

Factsheet

Insights into Life Settlement Investor Sentiment 2025



The European Life Settlement Association (ELSA), in conjunction with asset management firm Conning, published *Life Settlement Investor Sentiment 2025* in early December 2025, a report based on a survey of more than 250 senior investment executives, mainly asset managers and institutional investors, on their views about the asset class, both positive and negative. This latest report is the second edition, following on from the inaugural report published January of this year.

The purpose of the survey was to identify current attitudes among investors who are active in the life settlement market and those who are not. Additionally, there were subgroups within these respondents that provided valuable insights into different perspectives on life settlements as an asset class.

The main distinctions were between asset managers (who invest on behalf of others) and investors (such as pension funds, insurers, endowments, etc.) who invest on their own behalf (or that of their constituents). These groups differed in their views on life settlements, including how they integrated them into their portfolios, their target returns, and their investment horizons.

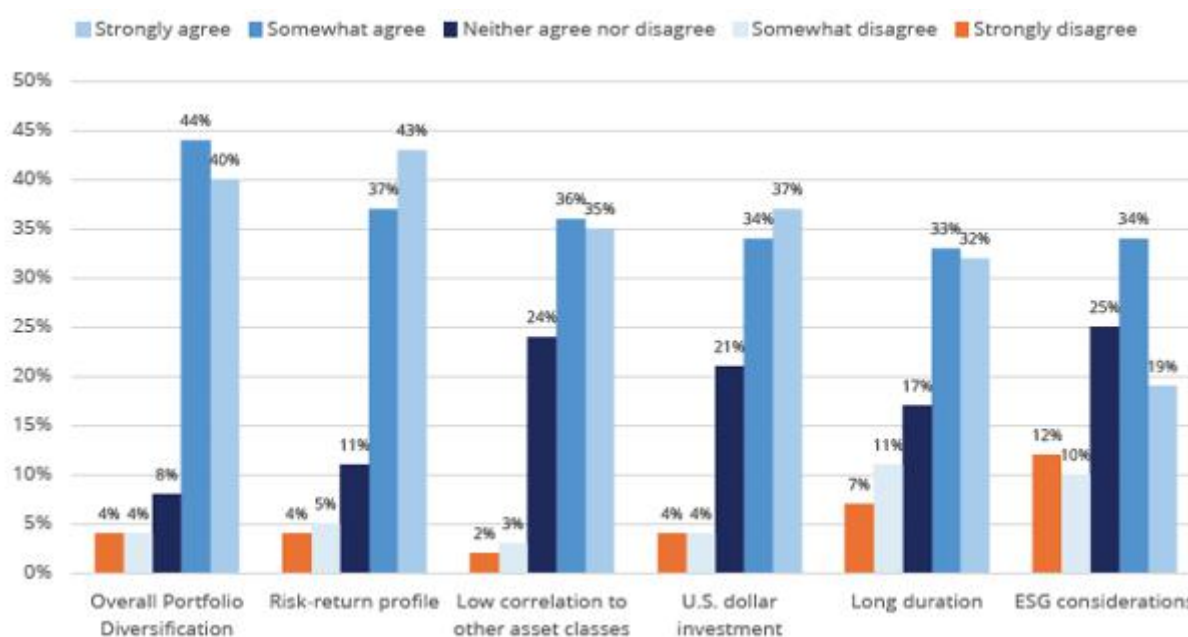
The survey results provide the life settlement market with deep, significant insight into how investors and market participants view life settlements; two of which, we highlight here.

Why Invest in Life Settlements?

Survey respondents were asked why they invested in life settlements. Overall portfolio diversification (84%) and the risk-return profile (80%) were the top two responses, with low correlation to other asset classes (71%) and the benefits of life settlements being a US dollar investment (also 71%) coming third and fourth.

Life settlements being a long duration asset was a close fourth this year, with ESG considerations coming a distant fifth.

Figure 1: Why Invest in Life Settlements?



Source: *Life Settlement Investor Sentiment 2025*, Conning/ELSA

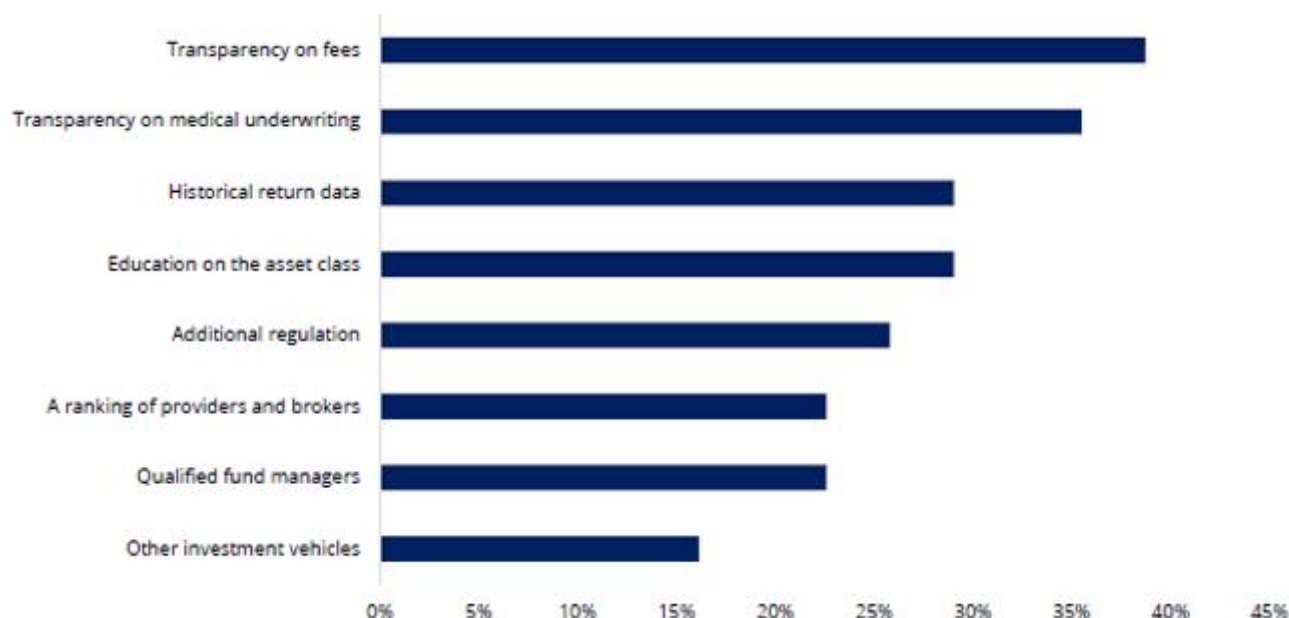
What's Needed to Invest?

The report also identified areas where the life settlement industry could focus future efforts in order to support perception and understanding of the asset class.

Survey respondents that have not invested in life settlements were asked what they would need in order to invest. Fee transparency moved up from fourth to first this year, followed by transparency on medical underwriting, which moved up from sixth to second (historical return data remained third).

More historical return data and additional education on the asset class, the top two responses last time, came in third and fourth.

Figure 2: What's Needed to Invest?



Source: Life Settlement Investor Sentiment 2025, Conning/ELSA

Year on Year Trends

This second edition of the report benefitted from a significant increase in the number of participants, with the 252 responses being a 64% increase on last year's version of the report. An increase of the sample size of that magnitude could reasonably be expected to deliver similarly significant changes to the results when compared to the 2024 report, and while this is true in some responses, it is not in others.

The notable changes in the responses to 'What's Needed to Invest' above could be because the greater sample size provides a more accurate result. But fee transparency is a topic that bestrides all alternative asset classes, not just life settlements, and therefore, could be an indicator of general sentiment towards alternatives. Additionally, there has been significant attention drawn to the topic of medical underwriting in the past year, which may be influencing responses.

What is consistent when compared to last year are the perceived benefits of the life settlement asset class to sophisticated investor portfolios. Diversification, low correlation to other asset classes and the risk-return profile were the top three responses to the 'Why Invest in Life Settlements?' question last year, and the result was the same this year. This data suggests that institutional investors have a consistent view of what the main benefits of the life settlement asset class are.

Key Highlights

- 53% report satisfaction scores of 9 or 10 out of 10 for existing allocations
- 34% plan to increase allocations in 2025; half expect to grow holdings by 1.5–2x, and 15% plan to more than double exposure
- Life settlements increasingly viewed as a “resilience allocation” asset class, aligned with private credit and infrastructure
- Ongoing progress in scalability, liquidity, and data transparency supporting long-term institutional investor confidence