

HUB PRIVATE CLIENT

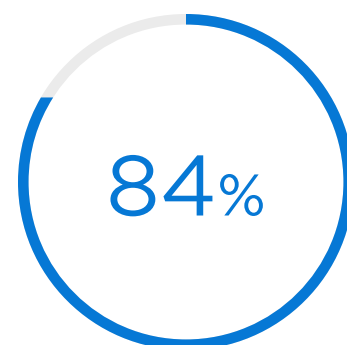
REASSESSING RISK AND OPPORTUNITY IN A REBOUNDED ART MARKET





Underscored by the exceptional performance of the Spring 2026 auctions in New York, the global art market is rebounding from lackluster performance over the past several years.¹ Marquee auctions at Christie's, Sotheby's and Phillips featured works from historically significant estates, generating a combined aggregate exceeding \$2.5 billion, effectively doubling that of the previous year. Among the lots capturing the headlines were Jackson Pollock's *Number 7A*, which achieved \$181.1 million; and Constantin Brâncuși's *Danaïde*, which reached \$107.5 million; and Mark Rothko's No. 15 (Two Greens and a Red Stripe, which sold for \$98.38 million).¹ These results and others demonstrated that demand for masterworks remains remarkably resilient, resetting benchmarks across the Impressionist, Modern, and Post-War sectors.

For serious collectors, this is more than an encouraging market update, it is a signal of a potential structural shift in valuation. When a singular masterpiece commands a historic premium, the financial ripple effect alters the underlying value of comparable works held in private hands. The improving market environment may raise questions related to everything from acquisition and divestiture decisions to estate planning considerations and measures required to protect significant collections. As all of these decisions are fundamentally influenced by valuation, therefore it is important for collectors to maintain a current understanding of what is happening in the marketplace and how it might affect the value(s) of their own treasured pieces.



84% of HNW collectors surveyed remain optimistic about the short-term future of the global art market.¹

1. Christie's, "[A record-shattering week at Christie's New York led by Jackson Pollock, Constantin Brancusi, Mark Rothko, Donald Judd and Gerhard Richter — results surpass \\$1.45 billion](#)," May 22, 2026.

THE IMPORTANCE OF UPDATING APPRAISALS

While broad trends in the art market have some impact on the value of nearly all serious collections, volatility can vary greatly depending on the collection's composition. For example, the valuations of old master paintings and antiquities tend to be far less volatile than contemporary works by living artists. The defining achievements of the most prominent artists have always attracted the greatest attention and highest prices, while more speculative trends rise and fall at a rapid clip. The collapse of the NFT art market serves as a recent example.

So, while all serious collectors should keep appraisals current, the definition of "current" will vary based on the nature of your collection. Some should be appraised on an annual basis. Few should go more than two or three years as historical appraisals can expose an estate to significant underinsured risk. If your collection has not undergone a formal valuation within that period, your coverage likely reflects a market reality that no longer exists, creating significant financial exposure in the event of physical loss or damage.

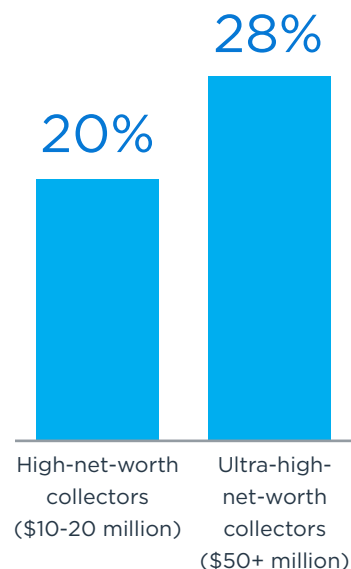
Should you need help identifying an appraiser who is qualified to assess the value of your specific collection, HUB's Fine Art and Specialty Risk experts would be happy to provide a referral.

CONSIDERING THE REPLACEMENT VALUE OF THE IRREPLACEABLE

Collectors collect for a wide variety of reasons: emotional connection to individual works; support of living artists; pride of ownership; and, for some, speculative investment in an alternative asset class. So, even when art collections often account for a sizable portion of household net worth, relatively few high-net-worth families intend to divest significant portions. In an Art Basel/UBS survey, 80% of respondents plan to pass their collections on to their children or spouses in the future.² Nearly 90% of Gen Z collectors who inherited works say they have kept them.

While art collections play a significant role in family legacies, the lack of any intention to sell does not negate the need to keep appraisals current. They will still need protection to be restored should they ever be damaged. Current appraisals will be needed if you wish to use artwork as collateral for tailored lending solutions, and correct valuations are needed to ensure that estate plans can employ strategies to mitigate the tax burden of intergenerational transfer.

Art collections as a percentage of household net worth (HHNW)



2. Art Basel, "[The Art Basel and UBS Survey of Global Collecting](#) 2025," accessed July 16, 2026.



PROTECTING YOUR COLLECTION AT HOME AND ON THE ROAD

As the intrinsic worth of an art collection escalates, its risk profile shifts. A sophisticated collection management strategy should treat physical preservation with the same rigor applied to financial structuring. A full professional assessment should be conducted to confirm that the display, storage and transport of your artwork adequately protects your collection. Some of the basic considerations include:

Climate Control: Modern and contemporary mediums often employ volatile material combinations that react poorly to minor environmental shifts. Confirm that HVAC systems maintain a constant relative humidity with temperature fluctuations limited to a narrow band. Specialized filtration systems should be monitored regularly to eliminate airborne particulates and gaseous pollutants that can dull surfaces over time.

Lighting: All display areas should use UV-filtered, conservation-grade LED lighting. Ultraviolet exposure is irreversible and exponentially accelerates the fading of delicate pigments, paper fibers and canvas bonds. Works on paper and textiles should be rotated out of view systematically to rest in darkness.

Material Integrity and Handling: The physical handling of high-value art should be entrusted to certified art handlers. Every touch introduces risk. Collectors should institute an annual or biennial condition report registry, conducted by an independent conservator, to catch micro-fissures, paint flaking or structural warping before they require major restoration. These protocols are particularly important in the transport of art, the number one cause of insurable loss to valuable art.

CURATING RISK MANAGEMENT

Great collections are built by passion, but they are preserved through discipline. Unlike virtually any other asset, minor damage can result in significant financial devaluation. They require specific knowledge and special handling at every phase of ownership from acquisition to transportation, to display, to lending, and to divestiture or inheritance. HUB's Fine Art and Specialty Risk experts are available to help you at every step: not only ensuring that your collection is properly insured, but also ensuring that the proper measures are taken to protect the legacy that your collection represents.

ABOUT HUB PRIVATE CLIENT

HUB Private Client advises, advocates and protects with tailored solutions to protect your family and lifestyle today, while anticipating your needs and guiding you through tomorrow.

Connect with HUB's Fine Art and Specialty Risk experts to review your collection's coverage, confirm current valuations and build a protection strategy that reflects what your collection is worth today.

HubPrivateClient.com

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