\$1,188,000 - 37519 Oyster House Rd, Rehoboth Beach

MLS® #DESU2098906

\$1,188,000

3 Bedroom, 2.00 Bathroom, 576 sqft Residential on 0.37 Acres

NONE AVAILABLE, Rehoboth Beach, DE

APPROVED preliminary plans to build three, 5 bed 4 bath homes! East of route one and an easy walk to Rehoboth Ave. Discover a rare opportunity to own a fully renovated, income-producing Rehoboth Beach cottage while unlocking incredible development potential. This charming coastal retreat sits on nearly half an acre and features a beautifully updated main cottage along with a separate in-law suiteâ€"perfect for extended family or vacation guests. The property currently operates as a successful short-term rental, generating approximately \$45,000 per summer, even with two weeks reserved for the owner's family.

Beyond its charm and consistent income, this property offers something truly special: C-1 zoning with preliminary approval already in place for three new 5-bedroom, 4-bath homes. Whether you're an investor seeking steady cash flow while you plan your project, or a developer ready to take advantage of the area's booming new construction market, this property checks every box. New development around the corner has sold homes exceeding of \$1.6 million, proving the strong demand for high-end coastal living in this location.

Situated just one lot from the Rehoboth-Lewes Canal, the property offers easy access to everything that makes Rehoboth Beach so desirable. A new city-approved bike path







located about 40 feet away will soon connect directly to Rehoboth Avenue and the Boardwalk, allowing guests or future homeowners to enjoy the beach, dining, and shops without ever starting a car.

Located outside of Rehoboth Beach city limits, the property falls under Sussex County jurisdictionâ€"making the permitting process simpler, faster, and more cost-effective. And to make things even easier, the listing agent is a local builder and contractor who can complete the future builds for the new buyer.

This is an exceptional opportunity to own a cash-flowing Rehoboth Beach classic with the potential to develop three new luxury homes in one of Delaware's most coveted coastal destinations.

Buyer to confirm all permitted land uses with Sussex County. Seller is a licensed Delaware REALTOR, local builder/contractor, and the listing agent.

Built in 1960

Essential Information

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Price \$1,188,000

Bedrooms 3

Bathrooms 2.00

Full Baths 2

Square Footage 576

Acres 0.37

Year Built 1960

Type Residential

Sub-Type Detached

Style Coastal

Status Active

Community Information

Address 37519 Oyster House Rd

Area Lewes Rehoboth Hundred (31009)

Subdivision NONE AVAILABLE

City Rehoboth Beach

County SUSSEX-DE

State DE

Zip Code 19971

Amenities

View Canal

Interior

Heating Forced Air
Cooling Central A/C

of Stories 1

Stories 1 Story

Exterior

Exterior Features Deck(s), Fenced-Fully

Foundation Crawl Space
Other Structures 2nd House

School Information

District CAPE HENLOPEN

Additional Information

Date Listed October 16th, 2025

Days on Market 31
Zoning C-1

Listing Details

Listing Office Crown Homes Real Estate

bright MLS

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Listing information last updated on November 15th, 2025 at 5:15pm EST