

Outlook 2026

Private Client

Coverage With Intent: Aligning Wealth, Lifestyle and Risk Tolerance.



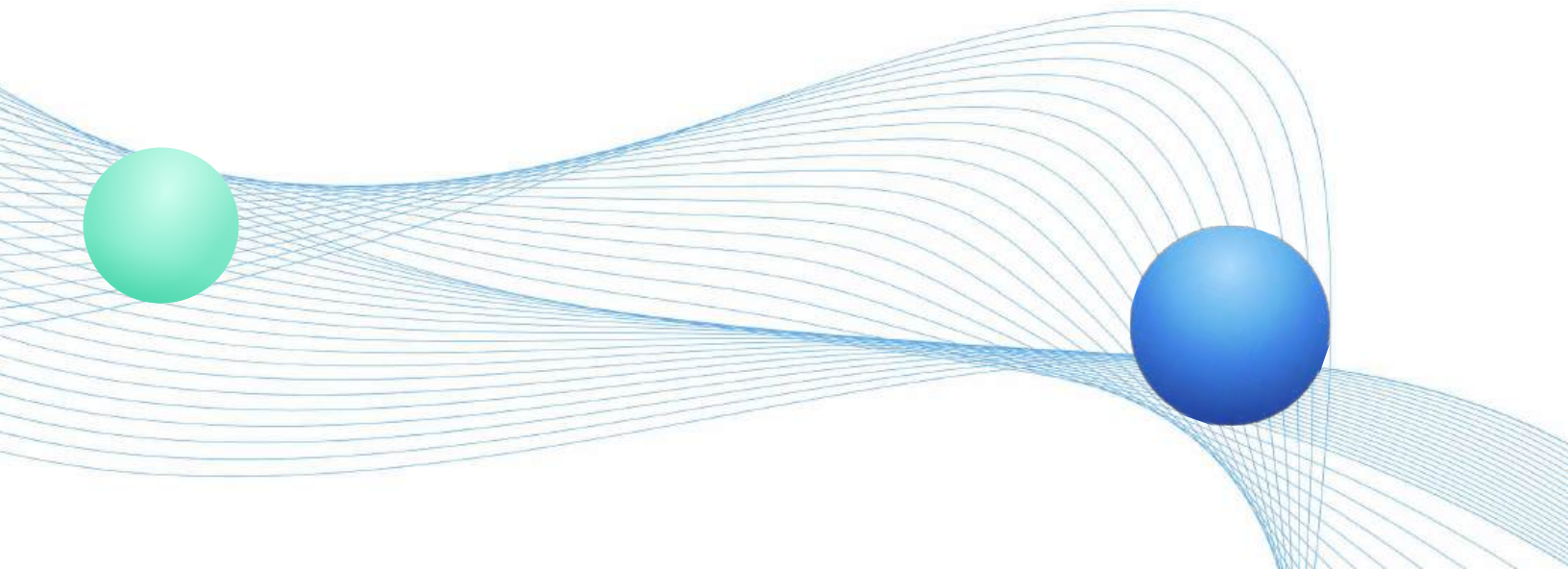
What to Expect in 2026

From Episodic Events to Everyday Decisions

Risks that once felt rare or exceptional are now part of daily decision-making for affluent households. Markets shift overnight, weather events strain capacity, digital threats multiply and reputations can be challenged in an instant. This steady backdrop doesn't just affect portfolio values but influences how households should evaluate and manage the risks tied to their assets, properties and lifestyles. For households across the wealth spectrum, the new reality is that protection isn't simply about buying more policies. It's about achieving risk readiness — knowing what risks you're comfortable carrying and how to stay intentional as conditions change.

42% of HNW respondents rated economic volatility as having a high to very high impact on their wealth, up from 36% last year.

Source: HUB International 2026 Outlook High-Net-Worth Survey



Property Pressure

Coverage Challenges Continue

Property risk remains the most visible stress point across the U.S. Areas like Florida are beginning to show some relief. Recent reforms have attracted new carriers to the state, and in some cases, rates have fallen by as much as 30%. But that's an exception. In states like New York, Texas, New Jersey and California, capacity is still constrained, with fewer carriers willing to write high-value homes, especially those with wildfire, flood or coastal exposures. Terms are also far less generous than they were just five years ago: wind and water sublimits are common, wildfire exclusions are standard and deductibles that once stood at \$5,000-\$25,000 are now starting at \$250,000 or more. If in the past a single package policy could cover multiple homes seamlessly, today each property is underwritten on its own, and future coverage may depend on showing what resilience measures have been taken at every location.

Exposures are also shifting from market to lifestyle. Renovations have defined housing design trends recently, with nearly half of U.S. homeowners planning a renovation in 2025 and budgets rising toward six figures in the high-net-worth segment.² Yet historically only 40% of homeowners update their insurance after making major changes.³ Undisclosed renovations can trigger unexpected deductibles, reclassification into builder's risk and denied claims.

These shifts make it more important than ever for affluent individuals to view property protection as a dynamic process rather than a one-time purchase. That means taking proactive steps — from updating coverage after renovations to installing wildfire, water or security protections — and documenting them through appraisals and inspections. Brokers can help households use these measures as leverage, ensuring carriers recognize the investment in resilience when negotiating terms.

77% of HNW respondents in the U.S. have struggled to secure adequate property insurance for their homes¹

1. HUB surveyed 200 high-net-worth individuals and their advisors on issues relating to risk tolerance, property and investment insurance coverage.
2. Houzz "[2024 U.S. Houzz & Home Study: Renovation Trends](#)," March 27, 2024.
3. American Property Casualty Insurance Association "[Majority of Insured Homeowners at Risk of Being Underinsured Amid High Inflation & Increased Building Costs](#)," 2022.

Personalized Priorities: Tailoring Protection in 2026

\$1-5M Net Worth: Households in this range are increasingly looking to balance cost and coverage. Access to stable insurance markets and loss-prevention strategies can help preserve favorable terms.

\$5-30M Net Worth: This segment often feels market fluctuations more acutely. As premiums rise and capacity tightens, a deliberate risk management approach becomes their strategic advantage. Demonstrating resilience — through wildfire mitigation, water detection or robust cyber practices, for example — can reduce exposure and help maintain leverage with carriers.

\$30M+ Net Worth: For ultra-wealthy households, complexity is the defining challenge. Multiple residences, specialized assets and diverse portfolios require programs that are both comprehensive and coordinated. The focus is on aligning coverage with lifestyle and risk profile and finding the right balance between protection and cost efficiency.

Digital and Social Exposures

A Growing Protection Gap

Nearly 3 in 4 consumers have had personal information lost or stolen, and in recent years, annual cybercrime complaints have totaled over \$12 billion in losses.⁴ Basic identity theft protection or homeowner policy endorsements are no longer sufficient to cover the impact of today's financial scams, extortion or crypto losses. High-net-worth household cyber policies should now replicate those of businesses — with forensic investigation, legal support, crisis PR and restitution included as part of the response. Market capacity for these standalone policies is strong.

The risks also extend beyond financial loss. Social media missteps, online harassment and AI-driven deepfakes can escalate into financial and personal fallout within hours. Nearly 28% of consumers have already had

a social media account hacked, underscoring how cyber incidents and reputational harm are increasingly intertwined.⁴

Traditional liability programs aren't designed for this environment. Umbrella policies may respond in some cases, but they rarely cover the full spectrum of costs: PR services, crisis management, digital forensics or even school relocation when online harassment becomes dangerous. Layered solutions that combine broader liability protection with reputation-specific coverage can close these gaps and provide the proactive safeguards today's households need.

4. Insurance Information Institute "[Addressing the Personal Cyber Protection Gap](#)," 2025.

How Big is Your Umbrella?

[Umbrella liability](#) remains one of the most underused layers in wealth protection. It's relatively inexpensive compared to the limits it provides, yet many households don't carry enough coverage to match their wealth.

53% of HNW respondents feel they have adequate liability coverage, yet a significant number do not have enough umbrella liability to cover their net worth.

Check the limits. Umbrella coverage should reflect the actual level of liability exposure a household is carrying, not just a round number that feels sufficient. Rising verdicts and settlements have increased both the potential severity of losses and the cost of higher-limit coverage. While capacity at the upper limits has tightened due to nuclear verdicts, well-structured programs and proactive risk management can help maintain access to needed protection.

Liability exposures today extend beyond auto and home to include social media, reputational incidents and next-gen family activities. Working with a broker can determine the right level of coverage and identify when additional layers, like cyber or reputation-specific programs, should be added.

Risk Appetite

Defining and Acting With Intentionality

In a market where volatility is the baseline, defining one's risk appetite and how much financial exposure they are willing to take on has become the foundation of every other risk decision in 2026.

- **Property Considerations:** Higher deductibles are becoming the norm, while package policies that once bundled protections seamlessly now carry more carve-outs and restrictions. Water-damage limits, wildfire exclusions and wind-driven rain provisions can all leave households unexpectedly exposed unless resilience measures are in place.
- **Cyber Considerations:** Homeowner policy add-ons for cyber coverage often don't respond when a household faces a six-figure wire transfer scam, a crypto theft or a deepfake impersonation. A standalone family policy — modeled on business coverage with forensic investigation and legal support — represents a deliberate choice to transfer that risk instead of retaining it.
- **Reputational and Social Considerations:** The more visible the household, the greater the chance of reputational harm if a post, harassment campaign or AI-generated attack spirals out of control. While umbrella liability coverage is an essential baseline, cyber and reputational-specific policies can add the crossover protection needed to cover PR, crisis management and relocation costs.

Clarifying risk appetite sets the foundation — but it only matters if it informs the next steps. In 2026, the priority is ensuring deductibles, limits and specialty policies reflect not just exposures, but what the household is truly willing to carry on its own.

Only 25% of HNW respondents are still willing to assume more risk to save on premiums, a decrease from 39% in 2023.

Resilience as Strategy

Turning Prevention Into Leverage

Instead of taking on more risk to lower costs, affluent families can choose to invest in risk readiness — the steps that demonstrate preparedness to insurers and reduce the likelihood of a loss. Over time, this readiness translates into greater resilience, giving households both stronger protection and more leverage at policy renewal. For example, homes with defensible space and ember-resistant construction are more attractive to carriers and less likely to face wildfire exclusions, and families that adopt monitoring and device audits are positioned for broader cyber coverage.

Risk assessments are the foundation for moving up in risk readiness. Insurers are tightening underwriting and using new tools like aerial imaging and wildfire scoring to scrutinize properties, and households that match that rigor with frequent, comprehensive reviews are better positioned for favorable terms. Many professional advisors are already increasing the frequency and

rigor of reviews. Family offices have doubled their use of annual assessments, and more trust and estate attorneys are now building quarterly or even monthly evaluations into their client programs.

Over 70% of HNW respondents conduct periodic risk reviews, yet only 55% are satisfied with their effectiveness, suggesting that many households remain in the early or developing stages of risk readiness.

Readiness only delivers resilience when it is documented and communicated. Brokers and advisors play a critical role by prioritizing investments, ensuring coverage limits reflect appetite and presenting preventative steps to underwriters. It's not just about installing a water sensor or trimming trees near a home but turning those actions into proof points that carriers can underwrite against. In this way, risk readiness becomes market leverage, and resilience is the reward.

5 Best Practices for Risk Assessments

- 1. Engage third-party expertise.** Independent reviews uncover blind spots and carry weight with underwriters.
- 2. Begin with discovery.** Capture the full household picture: properties, valuables, travel, lifestyles and staff.
- 3. Review annually at minimum.** Property values and liability exposures change quickly; annual updates are the baseline.
- 4. Reassess at [trigger events](#).** Renovations, acquisitions or new drivers demand immediate reassessment.
- 5. Include digital exposures.** Online accounts and family social media activity now create real financial and reputational risk.

Moving Your Family Forward

For high-net-worth households, protecting wealth in 2026 requires more than securing a policy at renewal. It means advancing risk readiness step by step — connecting appetite, assessments and resilience into a proactive strategy that reduces exposures and strengthens negotiating power.

Make risk reviews routine.

- 1** Annual assessments are no longer sufficient on their own. Major life changes — a renovation, valuable acquisition or new teen driver — should trigger immediate reassessment. Today's reviews go beyond property to capture lifestyle, travel, household staff and digital footprints. Independent third parties add credibility and ensure findings carry weight with underwriters.
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Prioritize resilience measures.

- 2** Preventive steps are increasingly prerequisites for coverage. Wildfire defensible space, roof reinforcements, impact-rated windows and smart water sensors help reduce physical exposures, while cyber hygiene, monitoring systems and family training address digital risk. Documenting these measures shows insurers that households are lowering loss potential.
-

Match coverage to appetite.

- 3** A clear risk appetite only matters if it informs policy structure. Deductibles, limits and specialty programs should reflect what the household is prepared to retain, mitigate or transfer. Umbrella liability limits should align with net worth, and cyber or reputation-specific programs should be added where exposures are significant.
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Leverage advisors strategically.

- 4** Advisors serve as more than transaction managers. Brokers and risk specialists help families prioritize which resilience investments matter most, document them and present them to underwriters. Their role ensures household strategies translate into market leverage and stronger protection.

Private Client Rate Guide — U.S.

HUB International’s rate guidance comprises an analysis of proprietary national survey data and interviews with HUB personal insurance brokers and risk services consultants who specialize in serving personal lines business.

On average, we are experiencing softening rates for nearly all coverages. Below are projections of rate changes that we anticipate in 2026. It’s important to discuss your unique exposure with your insurance broker and understand what to expect well in advance of your next renewal.

Coverage	2026 Private Client Rate Guide	Insights
Auto	-5% to Flat	<p>While profitability has returned to the auto segment, loss severity remains a key concern, with claim values rising across all sizes of loss. This upward trend continues to be driven by:</p> <ul style="list-style-type: none"> ○ Higher litigation frequency ○ Escalating legal defense and settlement costs ○ Increasing nuclear verdicts <p>At the same time, rate softening is beginning to emerge as inflationary pressures on parts, labor and repair costs stabilize.</p> <p>Encouragingly, profitability has improved in several states — most notably Florida, where recent tort reform legislation is starting to take effect. As these legal changes filter through the system, clients in affected states could see double-digit rate decreases over the next renewal cycle.</p>
Homeowners	Flat to +5%	<p>The homeowners insurance market is showing signs of stabilization after three consecutive years in which carriers successfully implemented regulatory rate increases. With profitability beginning to recover, carriers are shifting their focus toward strategic risk management — aligning pricing with individual property characteristics and demonstrated mitigation efforts. Homeowners who invest in protective measures, such as roof upgrades, water detection systems or wildfire defensible space, are most likely to benefit from more favorable pricing and renewal terms.</p> <p>Market conditions have also improved through refinements to policy structure and underwriting practices, enabling carriers to maintain profitability through means other than rate increases. Examples of adjustments include:</p> <ul style="list-style-type: none"> ○ Capping certain coverages, such as loss of use, to a percentage of Coverage A ○ Adjusting deductibles for wind and hail exposures ○ Incentivizing higher All Other Peril (AOP) deductibles to encourage shared risk
Personal Umbrella	+10% to +12%	<p>Rising loss severity in auto liability remains the key factor driving rate increases in the personal umbrella market. Carriers are placing heightened emphasis on geographic exposure, particularly in jurisdictions with elevated litigation activity, often referred to as “judicial hellholes.” Clients residing in these regions can expect higher premiums, stricter underwriting scrutiny and reduced carrier appetite, as insurers work to manage volatility tied to large verdicts and escalating settlement costs.</p>

Private Client Rate Guide — U.S.

Coverage	2026 Private Client Rate Guide	Insights
Catastrophic Perils	-10% to Flat (Wind)	<p>Rates for CAT-perils are expected to continue their downward trend due to:</p> <ul style="list-style-type: none"> ○ Lower reinsurance costs ○ Adjustments to terms and conditions for CAT-exposed perils ○ Proactive and/or required risk mitigation by clients <p>However, wildfire coverage continues to present challenges, making capacity for this peril scarce.</p>
	+5% to +10% (Wildfire)	
Specialty: Motorcycle, RVs, Watercraft	-10% to Flat	<p>Much like the automobile market, specialty coverage lines are experiencing rate decreases due to improvements in replacement parts and labor costs. Appetite for watercrafts is increasingly aggressive.</p>

NOTE: Rate is typically defined as the amount of money necessary to cover losses and expenses while providing an insurance company with a profit for a unit of exposure. **Exposure** refers to a business' or an individual's susceptibility to various risks encountered daily. Carriers evaluate the level of risk an insured faces in calculating insurance premiums.

HUB Private Client

When you partner with us, you're at the center of a vast network of experts who will help you reach your goals. For more information on how to manage your insurance costs, reduce your risk and protect what matters most, talk to a HUB Private Client Risk Advisor.

\$1.2B

in premiums
brokered

500

Private Client
Risk Advisors

52,000

Private Client accounts

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