



PERSONAL INSURANCE

## Navigating the Complex, Ever-Changing Yacht Insurance Market

The yacht and marine insurance landscape is complex and dynamic. While the reality of today's insurance marketplace can feel overwhelming to boat owners and buyers, there are smart ways to navigate your options and secure the yacht insurance coverage you need.

### What's Driving Capacity Limitations in the Yacht Insurance Market?

The yacht insurance marketplace remains highly constrained as we move into the 2026 boating season. Although the pandemic-era surge in yacht purchases has normalized, the aftershock supply chain strain, elevated vessel values and increased repair costs continue to influence coverage availability and pricing.

Carriers are also contending with consecutive years of severe weather and climate-driven losses. Hurricanes, tropical storms and other catastrophic events have increased both frequency and severity, driving reinsurers to tighten terms and limit capacity in coastal regions such as Florida, Texas, the Gulf Coast and California. As a result, pricing remains firm, and underwriting standards continue to rise. Yacht and recreational marine segments continue to face constrained capacity and more selective underwriting, particularly in catastrophe-exposed geographies.

Marine insurers are also adapting to advances in yacht design and technology. Modern vessels incorporate complex materials, electronic systems and connected technologies that heighten both repair costs and claim complexity. Insurers are increasingly using real-time vessel data, predictive analytics and telematics to refine risk models, rewarding well-maintained yachts with favorable terms while scrutinizing higher-risk exposures more closely.

At the same time, broader economic and industry factors continue to shape the market. Supply-chain disruptions and labor shortages are extending repair times and raising costs. Catastrophic loss events—such as recent multimillion-dollar superyacht sinkings—have amplified underwriting caution and reinsurance pricing. Many generalist insurers have exited marine lines altogether, leaving specialized carriers and the excess & surplus markets to fill the gap.

## Market Conditions

### 1 Expanded Market Capacity

The yacht insurance market is experiencing increased capacity, driven by the entry of new carriers and more flexible underwriting guidelines for select risks. However, catastrophe-exposed risks—such as those in hurricane-prone regions—remain costly and subject to stringent underwriting scrutiny.

### 2 Growth in Yacht Ownership

Following a post-pandemic slowdown, the large yacht segment appears to be gaining some traction. This slight resurgence is fueling demand for coverage and contributing to a more dynamic marketplace.

### 3 Rate Stabilization

Premium rates have largely stabilized, with only modest increases averaging around 5%. While rates remain at historically high levels, the upward trend has softened, signaling a more favorable environment for yacht owners.

### 4 Deductible Adjustments and Technology Requirements

Carriers are increasingly applying specific deductibles for perils such as windstorm, lightning and theft. Additionally, GPS and telematics systems are becoming standard requirements, aimed at improving risk management and loss prevention.

### 5 Escalating Liability Risks

“Nuclear verdicts” in Protection & Indemnity (P&I) cases are contributing to higher liability costs, prompting carriers to reassess limits. Larger vessels still have access to P&I clubs, which helps to provide large limits for a reasonable premium, although those premiums have seen a steady increase in recent years.

While there are early signs of moderation for low-risk, inland or well-managed yachts, the overall marketplace remains cautious and capacity-constrained. As insurers focus on disciplined underwriting and targeted portfolio balance, yacht owners and brokers must be prepared for continued scrutiny, detailed risk submissions and higher expectations around maintenance, mooring and storm preparedness.

## What Can a Yacht Owner or Buyer Do to Secure Insurance for Yachts in This Competitive, Restricted Marketplace?

In today’s restricted yacht insurance market, preparation and expertise are key to obtaining favorable coverage. Insurers are placing greater emphasis on risk quality, ownership experience and the completeness of submissions. Yacht owners and buyers who approach the process strategically are better positioned to access competitive terms and long-term carrier relationships.

### Present a Strong, Detailed Application

A well-prepared submission demonstrates your commitment to safety, seamanship and responsible ownership—qualities that build underwriter confidence. Include documentation of your boating experience, training, maintenance records, navigation plans, safety equipment and any loss-prevention measures. A thorough, professional application signals that you understand your vessel and manage it proactively, increasing your appeal to insurers and improving your chances for favorable terms.

### Work With a Specialized Marine Insurance Broker

Working with an experienced marine insurance specialist offers a distinct advantage in this complex market. These brokers understand carrier appetites, regional underwriting nuances and evolving market conditions. They can help you present your risk effectively, identify the most suitable coverage options and negotiate competitive pricing. In the event of a loss, a knowledgeable broker also serves as your advocate, streamlining claims, coordinating with surveyors and adjusters and helping ensure a fair resolution.



## 10 Factors of a Strong Yacht Insurance Submission

To secure the best coverage in today's competitive marketplace, it's important to understand what underwriters look for in a yacht insurance application. Insurers want confidence that both the vessel and the owner represent a well-managed, low-risk profile. Each submission is carefully reviewed, and detailed background information helps underwriters assess experience, maintenance practices and overall risk quality. Yacht owners should work closely with their marine insurance broker to determine which supporting materials—such as surveys, maintenance records, or navigational details—will help present their vessel in the most favorable light.



**Boating Resume:** Include detailed information on your boating experience (owned and operated), licenses, certifications, safety training and areas of expertise.



**Hurricane or Storm Plan:** Outline your preparedness measures if the yacht will be located in areas prone to hurricanes or severe weather.



**Prior Boat Ownership:** Provide a record of previously owned boats of similar or larger size, with dates of ownership and navigation areas. (If no prior ownership, an experienced captain may initially be required.)



**Absentee Owner Plan:** Describe how the vessel will be managed and monitored when left unattended for extended periods.



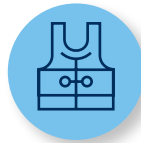
**Captain Resume (if applicable):** Supply a detailed summary of your paid captain's professional experience and insurance claims history.



**Maintenance and Service Records:** Keep organized records of all maintenance and upgrades; these may be requested during underwriting or in the event of a claim.



**Crew Resumes (if applicable):** Include professional experience, navigation and safety training and claims history for all paid crew members.



**Boating Safety and Claims History:** Document your safety record and any prior claims to demonstrate responsible ownership.



**Accredited Marine Survey:** Submit a current (within three years) NAMS or SAMS survey, including confirmation that all survey recommendations have been addressed.



**Personal Insurance Portfolio:** Consider including details of your broader insurance program (homes, autos, valuables, umbrella) to support a packaged submission for more comprehensive underwriting consideration.



## About Brown & Brown

Growth has no finish line. Our team is with you along your growth journey to help find solutions that meet your ever-evolving insurance needs. Whether you are a highly complex multinational enterprise, an individual or anything in between, our experienced teams can help to find solutions at every stage.



Find Your Solution at [BBrown.com](https://www.brownandbrown.com)

---

*Brown & Brown, Inc. and all its affiliates, do not provide legal, regulatory or tax guidance, or advice. If legal advice counsel or representation is needed, the services of a legal professional should be sought. The information in this document is intended to provide a general overview of the topics and services contained herein. Brown & Brown, Inc. and all its affiliates, make no representation or warranty as to the accuracy or completeness of the document and undertakes no obligation to update or revise the document based upon new information or future changes.*

©2025 Brown & Brown. All rights reserved.