---|--|---|---|
| Seasonal rent (long-term rent) | Children, sports, arts, etc. thematic camps, etc. (incl. provision of related services or support for their provision in the course of events) | Rent fee | | | | 2 | | | | | | 2 |
| Educational events, workshops | Crafts, singing, dancing (e.g., in historical / ethnographic context), traditional way of life, etc. related classes, workshops, etc. events | Service fee | | | | | 2 | | | | | 2 |
| Support for the movie industry | Rent of premises / territory for making fictional / documentary movies | Rent fee | | | | | | | 1 | | | 1 |
| Sports activities and opportunities for active recreation in the cultural-historical context | Archery / crossbow shooting, axe throwing, knight fights, tournaments, horseback riding, carriage / sleigh rides, historic boats, etc. | Service fee | | | | | | | 1 | | | 1 |
| Creating attractive / exploratory constructions | Installation of watch towers, labyrinths, etc. | Entrance fee | | | | | | | 1 | | | 1 |
| Imitation of reality | Staying in guardroom, etc. | Entrance fee | | | | | | | | | 1 | 1 |
| Related services | Rent of fishing, boats, bicycles, other inventory and equipment, etc., hunting organization, etc. services | Rent, service fee | | | | | | | | | | 0 |

LVA – information provided by the president of Latvian Association of Castles, Palaces and Manors, Mr. Jānis Lazdāns

LTU – information provided by the president of Lithuanian Association of Castles and Manors, Mr. Gintaras Karosas

EST – information provided by the president of Estonian Manor Association, Mr. Andrej Dvorjaninov
The following answers were received from the head of Latvian Association of Private Historic Houses (only distinct from the ones mentioned in the table are reflected below):

| | |
|-------------------------------------------------------------------|-------------------------------------|
| Accommodation services | Very significant type of income (3) |
| Organization of short-term events (organizational support) | Very significant type of income (3) |
| Catering services, tastings | Less significant type of income (1) |
| Related services | Less significant type of income (1) |