

ROLES AND RESPONSIBILITIES OF JMB, MC AND SUB-MC IN STRATA PROPERTY

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What is a Strata Property?

Strata property refers to a type of development or scheme in which land or buildings are segmented into individual lots, often called 'units' or 'parcels'. Common examples of strata properties in Malaysia include high-rise residential buildings like flats, apartments, condominiums, as well as townhouses. Additionally, gated and guarded community (G&G) landed properties, such as Desa Park City in Kepong, also fall under this category.

In these strata developments, important notices are frequently displayed in communal areas, including main notice boards, elevators, and mailboxes. These updates often come from the Joint Management Body (JMB), Management Corporation (MC), or Sub-MC, which are legally formed entities responsible for property management, building maintenance, and facility repair. This practice ensures that residents remain informed about various matters, such as scheduled interruptions to water and electricity supply, lift maintenance, and fogging activities, and warning notices for non-payment of maintenance fees.

While many residents recognize and acknowledge these organizations (or at least are required to), the specific roles and responsibilities of each can often be vague and confusing, especially for those who are not familiar with the industry.

What is Joint Management Body (JMB)?

A Joint Management Body (JMB) is a provisional organization established to oversee, administer, and maintain strata properties from the onset of development until the land office grants the properties strata title status. According to Section 17A of the Strata Management Act (SMA) 2013, the creation of a JMB involves collaborative efforts between the developer and the strata purchasers or owners. Their joint efforts focus on managing essential documentation, payment schedules, financial accounts, and property upkeep.

Furthermore, the inaugural Annual General Meeting (AGM) for the JMB must be held within one year following the delivery of vacant possession (VP) by the developer. The JMB will continue to function and fulfil its responsibilities until it is formally dissolved. Once the JMB is dissolved, the Management Corporation (MC) or Joint Management Committee (JMC) will take over its responsibilities.

Roles, Responsibilities, and Obligations of a Joint Management Body (JMB)

A Joint Management Body (JMB) plays a vital role in managing and maintaining strata-titled properties such as condominiums, serviced apartments, and gated communities in Malaysia. Formed jointly by the developer and property owners, the JMB ensures that all common areas, shared facilities, and building structures are properly managed until the Management Corporation (MC) takes over.

1. **Maintenance and Upkeep of Common Property:** The JMB is primarily responsible for maintaining and repairing shared areas such as hallways, elevators, parking lots, rooftops, and building façades. This often includes engaging building repair contractors, waterproofing specialists, or structural engineers to handle issues such as water leaks, roof leaking, wall cracks, and spalling concrete. Routine inspections and preventive actions like PU injection, grouting, and waterproofing repair help extend the structure's lifespan and prevent costly damages in the future.
2. **Financial Management and Oversight:** The JMB manages all financial matters, including collecting maintenance fees, managing the sinking fund, and budgeting for building repair

and refurbishment works. Financial records must be transparent and audited according to the Strata Management Act (SMA) 2013.

3. **Insurance and Legal Compliance:** The JMB is required to obtain building insurance coverage and ensure that the property complies with safety standards, including fire safety and structural integrity. For older high-rise buildings, the JMB may engage engineering consultants to conduct concrete scanning, coring tests, or structural assessments to ensure compliance with local authority requirements.
4. **Enforcement of By-Laws and Rules:** The JMB enforces building by-laws to maintain harmony and discipline among residents. This covers noise control, waste management, parking rules, and use of common areas. They may also issue notices or fines for non-payment of maintenance fees.
5. **Decision-Making and Administration:** The JMB makes collective decisions on building upgrades, waterproofing works, repainting, and renovation of common facilities such as swimming pools and gyms. All administrative duties such as documentation, correspondence, and coordination with contractors are handled by the JMB committee or managing agent.
6. **Communication and Resident Engagement:** The JMB serves as a communication bridge between residents, management agents, and contractors. Notices for toilet leaking repairs, waterproofing works, or scheduled maintenance are displayed on notice boards or distributed via digital platforms. The JMB also mediates resident disputes to maintain a harmonious community.
7. **Meetings and Representation:** The JMB organizes Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs) to update residents on financial reports, project progress, and proposed building repair works. Owners can vote on budgets, appoint contractors, and elect new committee members.
8. **Documentation and Reporting:** The JMB must maintain proper records such as the register of parcel owners, insurance policies, financial statements, and maintenance contracts. These records help ensure accountability and transparency in management decisions.

What is Management Corporation (MC)?

A Management Corporation (MC) is an organization formed by the collective unit owners of a strata-titled property, such as a condominium or serviced apartment. The MC is elected during the Annual General Meeting (AGM) and is responsible for representing all owners in managing and maintaining the common property within the development. In some cases, it is also referred to as the Joint Management Corporation (JMC).

The main distinction between a Joint Management Body (JMB) and a Management Corporation (MC) lies in their timing and authority. The JMB acts as a temporary management body before the strata titles are officially issued by the land office. Once the strata title is granted and the strata register is opened, the MC is formally established to take over full management responsibilities.

The MC's authority begins after the first AGM is held and a new management committee is elected. Subsequently, the JMB is automatically dissolved within three months. From that point onward, the MC assumes full legal control and accountability for the property's management, covering maintenance, financial administration, enforcement of by-laws, and the coordination of repair and waterproofing works with qualified contractors or consultants when required.

While the MC's roles, responsibilities, and obligations are generally similar to those of the JMB, the MC operates as a permanent legal entity with greater decision-making power and autonomy to ensure long-term upkeep and compliance of the strata property.

What are the Differences between JMB and MC?

Table 1: The Differences between JMB and MC ^[1]

Aspect	JMB (Joint Management Body)	MC (Management Corporation)
Formation	Formed after the development is completed but before the strata titles are issued and handed over to owners.	Formed after the strata titles are issued and ownership is transferred to individual owners.
Composition	Typically includes the developer and several unit owners.	Composed solely of unit owners or their elected representatives.
Role	To manage and maintain the common property before the MC is formed.	To manage and maintain the property after taking over from the JMB.
Duration	Temporary; it functions until the MC is formally established.	Permanent; continues indefinitely once formed.
Authority	Acts on behalf of both the developer and the initial owners.	Holds full authority over the management and maintenance of the property.
Control Over Property	Limited authority, as it may still be influenced by the developer.	Full control over all property management decisions.
Financial Responsibilities	Responsible for collecting maintenance fees and managing funds for upkeep of common areas.	Takes over complete financial management, including fee collection, budgeting, and expenditures.
Enforcement of By-Laws	Enforces temporary by-laws established by the developer or initial owners.	Enforces and may amend by-laws agreed upon by the owners.
Transfer of Authority	Authority is transferred to the MC once it is established and a majority of owners have consented.	Once formed, the MC assumes full control and responsibility for the property.
Legal Standing	A transitional management body that operates before the MC takes over.	A permanent legal entity with full rights and obligations to manage the strata property.

What is Sub-MC?

A Sub-Management Corporation (Sub-MC) is established when a development is too large or complex for a single Management Corporation (MC) to manage effectively. It governs a specific section of the property, known as the Limited Common Property (LCP), which grants exclusive usage rights to certain parcel owners.

This arrangement is particularly beneficial in mixed-use developments that combine residential, commercial, and retail components, where each section may require separate maintenance or management. A Sub-MC can only be formed after the main MC has been established. While the Sub-MC operates independently in managing its designated areas, it must include at least one representative from the main MC to ensure alignment and coordination between both entities.

What are the Differences between MC and Sub-MC?

Table 2: The Differences between MC and Sub-MC ^[2]

Aspect	MC (Management Corporation)	Sub-MC (Sub-Management Corporation)
Formation	Formed after the strata units are sold and ownership is transferred.	Formed only after the main MC has been established.
Management of Property	Responsible for managing the entire development and all its common areas.	Manages a specific section (e.g., a block, tower, or phase) of a larger development designated as Limited Common Property (LCP).
Composition	Composed of unit owners or their representatives for the entire development.	Composed of unit owners or representatives for the specific section under the Sub-MC.
Authority	Makes decisions and establishes policies for the whole development.	Makes localized decisions for its section but must align with the overall direction and policies set by the main MC.
Financial Responsibilities	Collects and manages maintenance fees and sinking funds for the entire development.	Collects and manages maintenance fees and sinking funds specifically for its section of the property.
Enforcement of By-Laws	Fully enforces by-laws applicable to the entire property and may amend them with owners' approval.	Enforces by-laws applicable to its designated section and may make localized adjustments within the limits of the main MC's by-laws.

Conclusion

In summary, the Joint Management Body (JMB), Management Corporation (MC), and Sub-Management Corporation (Sub-MC) each play essential roles in the effective management of strata properties throughout their lifecycle. The JMB oversees the initial transition from developer control to owner governance, ensuring a smooth handover process. Once strata titles are issued, the MC assumes long-term responsibility for managing and maintaining the property. In larger or mixed-use developments, the Sub-MC focuses on managing specific sections or limited common properties for greater efficiency. Together, these entities ensure that strata communities are well-maintained, financially sustainable, and harmonious for all owners and residents.

Whether managed by a JMB, MC, or Sub-MC, maintaining a strata property requires regular building inspection, waterproofing maintenance, leak repair, and structural assessment to ensure long-term safety and value. Engaging professional building repair specialists, waterproofing contractors, or structural engineers helps prevent issues such as wall cracks, roof leaks, and concrete defects, ensuring a safe and well-maintained environment for all residents.

References:

[1] Properly, T. (n.d.). JMB: Joint Management Body. Properly. Retrieved on 21st July 2022 from <https://properly.com.my/blog/joint-management-body-jmb/>

[2] Chew, R. (2022). Know Your Stuff: What is the role of the JMB, MC and Sub MC in stratified projects? The Edge Malaysia. Retrieved on 21st July 2022 from <https://theedgemaalaysia.com/article/know-your-stuff-what-role-jmb-mc-and-sub-mc-stratified-projects>