



Striking the balance

Driving scale in a
relationship-led industry

**2026 strata industry
benchmarking report**



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Foreword

Profitable, sustainable pathways for growth

Amid an environment of subdued development and construction, increased building complexity, and rising costs, the strata industry has grown, capitalising on opportunities for scale and maintaining consistent topline revenue growth.

But the industry's consistent, dynamic growth masks a challenging reality.

The pursuit of scale may not guarantee a sustainable path, and is not linear. A steady rise in revenue is countered by falling margins, a conflict that we have seen across data on file and previous benchmarking studies. Any transition towards scale and efficiency needs to be balanced with delivery of value and service to clients - and staff.

This year's study saw responses from over 200 businesses managing a combined total of 1,400,000 lots, representative of over 65% of the industry. The data shows increasing concerns about managing and retaining clients, and recruiting and remunerating key people. There is pointed competition in the industry for both, indicating a clear incentive for businesses to focus on nurturing these key relationships alongside driving their ambitions for scale. In a relationship-led industry, retaining talented people is fundamental.

Despite this imperative of personalised service, the mandate for efficiency continues, with business owners embracing technology and process tools to scale their operations. With increasing scrutiny around insurance, rising operational costs, and salaries absorbing a growing proportion of revenue, battle lines are drawn.

However, one in five respondents outperform their peers. Higher performance is not defined by size; this year, growth in lots under management coupled with retention of key people sets these businesses apart, all delivering higher profitability.

Our analysis reveals an industry where traditional levers for growth and success are insufficient. The key trend is one of squeeze, where rising costs and the diseconomies of scale are forcing a strategic rethink.

We need to return focus to relationships.

This will be my 28th year of working with strata business leaders at Macquarie Business Banking, and it's been a great pleasure to partner with business owners and industry leaders as they navigate their paths to success. The strata industry is positioned well to pivot and adapt to the changing demands of a modern business environment. My team and I would welcome the opportunity to hear your perspective and discuss your plans.

Tim MacKenzie

National Head of Strata
Macquarie Business Banking



Respondent profile

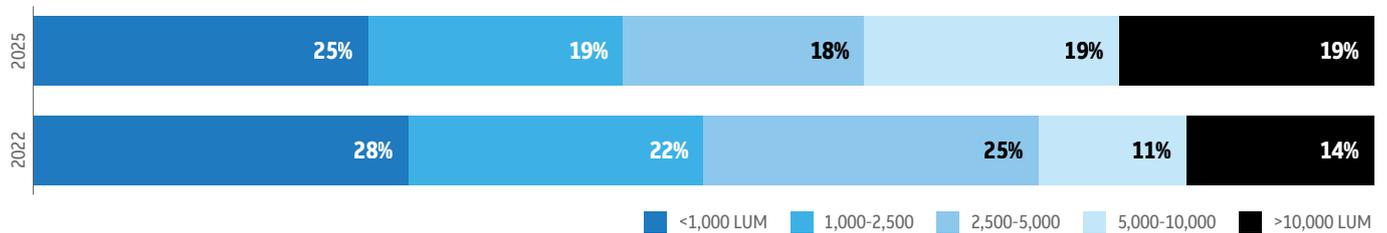
This year's study analyses the responses of over 200 Australian strata businesses, weighted to larger businesses with more complex operations.

Main office location

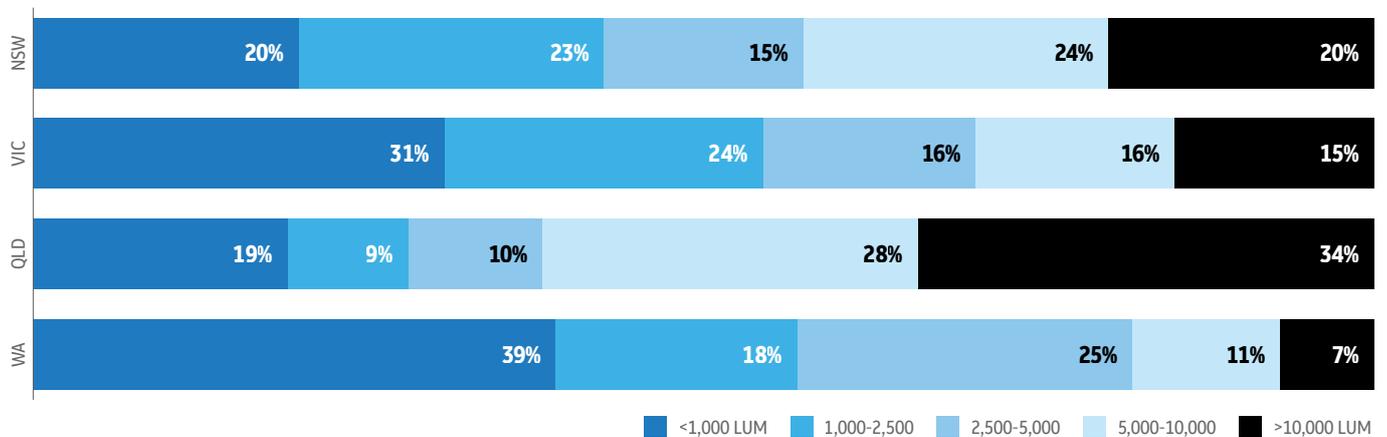


Lots under management

Lots under management by year



Lots under management by state



The difference in respondent base across states makes state-by-state comparisons difficult, but observations by size are robust.



Key observations

This year's study reveals common trends and challenges:

The great compression: growing revenues, falling profits



Headline revenue and profit growing under pressure

77% of businesses grew revenues in 2025, but only 59% increased profits.

The portion of businesses experiencing flattened or lowered profit has risen from 23% in 2012 to **41% in 2025**.



Long-term trend of declining margins

Net profit margins have declined 42% since 2005.

Median EBITDA has dropped from 23% in 2022 to **19% in 2025**.

This compression of performance mirrors our 2022 study and confirms that businesses are continuing to experience persistent, structural pressure on growth.

Rising costs are the culprit



Salaries absorb more of a business's revenue and costs

Salaries as a portion of revenue have grown from 49% in 2022, to **52% in 2025**.



'Other' costs also take up a significant portion of expenses

'Other' costs¹ account for **20% of expenses**.

A combination of escalating operating costs and increasing business complexity has driven margins down.

1. Other costs incorporate any business expenses outside of salaries, rent and premises, tech and software, and governance and compliance



The landscape for high performance relies upon people, process and platform



Higher performers have significantly stable growth and revenue

26% profit margin, compared to 19%.

12% growth in lots under management, compared to 5%.



Higher performers' results are driven by retention and productivity of staff

Retained 83% of their strata managers, compared to 76%.

Spent 44% of revenue on salaries, compared to 60%.

409 lots managed per full time equivalent employee (FTE), compared to 382.

High performance is linked to stability of key staffing, steady growth in lots under management, and higher margins.



A focus on productivity: people, process and platform

In a competitive, unpredictable environment, leaders who have focused on basic principles should see their business accelerate beyond their peers.

There are three core areas to consider: people, process and platform.

People

Strata is a relationship-based industry, and people are its most substantial investment. Therefore, it is important that businesses extract value from their people in ways that benefit clients, staff, and the business itself.

Invest in:



Attraction of talented people

In a tight labour market, this has been challenging. However, focusing on what the business has to offer, and ensuring that staff understand that value, will assist.

Retention of talented people

Strata businesses lose more than just their people when talented staff exit. Client relationships, employee relationships, and understanding of internal process and lot/plan intricacies are in deficit, which then diverts the time and attention of leaders to cover gaps.

Ensure that training, development and career pathways are part of a regular rhythm; and that strata managers in particular are supported to manage their workload and deal with difficult situations.

Strategic deployment of people

Ensure that staff in client-facing, value-adding roles remain focused on activities that drive business and client relationships. They should be spending disproportionate time on these, freed of administrative activity as much as possible.



Process

Risk and inefficiency thrive in an environment where variation exists. Rigour and discipline are core to an efficient business; one that is desirable to work in, and be a client of.

It is imperative to consider:

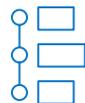


Documentation	Process mapping	Automation, outsourcing and offshoring	Risk	Understanding and adherence
Are processes, operations, roles, and strategy effectively planned and clearly documented?	Are your people supported to follow process, to ensure that strata managers can perform their roles efficiently?	How can alternative ways of operating help the business become more efficient? Which areas could benefit most?	Where can process mitigate risk; particularly cyber and privacy risks?	Are processes understood and adhered to across the business? Are training and development tools in place to avoid knowledge gaps?

Consideration of these factors can help increase efficiency, improve client relationships, reduce costs, and reduce risk and error.

Platform

The strata industry has already indicated its focus on investment in technology and platforms for growth; however as businesses continue to scale, it remains a key way to improve efficiency and support strata managers that are looking after increasingly large and complex lots and plans.



Strata management	Workflow tools	Artificial intelligence
Management platforms are a core investment. The right one can boost client experience, employee experience and operational efficiency. Consider whether the platform you choose is optimised for scale, with rigorous data protection, cybersecurity, and cloud storage.	Workflow tools and other tech that supports collaboration and staff flexibility have been identified as key to many strata business' technology strategies. Platforms that enable your staff to better manage their workloads and collaborate from anywhere will also enable them to spend more time with clients, add value, and mitigate risk.	Artificial intelligence is here to stay, and can be useful at streamlining repetitive tasks in administrative and communications teams. However, it's also important to consider carefully what AI tools to invest in, especially for smaller and mid-sized businesses, whose scale limits the use of some platforms.



Financial performance

The strata industry is navigating a turbulent landscape:



Recovery from government stimulus during 2020 and 2021



High inflation since 2022



Issues with construction supply chains



A softening labour market following the tightest environment for talent in almost 50 years

It has been a critical time for strata business owners to find balance between growth and performance. While the industry experienced rapid acceleration over the past 20 years, this growth has slowed since our 2022 study, with results showing the impact of several pressure points. We haven't seen slowed growth like this since post-GFC, and, interestingly, our data shows similar trends and behaviours to this period emerging again in 2025.

Businesses are improving headline revenues, but it is costing them more to do so – and there is still an imperative for growth. The key is working out the balance for sustainable growth through softer periods. Generally speaking, larger businesses (10,000 lots under management or more) have successfully scaled their operations, but are now seeing a loss in lots and declines in profit. Mid-sized businesses (2,500-10,000 LUM) are growing quickly, with higher profitability, but may not be able to sustain this performance through regulatory changes, increased governance requirements, and other unexpected industry change.



The question is, how can strata businesses sustain growth and profit through a slower development cycle, particularly those businesses managing over 10,000 lots who are already feeling its effects?

The answer lies in experience; client and employee. Smaller businesses have the proximity and flexibility to address issues personally and nimbly, but are hindered by inability to scale, due to low investment in platform, and key person reliance. Larger businesses, with strong developer relationships to feed their growth pipeline, are faced with the challenge of managing more complex plans, the increasing importance of governance, and the imperative for efficient, seamless client service, delivered through people, and enabled through platform.



Businesses managing fewer than 1,000 lots

For the purposes of our analysis, respondents managing fewer than 1,000 lots are removed, as their business operations and structure are unique.

Please refer to our discrete analysis of strata businesses that manage fewer than 1,000 lots.



Revenue

Average gross revenue FY2025

\$6,034,045

Median gross revenue FY2025

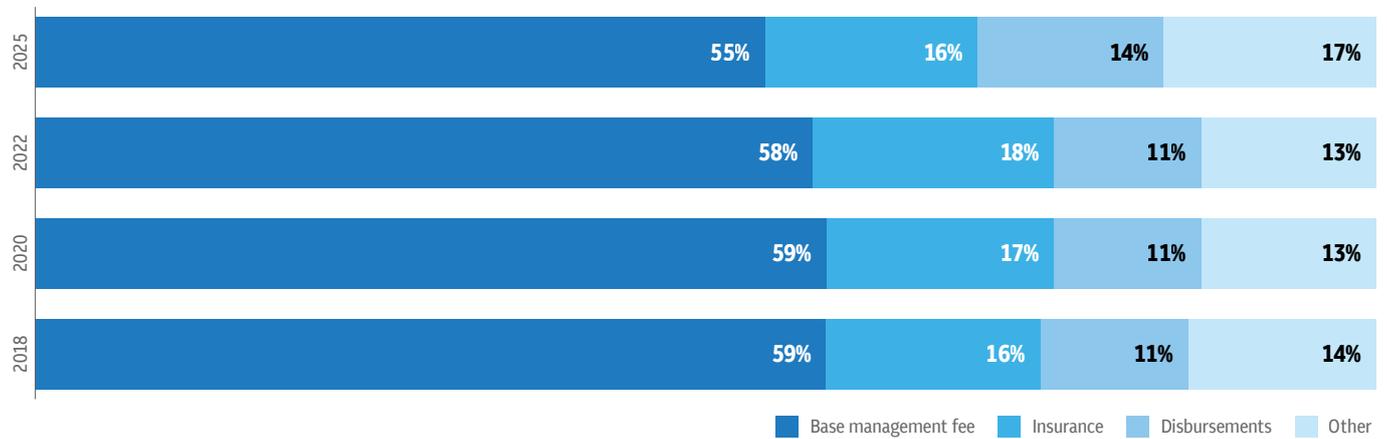
\$2,700,000

This year's study is skewed towards larger businesses, skewing average revenues and profits. Median gross revenues offer a more grounded view of performance.

Revenue composition

Revenue composition has shifted slightly, with base management fees and insurance occupying less of the total revenue per lot than in previous studies. Interestingly, disbursements and other costs have seen the largest increase.

Revenue composition over time



Revenue composition differs most significantly in businesses managing over 10,000 lots, with only 50% of revenue per lot accounted for in base management fees, and 21% apportioned to other costs. For smaller and mid-sized businesses, revenue composition was generally aligned.



Revenue per lot

Total revenue per lot

\$528

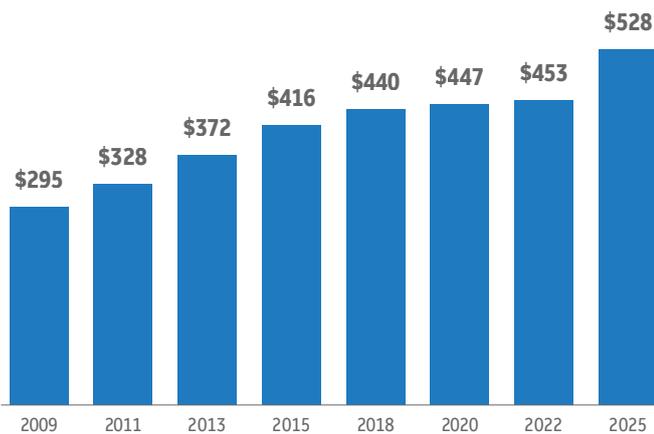
up +17% from 2022

Base management fees

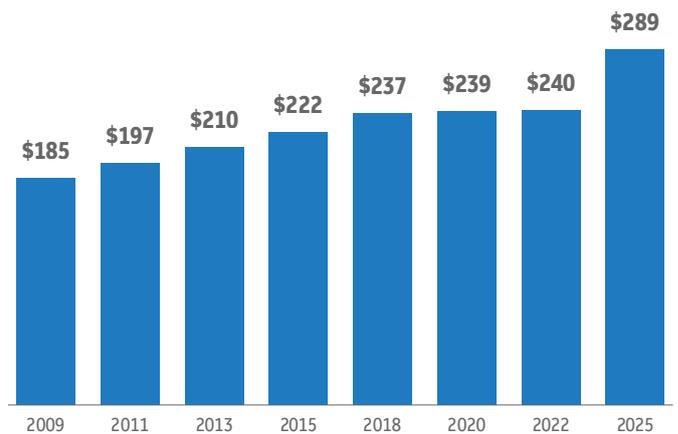
\$289

up +19% from 2022

Revenue per lot



Base management fees



This is the most significant pace of revenue per lot increase that we have seen since benchmarking studies commenced. The change can be attributed in part to the inflationary factors built into many management fee contracts, however may also be related to a focus on staff training in many strata firms around their value proposition skill set. We've seen a large number of clients experience positive outcomes from this; particularly being able to articulate their firm's value beyond price.

Disbursements and other charges have risen 43% and 46% respectively. This could be indicative of greater governance and discipline around revenue collection and charging appropriately for additional services, or could also reflect the increasing building size and complexity across many respondents' portfolios. Building size increased from 29 lots per plan in 2022, to 37 in 2025; and the data set is influenced by a greater number of larger firms, managing larger, more complex portfolios that often require additional services.

Base management fees have showed lower growth, at 9% since 2022. Insurance fees grew marginally, at 1%.

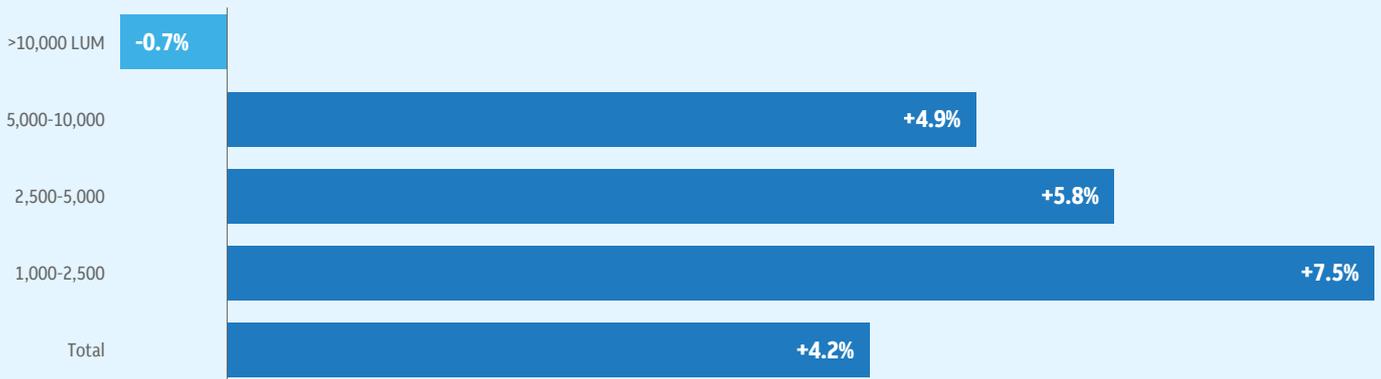


Where is the growth coming from?

Total lots under management grew 4.2% in 2025, and our data shows this was primarily driven by smaller businesses. Larger businesses may be finding it challenging to maintain lot growth, with businesses managing over 10,000 lots showing a -0.7% decline in total lots managed.

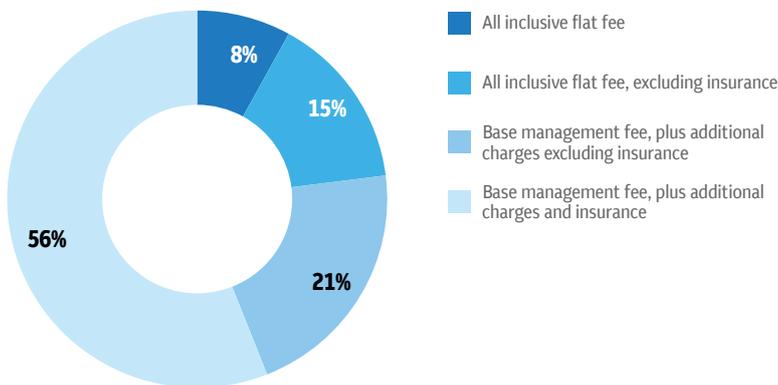
This data indicates competitive challenges within the industry. With construction and development slowing, larger businesses that hold key developer relationships need to focus on other levers to grow their lots under management. For smaller businesses that hold key client relationships, lots under management are currently growing at a healthy pace.

Lots under management growth by business size



The insurance battleground

Management fee structure



Management fees per lot for businesses who **do collect** insurance commission

\$333

Management fees per lot for businesses who **do not collect** insurance commission

\$366

For businesses who do not collect insurance commission, management fees are higher, due to collection of other revenue sources. This indicates that these businesses have found a different way of charging for their services.

23% of businesses charge using some form of an all-inclusive flat fee model, with 15% of this group separating insurance charges from their all-inclusive fee.

24% of businesses charge an insurance fee, as opposed to receiving income from insurance (18% in businesses managing over 10,000 lots), indicating a pivot towards increasing transparency in the industry. These firms may be seeing benefits from embedding further, more overt professionalism, accountability and trust in their client relationships.



Profit

Margins under pressure

Median EBITDA

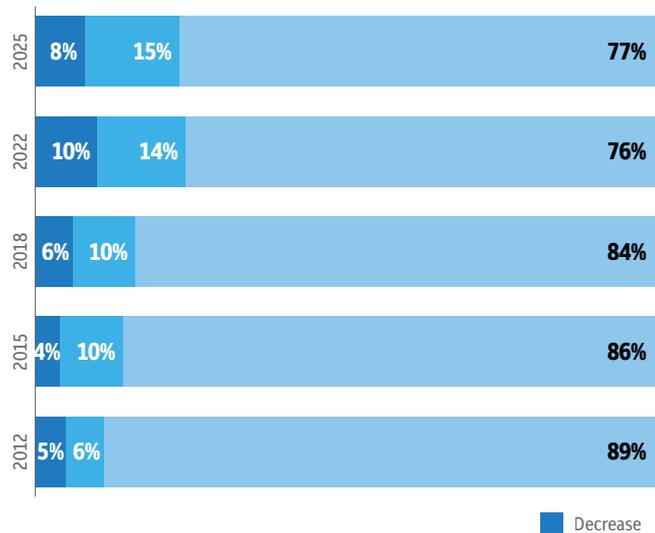
\$640,000

19.4%

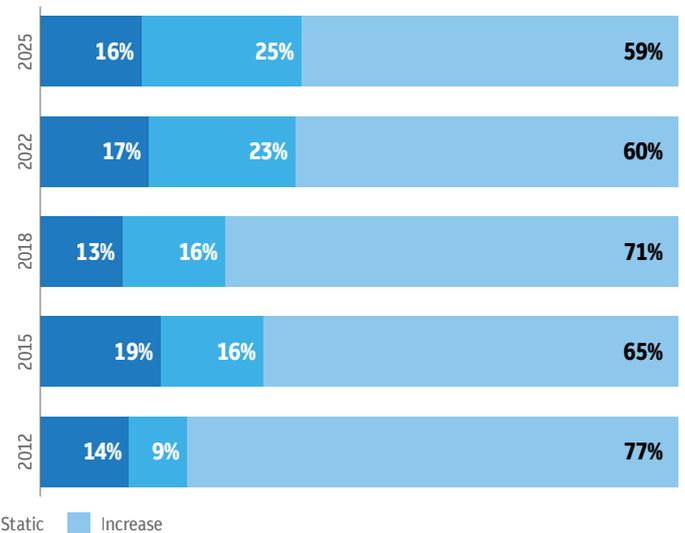
Profitability is under pressure across all business sizes. There have been sharp declines in margins for over a decade, falling from 28% in 2015, to 19% in 2025, and the portion of businesses growing their margins each year has not recovered since 2018.

Change in revenue and profit margin over prior year

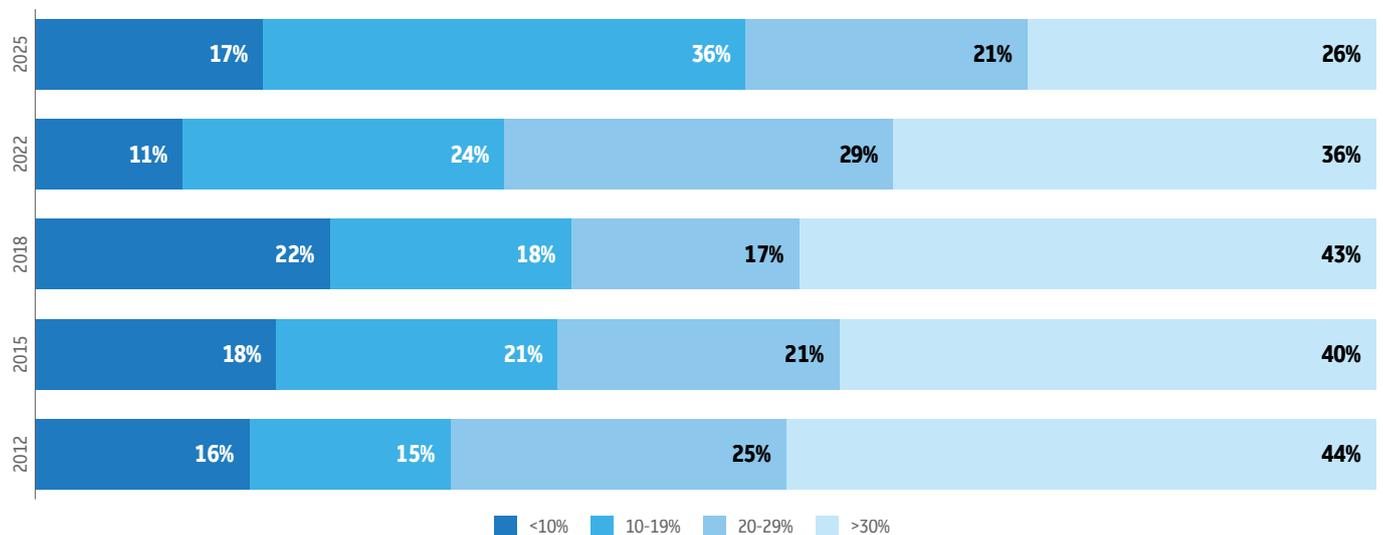
Change in revenue



Change in profit

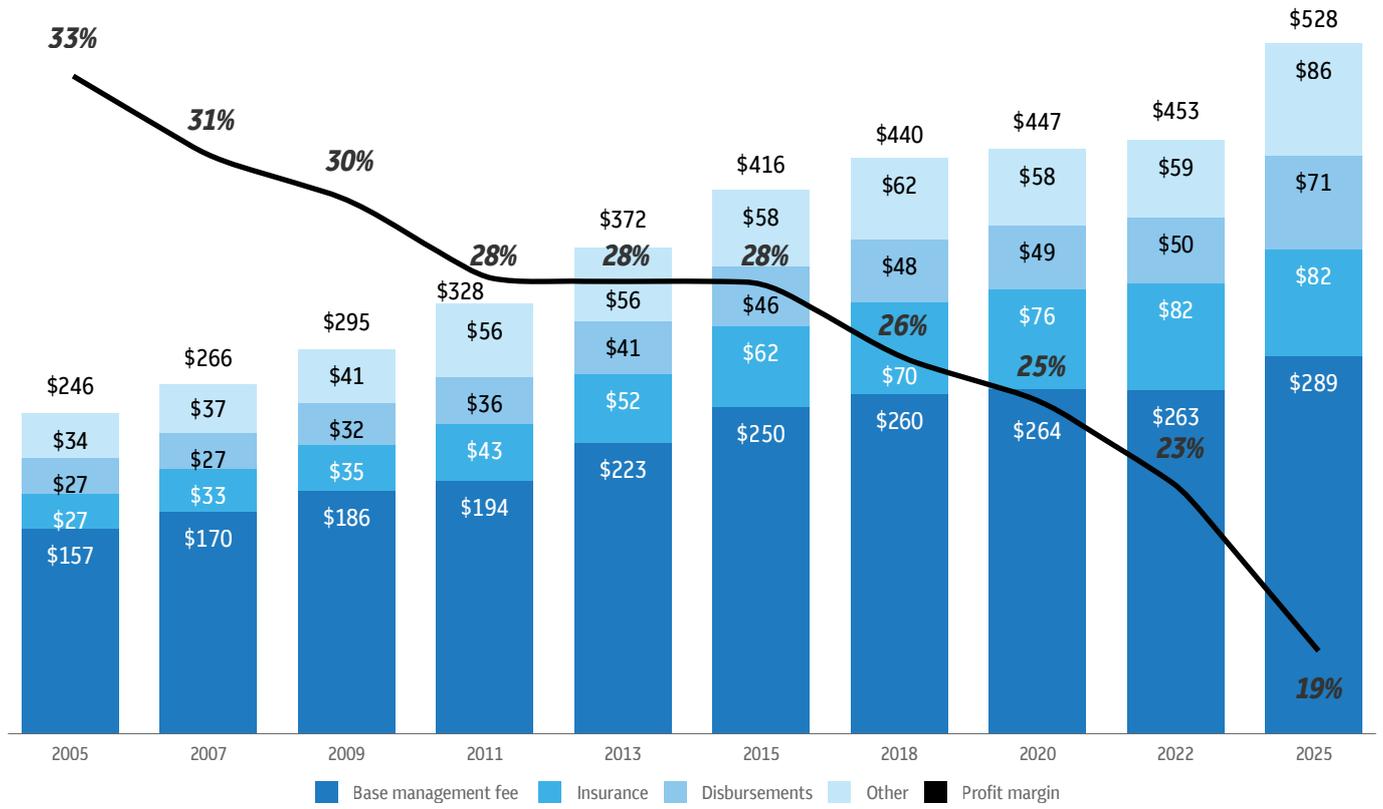


Profit profile over time





Revenue per lot and net profit margin

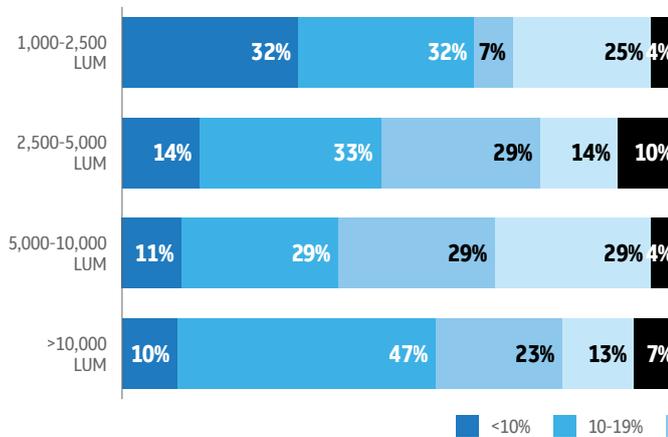


The portion of businesses earning profit margins of over 30% has dropped by nearly half since 2012. The squeeze has been felt most acutely in businesses managing 1,000 to 2,500 lots, with their high profit cohort reduced by a quarter.

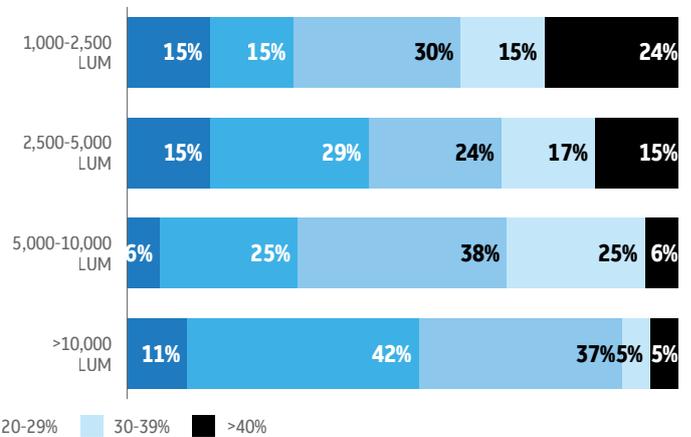


Profit profile by lots managed: 2025 and 2022

2025



2022



Businesses managing over 10,000 lots reported the lowest margin of any business size cohort in the study, with median EBITDA of 16.4%. Paradoxically, the high profit cohort within these large businesses increased from 2022. This could be due to investment into levers for growth and scale; including acquisition, technology, fraud and cybersecurity, and human resources. Median EBITDA of \$1,812,401, and median revenues of \$11,954,002, indicates the size of these businesses, and while their margins are lower than other businesses, their scale and complexity are considerable.

The contraction of profitability experienced across the board brings to light the balance that business decision makers need to strike between growth and profit, particularly in an environment where business development pipelines have thinned.

The happy medium: mid-sized businesses currently enjoy higher profit margins, but at what risk?

Many mid-sized businesses operate under a business model that, currently, is primed to thrive. They enjoy the benefits and cashflow of size, without the costs, complexity and pressure of a corporatised model.

Leaders of mid-sized businesses have a definitive – and sometimes strategic – advantage, being able to see and guide their people, know and interact with their clients, and shift when necessary.

But many also lack embedded governance frameworks (such as cybersecurity) and are not yet investing in them as a priority. With scrutiny increasing, and further regulatory changes on the horizon, will these businesses be able to continue thriving if the environment shifts?



Where is the profit going?

As lots under management and revenues increase, and businesses become more complex, managing more, and larger schemes, the fundamentals of governance and cost management can become hidden by an appearance of topline growth.

An increase in revenue per lot (largely due to inflationary impacts and contractual price rises) is offset by intense competition for lots, which, in an environment of slowed construction, can play out into pricing competition.

What else is happening?

Over the years that we've been analysing the industry, salary costs as a portion of revenue have risen continuously. With the industry needing additional strata managers each month to cope with additional lots under management, and business owners struggling to scale their operations efficiently through process and technology improvements, talented people are essential to operations and client experience.

For most businesses, salaries absorb a greater proportion of revenue, in an attempt to scale and realise sustainable value.

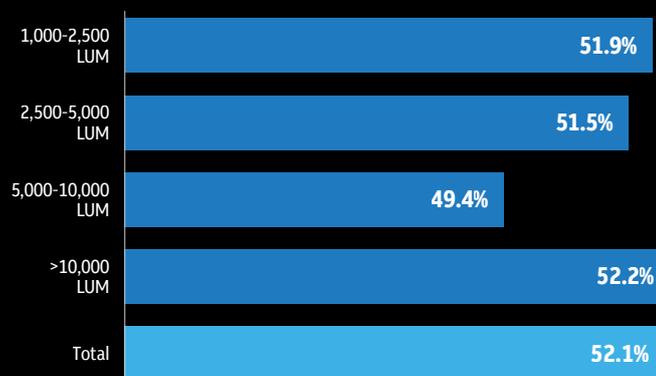
For businesses managing over 10,000 lots, salary costs as a portion of revenue are highest, at 52.2% of revenue.

Is this indicative of scale ambition, challenges with retention, grappling with client issues, or something else?

Salaries as a % of total revenue - total respondent base



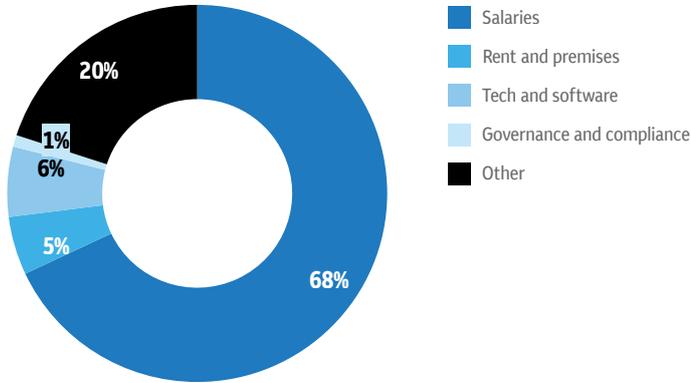
Salaries as a % of total revenue



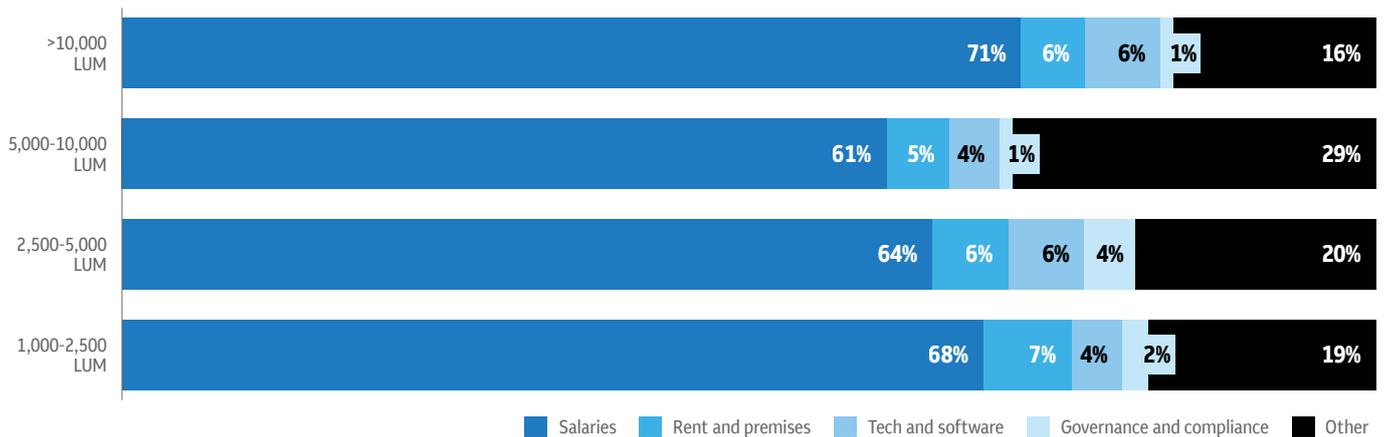


Expenses

Expense profile - all respondents



Expense profile by business size



Salaries are the most significant expense in businesses of all sizes, followed by 'other' expenses, which include subscriptions, outsourcing and offshoring costs.

Businesses managing over 10,000 lots are a key outlier when it comes to salaries, which occupy up to 71% of their expenses. This is most likely due to a higher concentration of senior and executive leadership in businesses of this size, as well as a more corporatised business model with sometimes multiple offices across different states.



People and culture

The strata industry is a relationship industry; built on trust, communication and collaboration between lot owners and strata managers. Those relationships are driven by a business' people – and can move with those people to new employers – therefore, your people are the drivers of your business growth and stability.

In many instances, when we see clients who are struggling with a drop in revenue and departing clients and lots, it can be linked back to a high rate of staff turnover.

The most high performing strata businesses in this year's study are those who managed to both increase their lots under management and maintain strata manager headcount. A return to focus on nurturing both client relationships and staff relationships, ensuring people feel capable, equipped and supported to deliver on the firm's value proposition, is going to be critical to business stability as competition increases and development recovers.

Turnover is stabilising, but competition remains

Our 2022 study observed an industry experiencing its peak staff turnover, leaving many businesses grappling with intense competition for new staff, and the added spend of recruitment, training, and development. In 2025, this appears to have recovered slightly, with both strata manager turnover and turnover of all staff reducing. However, it is still far higher than the national employment turnover average of 15%.²



Employees: Current numbers, exits, and entries



The industry's largest businesses (managing more than 10,000 lots) saw the most turnover, with 29% of their strata managers, and 29% of all staff, changing employers in 2025. In contrast, businesses managing 1,000-2,500 lots saw the lowest strata manager and overall staff turnover, at 17%.

Despite turnover rates remaining high, businesses have been able to replace nearly 100% of their exiting employees. While not ideal – recruitment and training can put significant time and cost pressure on a business – this data shows that a healthy talent pool remains, and that the industry is still attractive to new entrants.

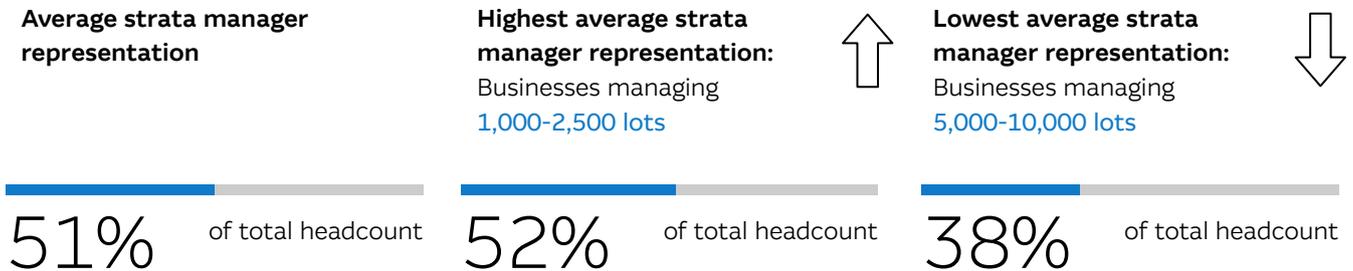
Interestingly, businesses managing 5,000-10,000 lots also kept their strata manager turnover low, at 17%. The discrepancy in staff retention between this cohort and those managing more than 10,000 lots could point to competition for staff between established, corporatised strata businesses, and their up-and-coming peers. They offer the highest average remuneration for senior strata managers across all respondents, at \$133,269.

² Australian HR Institute, Quarterly Australian work outlook, September 2025



Headcount and productivity

Overall headcount has remained generally stable across the strata industry, despite a slowly recovering turnover rate. Strata managers make up roughly half of total headcounts, except for in businesses managing 5,000-10,000 lots, where they make up just over a third of all staff.



This year's data shows that strata managers are productive, managing 415 lots per FTE (v 349 lots per FTE in 2022). Staff in businesses managing over 10,000 lots were the most productive, managing 470 lots per FTE. Businesses managing 1,000-2,500 lots managed the most plans per FTE and per strata manager, indicating the nature of this group's plan profile: more plans, comprised of fewer lots.



Average plans under management per FTE

28



Average lots under management per FTE

415

Average plans under management per strata manager

61

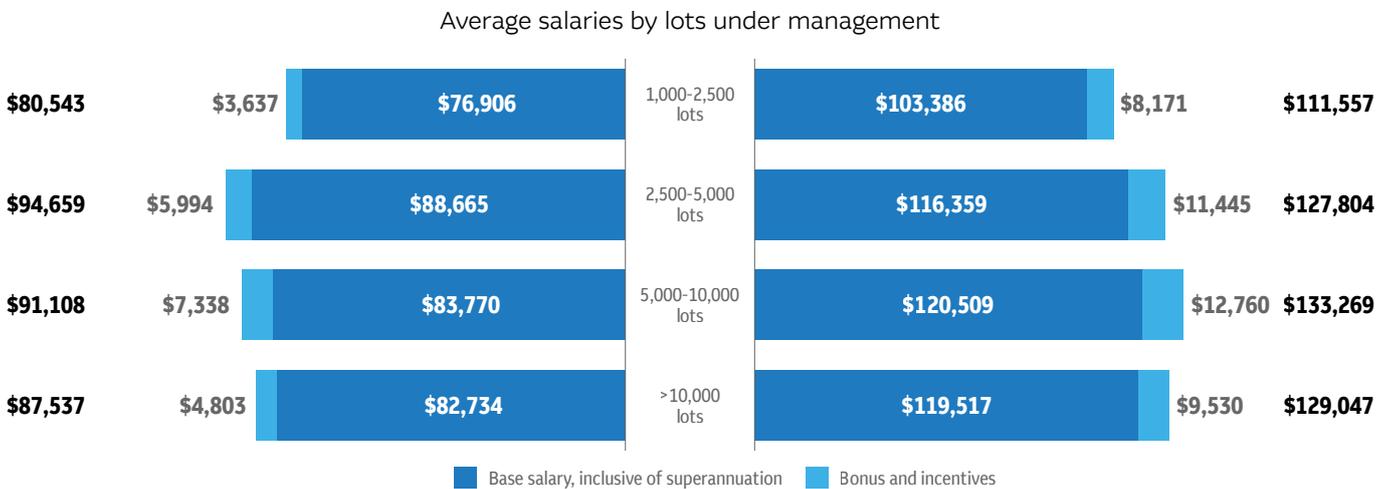
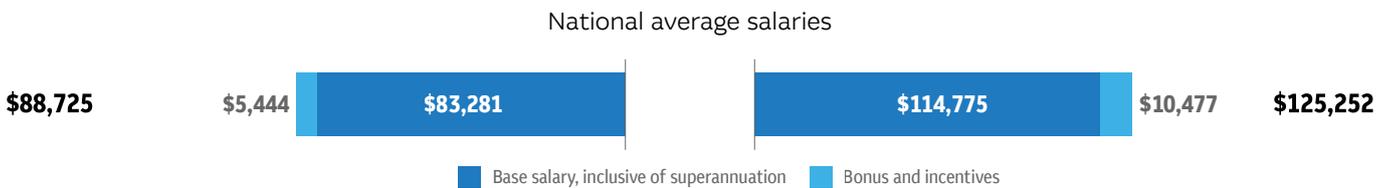
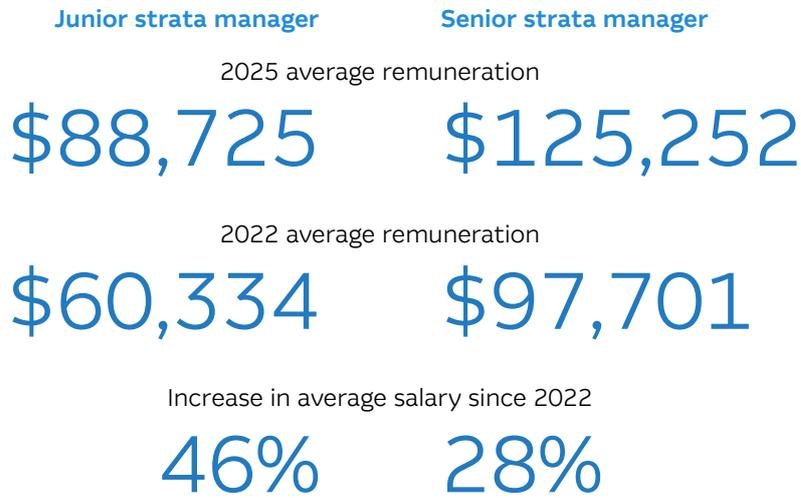
Average lots under management per strata manager

890



Remuneration structures

Strata managers have seen a significant jump in remuneration across the board since 2022.



Following years of fully remote working, an historically tight labour market, and runaway inflation, Australian industries remain permanently changed. Competition for staff, higher employee expectations, and rising salaries are just some of those 'new normals'. Remuneration may not continue on such a sharp upward trajectory, but it is unlikely to decrease; it is critical to find alternative levers to pull for both reducing costs and rewarding and retaining staff.



Spotlight on 5,000-10,000 lots

Comparing these data points may hold some insight into the way that growing mid-sized businesses are currently operating. They have a smaller proportion of strata managers, who are managing nearly the same amount of lots each as their corporatised (10,000 lots or more) peers, but are being paid more attractively, and are more likely to remain with the business. This raises a question: have these businesses found the sweet spot for staff retention and productivity, or is it ultimately unsustainable long term if costs rise, salary growth stagnates and burnout sets in?

How are businesses retaining staff?



Nearly three-quarters of businesses studied in 2025 are remunerating ahead of market average, yet turnover remains reasonably high. Staff retention is key in today's competitive landscape: the expertise and service your people provide, and the relationships they hold, contribute to your business' sustainability and success. So how do you ensure your staff remain with your business? Better employee experiences lead to higher employee engagement, which can bring multiple benefits, including:



Higher work performance and productivity



Greater discretionary (voluntary) effort

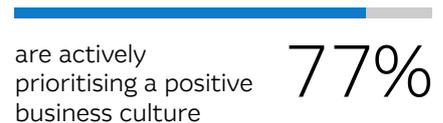
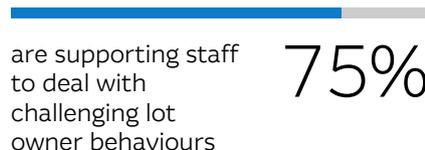
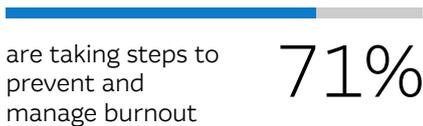


Higher employee retention (lower turnover)



Improved client experience, loyalty and likelihood of advocacy and referral.

The fact remains that remuneration is not the only, or the most important, factor driving retention. So, what else are strata businesses doing? And what else can they do?

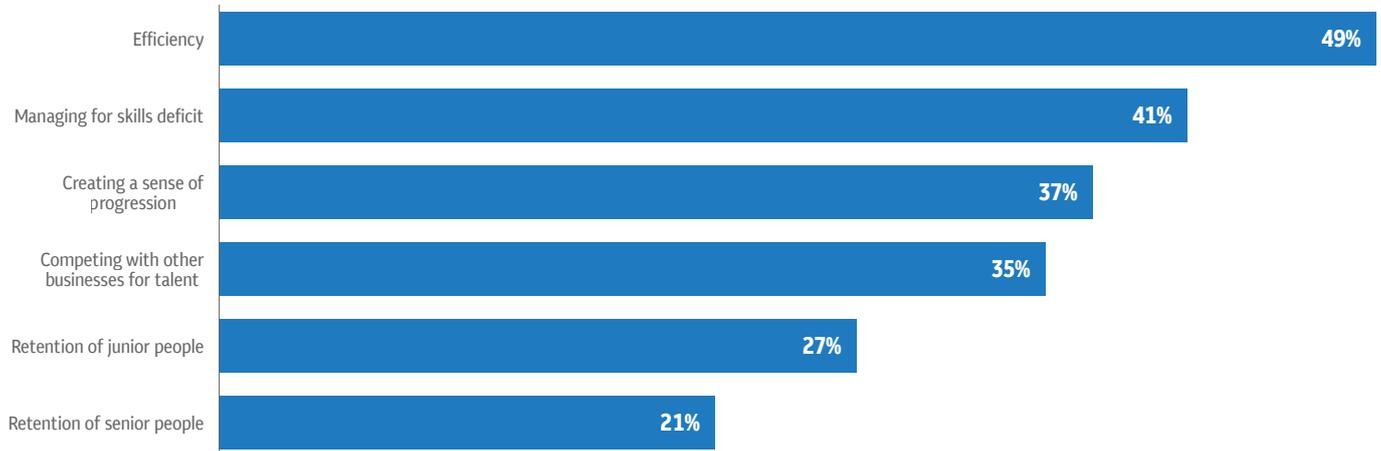




Challenges and future plans

Key challenges with people

This year, participants' top challenge was driving efficiency. Other key challenges revolved mainly around competition for staff and managing the impacts of turnover and change.

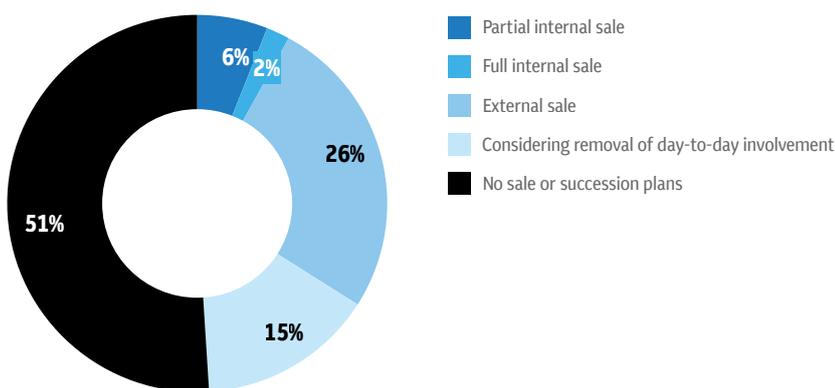


For businesses managing over 10,000 lots, **48%** are challenged with competition for talented people, and **58%** with retention of junior staff.

Circling back to succession

Momentum of succession activity has slowed, with only 34% of businesses reporting sale or succession plans set for the near future. Businesses managing 1,000-2,500 lots were the outliers, with 60% having some type of succession plan in place, and 34% considering an external sale.

Plans for succession in the next 2-5 years





Outperformance

The future belongs not to the biggest, but to the most disciplined and strategically astute.

One in five respondents are classified as higher performers, defined by:



Growth in lots under management



Maintenance or growth in strata manager headcount

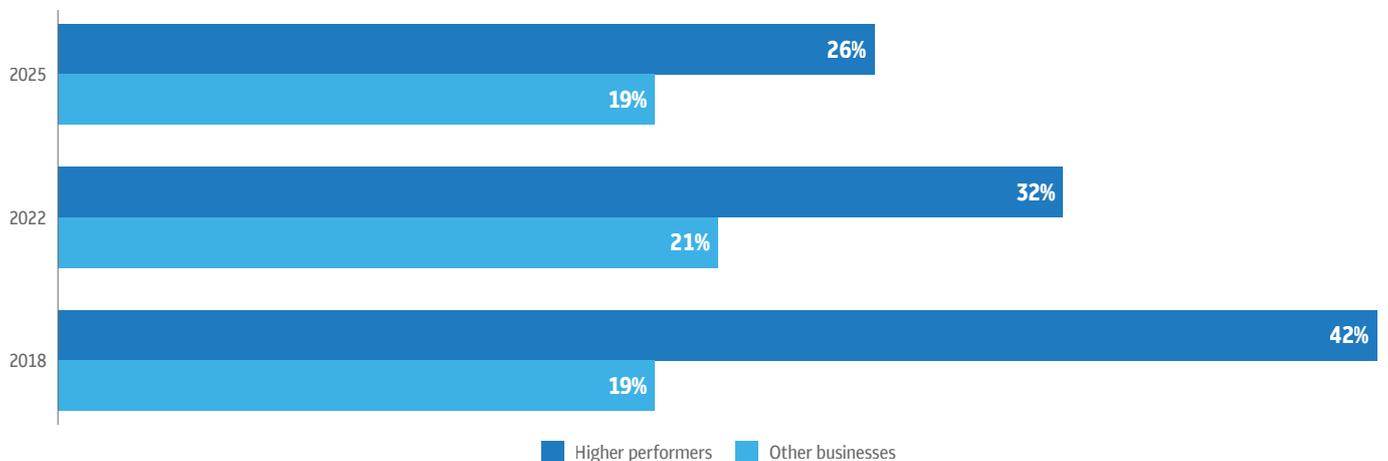


Revenue in the 75th percentile of all respondents

These businesses are not just growing; they're growing well, and smarter. More efficient, more effective at retaining strata managers, and more profitable than their peers, higher performers manage their costs through a significantly lower portion of strata managers on their staff.

Median EBITDA

For businesses managing > 1,000 lots





Higher performers: key metrics

	Higher performers	Other businesses
Growth in lots under management	12%	5%
Proportionately higher strata manager remuneration	\$131,232	\$120,525
Salaries are a lower proportion of revenue	44.4%	59.5%
Higher performers retain more strata managers	83%	76%
Strata managers represent lower portion of total headcount	42%	55%
Healthier profit	26%	19%
Higher LUM per FTE	409	382
Higher average revenue per lot	\$552	\$527
Higher median revenue per FTE	\$231,190	\$175,288
Higher median profit per lot	\$131	\$92

Key takeaways from outperformance



Be intentional with staffing choices

Higher performers pay more generous salaries for their senior strata managers, but salaries still absorb a far lower portion of their revenue (44% versus 60%); they keep their critical strata manager headcount lean, but well-remunerated, and well-supported with administrative teams and leadership.



Win with your people

Retaining people is core to outperformance, providing stability and excellence in client relationships, cost management and operational knowledge.



Growth follows productivity

High performers' profit per lot outperforms the industry, and their staff are more productive, managing 7% more lots per FTE than their lower performing peers. They also saw 12% growth in lots (versus 5% in other businesses).



Be diligent

While higher performers enjoy significantly higher profits than their lower performing peers, it is getting harder to achieve stand out margins. In 2018, higher performers achieved a median EBITDA of 42%; by 2025, this has fallen to 26%.



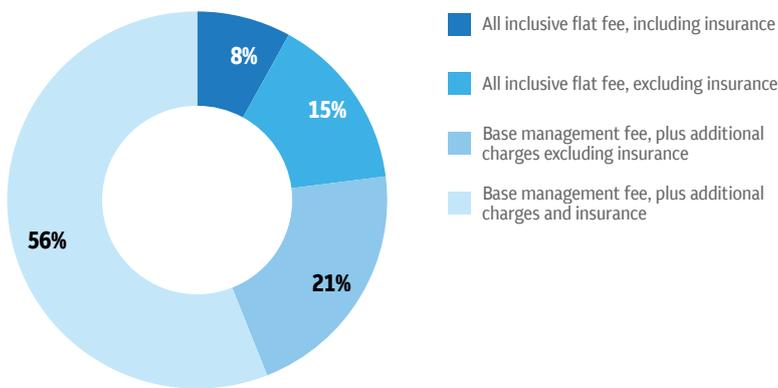
Operations

Service models and technology remain core to productivity, efficiency, and client service

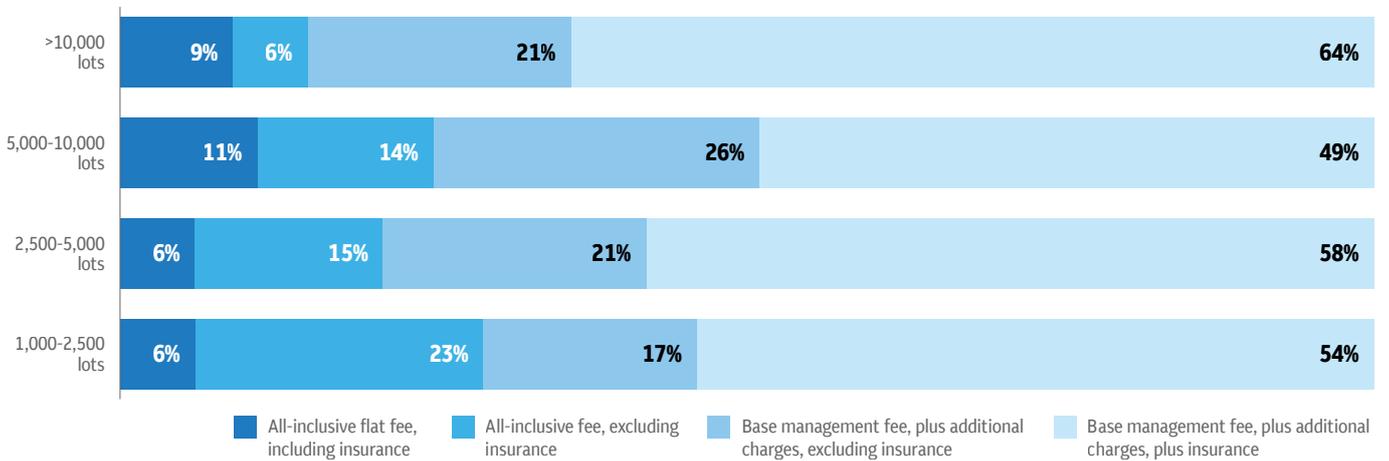
92% of respondents charge additional fees as part of their service offering, compared with 66% in 2022.

Management fee structure

Management fee structure - all respondents

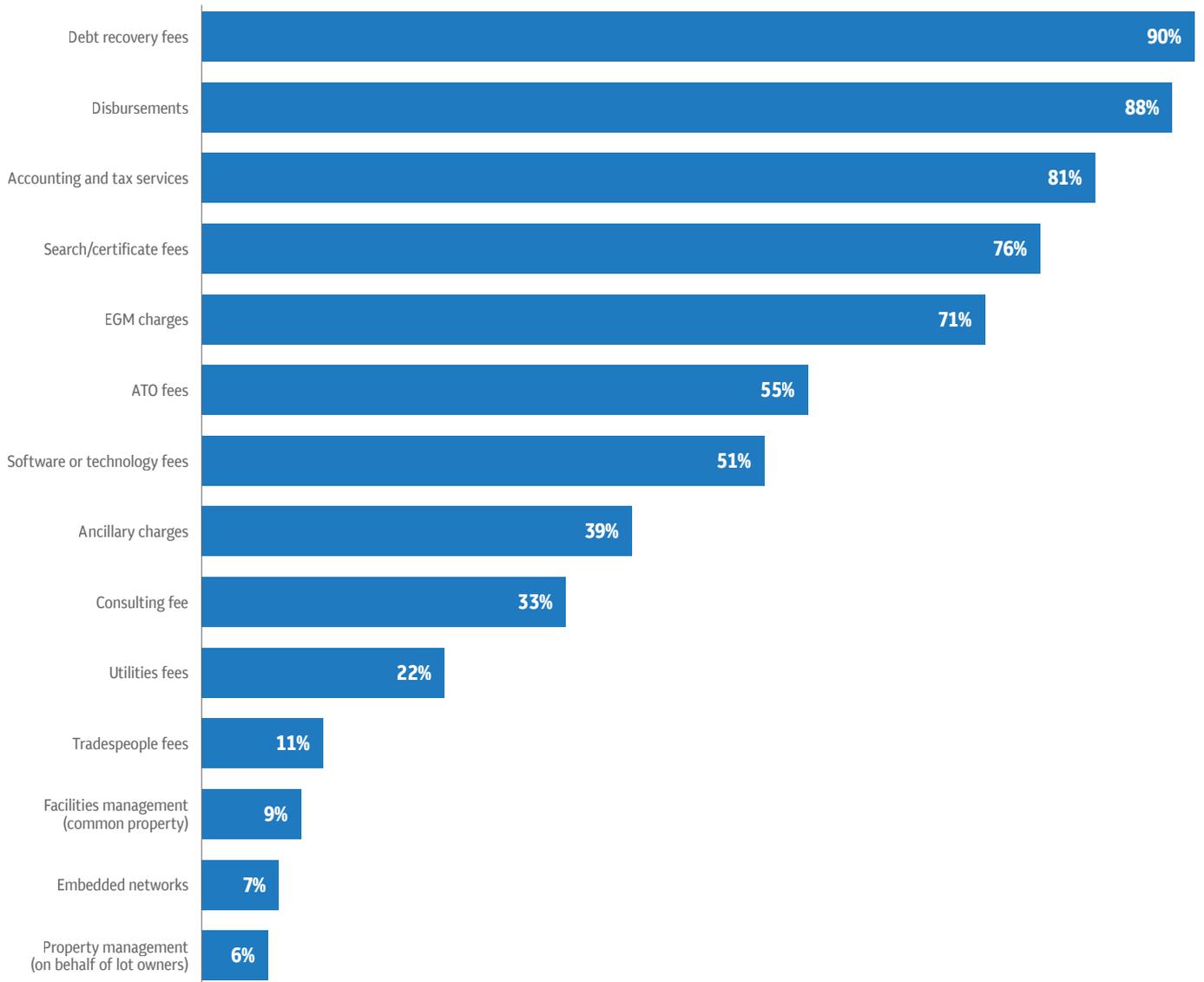


Management fee structure - by number of lots





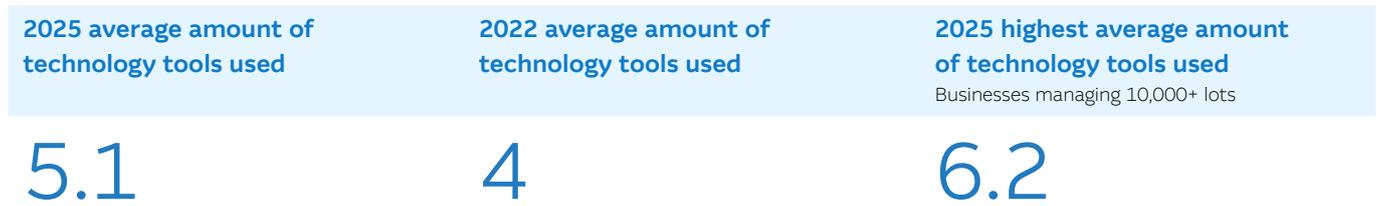
Additional charges



Additional charges can cover a wide range of products and services provided by strata managers, but interestingly, businesses managing over 10,000 lots are above average in tradespeople fees (25%), facilities management (18%) and property management on behalf of lot owners (18%). These additional revenue streams provide additional value for clients, and diversify a business' offering.

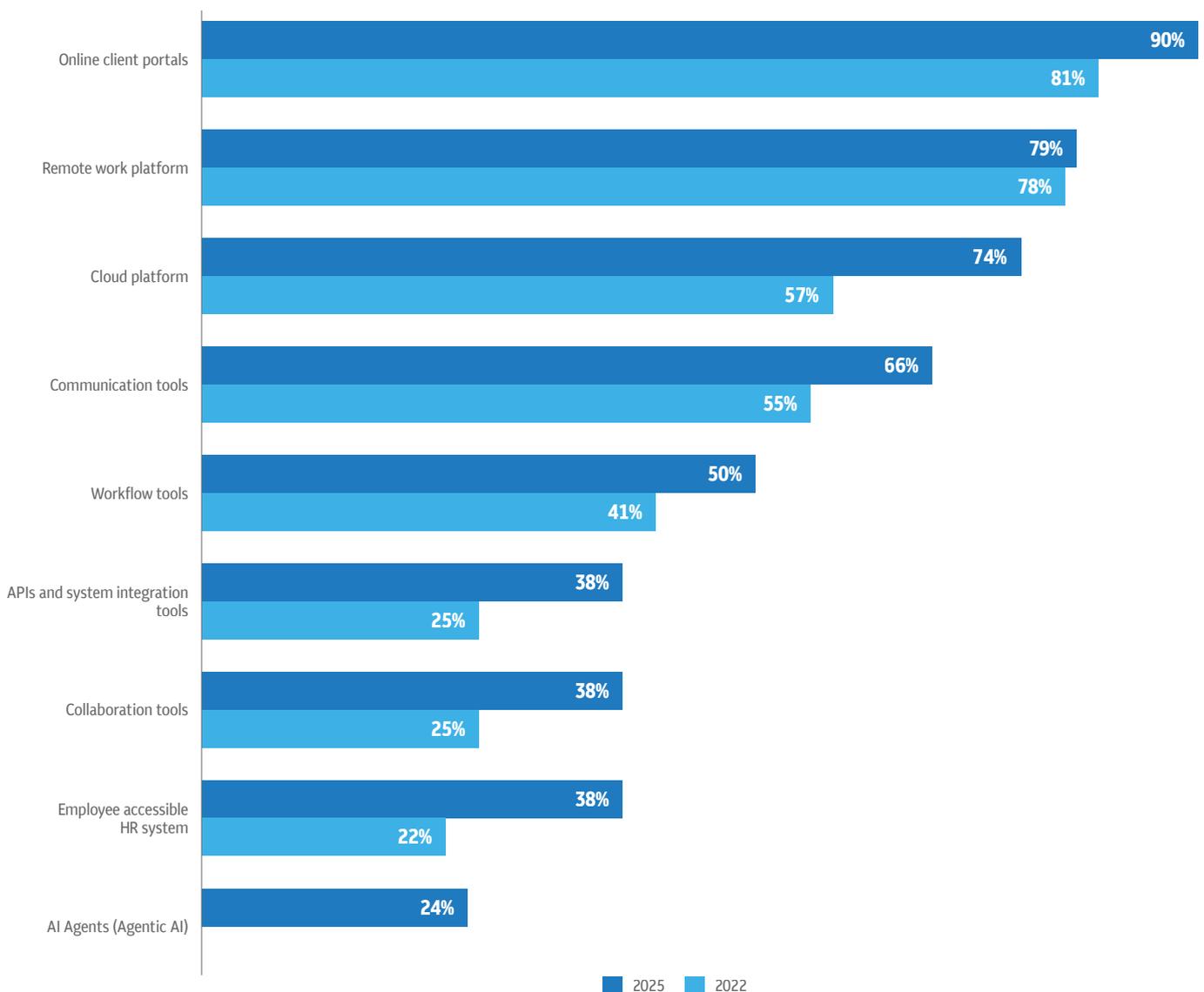


Technology tools



Unsurprisingly, there has been a solid jump in the amount of technology tools used since 2022. With 4 of the top 5 tools supporting staff flexibility and collaboration, the industry is committed to enabling a sustainable balance for their strata managers.

Currently used technology



Businesses managing more than 10,000 lots have above average use of workflow tools (73% v 50%) and APIs (64% v 38%).

In terms of financial investment, tech is a top priority. 38% of businesses invested \$50,000-\$100,000 last year in technology. 31% of businesses managing over 10,000 lots invested over \$500,000.



AI: the next frontier

Artificial intelligence tools are used in 80% of respondents' businesses, primarily for communication drafting and templating, but also popular for workflow management in larger businesses.

The future of AI in the strata industry is set to focus on increasing efficiency, reducing costs, and enhancing the experience of doing business for both strata management and lot owners. The shift is not just about adopting new tools, but about a fundamental change in how strata businesses operate.

Key areas where AI is making a significant impact include:



Enhanced governance and safety



Increased efficiency through automation of administrative tasks



Predictive maintenance extends the life of building assets



Enhanced communication helps with faster response times



Analysis of large volumes of data to enhance financial management and provide genuine cost savings

The road ahead?

AI is poised to reshape the role of the strata manager, relieving them of many administrative and repetitive tasks.

Empowering strata managers to focus on strategic initiatives, community building, and providing superior client experiences, AI's potential is enormous, but there are challenges, including:

- Modernisation of legacy systems
- Ensuring data security and privacy
- Algorithmic bias

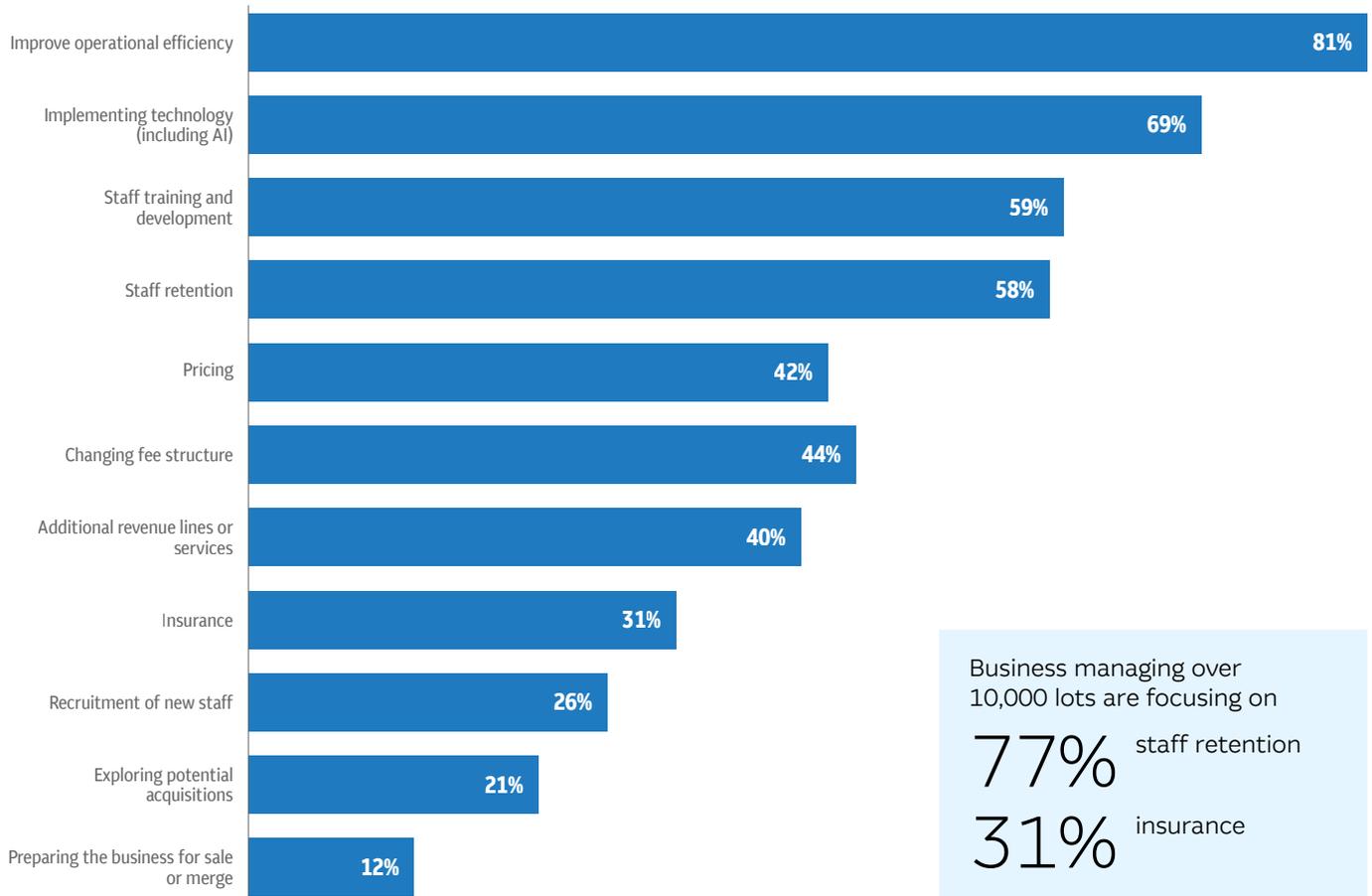
The coming years are critical for consideration and investment.



Outlook

Operational efficiency remains core to both challenge and focus

Focus areas

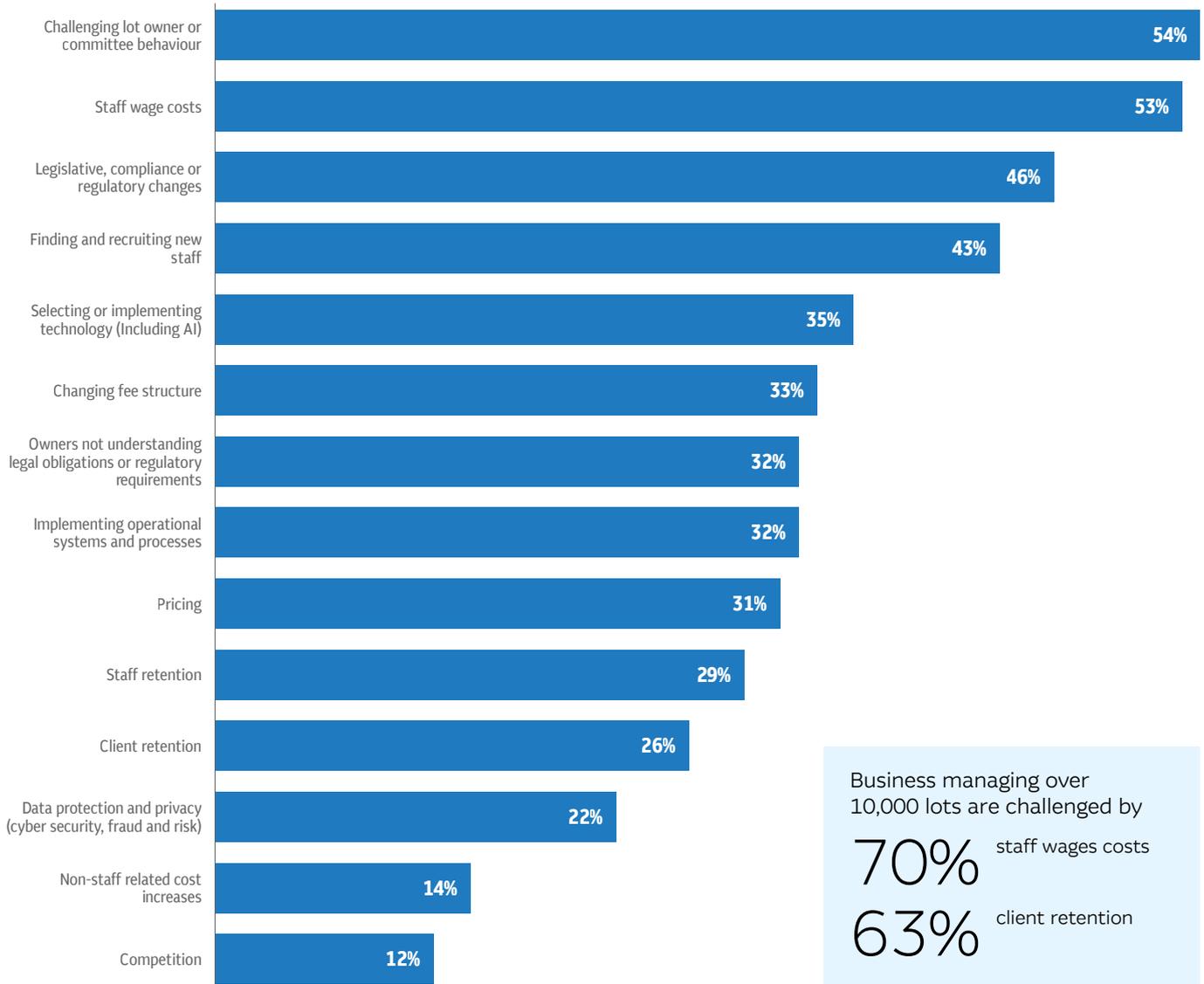


Operational efficiency is at top of mind for all businesses. The top three focus areas for respondents tell a story of increasing productivity and equipping staff with tools and skills to streamline operations.

For larger businesses, there is outsized focus on staff retention; 77% are focusing on this, v 58% in all businesses.



Challenges



Challenging lot owner behaviour is a concern for over half of all respondents. This is an issue that has an impact on the experience of doing business for both employees and clients, compounded by the fact that about a third of respondents are also challenged by owners' understanding of legal obligations and regulatory changes.

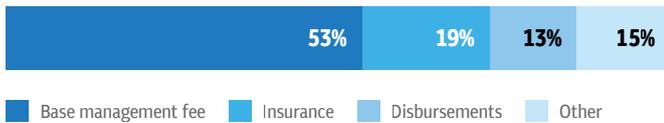
For businesses managing over 10,000 lots, 70% are challenged by staff costs (53% in all respondents), and 63% are challenged by client retention, significantly higher than all respondents; only 26% count this in their top 5 challenges.



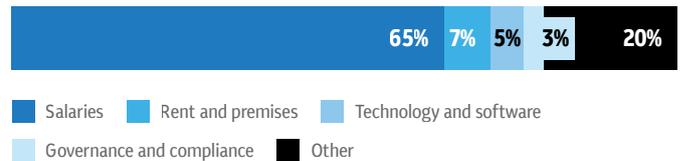
Spotlight on businesses managing under 1,000 lots

2025 average gross revenue	2025 median EBITDA	Profit margin
\$311,416	\$75,000	27.5%
Average number of lots	Average lots per plan	Lot growth
516	12	19.5%
Base management fee	Revenue per lot	Profit per lot
\$283	\$532	\$165

Revenue per lot breakdown



Expense profile

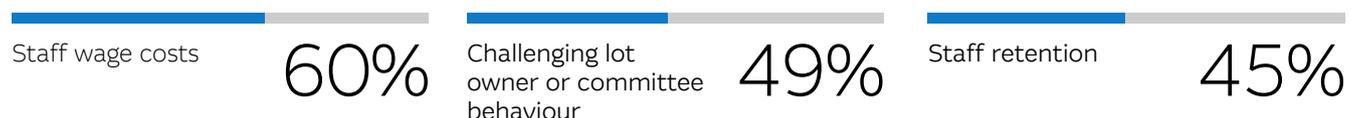


Generate insurance revenue	Charge an additional insurance fee	
68%	0%	
Salaries as a portion of revenue	Headcount	Staff churn
42.9%	2	3%
Revenue per FTE	LUM per FTE	LUM per strata manager
\$173,296	296	474

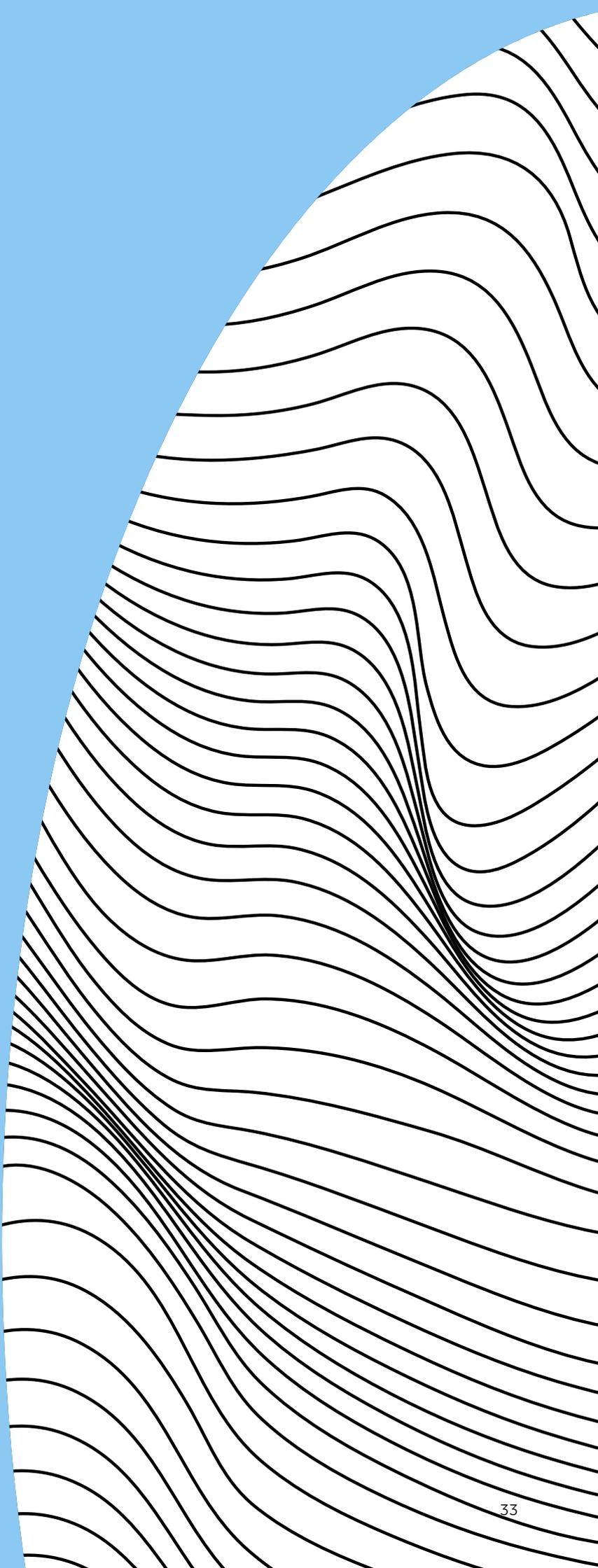
Focus areas



Challenges



State snapshots





National – all respondents

Profit margin	Revenue per lot	Profit per lot
19.4%	\$528	\$99
Number of lots	Lots per plan	Lot growth
5,000	17	4.2%

Revenue per lot breakdown



■ Base management fee
 ■ Insurance
 ■ Disbursements
 ■ Other

Salaries as a portion of revenue	Remuneration – senior strata manager	Remuneration – junior strata manager
52.1%	\$125,252	\$88,725
Revenue per FTE	Profit per FTE	
\$182,287	\$35,290	
LUM per strata manager	LUM per FTE	
786	351	
Strata managers as a portion of headcount	Total staff turnover	Strata manager turnover
46%	21%	24%



New South Wales

Profit margin	Revenue per lot	Profit per lot
20%	\$572	\$116
Number of lots	Lots per plan	Lot growth
4,344	17	4.7%

Revenue per lot breakdown



■ Base management fee ■ Insurance ■ Disbursements ■ Other

Salaries as a portion of revenue	Remuneration - senior strata manager	Remuneration - junior strata manager
56%	\$134,859	\$90,500
Revenue per FTE	Profit per FTE	
\$198,462	\$38,735	
LUM per strata manager	LUM per FTE	
785	323	
Strata managers as a portion of headcount	Total staff turnover	Strata manager turnover
50%	17%	21%



Victoria

Profit margin	Revenue per lot	Profit per lot
24.7%	\$514	\$99
Number of lots	Lots per plan	Lot growth
1,880	14	8.4%

Revenue per lot breakdown



■ Base management fee
 ■ Insurance
 ■ Disbursements
 ■ Other

Salaries as a portion of revenue	Remuneration - senior strata manager	Remuneration - junior strata manager
53.6%	\$124,347	\$85,962
Revenue per FTE	Profit per FTE	
\$185,594	\$41,786	
LUM per strata manager	LUM per FTE	
800	367	
Strata managers as a portion of headcount	Total staff turnover	Strata manager turnover
59%	17%	21%



Queensland

Profit margin	Revenue per lot	Profit per lot
20.2%	\$531	\$101
Number of lots	Lots per plan	Lot growth
7,700	15	9.2%

Revenue per lot breakdown



■ Base management fee
 ■ Insurance
 ■ Disbursements
 ■ Other

Salaries as a portion of revenue	Remuneration - senior strata manager	Remuneration - junior strata manager
48.5%	\$110,702	\$84,554
Revenue per FTE	Profit per FTE	
\$177,889	\$31,996	
LUM per strata manager	LUM per FTE	
892	333	
Strata managers as a portion of headcount	Total staff turnover	Strata manager turnover
46%	24%	27%



Western Australia

Profit margin	Revenue per lot	Profit per lot
16.7%	\$520	\$85
Number of lots	Lots per plan	Lot growth
1,841	13	2.9%

Revenue per lot breakdown



■ Base management fee
 ■ Insurance
 ■ Disbursements
 ■ Other

Salaries as a portion of revenue	Remuneration - senior strata manager	Remuneration - junior strata manager
52%	\$108,938	\$79,437
Revenue per FTE	Profit per FTE	
\$161,000	\$23,750	
LUM per strata manager	LUM per FTE	
594	302	
Strata managers as a portion of headcount	Total staff turnover	Strata manager turnover
53%	20%	29%



Important legal notice

The information in this report was finalised in December 2025.

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Where to next?

Scale, balance, or something else?

The road ahead for the strata industry is one of increasing complexity and regulatory scrutiny, with a likely tipping point. So, how will you navigate and balance change with the ambition of sustainable growth? Optimising people, process, and platform is fundamental.

People

- **Clients:** Your value is within how your clients perceive you. Within every interaction, there is opportunity. Clearly articulate the value you bring to your clients, and reinforce it in everything you do.
- **Staff:** Strata is a relationship industry, and your staff are the guardians of those relationships. Balance scale, productivity and efficiency with the development and celebration of your people.

Process

- Introduce discipline and rigour. What gets measured gets done.
- Drive accountability and performance, define and track metrics, and manage data carefully.
- Remove tasks that add toil and drain time from strata managers, freeing them to concentrate on clients.

Platform

- Build a technology suite that complements and optimises your processes.
- Carefully consider artificial intelligence, including the tools that best suit your business, how you can first optimise your business in preparation for new tools, and empowering your people to learn and utilise it.
- Balance innovation with security by investing in rigorous data and cybersecurity measures.

Macquarie Business Banking's strata management team is here to help guide you as you develop your growth strategy.