VANTAGE STRATA
BUILDING TRUST

CASE STUDY

Commission Out, Savings In.

The impact of removing insurance commissions on strata premiums

UPDATED 30 OCTOBER 2026

91.1%	18.45%	$114.22	$629,255
of renewals recorded a premium reduction	average reduction per renewal	average saving per unit	net savings across 5,509 units

BACKGROUND

A broader sample, a consistent result

Following our initial case study, Vantage Strata has collected additional renewal data to assess the ongoing impact of moving to a commission-free insurance model.

The updated sample comprises **101 renewal comparisons** across strata properties of varying sizes, uses and risk profiles. The results remain consistent with our earlier findings, with the majority of properties experiencing lower insurance premiums following the removal of commissions.

Under our previous arrangements, insurance commission was typically **20% of the base premium**, with Vantage Strata receiving a share of the commission and broker fee included in the total amount payable by each Owners Corporation.

Our new management agreement introduced a more transparent remuneration structure. Insurance brokers now charge a fee for service, and Vantage Strata no longer receives or retains any insurance-related commissions or fees.

Insurance commissions previously contributed to the revenue required to operate our business, employ our people and deliver strata management services. Removing commissions does not eliminate these operating costs. To maintain our services, retain our people and continue investing in the business, we adjusted our base management fee to replace this revenue.

EFFECTIVE 1 JULY 2026

No insurance remuneration or commission

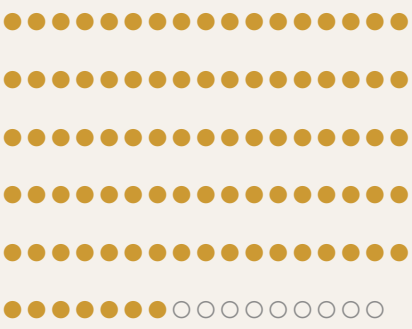
As of 1 July 2026, Vantage Strata no longer accepts any form of insurance remuneration or commission.

OBJECTIVE

To assess the financial impact of removing insurance commissions on the total premiums payable for strata buildings under our management.

OBSERVATIONS

Reductions were widespread



92 of 101

renewal comparisons, **91.1%**, recorded a premium reduction.

- Premium reduction (92)
- Premium increase (9)

Although reductions were widespread, **nine comparisons recorded increases**, with the contributing factors set out overleaf. The results demonstrate substantial savings across the sample following the transition to the new model. However, the available data does not isolate the proportion of those savings attributable solely to commission removal.

OBSERVATIONS

What shaped the nine increases

Renewal premiums remain influenced by factors beyond commission arrangements, including the following.

Claims history

The frequency, severity and recency of claims can affect insurer appetite and pricing.

Outstanding defects

Unresolved defects can restrict the availability of competitive terms and increase the cost of insurance.

Building valuations

Higher sums insured can increase premiums, potentially offsetting savings achieved elsewhere.

Market conditions and policy terms

Insurer competition, coverage, excesses and broker fees can also affect the total amount payable.

ANALYSIS · 101 RENEWAL COMPARISONS

Overall premium savings



18.45%
Average reduction per renewal
Includes renewals where premiums increased.

17.25%
Reduction in overall expenditure
Total premiums decreased from $3,647,531.45 to $3,018,276.36.

$629,255.09
Net savings across 5,509 units
The total of all net savings in the sample.

$114.22
Average saving per unit
Total net savings divided by the total number of units.

The average percentage reduction treats each renewal equally, while the reduction in overall expenditure reflects the dollar value of all premiums combined.

CONCLUSION

The result holds as the data grows

The expanded dataset continues to support the central finding of our original case study. Most properties experienced lower insurance premiums following the transition to the commission-free model.

With **91.1%** of renewal comparisons recording reductions, an average decrease of **18.45%** per renewal, and net savings exceeding **$629,000**, the results demonstrate a substantial reduction in insurance expenditure across the sample.

Importantly, the transition to a commission-free model did not eliminate the revenue previously earned through commissions, but shifted it into a more transparent fee structure. Our base management fee increased by $52.43 per lot (12%), compared with an average gross premium saving of $114.22 per unit. As the fee increase is not dollar for dollar, Owners Corporations retain considerable net savings, with the benefit extending beyond the initial transition.

Claims history, defects, valuations and market conditions continue to influence individual outcomes. While the total savings cannot be attributed solely to commission removal, the updated findings support Vantage Strata's commitment to transparent insurance remuneration and reducing costs for Owners Corporations.

Rupert Cullen
Vantage Strata – CEO

30 OCTOBER 2026