



3 REITs With Yields of 6-8% to Add to Your Buy List

Description

Real estate is one of the world's most popular investments, but buying and managing a property is not for everyone. Fortunately, there are real estate investment trusts (REITs) that can give you the benefits of owning real estate without the hassles that come with being a landlord.

With all of this in mind, let's take a look at three REITs with yields of 6-8% that you could buy right now.

1. Granite Real Estate Investment Trust

Granite Real Estate Investment Trust ([TSX:GRT.UN](#))(NYSE:GRP) owns and operates over 95 industrial properties across North America and Europe that total approximately 30 million square feet. It pays a monthly distribution of \$0.203 per share, or \$2.44 per share annually, which gives its stock a yield of about 6.1% at today's levels.

Investors must also make the following two notes.

First, Granite has raised its annual distribution for five consecutive years, and its 5.7% hike in March has it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, I think the company's consistent growth of funds from operations, including its 7.3% year-over-year increase to \$0.88 per share in the first quarter of 2016, and its conservative payout ratio, including 66.7% of its funds from operations in the first quarter, will allow its streak of annual distribution increases to continue for many years to come.

2. H&R Real Estate Investment Trust

H&R Real Estate Investment Trust ([TSX:HR.UN](#)) is one of the largest diversified REITs in North America with ownership interests in 518 office, retail, industrial, and residential properties across Canada and the United States that total approximately 47.1 million square feet. It pays a monthly distribution of \$0.1125 per share, or \$1.35 per share annually, which gives its stock a yield of about 6.1% at today's levels.

Investors must also make the following two notes.

First, H&R has maintained its current annual distribution rate since 2013.

Second, I think the company's consistent growth of funds from operations, including its 4.2% year-over-year increase to \$0.50 per share in the first quarter of 2016, its conservative payout ratio, including 68% of its funds from operations in the first quarter, and its very high 95.8% occupancy rate at the end of the first quarter will allow it to announce a distribution hike before the end of the year.

3. Artis Real Estate Investment Trust

Artis Real Estate Investment Trust ([TSX:AX.UN](#)) owns and operates 252 commercial properties across Canada and the United States that total approximately 26.2 million square feet. It pays a monthly distribution of \$0.09 per share, or \$1.08 per share annually, which gives its stock a yield of about 8% at today's levels.

Investors must also make the following two notes.

First, Artis has maintained its current annual distribution rate since 2009.

Second, I think the company's consistent amount of funds from operations, including an adjusted \$0.32 per share in the first quarter of 2016, its healthy payout ratio, including 84.4% of its adjusted fund from operations in the first quarter, and its high 94.7% occupancy rate at the end of the first quarter will allow it to continue to maintain its current annual distribution rate going forward.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:AX.UN (Artis Real Estate Investment Trust)
2. TSX:GRT.UN (Granite Real Estate Investment Trust)
3. TSX:HR.UN (H&R Real Estate Investment Trust)

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Date

2025/08/28

Date Created

2016/05/13

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