

THE MAXWELL DELRAY

Executive Summary | Confidential Offering

306 NE 2nd Street, Delray Beach, FL | Offered at \$7,495,000

The Maxwell Delray represents a rare, fully entitled development opportunity in one of South Florida's most sought-after submarkets. After more than three years of planning, design, and stakeholder coordination, the project has secured **full site plan approval**, with key endorsements from **Pineapple Grove Main Street** and the **Delray Beach Community Redevelopment Agency**. While not yet shovel-ready, the property is positioned for near-term vertical development, requiring only the final stages of engineering and MEP readiness — an estimated 9 to 12 months and approximately \$1.6M in remaining pre-development investment.

Investment Highlights

The Maxwell Delray is designed as a premium boutique condominium with high-end finishes and a rooftop amenity program featuring a pool and fitness center. The opportunity addresses a meaningful supply gap: new-construction, non-waterfront condominiums remain exceptionally scarce in this submarket. Comparable products delivered post-2019 have achieved pricing of \$1,100 to \$1,450 per saleable square foot, underscoring durable demand fundamentals and supporting strong projected development economics relative to the offering basis.

Income Offset During Pre-Development

A key strategic advantage of The Maxwell Delray is the ability to retain the existing income-producing structure and its current tenants throughout the final pre-development phase. Because all leases are on a month-to-month basis, the incoming sponsor maintains complete flexibility — preserving rental income for as long as it is beneficial, while retaining the ability to deliver the site for vertical construction on the sponsor's preferred timeline.

This in-place rental income effectively covers property taxes, insurance, and routine operating expenses, materially reducing — and in many cases neutralizing — carrying costs during the 9 to 12 months required to complete the remaining engineering, MEP, and final readiness work needed to reach shovel-ready status. The result is a self-supporting holding period: the sponsor can advance the project through its final pre-construction milestones without the typical drag of negative carry, all while preserving full optionality to vacate the site and mobilize at the moment vertical development is ready to commence.

In short, the existing improvements function as a built-in cost-offset mechanism, allowing capital to be deployed efficiently toward project readiness rather than toward holding expenses — a meaningful underwriting advantage in today's cost environment.

Property Overview

Address	306 NE 2nd Street, Delray Beach, FL
Site Area	37,220 SF (0.85 acres)
Residential	23 units (27,056 SF + 3,242 SF terraces)
Unit Mix	1 (1BR/1BA), 5 (1BR/2BA), 15 (2BR), 2 (3BR/3BA)
Commercial	3 units (2,651 SF)
Parking	50 spaces

Offering Price	\$7,495,000
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Development Economics

Development Economics (Third-Party Estimates)	Estimate
Hard Construction Costs (~\$350/SF, premium finishes + rooftop amenities)	\$16.5M
Remaining Pre-Development Investment (engineering, MEP, final readiness)	~\$1.6M
Pre-Development Timeline to Shovel-Ready	9–12 months
Comparable Pricing Achieved Post-2019	\$1,100–\$1,450/SF

Market Context

Delray Beach continues to benefit from sustained in-migration and resilient buyer demand. The city’s vibrant downtown, three miles of Atlantic coastline, and highly walkable lifestyle — anchored by acclaimed dining, retail, and cultural offerings — have made it a premier destination for both full-time residents and seasonal buyers. Multimodal connectivity via rail, major roadways, and the Intracoastal Waterway further reinforces its long-term appeal and pricing power.

Summary

The Maxwell Delray offers a sponsor the opportunity to acquire a fully approved, premium-positioned development at an attractive basis, with built-in carry offset from existing month-to-month tenancies and a clear runway to vertical construction in a supply-constrained, high-demand submarket.

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