



---

**BREAKING NEWS**

Donald Trump was held in contempt and fined \$10,000 a day for failing to comply with a subpoena by New York's attorney general in a civil-fraud investigation





# Saudi Royals Are Selling Homes, Yachts and Art as Crown Prince Cuts Income

Kingdom's senior princes are trying to raise cash and avoid scrutiny from Crown Prince Mohammed bin Salman



Crown Prince Mohammed bin Salman has curtailed perks for thousands of Saudi royals.

PHOTO: SAUDI PRESS AGENCY/VIA REUTERS

By [Stephen Kalin](#) [Follow](#)

Apr. 24, 2022 5:33 am ET

SAVE PRINT TEXT

192

Listen to article (9 minutes)

Queue

RIYADH, Saudi Arabia—Saudi princes have sold more than \$600 million worth of real estate, yachts and artwork in the U.S. and Europe since the kingdom's de facto ruler tightened the purse strings of the ultrawealthy ruling family.

The transactions represent a radical change of fortune for senior princes who funneled windfalls from oil booms in the 1970s and 1980s into some of the world's most exclusive markets. The vast sums of money were spent largely on hard-to-sell assets or drained by spending that reached \$30 million a month for some royals with large staffs and lavish lifestyles, making them vulnerable to recent changes in government policy.



ried up many of the sources of money they had used to maintain their extraordinary spending habits, said people close to the princes conducting the sales.

The princes need cash to pay routine bills including for property maintenance, taxes, staff salaries and parking fees for their airplanes and boats, the people said. In some cases, the people said, they are also motivated by a desire to hold less ostentatious assets to avoid attracting the attention of Prince Mohammed, who has curtailed their privileges and access to state funds in [the Al Saud family](#) since his father took the throne in 2015. The Saudi government is aware of the sales.





Prince Bandar bin Sultan sold a \$155 million country estate in England in 2021, according to people close to him and familiar with the transaction.

PHOTO: ALEXEI NIKOLSKY/ITAR-TASS/ZUMA PRESS

“These people don’t work, they have huge staffs and they’re afraid of [Prince Mohammed],” said a person familiar with the transactions. The princes, the person added, want “cash in their back pocket and not to have visible wealth.”

Among the assets sold recently are a \$155 million British country estate, two yachts more than 200 feet long, and Mughal jewels gifted as wedding presents by a late king. The sellers, including former ambassador to Washington [Prince Bandar bin Sultan](#), were once among the most powerful people in Saudi Arabia.

“They’ve clearly been cut down to a disciplined, defined regimen and are having to live on that,” said British historian Robert Lacey, who has chronicled the Saudi ruling family since the 1980s. Prince Mohammed is “here for the long term and he’s reshaping things in a long-term fashion.”

Advertisement - Scroll to Continue

A representative for Prince Bandar said he has sold all his assets abroad “because he saw bigger benefits to investing in the kingdom with the amazing job the crown prince is doing and [creating all the investment opportunities](#).”

---

From the Archives



(Originally published May 4, 2020)

Prince Mohammed has sidelined relatives viewed as potential rivals—including an [uncle and older cousin detained in 2020](#)—and curtailed perks for thousands of royals, including paid vacations abroad or electricity and water bills at their Saudi palaces. Such perks had amounted to hundreds of millions of dollars in annual costs for the Saudi government.

Top royals accumulated billions of dollars a year through oil and real estate sales as well as business deals involving the government, from which Prince Mohammed has gradually cut them off. The government is squeezing royal family members in other ways, launching this year a tax of \$2,500 for each domestic worker beyond the fourth employee, costing some royals hundreds of thousands of dollars a year.

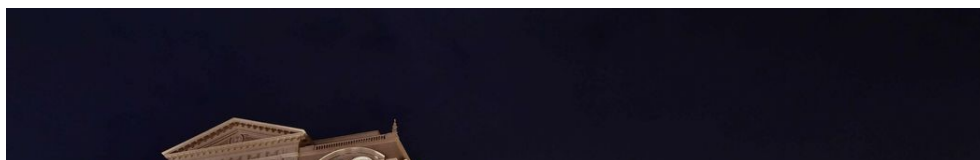
U.S. diplomatic cables from the 1990s published by WikiLeaks show that some royals used to generate wealth by taking loans from local banks without paying them back, expropriating land from commoners, or exploiting the foreign-labor visa system for profit. People familiar with royal finances say princes continued to benefit from such schemes up until Prince Mohammed came to power. A system of stipends for thousands of Saudi princes, which the U.S. cables said cost the government billions of dollars a year, remains intact according to one of those people.

Many princes have adjusted their lifestyles due to shifts in the global economy and changes inside Saudi Arabia that have “turned off the taps,” according to this person.

“They had a standard of life that was beyond any expectation,” said another person familiar with the transactions. “The expenditure is out of this world. It takes time for them to adapt.”

The Saudi media ministry didn’t respond to questions about the finances of royal family members.

Some of the Saudis who are currently liquidating assets were detained temporarily in Riyadh’s Ritz-Carlton hotel in 2017 in what critics called a shakedown and power play by the crown prince, who described it as an anticorruption move. Many were released only in exchange for financial settlements. Arrests of prominent figures have continued, according to the anticorruption commission.





Some of the Saudis liquidating assets were detained temporarily in Riyadh's Ritz-Carlton hotel in 2017.  
PHOTO: GIUSEPPE CACACE/AGENCE FRANCE-PRESSE/GETTY IMAGES

The Ritz detainees included the [late Prince Turki bin Nasser](#). The former air-force commander was among the Saudi officials investigated by the British Defense Ministry on suspicion of receiving sweeteners from [BAE Systems](#) PLC in return for lucrative contracts to supply jet fighters and other military equipment to the kingdom, in what became known as the [Al Yamamah arms deal](#) in the 1980s.

Most Saudi royals no longer have access to such deals under Prince Mohammed. Representatives of Prince Turki's estate couldn't be reached and a surviving brother didn't respond to questions about the British investigation, which the prince never addressed publicly.

Prince Turki sold his 203-foot yacht in 2020 and a \$28.5 million home in Los Angeles's exclusive Beverley Park community in 2021, according to people familiar with the transactions. He died before the home sale was completed; his family couldn't be reached for comment. The terms of his settlement following detention at the Ritz couldn't be learned. His net wealth was previously estimated at over \$3 billion, according to a Saudi official.

Others selling their assets were never detained. For example, in 2021, Prince Bandar sold a \$155 million country estate in the Cotswolds west of London, according to people close to him and familiar with the transaction. He was once near the center of Saudi power, and two of his children now have prominent positions as ambassadors to Washington and London. The British government in 2007 ended its probe of allegations that he was enriched from the Al Yamamah deal without making any findings. Prince Bandar has strongly denied that the sums involved represented secret commissions to him.

Prince Bandar is the son of the [late Prince Sultan bin Abdulaziz](#), one of the major branches of the royal family whose income sources have dried up under Prince Mohammed. Prince Turki was Prince Sultan's son-in-law.

Prince Sultan's riches peaked in



*How will Prince Mohammed change Saudi Arabia? Join the conversation below.*

government funds, staff and resources over nearly half a century as defense minister, say people familiar with his estate. Bank statements reviewed by The Wall

Street Journal show that in one year alone, he transferred tens of millions of dollars from government accounts at the Saudi American Bank directly to proxy accounts in Switzerland to help fund his lifestyle. “That has 100% stopped,” said a person familiar with the activities.

Feeling pinched by Prince Mohammed’s moves, Prince Sultan’s heirs unloaded a mansion in London’s Knightsbridge neighborhood that sold for a record \$290 million in 2020, according to people close to the royals and familiar with the transaction.

One of Prince Sultan’s sons, Prince Khalid bin Sultan, who commanded troops alongside Gen. Norman Schwarzkopf during the first Gulf War in 1991, sold a Paris mansion next to the Eiffel Tower for over \$87 million in 2020 and a 220-foot superyacht in 2019, according to people close to him and familiar with the transactions.

Some of Prince Sultan’s children are also trying to mortgage their global assets to raise money to make up for a shortfall from traditional sources of income, people familiar with those efforts said. One of them, Prince Fahd bin Sultan, was sued by [Credit Suisse](#) in November for allegedly defaulting on loans he took to refinance a \$55 million superyacht and a \$48 million estate south of London, court documents show.

Princes Khalid and Fahd, reached through a representative, declined to comment.

Gary Hershman, founder of luxury-property specialists Beauchamp Estates, who was involved in several of the Sultan family’s transactions, said that in general, the younger generation of Saudi royals no longer needs or uses the grand estates that their predecessors purchased. They are big spenders and would rather have cash, he said.

“They want less ostentation, that’s the trend,” he said, noting some smaller home purchases recently.

**Write to Stephen Kalin at [stephen.kalin@wsj.com](mailto:stephen.kalin@wsj.com)**

*Appeared in the April 25, 2022, print edition as ‘Saudi Edict Prompts Royals to Cut Back’.*

SHOW CONVERSATION ()



---

---

**SPONSORED OFFERS**

WAYFAIR:  
[Extra 15% off + free shipping at Wayfair](#)

TURBOTAX:  
[Save up to an additional \\$15 with TurboTax April 2022](#)

H&R BLOCK TAX:  
[H&R Block Tax Sale - Up to 20% off tax software](#)

TARGET:  
[Up to 60% off - Target Promo Code](#)





Samsung promo code

AT&T Internet Promo Code

BACK TO TOP ^

# THE WALL STREET JOURNAL.

English Edition  
Edition

SIGN OUT

## WSJ Membership

- WSJ+ Membership Benefits
- Subscription Options
- Why Subscribe?
- Corporate Subscriptions
- Professor Journal
- Student Journal
- WSJ High School Program
- Public Library Program
- WSJ Live

- WSJ Membership Benefits
- Customer Center
- Legal Policies

## Customer Service

- Customer Center
- Contact Us

English

## Features

- Newsletters & Alerts
- Guides
- Topics
- My News
- RSS Feeds
- Video Center
- Watchlist
- Podcasts
- Visual Stories

## Ads

- Advertise
- Commercial Real Estate Ads
- Place a Classified Ad
- Sell Your Business
- Sell Your Home
- Recruitment & Career Ads
- Coupons
- Digital Self Service

## More

- About Us
- Commercial Partnerships
- Content Partnerships
- Corrections
- Jobs at WSJ
- News Archive
- Register for Free
- Reprints & Licensing
- Buy Issues
- WSJ Shop



- Dow Jones Products
- Barron's
- BigCharts
- Dow Jones Newswires
- Factiva
- Financial News
- Mansion Global
- MarketWatch
- Risk & Compliance
- WSJ Pro
- WSJ Video
- WSJ Wine

Privacy Notice | Cookie Notice | Copyright Policy | Data Policy | Subscriber Agreement & Terms of Use | Your Ad Choices | Accessibility

Copyright ©2022 Dow Jones & Company, Inc. All Rights Reserved.

BACK TO TOP ^

English Edition  
Edition

English



## WSJ Membership

- WSJ+ Membership Benefits
- Subscription Options
- Why Subscribe?
- Corporate Subscriptions
- Professor Journal
- Student Journal

## Customer Service

- Customer Center
- Contact Us

## Tools & Features

- Newsletters & Alerts
- Guides
- Topics
- My News
- RSS Feeds
- Video Center

## Ads

- Advertise
- Commercial Real Estate Ads
- Place a Classified Ad
- Sell Your Business
- Sell Your Home
- Recruitment & Career Ads

## More

- About Us
- Commercial Partnerships
- Content Partnerships
- Corrections
- Jobs at WSJ
- News Archive



[WSJ Live](#)

[Visual Stories](#)

[Buy Issues](#)

[WSJ Membership Benefits](#)

[WSJ Shop](#)

[Customer Center](#)

[Legal Policies](#)



[SIGN OUT](#)

Copyright ©2022 Dow Jones & Company, Inc. All Rights Reserved.