



## Invest Like Donald Trump With as Little as \$1,000

### Description

These days, it seems like Donald Trump is better known for being a celebrity than being an investor. He constantly ignites controversy by being outspoken on Twitter or other media. His reality TV show, *The Apprentice*, is still going strong after 13 seasons. Trump is also involved in politics, including spending a reported \$1 million of his own money just investigating whether he should run for president in 2016. His current net worth is estimated at approximately \$4 billion.

Love him or hate him, “The Donald” is certainly a polarizing figure.

Trump made the majority of his cash investing in real estate. Starting in 1968 while working with his father, Trump has built a real estate empire worth billions, owning hotels, golf courses, and luxury condos around the world. Even though certain projects have filed for bankruptcy protection — the most recent being Trump’s interest in three Atlantic City casinos in 2009 — for the most part Trump has been a wildly successful real estate investor.

These days, Trump actually derives most of his income from his celebrity. Instead of being the driving force behind real estate mega projects, Trump just lends his name to them and takes a small ownership stake. His children mostly run that side of the business, while Trump spends most of his time making media appearances.

Obviously, Trump is doing a few things right. Here’s how you can invest like this billionaire, and all for just a fraction of his net worth.

### It just takes \$1,000

Essentially, every large real estate deal works the same way, whether you, I, or Trump are in charge of it. You scrounge together enough money for a down payment, find a bank to finance the rest, and you’re in business. Revenue from renting out the space goes towards paying back the loan, and eventually the property gets paid off.

Individual investors have been doing this on a much smaller scale for years. They buy one or two units, rent them out for 10 or 20 years, and eventually the renters pay off the mortgage. But, if you manage it

yourself, owning property is a ton of work. And since an owner with only a couple of properties isn't diversified, one bad tenant can really do some damage to your wallet.

Plus, it takes a lot of capital to get going. Putting down 20% on a property in one of Canada's major cities is going to set you back at least \$100,000. That's a lot to put into just one asset.

Fortunately, there's a better way. All you need to do is invest in real estate investment trusts, which typically own hundreds of different properties across the country. REITs are hands-off, pay attractive dividends, and you can get started owning them for as little as \$1,000.

## Two REITs to consider

Personally, my favorite is **Dream Office REIT** ([TSX: D.UN](#)), which owns more than 24 million square feet of office space. It lists some of Canada's largest companies as its main tenants, and has an occupancy rate of about 95%. It comfortably earns enough to pay its nearly 8% dividend, and I really like that the company's portfolio is concentrated in downtown Calgary and Toronto, two cities with bright futures.

I also like **Calloway Real Estate Investment Trust** ([TSX: CWT.UN](#)), a retail REIT with approximately 25% of its revenue coming from one tenant. This would normally be cause for concern, but that tenant is **Wal-Mart Stores Inc.** ([NYSE: WMT](#)), which is about as secure as you can get. Plus, since Wal-Mart drives so much traffic, it enables Calloway to get better rents for the rest of the developments it anchors.

Calloway has occupancy of nearly 99%, a payout ratio of less than 85%, and a dividend yield just under 6%. As long as customers keep shopping at Wal-Mart, that yield is pretty safe.

It's easy to invest like The Donald. But even if REITs aren't your cup of tea, we've got three other dividend-paying companies you should check out.

## CATEGORY

1. Investing
2. Stocks for Beginners

## TICKERS GLOBAL

1. TSX:D.UN (Dream Office Real Estate Investment Trust)
2. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

## Category

1. Investing
2. Stocks for Beginners

## Date

2025/08/21

## Date Created

2014/11/06

## Author

nelsonpsmith

default watermark