Midyear 2026

HUB Midyear Rate Report

Navigating Risk and Resilience in High-Net-Worth Insurance

HUB Private Client

At the midpoint of 2026, the Canadian high-net-worth insurance market is in transition. After the steep increases of recent years, rates are decelerating, and competition is returning for well-managed homes outside catastrophe-exposed areas, even as underwriting scrutiny on wildfire, flood and hail exposure runs higher than ever.

A second shift is reshaping how affluent families think about risk: a recalibration of their relationship with the U.S. Apprehension about the U.S. economy has cooled enthusiasm for American vacation and investment property, while cautious optimism paired with the desire to invest domestically is drawing a quiet but deliberate repatriation of capital into Canadian property and tangible assets.

Carriers, for their part, are increasingly optimistic and open for business but selective about where they deploy capacity. That makes this an opportune moment to work with a specialist advisor to align coverage with the true value of a portfolio, close the underinsurance gaps that have widened with rebuilding costs and strengthen insurability ahead of renewal.

A market in transition

The first half of 2026 was relatively quiet for the high-net-worth insurance industry. A mild winter passed without a major windstorm, wildfire or hailstorm event in the segment. But 2025 continues to drive carrier behaviour: The year delivered more than $2.4 billion in insured severe-weather losses — the 10th-costliest on record — capping a decade in which catastrophe and wildfire losses tripled to $37 billion[1]. The December 2025 Fraser Valley flooding, which caused nearly $90 million in insured damage and tragic loss of life[2], remains fresh in underwriters' minds.

The practical result is that catastrophe capacity, not base property rate, has become the binding constraint. Global reinsurers have repriced Canadian wildfire and hail risk, lifting retentions and capping aggregate limits, which pushes more risk onto primary carriers and further onto clients through higher deductibles and tighter wording. Increasingly, underwriters are pricing catastrophe to model rather than to recent loss experience, and water, wildfires and earthquakes continue to dominate the conversation.

Geography now defines outcomes. Non-catastrophe-exposed markets in central and eastern Canada are stabilizing, with renewed competition for well-managed homes as carriers redeploy capacity freed by lower 2025 losses and favourable January 2026 reinsurance renewals. British Columbia and Alberta remain firmest, given their wildfire, flood and hail history and the steepest five-year premium increases in the country — though the Lower Mainland and Greater Vancouver show the most notable improvement in appetite, while the Okanagan and interior BC stay cautious and Atlantic Canada has become an emerging watch area after the Newfoundland wildfire. Carrier sentiment has turned more optimistic overall, especially for ultra-high-net-worth accounts, but capacity is deployed deliberately and selectively.

Underwriting across the luxury portfolio

Underwriting is now holistic and asset-by-asset. Carriers assess fine art, yachts, high-value vehicles and vacation homes alongside the primary residence, scrutinizing garaging, elevation, fire-resistant construction, storage and security across every location in a portfolio. The driver is concentration risk: A single family's layered assets often sit within the same wildfire, flood or hail footprint, so carriers now manage aggregate exposure across the whole relationship rather than risk by risk. Well-documented, well-protected portfolios earn better terms and steadier renewals.

The picture differs sharply by asset type. On the moveable and portable side — yachts, fine art and jewellery — genuine competition has returned, with carriers actively competing on both price and terms for well-presented accounts. Real property tells a different story, particularly vacation and rental homes in British Columbia, where accessibility has become an active underwriting concern. Remote or seasonally inaccessible locations raise questions

[1] Insurance Bureau of Canada (IBC) / Catastrophe Indices and Quantification Inc., "Severe Weather-Related Insured Losses in Canada Exceed $2.4 Billion in 2025," January 20, 2026.

[2] Insurance Bureau of Canada (IBC) / Catastrophe Indices and Quantification Inc. (CatIQ), "December Floods in British Columbia Cause Nearly $90 Million in Insured Damage," January 23, 2026.

about wildfire-interface exposure, limited oversight and extended response times, and underwriters expect substantive answers. Where a balanced account pairs profitable portable lines with more complex property, carriers show more meaningful flexibility.

Underinsurance is now the segment's most pressing risk: Five-year rebuild inflation is now pegged at 24.8%[3], with individual homes underinsured by up to 80% to 100% and traditional 5% to 7% inflation guards no longer keeping pace. Skilled-labour shortages, tariff-exposed materials — duties on steel, lumber and aluminum on both sides of the border, paired with a weaker Canadian dollar — and even the ripple effects of the January 2025 California wildfires on material prices continue to lift reconstruction costs. When whole communities are affected at once, rebuild timelines stretch and additional-living-expense limits run out faster than in years past.

Preparing for the remainder of 2026

Affluent clients have grown markedly more sophisticated and engaged, and many are investing proactively in risk mitigation — wildfire-resistant landscaping and materials on vacation properties, water shut-off and monitoring systems on primary residences and professional storage and handling for collections. The frustration is that carrier recognition has not kept pace: When documented mitigation isn't reflected in pricing or deductibles at renewal, some clients with the balance sheet to do so are beginning to explore self-insurance and higher retentions. To make the most of the current market, clients should:

- Partner with a specialist advisor who understands the complexity of high-net-worth portfolios.
- Update replacement-cost valuations annually using current reconstruction data — underinsurance is the single biggest gap.
- Document risk mitigation investments and bring them to underwriters as a point of differentiation.
- Review personal umbrella and liability limits, as social inflation and larger awards increasingly make visible wealth a target.
- For catastrophe-exposed or remote properties, anticipate deeper questions on accessibility, elevation and construction — and address them proactively.
- Weigh higher deductibles or selective retention where the balance sheet allows, as a deliberate strategy rather than a last resort.

With the right guidance, affluent families can move from reactive risk management to a position of control — prepared for both today's opportunities and tomorrow's uncertainties.

[3] Verisk, "2026 Q1: Where Are Canada's Reconstruction Costs Rising the Fastest?," February 25, 2026.

Midyear 2026 Canada Rate Report

HUB International's rate report comprises an analysis of proprietary national data and interviews with HUB Private Client insurance brokers and risk advisors across Canada.

The information contained in this report is intended as a general market guide. Actual rate outcomes vary by client based on individual merits, including loss history, geography and overall exposure profile.

Coverage	Midyear Canada Rate Outcomes	Market Observations
Personal Auto	5% to 10%	After several years of steep increases, personal auto is moderating but remains pressured. Auto theft claims fell 24% in 2025 and theft losses dropped to $724 million, a second straight annual decline credited to stronger border enforcement, port oversight and Criminal Code measures. Even so, theft losses sit roughly 169% above the level of a decade ago, and the improvement has not yet flowed through to premiums.[4] Repair severity keeps climbing, with parts and labour up about 22% since the start of the pandemic and current U.S. tariffs adding fresh pressure to parts pricing.
Homeowners	10% to 15%	Homeowners rate is decelerating from the steep 2025 levels but stays firmly positive, especially for high-value and custom homes. Insurance-to-value remains the central underwriting concern as custom construction, skilled-labour shortages and tariff-exposed materials drive replacement costs higher and lengthen rebuild timelines. Lower 2025 catastrophe losses and ample reinsurance capacity are bringing more competition back to non-catastrophe-exposed homes, while wildfire, flood and hail-exposed locations continue to see tighter terms and higher deductibles.

[4] Insurance Bureau of Canada (IBC), "New 2025 data points to modest success in fight against auto theft," April 30, 2026

Coverage	Midyear Canada Rate Outcomes	Market Observations
Personal Umbrella	5% to 10%	Comprehensive personal liability coverage remains broadly available in Canada at reasonable rates, but social inflation and larger settlement and jury awards are a growing concern for affluent families, whose visible wealth makes them targets for sizeable personal injury and liability claims. Many high-net-worth households still carry lower umbrella limits than their exposure warrants. Underwriters are paying closer attention to ancillary exposures, such as household staff, watercraft, recreational vehicles, rental properties and board or volunteer positions. Capacity is stable and higher excess limits remain attainable, making this a practical area for clients to close protection gaps as part of a coordinated program review.
Catastrophic Perils	15% to 25%	Global reinsurers have repriced Canadian wildfire and hail risk, lifting retentions and capping aggregate limits, so primary carriers are holding more risk per event, raising deductibles, tightening wordings and trimming line sizes in high-risk zones. In the West, markets are beginning to amend or restrict coverage rather than continue to introduce increases on lines or declining risks where the exposure is too great.
Specialty: Motorcycle, RVs, Watercraft	5% to 10%	Specialty assets continue to see moderate, steady increases. The growing sophistication and customization of motorcycles, recreational vehicles, yachts and other watercraft is driving up replacement and repair costs, and as in personal auto, parts pricing is rising on labour shortages, supply-chain constraints and tariffs. Carriers are extending the holistic, asset-by-asset underwriting now standard across luxury portfolios, scrutinizing storage, garaging, navigation areas and operator experience. Capacity remains generally available, and clients with strong risk management and bundled programs continue to secure the most favourable terms with carriers bullish on watercraft.

Note: Rate is typically defined as the amount of money necessary to cover losses and expenses, as well as provide 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.

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