



Collect Up to \$1,250 in Monthly Rental Income Starting April 30

Description

Today, I'm going to share a little-known way to collect up to \$1,250 in monthly rental income without becoming a landlord.

These yields are safe. They are a great way to diversify your portfolio and they can be bought and sold as easily as any stock. Yet most people don't even know they exist.

However, if you want to start collecting these consistent, oversized rent cheques, then you have to act quickly. The next round of distributions are scheduled to be mailed out in a few weeks. To be eligible, you must take action by Friday, April 10.

Real estate is a great business, but being a landlord is not for everybody. However, there's another way to collect monthly rental income *without* becoming a landlord. I'm talking about investing in an already established, highly successful property owner—**H&R Real Estate Investment Trust** ([TSX:HR.UN](#)).

H&R is straightforward. The trust owns buildings, collects rent from tenants, and passes on the income to investors. In total, the firm's business empire spans over 300 properties across North America, encompassing some 49 million square feet of real estate.

However, this firm has a big advantage over your typical "mom and pop" operation. Most people are happy if a tenant signs a one-year lease and pays their rent. H&R, in contrast, doesn't waste time with such short commitments. It typically signs on tenants for a decade or longer.

Of course, few people would agree to a 10-year lease. That's why H&R doesn't rent to individuals. In fact, the trust doesn't deal in residential housing much at all.

As you may have guessed, this landlord specializes in retail, commercial, and industrial properties. Its tenants include blue-chip companies like **Bell**, **Canadian Tire**, the **Royal Bank of Canada**, and many other businesses I'm sure you've heard of.

Needless to say, these types of renters are rock-solid from a financial perspective. They certainly

aren't going out of business in the near future and they always pay their bills on time.

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

This is how H&R has managed to deliver such giant rent cheques year after year. Today, the trust pays out a monthly distribution of 11.25 cents per unit. That comes out to an annualized yield of 6.0%.

As you can see in the chart below, even a small investment can translate into some serious cash flow. For example, if you were to purchase \$25,000 worth of units, you could start earning an extra \$125 per month in rent. With a \$250,000 investment (about the cost of buying your own rental property), you can earn \$1,250 in monthly income.

Initial Investment	Monthly Distribution	Annual Distribution
\$250	\$1.25	\$15
\$2,500	\$12.50	\$150
\$25,000	\$125	\$1,500
\$250,000	\$1,250	\$15,000

Collect a 6.0% rent cheque starting April 30th

Of course, the best part about partnering with H&R is that management handles all of the daily operations. There are no rents to collect, no leaky faucets to fix, and no driveways to shovel. All you have to do is sit back and wait for the distributions to arrive in your mailbox.

If you want to start cashing in, you have to act fast. The next round of distributions are scheduled to be mailed out in a few weeks. That's why you need to become a partner by April 10 to collect your first rent cheque on April 30.

CATEGORY

1. Dividend Stocks

2. Investing

TICKERS GLOBAL

1. TSX:HR.UN (H&R Real Estate Investment Trust)

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