

January 2, 2025

**Carlton House Condominiums**

2701 S. Ocean Blvd

Highland Beach, FL 33487

**Folio #:** 24-43-46-28-33-0000-XXX

ATTN: Mark Evans, Property Manager

561.265.2716

mevans@castlegroup.com

**RE: Carlton House Condominium  
Structural Integrity Reserve Study (SIRS)**

Dear Mr. Evans,

O&S Associates, Inc. ("O&S") has completed the Structural Integrity Reserve Study of the Carlton House Condominium property located in Highland Beach, FL. The attached financial analysis was performed in accordance with the requirements Florida Statute F.S. 718.112 (g) *Structural integrity reserve study*.

O&S performed a visual inspection of the common elements of the building which are noted in the Florida Statute and must be included in the integrity reserve study. The Component Inventory provides a list of the common elements inspected and includes the estimated remaining useful life and the probable repair, replacement, or maintenance cost of each common element. The costs to replace, repair, or maintain the common elements are derived from O&S experience and history, published industry data, or price quotes provided to the Association by contractors. The Financial Analysis includes a recommended annual reserve contribution amount that satisfies the statute's funding requirements for the common elements.

The Association at Carlton House Condominium has been funding reserves, according to the information provided by the association, and anticipates having \$68,650.28 in the reserve fund by 12-31-2024. The attached financial analysis indicates a starting balance for the Structural Integrity Reserve Fund of zero dollars (\$0). All existing funds will remain in the non-Integrity reserve fund.

We are recommending an initial annual reserve contribution of \$69,500, based on the Baseline Funding model. After the first year, we suggest increasing by 3% each following year of the budget program to account for inflation. Most of the SIRS common elements have been recently repaired or replaced and therefore nominal expenses are anticipated for the first 8 years of the budget. This funding model will provide the association with sufficient funds to cover the anticipated costs at the time the cost is expected to be incurred.

As a routine matter, to avoid possible misunderstanding, nothing in this report should be construed directly or indirectly as a guarantee for any portion of the structure system. To the best of my knowledge and ability, this report represents an accurate appraisal of the present condition of the building based upon careful evaluation of observed conditions, to the extent reasonably possible. There was no destructive testing done at the building and none of the covered structural members could be visually inspected.

Please contact me with any concerns at (954) 829-4664.

A handwritten signature in blue ink, reading "Jason Borden". The signature is stylized, with a large, sweeping "J" and "B".

Respectfully,

**Jason Borden, P.E.**

**Regional Director**

**O&S Associates, Inc. – Engineers & Architects**

[jborden@OandSassociates.com](mailto:jborden@OandSassociates.com)