



## Earn Monthly Income With Dream Office REIT

### Description

If you look around major cities, it is amazing how tall some of those office buildings get. There are dozens of floors all packed with offices, and hundreds of different companies all trying to succeed in this economy. But the one thing that is constant is the fact that each of those buildings has a landlord who makes a pretty penny by owning those buildings.

One of the top pure-play office REITs is **Dream Office REIT** ([TSX:D.UN](#)). What I mean by a pure-play office REIT is that it invests all of its money into new office buildings. It's not trying to be something it isn't, which I find to be really appealing. Companies that know their skills and focus on them make for great investments.

Dream Office has a portfolio of 185 properties that totals just about 28 million square feet. Of that immense square footage, 94% of it is currently leased out, which means the company is bringing in consistent rent checks from some really large companies and government agencies. To give you an idea of what types of companies might be leasing, consider the fact that Bell and Enbridge are both tenants of Dream Office. And, of course, the Canadian Government leases from them.

But while it does have some of those really large tenants, it is well diversified, which ensures that if one company goes under, Dream Office won't suffer. And those couple of thousand different tenants it has are spread out across all parts of Canada, which gives it a buffer from large oil companies that might be aching.

All told, this company prints money. Because it is a REIT, it doesn't have to pay corporate taxes, which maximizes how much money it is able to pay out to investors and reinvest in other properties.

### But it's all about that yield

But let's talk about what I love about this REIT and all companies of this type. Because it doesn't pay corporate taxes, it has to pay a significant amount of its cash flow to investors. And Dream Office does not disappoint.

Since going public in 2002, it has never missed a single monthly payment to investors. If you were a

landlord, you would ensure that your tenants paid rent, and that's what Dream Office does.

The company pays a dividend of 18.27 cents per share every month, which, based on the price right now, comes out to a yield of 8.77%. Normally, I am a little nervous about yields that high, but Dream Office has a payout ratio of 78%. That means that if it does wind up losing some tenants, its dividend will still be safe.

The one concern for me is that it doesn't raise the yield that often. It has only increased the dividend by 2% over the past five years, so if you're expecting to see increased earnings, that's not likely.

But with how high the yield is and the fact that it is safe, I would recommend looking into Dream Office as a solid dividend earner for you. It's all about income and this REIT definitely will provide that income.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

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

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## Author

jaycodon

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