

Investment Opportunity

47 Hollow Tree Ridge Rd, Darien, CT

Presented by Gatehouse Realty Inc.

Property Overview

This two-family property offers a compelling investment with a strong capitalization rate (Cap Rate) based on current and historical rental performance. Located in Darien's desirable market, the property attracts high-quality tenants, supporting stable rental income. Below is a summary of the property's financial metrics and expense breakdown.

Financial Summary

Metric	Value
Gross Annual Rental Income	\$150,000
Annual Operating Expenses	\$22,969
Net Operating Income (NOI)	\$127,031
Property Value	\$1,800,000
Capitalization Rate (Cap Rate) ¹	7.06%

Operating Expense Breakdown

Expense Item	Annual Amount
Property Taxes	\$11,364
Sewer Use (2025 Est., 2024 Actual: \$292)	\$400
Insurance ²	\$8,805
Miscellaneous Maintenance	\$2,400
Total Annual Expenses	\$22,969
Total Monthly Expenses	\$1,914

Summary of Cap Rates and Median Selling Prices

Location	Property Type	Cap Rate	Median Selling Price
Fairfield County	Multi-Family Homes	6.3% ³	\$675,000
Darien	Single-Family Homes	4–5% ⁴	\$1,932,900
New Canaan	Single-Family Homes	4–5% ⁵	\$1,912,625

¹At 5% vacancy, NOI remains robust at \$~ 119,500, yielding a 6.64% cap rate.

²Chubb policy includes Dwelling Replacement Cost coverage of \$2,437,000 with investor loss of income coverage.

³Cap rate sourced from Apartment Property Valuation (2025).

⁴Darien cap rate sourced from Rocket Homes (2025).

⁵New Canaan cap rate sourced from Rocket Homes (2025).

What is a Cap Rate?

The Capitalization Rate (Cap Rate) is a key metric to evaluate a property's return on investment, calculated as:

$$\text{CapRate} = \left(\frac{\text{NetOperatingIncome}}{\text{PropertyValue}} \right) \times 100$$

A Cap Rate of 7.06% indicates an annual return of 7.06% of the property's value, assuming a cash purchase.

Competitive Analysis of the Cap Rate

The property at 47 Hollow Tree Ridge Rd, Darien, CT, is a two-family home valued at \$1,800,000 with a calculated cap rate of 7.06% (based on NOI of \$127,031 and annual expenses of \$22,969). This cap rate is higher than the county median cap rate of 6.3% for multi-family homes and significantly higher than the 4–5% cap rates for single-family homes in Darien and New Canaan. Multi-family cap rates in nearby Stamford range up to 7.44%, indicating the property's 7.06% cap rate is highly competitive for the region. The 7.06% cap rate reflects strong rental demand in Darien and lower operating costs due to water, oil, and electric being separately metered for each unit.

A higher cap rate suggests a better return on investment, making this property an attractive option compared to typical multi-family or single-family properties in the area. The property's cap rate of 7.06% exceeds the county average for multi-family homes, indicating it may offer superior income potential relative to its value, especially given its location in Darien, a desirable area with high property values.

Disclosures

- Financial figures, including gross rental income, operating expenses, and Cap Rate, are estimates based on historical and current data, subject to change due to market conditions, tenant turnover, or other factors.
- Gross rental income is estimated at \$12,500 per month, comprising \$6,500 per month for Unit #47 and \$6,000 per month for Unit #49; the office area is used by the owner and not rented separately.
- Operating expenses include property taxes, sewer use, insurance, and miscellaneous maintenance; water, oil, and electric are separately metered for each unit and paid by tenants.
- Net Operating Income (NOI) excludes mortgage payments or debt service; sewer use expenses are 2025 estimates, with 2024 actuals noted.
- All information provided is for general reference only and is not a substitute for professional advice; the property is sold as-is.
- Prospective buyers must conduct their own due diligence to verify all financial data, market conditions, and property details; the listing agent makes no guarantees or warranties regarding the accuracy of these figures or the property's future performance.

Contact Information

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[View full listing at Homes.com](#)

References

1. Apartment Property Valuation. (2025). *Cap Rates by County*. <https://apartmentpropertyvaluation.com/cap-rate/county>
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3. Rocket Homes. (2025). *Darien Housing Market*. <https://www.rockethomes.com/real-estate-trends/ct/darien>
4. Rocket Homes. (2025). *New Canaan Housing Market*. <https://rocket.com/homes/market-reports/ct/new-canaan>
5. LoopNet. (2025). *Connecticut Multifamily Properties for Sale*. <https://www.loopnet.com/search/multifamily-properties/ct/for-sale/>
6. Homes.com. (2025). *47 Hollow Tree Ridge Rd, Darien, CT Property Listing*. <https://www.homes.com/property/47-hollow-tree-ridge-rd-darien-ct/tes0ktdjsvkhf/?l=1410xcxemctnj>