



Gain Exposure to the Real Estate Industry With 1 of These 3 Stocks

Description

The Canadian real estate industry has been a source of steady growth over the last several years, and savvy investors are always looking for ways to profit from this trend. To make things easier for you, I have scoured the industry and found three stocks that are trading at inexpensive valuations compared with their five-year averages, so let's take a look at each to determine which would fit best in your portfolio.

1. Tricon Capital Group Inc.

Tricon Capital Group Inc. ([TSX:TCN](#)) is an asset manager and principal investor focused on the residential real estate industry in North America.

At today's levels, its stock trades at 16.3 times fiscal 2015's estimated earnings per share of \$0.63 and 19.4 times fiscal 2016's estimated earnings per share of \$0.53, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 41.4.

In addition, Tricon pays a quarterly dividend of \$0.06 per share, or \$0.24 per share annually, giving its stock a 2.3% yield.

2. First Capital Realty Inc.

First Capital Realty Inc. ([TSX:FCR](#)) is one of Canada's largest owners, developers, and managers of grocery-anchored urban properties.

At current levels, its stock trades at 18 times fiscal 2015's estimated earnings per share of \$1.04 and 17.2 times fiscal 2016's estimated earnings per share of \$1.09, both of which are inexpensive compared with its five-year average multiple of 24.9.

Additionally, First Capital pays a quarterly dividend of \$0.215 per share, or \$0.86 per share annually, which gives its stock a 4.6% yield.

3. Altus Group Ltd.

Altus Group Ltd. ([TSX:AIF](#)) is one of the leading providers of independent advisory services, software, and data solutions to the world's commercial real estate industry.

At today's levels, its stock trades at 19 times fiscal 2015's estimated earnings per share of \$1.08 and 16.3 times fiscal 2016's estimated earnings per share of \$1.26, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 44.9.

Also, Altus Group pays a quarterly dividend of \$0.15 per share, or \$0.60 per share annually, giving its stock a 2.9% yield.

Which of these real estate stocks fit your portfolio's needs?

Tricon Capital Group, First Capital Realty, and Altus Group are three of the most attractive investment options in the real estate industry today. Foolish investors should strongly consider establishing positions in one of them.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:FCR.UN (First Capital Real Estate Investment Trust)
2. TSX:TCN (Tricon Residential Inc.)

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