

Understanding Your MCST Contributions

 Your monthly maintenance contributions are used to maintain and manage the estate's common property. These contributions are split into two funds:

The Management Fund (MF) : Pays for day-to-day operating and maintenance expenses

The Sinking fund (SF) : Pays for future major repairs and replacement works

Should You Contribute Sinking Fund (SF) **Regularly** or Pay a **Special Levy** ?

REGULAR CONTRIBUTIONS

Small contributions, paid regularly

VS

SPECIAL LEVY

One-off contributions due to insufficient funds

- | | |
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| <ul style="list-style-type: none"> ● Smaller, manageable amounts spread out over time ● Funds are ready when needed, so essential major repairs & replacements can happen without delay ● A well-funded development signals a well-managed home ● Proactive planning ensures your home stays in good condition for the long term | <ul style="list-style-type: none"> ● Large lump sum payment due all at once – a sudden financial burden ● Crucial works may be delayed or stalled if residents do not agree to the levy. ● May raise concerns among potential buyers about the financial health of the development ● Reactive – typically triggered by emergencies or gaps in budget planning |
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EXAMPLE:  If your development has a total share value (SV) of 2,000 and requires \$5 Mil for major repair works in 20 years' time, a unit with 5 SV pays just **\$52.08** a month through regular sinking fund contributions, instead of a **one-time Special Levy** of **\$12,500**.

MCST FINANCIAL HEALTH CHECK



Have we identified major repairs / replacements early ?
(Not after breakdowns)



Are monthly contributions sufficient for long term needs?



Does our sinking fund have enough savings for future capital expenditure works?



Will a special levy be needed to cover the shortfall?

LEARN MORE !

Check out BCA's Strata Management Guides

[go.gov.sg / bca.smg](https://go.gov.sg/bca.smg)

The Building and Construction Authority has introduced a set of Strata Management Guides for stakeholders to better understand the strata management framework.