

# How to Earn Monthly Rental Income Without Becoming a Landlord

## Description

If you're interested in buying investment real estate, but don't want to spend your time dealing with tenants, then this might be the most important message you'll ever read.

That's because in this article, I'm going to reveal a way to earn monthly rental income *without* becoming a landlord. But to get in on this deal, you have to take action by March 27.

### How to earn a rent cheque without ever stepping foot on a property

Picture this...

You buy a rental property. Then every month, these wonderful people called tenants pay off your mortgage.

In 20 years or less, you stop making mortgage payments, but your tenants keep paying rent. Your tenants' children pay your children's rent. Your tenants' grandchildren pay your grandchildren's rent.

When does this end? It doesn't. Your investment becomes a money-making machine that can last generations.

Owning rental properties is a remarkable business. More wealth has been made in real estate than all other asset classes *combined*. Throughout time, it has always been rich people who own real estate.

But becoming a landlord isn't easy. A lot of time is spent fixing leaky faucets, collecting security deposits, and chasing down late payments.

Sure, we could all use the extra cash, but buying real estate is not for everybody. That's why you might be interested to learn about a way to collect monthly rental income without buying investment properties yourself.

Simply put, I'm talking about becoming a partner with an already established, highly successful landlord: **RioCan Real Estate Investment Trust** ([TSX:REI.UN](#)).

RioCan's business is easy to wrap your head around. The trust owns properties, collects rent from tenants, and passes on the income to investors.

In total, the firm's empire includes over 330 commercial properties across North America, encompassing some 79 million square feet of real estate. There's a good chance you have visited one of the trust's malls or shopping centres.

Because RioCan specializes in retail properties, the trust is not leasing to the typical "Joe Renter." Rather, we're talking about blue-chip tenants like **Loblaws**, **Wal-Mart**, and **Canadian Tire**.

Needless to say, these types of companies always pay their bills. Certainly none of them are going out of business any time soon.

But there's another reason why RioCan partners do so well. Thanks to a legal loophole, the trust pays NO taxes on its profits. In exchange for this benefit, the firm is required by law to pass on almost all of its earnings to partners.

This is how the trust has managed to pay out such oversized rent cheques. Since 1994, RioCan has never missed a monthly payment to partners. Even through the financial crisis in 2009, unitholders could always count on their income.

Better yet, a professional management team handles all of the day-to-day operations. That means there are no rents to collect, no toilets to unclog, and no driveways to shovel. All you have to do is sit back and wait for the cheques to arrive in your brokerage account.

### **Collect a 4.8% rent cheque without becoming a landlord**

Today, RioCan pays investors \$1.41 per unit in distributions each year, which comes out to a yield of 4.8%. However, I expect that payout to grow as tenants renew their leases at higher rates.

Best of all, RioCan pays its partners monthly, so you don't have to wait to start cashing in. The next round of distributions are scheduled to be mailed out in a few weeks. If you become a partner by March 27, you can collect your first rent cheque on April 7.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **TICKERS GLOBAL**

1. TSX:REI.UN (RioCan Real Estate Investment Trust)

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