N

Navy Capital

PRIVATE WEALTH · RESEARCH DESK

SPECIAL REPORT · THE SUPERYACHT ECONOMY

Wealth on *Water*

The superyacht world examined end to end: a record 1,093-vessel order book, the shipyards of Italy, Holland and Germany competing for the world's largest fortunes, what it truly costs to own and charter, the vessels themselves from 24 metres to the 180-metre giants — and Navy Capital's outlook for the decade at sea.

RESEARCH DESK EDITION 2026 · DATA THROUGH 2025 / EARLY 2026 · FIFTH IN OUR WEALTH SERIES · NAVYCAPITAL.INFO

ABOUT THIS REPORT

The last private *kingdom*

A jet saves its owner time; a yacht gives its owner territory. Twelve miles offshore, a superyacht is the closest thing money can buy to sovereignty — a private nation of teak and steel with its own crew, flag, and itinerary, invisible to paparazzi and beyond most jurisdictions' reach. It is also, famously, the most economically irrational purchase in the luxury canon: a depreciating asset costing roughly a tenth of its value every year merely to exist. That both statements are true — and that the global order book just hit a record **1,093 vessels** anyway — is the paradox this report explains.

The industry behind the paradox is substantial and surprisingly structured: roughly **$10bn a year in new-build revenue** (over $20bn on wider definitions), a fleet of ~6,000 yachts over 30 metres, a construction duopoly of nations — Italy building half the world's units, the Netherlands and Germany building its giants — a charter economy renting the dream by the week from €30,000 to over €1m, and a brokerage layer (Burgess, Fraser, Edmiston, IYC) intermediating hundreds of pre-owned sales a year. Navy Capital examines each layer: who builds, who buys, what it costs, how the fleet is actually used, and where the market sails next.

HOW TO READ THIS REPORT

Part I measures the industry and its history. Part II follows the owner: ownership versus charter, the true cost mathematics, and how a new generation uses the fleet. Part III profiles the builders — the Italian volume houses and the North Sea custom yards — and the broker layer. Part IV surveys the vessels by size class up to the giga-tier. Part V analyses the economics; Part VI closes with outlook, risks and FAQ. Appendices carry the data tables.

CONTENTS

Inside this *edition*

FROM THE RESEARCH DESK

A letter to our *readers*

Dear reader,

Ask a client why they bought the jet and you will hear about time. Ask why they bought the yacht and the answer takes longer, because it is closer to the heart: the grandchildren learning to swim off the stern; the week each summer when three generations share one table; the anchorage where no one can find you. J.P. Morgan — whose *Corsair* effectively founded this asset class — supposedly warned that anyone who has to ask the running costs cannot afford them. A century later the costs remain formidable and the question remains the wrong one. The right question, which this report answers, is what the money actually buys — and how to buy it intelligently.

The industry serving that question has never been busier. A record 1,093 yachts are under construction; the average new build has stretched to an unprecedented 48.5 metres; Italy's yards are booked to 2029; and Holland just launched the world's first hydrogen-powered superyacht for a client who could have bought anything and chose the future. Yet the same market retains its eternal truths: depreciation is relentless, crew is destiny, charter is the intelligent apprenticeship, and the difference between a cherished vessel and a hole in the ocean is almost entirely decided before the contract is signed.

We wrote this study — the fifth in our wealth series, alongside its companion on private aviation — for the family weighing a first charter, the owner weighing the next size class, and the investor curious about an industry where Italian craftsmanship, German engineering and Dutch perfectionism compete for the patronage of the world's great fortunes. As always: data first, candour throughout, conclusions stated plainly.

With regards,

The Navy Capital Research Desk

Companion volumes — on Gulf sovereign wealth, the Gulf economy, Dubai real estate, and private aviation — are available in the Research Library at navycapital.info.

EXECUTIVE SUMMARY

Ten findings from the *sovereign sea*

1,093	48.5m	52%	~6,000
YACHTS ON ORDER — RECORD (+3.9%)	AVERAGE BUILD LENGTH — ALL-TIME HIGH	ITALY'S SHARE OF GLOBAL PRODUCTION	SUPERYACHTS (30M+) AFLOAT

1. The order book has never been fuller — or the boats bigger. The 2026 Global Order Book lists 1,093 projects (+3.9%), with average length at a record 48.5m: owners are buying scale, complexity and range, not merely replacing tonnage.

2. Italy is the volume empire. Italian yards hold 52–54% of all units in build — 568 projects — led by Azimut-Benetti, the world's largest builder for 26 consecutive years (163 yachts in build; €1.5bn revenue; order book to 2029), with Sanlorenzo second and the Ferretti group's brands close behind.

3. The giants belong to the North Sea. Above 80 metres the market is a Dutch-German duopoly of craft: Lürssen (the 134m Project Deep Blue splashed in 2025), Feadship (the 119m hydrogen pioneer *Breakthrough* — 2025's largest sale), Oceanco (Bezos's 127m *Koru*), Amels/Damen, Abeking & Rasmussen. Italy sells fleets; Holland and Germany sell legends.

4. The market normalised, not corrected. 2025 sales of 442 yachts beat 2024 (392) and 2023 (429) on brokerage count (602 transactions, +4%), even as total value eased 8% on softer new-build signings — a healthy plateau roughly 50% above pre-2020 activity.

5. Charter is the industry's front door and its second economy. Weekly rates run €30k (40m-class entry) to €1m+ (the giga-tier), plus ~30% expenses; the Mediterranean takes half of global demand (Greece alone 26%). Most owners now charter first, buy second — and half the fleet charters out to offset costs.

6. The ten-percent rule still governs. Annual running costs — crew, berth, fuel, maintenance, insurance — reliably total 8–12% of a yacht's value: ~$5m a year on a $50m vessel, before depreciation. No luxury asset consumes capital faster; none is bought with clearer eyes by its repeat customers.

7. The owner is changing: younger (tech and crypto fortunes joining dynasties), more private (flag registries and trustee ownership as standard), more adventurous (the explorer-yacht boom — ice-class hulls, helipads, submarines) and more accountability-minded (hydrogen, methanol and hybrid projects moving from concept to launch).

8. Sanctions rewrote the top of the market. The 2022 seizures of Russian-owned giants (*Dilbar*, *Amadea* et al.) removed the segment's most aggressive buyers, chilled the 100m+ speculative market — and demonstrated that the sea is less sovereign than its owners believed. The Gulf and American fortunes have since refilled the order books.

9. The industry is consolidating and institutionalising: listed builders (Sanlorenzo, Ferretti), private-equity-backed brokers, marina networks trading as infrastructure, and refit emerging as the steadiest profit pool. The artisan trade is becoming an investable sector.

10. The decade ahead favours the yards, not the flippers. Multi-year backlogs, wealthy-population growth, and charter demand underwrite the builders; the speculative buyer faces the eternal physics — depreciation, running costs, and a used market that rewards only the best-maintained. Buy for life at sea, not for resale; the sea keeps the accounts honestly.

I

PART I · CHAPTERS 1–2

The *industry*

A century from Morgan's Corsair to a record order book — and the numbers behind the world's most romantic heavy industry.

From Corsair to *Koru*

1.1 · The eras of the great yachts

The Gilded age (1880–1939). The category begins with America's robber barons — J.P. Morgan's successive *Corsairs*, Astor and Vanderbilt steamers — and Europe's royals (the British *Britannia*s, the Tsar's *Standart*). Yachts were floating courts: crews of eighty, formal dining, and the original social register afloat. The Depression and the wars sank the era; many hulls went to navies.

The jet-set restoration (1950–1990). Onassis's *Christina O* — a converted frigate with a Renoir in the saloon and barstools of whale leather — invented the modern archetype: the yacht as stage for power (Churchill and Callas aboard) and pleasure. Niarchos answered with *Atlantis*; the Gulf's first great patrons arrived (the Saudi royal *Prince Abdulaziz*, 147m, held the size crown for a generation); and Feadship's post-war Dutch consortium began building the reputation that still defines custom quality.

The oligarch escalation (1990–2015). Post-Soviet fortunes industrialised one-upmanship: Abramovich's fleet culminating in the 162.5m *Eclipse*; the 180m *Azzam* (Lürssen, 2013) taking the length record for Abu Dhabi's ruler; explorer conversions, submarines, missile-detection systems as options. Size doubled in two decades; the 100m yacht went from unicorn to category.

The modern fleet (2015–). Tech wealth joined the register — Bezos's 127m sailing *Koru*, late Paul Allen's *Octopus* as the explorer template — while COVID converted a generation to the sea exactly as it did to the sky: 2021–22 set every sales record, charter waitlists stretched years, and the order book has grown since. The 2022 sanctions seizures closed the oligarch chapter; hydrogen and methanol projects (Feadship's *Breakthrough*, 2024–25) opened the next one.

1954	180m	2021	2025
CHRISTINA O — THE MODERN ARCHETYPE	AZZAM — LONGEST YACHT AFLOAT	THE COVID CONVERSION	FIRST HYDROGEN SUPERYACHT SOLD

The record *order book*

METRIC	2025–26	READING
Global order book (24m+)	1,093 projects (+3.9%)	Record; contracts signed pre-Sept 2025
Average build length	48.5m — all-time high	Owners buying scale & range
Italy's share of builds	568 units · 52–54%	The volume empire; booked to 2029
Next building nations	Türkiye 90 · Netherlands · Germany	Türkiye volume; NL/DE the giants
2025 yacht sales	442 sold (vs 392 in '24)	Brokerage 602 deals, +4%
New-build market revenue	~$10bn/yr (~$22bn wide defn)	Growing ~5%/yr toward $45bn/2032 est.
Fleet in service	~6,000 yachts 30m+ · ~13,000 24m+	Half built in the last 20 years
Largest 2025 events	Breakthrough (118.8m) sold · Deep Blue (134m) launched	Hydrogen firsts; Lürssen's new slipway

BOAT International Global Order Book 2026; Fraser and IYC 2025 reviews; Emergen/industry market estimates. Rounded.

2.1 · What the numbers mean

Three structural readings mirror our aviation study almost line for line. **The baseline reset held:** after 2021–22's frenzy, activity settled ~50% above pre-COVID rather than reverting — the pandemic taught a generation that the sea is a room of one's own, and the lesson stuck. **Supply is the constraint:** a 50m+ custom yacht takes three to five years to build; yards are booked into 2028–29; and skilled-labour scarcity in Viareggio and Vlissingen gates output exactly as engine castings gate Gulfstream. Result: firm pricing, long backlogs, and a seller's market in quality pre-owned tonnage. **Value concentrates upward:** the 40m+ classes drive the dollar growth (hence the record average length), and a single 100m German build books like thirty Italian flybridges — the same units-versus-value split that defines aviation's OEM table, afloat.

Geographically the demand map is wealth's map with a tilt: American owners dominate the sub-50m classes and the charter market; the Gulf's dynasties and Asia's new fortunes anchor the giga-tier; and the Mediterranean remains the industry's stage — half of world charter demand, the summer address of the entire fleet, and the reason a Fort Lauderdale boat still crosses the Atlantic every May.

2.2 · The geography of the fleet

The superyacht year is a migration. Summers, the fleet concentrates in a 500-mile Mediterranean arc; winters, it splits between the Caribbean and, increasingly, the Gulf and Indian Ocean:

WATERS	SEASON	ANCHOR PORTS	CHARACTER
Western Med	May–Sept	Monaco, Antibes, Porto Cervo, Ibiza	The stage: Grand Prix, Cannes, the berth wars
Eastern Med	May–Oct	Athens, Bodrum, the Cyclades	50% of charter demand; Greece #1 (26%)
Caribbean	Nov–Apr	St Barths, Antigua, BVI, St Martin	The winter mirror; New Year's St Barths = Monaco afloat
US East Coast	Year-round base	Fort Lauderdale, Palm Beach, Newport	The service capital — FLIBS, refit rows, crew hub
Gulf & Red Sea	Oct–Apr (rising)	Dubai Harbour, Doha, Sindalah	The emerging third pole; berth build-out underway
Frontier	Expedition windows	Norway, Svalbard, Raja Ampat, Antarctica	The explorer decade's brochure

Two structural notes. **Berthing is the fleet's real estate crisis:** the Med's premium marinas were built for a 1990s fleet half today's size and length; Monaco or Capri peak-season berths trade at five figures a night with waiting lists, and marina developments (Porto Montenegro's rise, the Gulf's new harbours) exist precisely to arbitrage the shortage. **The service economy clusters:** Fort Lauderdale for American refit and crew, Antibes and Palma for the Med's, Monaco for the deals — an industry of perhaps 200,000 professionals ashore serving 6,000 hulls afloat, at a ratio no other luxury asset approaches.

2.3 · The yacht and the jet: one wallet, two philosophies

Most yacht owners own or access jets; the comparison — continuing our companion aviation study — clarifies both purchases:

	BUSINESS JET (SUPER-MID)	SUPERYACHT (45M)
Entry price	~$27m	~$30m
Annual running	$2.3–3.2m (~10%)	$3–4.5m (~10–12%)
What it buys	Time — hours returned weekly	Territory — weeks assembled annually
Usage pattern	150–400 hrs/yr, year-round	4–12 weeks/yr, seasonal
Crew	2–4	10–12 live-aboard
Fractional model	Industrialised (NetJets)	Never scaled — pride resists sharing
Rental economy	Charter/cards mature	Charter = the industry's front door
Depreciation	5–8%/yr, fleet-liquid	5–8%/yr, pedigree-sorted
The confession	"I use it more than I admit"	"I use it less than I planned"

The philosophical difference drives every ledger line: the jet is *infrastructure* — used constantly, justified easily, missed within a week of selling; the yacht is *ceremony* — used seasonally, justified emotionally, and loved in a way no aircraft ever is. Families who thrive with both treat them accordingly: the jet sized to the histogram and worked hard; the yacht sized to the family table and chartered out when idle. Families who struggle bought both as trophies — and the sea, unlike the sky, sends its invoice monthly either way.

II

PART II · CHAPTERS 3–4

The *owner*

Own, charter, or both — the modern playbook, and the charter economy that rents the dream by the week.

Own, charter, or *both*

3.1 · The access spectrum, marine edition

MODEL	TYPICAL COMMITMENT	BEST FOR	THE TRADE
Full ownership	$5–500m + 8–12%/yr running	8+ weeks/yr aboard	Total control, your crew, your itinerary; total cost, crew management, depreciation
Ownership + charter-out	As above, less €/wk income	4–8 weeks/yr	Offsets 20–50% of running costs; wear, scheduling around clients, VAT complexity
Charter	€30k–€1m+/wk + ~30% APA	1–6 weeks/yr	Any yacht, any sea, zero commitment; peak-week scarcity, no equity
Fractional / co-ownership	From ~$500k shares	Experimenters	A niche that never scaled like NetJets — scheduling and pride-of-place resist sharing at sea

Indicative 2025–26 market terms. APA (Advance Provisioning Allowance) covers fuel, food, berthing — typically 25–35% atop the charter fee, plus 10–20% crew gratuity.

3.2 · How the modern owner actually behaves

Charter first is now doctrine. The brokers' universal advice — rent three summers before you sign a build contract — has become standard practice; charter is simultaneously the industry's revenue, its showroom, and its apprenticeship. **Privacy is engineered:** ownership sits behind flag-state structures (Cayman and Marshall Islands registries dominate the large fleet), trustee directors, and names that change with owners; AIS transponders go conveniently quiet in sensitive anchorages. **The demographic is shifting** exactly as in aviation: younger principals (tech and finance fortunes), more women signing contracts, and a decisive taste change from gin-palace to *explorer* — ice-class hulls, 6,000-mile ranges, dive centres, submersibles and helicopters, built for Antarctica and Raja Ampat rather than the Cannes quay. **Family logic rules the purchase:** in client conversations the yacht is bought as infrastructure for togetherness — the one asset that reliably assembles three generations for a fortnight — which is why the rational spreadsheet loses and the multigenerational memory wins, and why owners who use the boat forgive costs that owners who don't never do.

3.3 · Anatomy of a yacht operation

Behind every effortless sundowner stands a small maritime company. The standard architecture for a 45–60m vessel:

- **The captain** — CEO afloat: navigation, crew command, compliance, budget, and the owner relationship. $150–300k, worth every basis point; the single hire that decides the ownership experience.
- **Crew of 10–18** — deck (bosun, deckhands), interior (chief stew's hotel operation), galley (chefs poached from starred kitchens), engineering (the unseen department that prevents every headline). Rotational schedules now standard at 50m+; crew wages up ~30% since 2020 in the industry-wide talent squeeze.
- **The management company** (Fraser, Burgess, Hill Robinson et al.) — shoreside ISM/ISPS compliance, accounts, insurance, flag liaison, crew payroll: 3–6% of running costs, non-optional above 500GT where commercial-grade regulation bites.
- **The owner's representative** — in builds and refits, the owner's engineer-diplomat inside the yard; the difference between the dream delivered and the dispute litigated.
- **Compliance stack** — flag state (Cayman/Marshall Is. for most large yachts), class society surveys (Lloyd's, RINA), MLC crew-welfare rules, cruising VAT posture per sea. The paperwork sails before the boat does.

Navy Capital's operational counsel compresses to one line, learned from every content owner we know: *staff before steel* — engage the captain and management company at contract, not christening; let them attend the build; and retain them as you would a fund manager, because that is functionally what they are: fiduciaries of a $30m floating estate and the family inside it.

Renting the *dream*

Charter is the industry's second economy — thousands of vessels earning through the summer, a professional management layer (Burgess, Fraser, YPI, IYC fleets), and the price list that defines the dream in numbers:

CLASS	WEEKLY RATE (MED, HIGH SEASON)	WHAT YOU GET
30–40m motor yacht	€60–150k	5–6 cabins, 7–9 crew — the charter workhorse
40–50m	€150–300k	Full beach club, toys garage, 10–12 crew
50–70m	€300–600k	The event tier: Monaco GP, Cannes berths
70m+ / giga	€700k–1m+	A dozen listed worldwide; waitlists, vetting both ways
Crewed catamaran (Caribbean)	$30–70k	The family entry point; captain and chef included

CharterWorld/YachtCharterFleet/Vital 2025–26 guides. Add APA ~25–35% and gratuity 10–20%; Caribbean all-in typically runs 10–20% below Med equivalents on cheaper fuel and free anchorages.

4.1 · The market's shape

Geography: the Mediterranean commands ~50% of world demand — Greece the single largest market at 26%, the Riviera–Sardinia–Amalfi triangle the premium core — with the Caribbean the winter mirror and new frontiers (Norway's fjords, Indonesia, Antarctica via explorer charters) the fastest-growing niches. **Season:** eight Mediterranean weeks (July–August especially) produce the majority of annual revenue; peak weeks on marquee yachts book a year ahead even as 2025's pattern shifted to shorter booking windows. **Economics for owners:** a well-managed 45m chartering 8–12 weeks grosses €1.5–3m — recouping perhaps a third to half of running costs, never a profit, but converting a pure cost centre into a subsidised one; roughly half the large fleet participates. **Economics for guests:** charter remains, dollar-for-dollar, the best value in the entire luxury-travel canon — a €200k week split among five couples buys a private resort, Michelin-grade galley and a moving view that no hotel at any price replicates. It is also — repeated without exception by every broker we interviewed — the only sensible first step toward ownership.

4.2 · Case study: one week aboard, fully accounted

The anatomy of a representative high-season booking — a 47m motor yacht, Naples–Amalfi–Capri, eight guests:

LINE	AMOUNT	NOTE
Base charter fee (week)	€225,000	The published number
APA (30%)	€67,500	Fuel, berths (Capri in August: €3–5k/night), provisioning, that lunch at Da Adolfo
VAT (Italian waters)	€49,500	22% on the fee; itinerary-dependent reliefs exist
Crew gratuity (12.5%)	€28,000	10–15% customary, cash, captain distributes
All-in	≈ €370,000	~€46k per guest — the honest brochure line

Illustrative 2025–26 Med pricing; APA reconciles to actuals — unspent funds return, overages settle at disembarkation.

Where it goes on the owner's side: of the €225k fee, ~20% to broker commissions (retail + management), leaving ~€180k against a week's marginal costs of €60–90k — the arithmetic behind Chapter 4's rule that charter *offsets* ownership without ever funding it. **Where it goes on the guest's side** is the industry's true product: eleven crew rehearsed to invisibility, a chef briefed on every allergy and anniversary, tenders positioned before the thought forms, and a week in which the only decision demanded is lunch. Clients who run this case study once understand both sides of the market permanently — which is why we run it here, and why the smartest first step into yachting remains a booked, not a bought, summer.

III

PART III · CHAPTERS 5–8

The *builders*

Italy's volume houses, the North Sea's custom legends, and the broker layer that moves the fleet between fortunes.

Share by nation & *house*

The building world splits into two industries sharing one order book: Italian semi-custom volume, and Northern European full-custom giants.

BUILDER / GROUP	PROJECTS IN BUILD	NATION	CENTRE OF GRAVITY
Azimut-Benetti Group	163 (5,924m of yacht) — #1, 26 straight years	Italy	Full range 24m–108m; €1.5bn revenue; booked to 2029
Sanlorenzo	#2 globally; listed (Milan)	Italy	Semi-custom 24–73m; art-house branding
Ferretti Group (incl. Riva, CRN, Pershing, Custom Line)	Top-5; listed (Milan/HK)	Italy	Brand portfolio from runabouts to 70m+ CRN customs
Lürssen	Fewest units, most metres above 100m	Germany	The giga-yard: Azzam, Dilbar, 134m Deep Blue (2025)
Feadship (Royal Van Lent + De Vries)	#3 by length in build	Netherlands	The custom benchmark; hydrogen pioneer Breakthrough
Oceanco · Amels/Damen · Heesen · Abeking	The 60–130m specialist tier	NL/DE	Koru (127m), limited-edition Amels, aluminium Heesens
Turkish yards (Bilgin, Turquoise, et al.)	90 projects — #2 nation	Türkiye	Value custom 45–80m; cost inflation cooling growth
Overmarine, ISA/Palumbo, Baglietto, Columbus…	The Italian long tail	Italy	Sport and custom niches

BOAT International Global Order Book 2026; builder disclosures. Rankings by total length in build unless noted.

5.1 · Two industries, one league table

Italy's 52–54% unit share rests on a semi-custom model — series hulls, bespoke interiors, 18–30-month deliveries, price points from €5m flybridges to €60m Benetti customs — that makes it the Textron-and-Embraer of the sea: volume, availability, and a dealer network everywhere the wealthy summer. The North Sea yards are the market's Gulfstream-and-beyond: full-custom engineering at 3–5-year lead times, naval-architecture firsts (hydrogen, diesel-electric, glass superstructures), client lists that read like the Forbes ranking, and pricing — routinely $2–4m per metre at the top — that no Italian series approaches. Türkiye plays the value-custom middle. The strategic moats mirror aviation's: craft reputations compound over generations (Feadship trades on 75 years of them), skilled-labour pools cannot be conjured, and no financier funds a new giga-yard on spec — which is why the top of this market has admitted no new entrant in decades and why backlogs, not demand, set every delivery date to 2029.

5.3 · The refit & marina economy: the industry's steadiest profits

New builds take the headlines; the recurring money is ashore. **Refit** — the mandatory 5-yearly class survey plus the discretionary rebuild cycle — turns every yacht into a repeat customer: a mid-life 60m refit routinely runs €5–15m (paint alone €1m+), giga-yacht rebuilds exceed €50m, and the specialised yards (MB92 Barcelona and La Ciotat, Lusben, Amico, the Dutch yards' service arms) run multi-year books with margins the new-build side envies — Warren Buffett would recognise the razor-blade model instantly. **Marinas** are the sector's infrastructure asset class: fixed premium supply (Chapter 2.2's berth crisis), CPI-plus pricing power, and consolidation into platforms — D-Marin (CVC-backed), IGY (acquired by MarineMax), Camper & Nicholsons Marinas — trading at infrastructure multiples. **Crew services, provisioning, insurance and finance** complete an onshore economy several times the yards' revenue.

For investors this is the report's quiet headline: the investable superyacht industry is mostly not the yachts. Builders carry cycle and execution risk; the service annuity — refit yards, marina platforms, management consolidators — compounds off the *existing* 6,000-hull fleet regardless of next year's order book, and every yacht delivered this decade feeds it for fifty years. It is the FBO-and-MRO thesis of our aviation study, translated to salt water, and private equity's early positions (CVC, MarineMax, PE-backed brokers) suggest the institutions have read the same chart.

€5–15m	5 yrs	50 yrs	CPI+
TYPICAL MID-LIFE 60M REFIT	CLASS-SURVEY REFIT CYCLE	SERVICE LIFE PER HULL DELIVERED	MARINA PRICING POWER

The empire of *Viareggio*

Azimut-Benetti — the perennial number one

Paolo Vitelli's 1969 charter agency became the world's largest yacht builder and has now held the crown for 26 consecutive years: 163 yachts in build across the twin brands — **Azimut**'s 24–38m planing and flybridge series (the fleet you actually see in every marina) and **Benetti**'s displacement customs to 108m (*IJE*, the Oceanix line). The group model is the industry's most complete: in-house design-to-delivery, a marina and services arm (Lusben refit, Yachtique), family control with professional management, €1.5bn revenue and an order book stretching to 2029. Its quiet superpower is the ladder — an owner can climb from a 24m Azimut to a 65m Benetti without leaving the family, and thousands have.

Sanlorenzo — the art house

Massimo Perotti's rebuilt Sanlorenzo turned a 1958 boutique into the listed (Borsa Italiana) world #2 by positioning yachts as collectible design: artist collaborations, asymmetric layouts, Piero Lissoni interiors, and a disciplined semi-custom range (SL, SD, SX lines to the 73m Attila-class) that commands premium pricing on waiting lists. Its methanol-fuel research program and 50 Steel hydrogen tender concept lead the Italian sustainability race.

Ferretti Group — the brand portfolio

Eight brands under one listed roof (Milan and Hong Kong): **Riva** — the Aquarama legend and the industry's strongest heritage marque; **Pershing** speed; **Ferretti Yachts** flybridges; **Custom Line** and **CRN** at the custom top (79m *Mimtee*-class). Weathering a debt near-death in 2012 into Chinese (Weichai) anchor ownership and a 2023 dual listing, Ferretti is the sector's conglomerate experiment — proof the LVMH playbook can float. Combined, the three Italian groups deliver more yachts annually than the rest of the world's 30m+ industry together; their competition is with each other, and it is ferocious, brand-driven, and excellent for customers.

26 yrs	163	2	2029
AZIMUT-BENETTI AT #1	GROUP YACHTS IN BUILD	LISTED ITALIAN BUILDERS	ORDER BOOKS EXTEND TO

6.4 · The gateway tier: where owners are made

Below the superyacht threshold operates the industry's farm system — the 15–27m production builders whose owners become Benetti's clients a decade later:

BUILDER	NATION	FRANCHISE
Princess · Sunseeker	UK	The British production duopoly (L Catterton- and Wanda-adjacent ownership histories); the Med's charter-fleet backbone
Riva (Ferretti)	Italy	The heritage crown — Aquarama mystique monetised from 8m runabouts to 50m flagships
Azimut (volume lines)	Italy	The ladder's first rungs, engineered for trade-up
Beneteau group · Brunswick	FR/US	The listed mass market beneath it all — sailing and sport
Sunreef · Lagoon	PL/FR	The catamaran boom — charter economics' favourite hull

The tier matters to this report for two reasons. **It is the demand pipeline:** the industry's own data shows most 40m+ owners climbed through two or three production boats first — which is why Azimut-Benetti's single-group ladder from 24m flybridge to 100m custom is the sector's most underrated strategic asset, and why the Italian groups defend their entry ranges as fiercely as their flagships. **It is the listed exposure:** Beneteau, Brunswick, MarineMax and (at the premium boundary) Sanlorenzo and Ferretti give public-market investors the volume cycle the custom yards never list — with the standard caveat that this tier feels recessions first and hardest, the speedboat being the most discretionary purchase in the entire luxury economy.

2–3	24m	4	#1
BOATS OWNED BEFORE THE FIRST 40M	WHERE "SUPERYACHT" BEGINS	MAJOR LISTED PLATFORMS IN THE TIER	CATAMARANS — FASTEST-GROWING HULL

Where the giants are *born*

Lürssen — the giga-yard

Bremen's family-owned Lürssen (est. 1875) owns the very top: *Azzam* (180m, the world's longest), *Dilbar* (15,917GT, the largest by volume), *Rising Sun*, *Octopus* — and 2025's 134m *Project Deep Blue*, first giant off its new Bremen slipway. Naval contracts (German frigates) provide the engineering ballast and cash-flow stability, precisely as Rafale does for Dassault; secrecy is house policy; and the client list is sovereign-heavy. Above 120 metres, Lürssen effectively *is* the market.

Feadship — the benchmark

The Dutch alliance (Royal Van Lent, Koninklijke De Vries, De Voogt naval architects) is to custom yachts what Patek is to watches: the reference for finish, engineering documentation and resale premium — "it's a Feadship" ends arguments. Its 2024–25 statement was generational: *Breakthrough* (118.8m, built for Bill Gates's family office), the world's first hydrogen-fuel-cell superyacht and 2025's largest brokerage sale — the industry's clearest signal that the propulsion transition has reached the summit.

The specialist tier

Oceanco (Alblasserdam): the showpiece builder — Bezos's 127m sailing *Koru*, *Black Pearl*'s DynaRig, Jubilee's 110m. **Amels/ Damen**: the Limited Editions semi-custom insight applied at 60–80m, plus Damen's explorer-support vessels (the shadow-boat category it invented). **Heesen**: Oss's aluminium speed specialists at 50–80m. **Abeking & Rasmussen, Nobiskrug** (the 143m *Sailing Yacht A*): German engineering's second rank, still world-class. Collectively the Dutch-German tier delivers perhaps 25–35 yachts a year — and the majority of the industry's dollar value above 70 metres, at €2–4m per metre and 4–5-year patience.

180m	1875	H_2	€2–4m
AZZAM — LÜRSSEN'S RECORD	LÜRSSEN FOUNDED	BREAKTHROUGH — FEADSHIP FIRST	PER METRE, CUSTOM TOP TIER

The deal *machine*

Between builders and owners operates the industry's City: full-service houses that broker sales, run charter fleets, manage vessels and shepherd new builds — collecting fees at every mast.

HOUSE	FOUNDED / BASE	DISTINCTION
Burgess	1975 · London	The large-yacht specialist — dominant in 50m+ central agencies
Fraser	1947 · Monaco	Largest full-service fleet under management; the data publisher
Edmiston	1996 · Monaco/ London	Top-end sales — closed Breakthrough, 2025's biggest deal
IYC · Northrop & Johnson · Camper & Nicholsons	Global networks	Volume brokerage and charter; C&N dates to 1782
Y.CO, Ocean Independence, YPI…	Monaco-centric tier	Charter management and boutique sales

The economics: sales commissions run ~10% tiered (shared central/introducing); charter commissions 15–20%; management retainers monthly; new-build representation 1–3% of contract — a fee stack that makes the top houses' Monaco addresses self-explanatory. Consolidation has arrived here first: private equity assembled IYC (with charter platforms) and N&J under one roof, marina groups (D-Marin, IGY — itself bought by MarineMax) trade as infrastructure assets, and refit yards (MB92 Barcelona, Lusben) attract institutional capital as the sector's steadiest cash flows. **For buyers the layer matters practically:** the broker's survey, sea-trial and contract discipline — and the central-agency listing data only they see — are the difference between buying a yacht and buying a lawsuit; our counsel is unchanged from aviation's: never transact unrepresented in a market where the other side never does.

~10%	602	1782	Monaco
TYPICAL SALE COMMISSION	BROKERAGE SALES 2025 (+4%)	CAMPER & NICHOLSONS FOUNDED	THE INDUSTRY'S SQUARE MILE

8.2 · Anatomy of a sale: from listing to handover

PHASE	WHAT HAPPENS	WATCH-OUTS
Search & offer	Central-agency listings via your broker; comparable analysis (GT, refit history, engine hours); offer with 10% deposit into escrow	Asking prices are theatre — closed comps are the truth only brokers hold
MOA	Memorandum of Agreement (MYBA form standard): price, survey conditions, timelines	Subject-to-survey wording decides your walk-away rights
Survey & sea trial	Independent condition survey (hull, systems), oil analysis, class-record audit; sea trial at speed	€30–80k well spent; deferred maintenance hides in the engine room, not the saloon
Negotiation II	Survey findings priced: repair, reduce, or reject	The second negotiation is where representation earns its fee
Completion	Title via flag registry, deletion certificate, VAT status papers, delivery acceptance	VAT/importation posture must be settled *before* closing — retrofit fixes cost multiples
Transition	Crew retained or recruited; management onboarding; insurance binding; refit punch-list	Keeping a good existing crew is the cheapest upgrade in yachting

Typical timeline eight to sixteen weeks; typical all-in transaction friction 2–4% for the buyer (survey, legal, registration) against the seller's ~10% commission stack. The desk's compressed counsel: never waive survey, never close with unresolved VAT posture, and never buy the boat whose logbooks embarrass her paint — in this market, as in aviation's, *the records are the asset; the gelcoat is the advertisement.*

IV

PART IV · CHAPTERS 9–10

The *vessels*

From the 24-metre entry class to the 180-metre giants — what each tier buys, and the ships that define the summit.

24 metres to the *giga-tier*

CLASS	PRICE NEW	CREW	WHAT THE TIER BUYS	SIGNATURE BUILDERS
24–30m ("entry")	$5–12m	3–5	The marina fleet: family weekends, coastal hops	Azimut, Ferretti, Princess, Sunseeker
30–40m	$12–30m	6–9	True superyacht life; charter's workhorse class	Benetti, Sanlorenzo, Sunreef cats
40–50m	$25–60m	9–12	Beach clubs, toy garages, transatlantic legs	Benetti, Heesen, Baglietto, Custom Line
50–70m	$50–150m	12–18	Full custom begins; helipads; world range	Amels, Feadship, CRN, Turkish customs
70–100m	$150–400m	20–35	The statement tier; two helipads, spas, cinema decks	Lürssen, Feadship, Oceanco, Abeking
100m+ ("giga")	$400m–1bn+	40–100	Floating estates; sovereign-grade security & systems	Lürssen, Feadship, Oceanco — nobody else
Explorer / support	$20–300m	varies	Ice class, 6,000nm+, subs & heli hangars; the boom niche	Damen SeaXplorer, Sanlorenzo 500EXP, conversions
Sailing superyachts	$15–500m	6–36	The purist's tier — and the aesthete's (Koru, Black Pearl)	Oceanco, Royal Huisman, Perini Navi legacy

Indicative 2025–26 new-build pricing, typically equipped; custom projects vary enormously. Crew counts at sea.

9.1 · Where the market actually lives

Exactly as in aviation, the photographs come from the top and the volume from below: the 24–40m classes are ~70% of all units in build and the entirety of most marinas, while the 100m+ tier counts perhaps 10–15 launches a year — and half the industry's headlines. The working advice mirrors our jet study's 80th-percentile rule: buy the class your *actual* summers fill (most families' honest answer is 35–50m — big enough for three generations, small enough to enter St-Tropez and find crew), and charter up for the milestone years. The fastest-growing tiers tell the taste shift: explorers (range and adventure over gloss), sailing's quiet renaissance among younger owners, and the support-vessel category — the shadow boat carrying the toys, staff and helicopter so the mothership keeps her lines clean.

9.2 · The toy economy: what the garage carries

A modern superyacht is a mothership, and its garage manifest is its personality:

- **Tenders** — the limousine (chase) tender is its own luxury market: custom Hodgdon and Pascoe builds at $500k–3m, matched to the mothership's paint.
- **Submersibles** — Triton and U-Boat Worx personal subs ($2.5–8m) moved from fantasy to explorer-spec standard; three-person dives to 300m+ as after-lunch entertainment.
- **Helicopters** — touch-and-go pads at 55m+, certified hangars at 80m+; the aviation study's smallest aircraft completing the wealth series' circle.
- **The beach club** — the decade's defining design shift: fold-out terraces, sea pools, saunas and gyms at the waterline, moving the yacht's social centre from sundeck to sea level.
- **The inventory beneath:** Seabobs, e-foils, jet skis, dive compressors, inflatable islands — a $1–5m consumables layer with hotel-grade replacement cycles, and the crew's most photographed workload.

Economically the toys matter twice. They are **charter's currency** — listings compete on garage manifests, and a submarine measurably lifts weekly rates in the explorer segment. And they anchored the **support-vessel category**: once the toys outgrew the mothership, Damen's SeaXplorer-adjacent shadow boats (helicopter, dive centre, extra crew, the owner's Land Rovers) became the fleet's fastest-growing class — the yachting equivalent of the aviation study's bizliner tier, where the accessory became its own $30–80m asset. The taste signal beneath the spending: experiences over gloss, capability over chrome — the same explorer-era shift reshaping the entire order book.

$2.5–8m	55m+	$1–5m	#1
PERSONAL SUBMERSIBLE	WHERE HELIPADS BEGIN	TYPICAL TOY INVENTORY	FASTEST-GROWING CLASS: SUPPORT VESSELS

The world's largest *yachts*

YACHT	LOA	BUILDER · YEAR	OWNER ASSOCIATION*	CLAIM
Azzam	180.6m	Lürssen · 2013	Abu Dhabi presidential	Longest afloat; 30+ knots
Fulk Al Salamah	164m	Mariotti · 2016	Oman royal	Second-longest
Eclipse	162.5m	Blohm+Voss · 2010	R. Abramovich	The oligarch era's flagship
Dilbar	156m	Lürssen · 2016	Usmanov (sanctioned/ seized)	Largest by volume — 15,917GT
Blue	160m	Lürssen · 2022	UAE (Mansour bin Zayed)	The modern Gulf flagship
Dubai	162m	Blohm+Voss/Platinum · 2006	Ruler of Dubai	The namesake statement
Project Deep Blue	134.2m	Lürssen · 2025	Undisclosed	2025's largest launch; 9,079GT
Koru	127m	Oceanco · 2023	J. Bezos	Largest sailing yacht; ~$500m with support vessel
Breakthrough	118.8m	Feadship · 2024	Gates family office (sold 2025)	First hydrogen-fuel-cell superyacht
Luna	115m	Lloyd Werft · 2010	(For sale 2025)	The great explorer; priciest listing afloat

*Ownership per credible press reporting; formally held via structures and rarely confirmed. LOA = length overall. Selection, not a strict ranking.

10.1 · What the summit teaches

Three lessons live in this table. **The Gulf owns the top:** half the largest hulls associate with Gulf sovereigns — the same surplus wealth our sovereign-fund series maps, expressed in steel. **The sanctions rewrote it:** *Dilbar* impounded in Hamburg, *Amadea* auctioned by US Marshals — the 2022 seizures proved flag structures shelter privacy, not immunity, chilled speculative giga-orders, and quietly shifted the buyer mix toward American and Gulf money. **The frontier turned technical:** the newest giants compete on propulsion (hydrogen, methanol-ready, diesel-electric), glass engineering and range rather than raw length — *Azzam*'s 2013 record still stands not because ambition died but because the summit's question changed from "how long?" to "how far, how clean, how private?"

10.2 · Ten yachts that made the industry

YACHT	ERA	WHY IT MATTERED
Corsair (J.P. Morgan)	1890s	Founded the asset class — and its most famous quip
Christina O	1954	Onassis's court afloat: the modern archetype of yacht-as-stage
Britannia (HMY)	1954	State yachting's benchmark; protocol afloat
Prince Abdulaziz	1984	147m — the Gulf takes the size crown it still holds
Octopus (Paul Allen)	2003	The explorer template: subs, studios, science bays
Rising Sun	2004	Tech wealth arrives at Lürssen scale
Maltese Falcon	2006	DynaRig proved sail could be spectacular again
Eclipse	2010	The oligarch era's 162.5m high-water mark
Azzam	2013	180m in 33 months — the record that still stands
Koru / Breakthrough	2023–24	Sail's renaissance and hydrogen's arrival — the next era, launched

The pattern mirrors our aviation list precisely: the vessels that mattered either *created a category or moved its frontier* — Christina O invented the social yacht, Octopus the explorer, Maltese Falcon the modern sailer, Breakthrough the clean giant — while pure size records (held, contested, forgotten) date like tail fins. Owners commissioning today's builds might note which column history rewards: every yard's brochure sells metres, but the yachts still discussed fifty years on sold *ideas*. The next entry on this list is likelier to be the first true zero-emissions world-cruiser than the first 200-metre — and three yards in Holland are quietly racing to build her.

V

PART V · CHAPTERS 11–12

The *economics*

The ten-percent rule, the value curve, and the honest arithmetic of the world's most beautiful liability.

What ownership really *costs*

The industry's oldest heuristic — annual running costs ≈ 10% of vessel value — survives because it keeps being true. The ledger for a representative 47m displacement yacht valued at $30m:

LINE ITEM	ANNUAL COST	NOTES
Crew (10–12, incl. rotational captain)	$1.2–1.6m	The largest line; captains $120–250k, chefs prized like restaurants'
Berthing & marina	$250–500k	Med summer berths are the scarcity: Monaco/Capri peak weeks command five figures nightly
Fuel	$300–500k	~1,500–2,500 hrs engines + generators; itinerary-dependent
Maintenance & refit reserve	$600k–1m	Annual works + 5-yearly class surveys; paint jobs alone run $1m+
Insurance	$150–300k	Hull + P&I; up post-2022 across the fleet
Management, flag, comms, provisioning	$300–500k	Management co. 3–6%; Starlink now standard
Cash running total	~$2.8–4.2m/yr	= 9–14% of value — the rule, verified
Depreciation (economic)	$1.5–2.5m/yr	~5–8%/yr typical; the unspoken largest cost
All-in ownership	~$4.5–6.5m/yr	Offsetable 20–50% by charter-out

Navy Capital illustration from management-company benchmarks, 2025–26 conditions; explorer itineraries and giga-tier vessels scale super-linearly (a 100m runs $15–25m/yr). VAT/importation planning materially affects EU cruising — specialist counsel essential.

The desk's decision rules

- **Under 4 weeks a year aboard: charter.** The math never closes otherwise; €600k of magnificent weeks beats $5m of standing costs every time.
- **Buy the usage, not the marina neighbour:** the honest family answer is usually 35–50m; prestige metres cost ~$100k+ each, every year, forever.
- **Crew is the asset:** a great captain retained beats a great hull upgraded — budget generously, churn never.
- **Charter-out with eyes open:** it subsidises, complicates VAT, and ages the boat; decide by temperament, not spreadsheet alone.
- **Survey like a forensic accountant:** deferred maintenance is the pre-owned market's buried cost — the $2m-cheaper boat with the postponed refit is the expensive one.

11.3 · Flags, VAT & structures: the paperwork that sails first

The flag is the yacht's nationality and rulebook. The large fleet overwhelmingly flies the **Cayman Islands** and **Marshall Islands** (with Malta dominant for EU-commercial operation): mature registries offering rigorous-but-commercial survey regimes, owning-company privacy, and — decisively — frameworks for large-yacht crewing and charter that onshore registries lack. The choice is regulatory engineering, not tax evasion; every serious registry now enforces beneficial-ownership reporting to authorities, as the 2022 seizures demonstrated conclusively.

VAT is the European game-decider. An EU-cruising yacht must hold settled status: VAT-paid (20%+ of hull value, once), temporary admission (non-EU owners, 18-month cycles), or commercial registration (charter operation with VAT on charters instead) — each with strict conditions, and mis-stepping among them is the costliest paperwork error in yachting. Charter structures (typically Maltese) recover input VAT but commit the yacht to genuine commercial use; hybrid use demands specialist counsel per itinerary. **The ownership stack** above the flag — holding company, often a trust or family-office SPV above it — serves liability isolation, succession and privacy; US owners layer LLCs for the same reasons. None of it is optional above 30m, and all of it belongs in place *before* the MOA is signed: retrofitting structure onto a closed purchase is the second-costliest paperwork error.

Cayman	500GT	18mo	First
THE LARGE FLEET'S DEFAULT FLAG	WHERE COMMERCIAL-GRADE RULES BITE	EU TEMPORARY-ADMISSION CYCLE	STRUCTURE BEFORE SIGNATURE — ALWAYS

The value *curve*

With 602 brokerage sales in 2025 (+4%) against ~200 new deliveries, pre-owned is — as in aviation — where price discovery lives. The cycle followed the same arc: 2021–22's frenzy emptied the quality inventory and lifted prices 20–30%; normalisation since has been orderly, with 2025's total sales value −8% on softer new-build signings while the used market stayed "healthy" (Fraser) and good vessels still sell in a season.

The curve, and how to ride it

Depreciation is front-loaded and brand-sorted. A production Italian 30m sheds ~30–40% in five years; a pedigreed Feadship or Benetti custom can hold 70%+ of value over the same span and — maintained fastidiously — trade sideways for a decade. The variables that price a used yacht, in order: builder pedigree, maintenance history (the engine-room logbooks matter more than the saloon), refit recency, charter track record (a proven earner carries a business attached), and volume/GT for her length. **The buyer's edge:** a 7–10-year-old vessel post-refit from a first-class yard delivers ~90% of the new experience at 40–60% of replacement cost, available this summer instead of 2029 — the identical arbitrage our aviation study found, wetter. **The seller's discipline:** price to the survey, not the sunk cost; the market knows what deferred maintenance costs, and it deducts double.

602	~3×	30–40%	40–60%
2025 BROKERAGE SALES (+4%)	USED VS NEW TRANSACTION VOLUME	TYPICAL 5-YR PRODUCTION DEPRECIATION	OF REPLACEMENT — THE 7–10YR SWEET SPOT

One asset-class note for completeness: yachts are consumption, not investment — the rare appreciating exceptions (classic Rivas, pedigreed sailing classics, the 2021 anomaly) prove the rule. The investable expressions of this industry are its equities (Sanlorenzo, Ferretti, MarineMax/IGY, Brunswick at the mass end), its infrastructure (marinas, refit yards), and its credit — not its tonnage. Our clients hear the same sentence about jets: buy the experience with open eyes, and let the industry, not the asset, carry the investment thesis.

12.3 · Who owns the fleet

The register behind the registries, from industry wealth studies and broker data:

— **Penetration is thinner than assumed:** with ~6,000 30m+ yachts against 2,800+ billionaires and ~30,000 $100m+ fortunes, most eligible wealth owns no yacht — the industry's persistent bull case and its eternal marketing challenge in one statistic.

— **Americans dominate by count** (roughly a third of the large fleet), Europeans by tradition, the Gulf by size class; the sanctioned Russian cohort's exit from the top tier has been backfilled by American tech-finance wealth and Gulf family offices.

— **The age curve is bending young** exactly as in aviation: brokers report buyers in their 40s where their fathers bought at 60, charter-first adoption among sub-45 principals, and the explorer/adventure brief displacing the marina-statement brief generation by generation.

— **Usage is the fleet's open secret:** the average owned yacht sees her family aboard 4–8 weeks a year — the number behind the charter-out economy, the crossover mathematics of our FAQ, and every broker's gentle first question to a would-be buyer.

— **Corporate and state ownership** rounds the register: charter-fleet investors, the handful of state yachts, and the odd listed-company asset — vestiges of an era before optics committees.

The demographic arithmetic drives our decade view: wealth creation mints eligible buyers faster than yards can launch hulls, the under-penetration gap gives the industry decades of headroom, and the generational taste shift — experience, range, sustainability — tells the yards exactly what to build for them. Demand, in short, is not this industry's constraint and will not be; berths, labour and lead times are.

VI

PART VI · CHAPTERS 13–14

The decade *ahead*

Where the fleet sails next — the forecast, the risks, and the questions clients actually ask.

The course to *2035*

Market forecasters pencil ~5% annual growth (toward $45bn on wide definitions by 2032); the order book underwrites the first three years of it already. Navy Capital's five calls around the consensus:

— **The yards stay sold out — and consolidate.** Backlogs to 2029, skilled-labour scarcity, and no new capacity above 80m mean pricing power stays with builders; expect further Italian consolidation and luxury-group flirtations (the LVMH-of-the-sea thesis) following Ferretti's listing path.

— **Propulsion transition becomes the spec war.** Breakthrough's hydrogen first, methanol-ready engine rooms, and hybrid drivetrains move from press release to purchase requirement; EU emissions rules and marina electrification accelerate it. As with aviation's SAF: a cost line and a fleet-renewal tailwind, not an existential threat.

— **The explorer decade continues.** Range, ice class, and expedition capability keep taking share from the gin-palace aesthetic; the support-vessel category grows fastest of all; Antarctica and the Northwest Passage become charter brochure staples.

— **Charter institutionalises.** Shorter booking windows, dynamic pricing, and PE-backed platform consolidation professionalise the rental economy; the Med's berth scarcity (the industry's true bottleneck) makes marina assets the sector's best-compounding infrastructure.

— **The Gulf builds a home sea.** Red Sea marinas (Sindalah, Amaala), Dubai Harbour's berth build-out, and winter-season positioning between Med summers create the third pole our Gulf series predicts — the fleet following the wealth it already serves.

Chapter 14 · The risk register

1 · The cycle: yacht demand tracks equity wealth with a lag; 2009 halved sales and beached speculative builds. Multi-year backlogs cushion but do not immunise. **2 · Political visibility:** the seized-oligarch precedent, EU tax scrutiny of charter VAT structures, and the fleet's carbon optics make regulation the top-of-market's standing headwind. **3 · Cost inflation:** crew wages, insurance, and refit labour compound faster than CPI — the ten-percent rule drifts toward twelve. **4 · Berth scarcity:** the Med cannot mint new Monacos; a fleet growing 3%/yr against fixed premium berthing is the industry's quietest constraint. **5 · Execution at the frontier:** hydrogen and methanol firsts carry first-of-type risk in yards whose craft is perfection, not iteration.

> *"The yacht is wealth's most honest purchase: it promises nothing but the sea, costs exactly what it says, and pays entirely in memory. Bought on those terms, it never disappoints."*

13.2 · The propulsion transition: engineering the licence to operate

Yachting's carbon profile — a large diesel yacht burns 500+ litres an hour underway — has made sustainability the industry's central engineering program, pursued on four fronts:

- **Hydrogen:** Feadship's 118.8m *Breakthrough* (2024) runs hotel loads on fuel cells with zero emissions at anchor — the proof-of-concept for the fleet's largest energy draw, and 2025's largest sale.
- **Methanol-ready:** Sanlorenzo's 50Steel and Lürssen concepts specify engine rooms convertible as green methanol supply matures — the "build the option now" strategy borrowed from shipping.
- **Diesel-electric & hybrid:** now mainstream at 50m+: silent-anchor battery nights, peak-shaving, 20–30% consumption cuts — sold as comfort (silence) as much as conscience.
- **Sail's technological return:** Koru's 127m rig, DynaRig successors and wing-assisted concepts make the oldest propulsion the newest statement; the aesthetic prestige of sail among younger owners is the decade's quietest taste signal.

The regulatory horizon (IMO trajectories, EU fuel rules, Norwegian fjord zero-emission zones from 2026, Med marine-park restrictions) converts these options into requirements on a knowable schedule — and, as with aviation's SAF chapter, the honest analysis reads transition as *tailwind dressed as headwind*: every tightening retires elderly tonnage, feeds the refit economy, and hands the technologically serious yards (the same five names, notably) another moat. The yacht that cannot anchor silently in a protected bay by 2035 will charter poorly, sell worse, and berth last — a depreciation forecast no owner commissioning today can responsibly ignore.

2024	2026	20–30%	127m
FIRST HYDROGEN SUPERYACHT	NORWAY'S ZERO-EMISSION FJORDS	HYBRID CONSUMPTION SAVINGS	KORU — SAIL'S FLAGSHIP RETURN

The questions clients ask the desk

Is a yacht ever an investment?

No — and the discipline of saying so protects buyers. Model 5–8% annual depreciation plus the ten-percent rule, treat any resale upside as weather, and put the investment thesis in the industry's equities and marinas instead. The 2021 window where used yachts appreciated was the exception that briefly fooled a generation.

Charter or buy — where is the crossover?

Roughly six to eight weeks of genuine annual use, sustained over years, with family logistics that reward a consistent crew and boat. Below that, €30k–1m weeks of charter buy more variety and zero obligation. Above it, ownership's control begins to justify its ledger — especially with charter-out offsetting 20–50% of costs.

New build or brokerage?

Brokerage for value and immediacy (the 7–10-year post-refit sweet spot at 40–60% of replacement); new build for the once-in-a-lifetime custom — accepting 3–5 years, cost-plus temptation, and the golden rule that the best builds have obsessive owners' representatives from keel to delivery.

Which builder is "best"?

Segment first: Italian semi-custom (Azimut-Benetti, Sanlorenzo, Ferretti) for 24–60m value, availability and the brand ladder; Dutch-German custom (Feadship, Lürssen, Oceanco, Amels) when the brief outgrows series engineering. Resale history modestly crowns Feadship pound-for-pound; the honest answer above 40m is that the shortlist writes itself and the interview that matters is with the project team, not the brochure.

The single most expensive mistake?

Buying the marina neighbour's boat: the 60-metre ego purchase whose owner uses nineteen days a year. Size to your true calendar, staff before steel, survey forensically, and charter three summers first. The sea is a magnificent teacher and a merciless accountant — enrol before you invest.

6–8 wks	35–50m	3 summers	10%
OWNERSHIP CROSSOVER THRESHOLD	MOST FAMILIES' HONEST SIZE	CHARTER APPRENTICESHIP RULE	THE RULE THAT NEVER LIES

The superyacht economy at a glance, 2025–26

INDICATOR	VALUE	NOTE
Global order book	1,093 yachts (+3.9%)	24m+; record; avg length 48.5m (record)
Production shares	Italy 52–54% · Türkiye 90 units · NL/DE the giants	568 Italian projects
Builder #1	Azimut-Benetti — 26th straight year	163 in build; €1.5bn revenue; book to 2029
2025 sales	442 yachts; 602 brokerage deals (+4%)	Total value −8% on softer new-build
Market size	~$10bn new-build (~$22bn wide)	~5% CAGR toward $45bn/2032 est.
Fleet	~6,000 (30m+) · ~13,000 (24m+)	~⅔ motor; Med-centric seasonality
Charter market	€30k–€1m+/wk + ~30% APA	Med ~50% of demand; Greece 26%
Running costs	8–12% of value/yr	The ten-percent rule; giga-tier $15–25m/yr
Largest yacht / volume / sailing	Azzam 180m · Dilbar 15,917GT · Koru 127m	2025: Deep Blue 134m launch; Breakthrough sale
Broker economics	~10% sale · 15–20% charter commissions	Burgess, Fraser, Edmiston, IYC lead

Appendix B · Glossary

LOA / GT	Length overall / gross tonnage — length ranks headlines; volume (GT) ranks reality.
Superyacht / megayacht / giga	Convention: 24m+ / ~60m+ / ~100m+ respectively; usage varies.
APA	Advance Provisioning Allowance — the charter expense float (fuel, food, berths), ~25–35% of the fee.
Semi-custom / full custom	Series hull with bespoke interior vs clean-sheet design-and-build.
Displacement / planing	Hull physics: range and comfort vs speed.
Explorer / support vessel	Long-range expedition yacht / the shadow boat carrying toys, helicopter and staff.
Central agency	The exclusive sales listing — the broker who "has" the boat.
Flag state	Registry jurisdiction (Cayman, Marshall Is.) governing survey, crew and tax posture.
Refit	Periodic rebuild — the industry's steadiest profit pool (MB92, Lusben).
Class survey	The 5-yearly certification (Lloyd's, RINA) that prices every used deal.

Sources: BOAT International Global Order Book 2026 and market intelligence; Fraser and IYC 2025 reviews; builder disclosures (Azimut-Benetti, Sanlorenzo, Ferretti, Feadship, Lürssen); CharterWorld/YachtCharterFleet rate guides; industry press through early 2026. Figures rounded; general commentary, not investment or purchase advice.

The great houses, compared

	AZIMUT-BENETTI	SANLORENZO	FERRETTI GROUP	FEADSHIP	LÜRSSEN
Nation	Italy	Italy	Italy	Netherlands	Germany
Ownership	Family (Vitelli)	Listed (Milan)	Listed (Milan/HK); Weichai anchor	Private consortium	Family, est. 1875
Range	24–108m full ladder	24–73m semi-custom	8–80m, 8 brands	50–120m+ full custom	60–180m+ full custom
2025–26 position	#1, 26 straight years; 163 in build	#2 globally	Top-5; brand breadth	#3 by length; H_2 pioneer	Giga-tier monopoly-adjacent
Signature	The ownership ladder	Design-house positioning	Riva heritage	The custom benchmark	The record-holders (Azzam, Dilbar)
Weakness	Brand prestige vs Dutch at top	Scale ceiling	Conglomerate complexity	Price & patience required	Secrecy limits brand economics
Investor access	Private	SL.MI	YACHT.MI / 9638.HK	Private	Private
Navy Capital one-liner	The empire of volume	The art house	The brand portfolio	The Patek of the sea	Where legends are welded

Synthesis of Chapters 5–7; positions per BOAT International Global Order Book 2026 and company disclosures. Ticker references are identifiers, not recommendations.

> *"Italy builds the fleet; Holland builds the benchmark; Germany builds the myths. The buyer's fortune decides which conversation they enter — and all three conversations are booked until 2029."*

N

Navy Capital

PRIVATE WEALTH · RESEARCH DESK

hello@navycapital.info · +1 (276) 258-9857 · navycapital.info

DISCRETION · DISCIPLINE · DUTY