

# Buy These 2 Stocks to Invest Like Donald Trump

## Description

If you spend any time listening to Donald Trump talk about his billions, you'll hear him explain that he earned a lot of it through real estate. In his book *The Art of the Deal*, he says, "It's tangible, it's solid, it's beautiful. It's artistic, from my standpoint, and I just love real estate." Now, Trump obviously had a leg up on other people because his father was already big into real estate. But the truth is, the Trumps went from millions to billions because he invested in good real estate.

The problem with real estate is that it requires a pretty hefty investment. Fortunately for you, there are ways to invest like The Donald without needing hundreds of thousands of dollars. And the good thing is that they will start paying you money almost instantly, so you can continue to grow your real estate empire.

The way to do that is with real estate investment trusts (REITs). REITs are special companies that are able to avoid paying corporate income tax in exchange for paying out the majority of its earnings as dividends to investors. What that means is that you'll get paid greater dividends than what many other companies can pay. And there are two stocks, in my opinion, that are worth looking at.

The first is my favourite REIT: **RioCan Real Estate Investment Trust** (<u>TSX:REI.UN</u>). RioCan runs a network of shopping centres, with 239 retail properties all across the United States. It also has 47 in the United States, but there is speculation that RioCan may look to sell these for upwards of \$2.25 billion.

What I like about RioCan is that it has some of the best shopping brands leasing square footage across these many retail properties. This has resulted in it being able to pay a predictable dividend consistently. Every month, RioCan pays \$0.12, which is a 5.72% yield.

The other company that I would look at is **Dream Office Real Estate Investment Trust** (<u>TSX:D.UN</u>). Unlike RioCan, Dream Office is focused on office space. And it has a diversified portfolio across all of Canada with some great buildings.

But with real estate comes risk, and Dream Office has been dealing with the ramifications of that. Investors have been selling the company because of concerns that oil companies in Calgary will result

in tenants being unable to pay their rents. This has resulted in the company trading for half of its book value, making it an incredible buy. Based on where the shares trade, I think that all the risk has already been factored into the price, so the risk is gone.

Because it has been beat up in the markets, Dream Office yields 10.58%, which comes out to \$0.19 per month. Normally, I'm nervous about yields that high, but if oil prices start to return, the company won't have a problem keeping tenants in the buildings.

At the end of the day, The Donald got rich on real estate. And if you pick specific REITs, you can also start generating monthly income and get on your way to building a real estate empire.

#### **CATEGORY**

- 1. Dividend Stocks
- 2. Investing

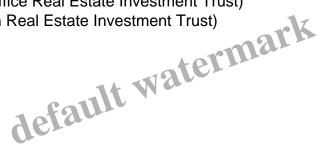
#### **TICKERS GLOBAL**

- 1. TSX:D.UN (Dream Office Real Estate Investment Trust)
- 2. TSX:REI.UN (RioCan Real Estate Investment Trust)

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