



3 Great REIT Companies for Every Portfolio

Description

Real estate investment trusts (REIT) can offer investors great growth and lucrative income prospects.

If you haven't already considered adding a REIT to your portfolio, you should. REITs effectively give investors the benefits of being a landlord through the monthly distribution without the hassle or debt of owning and managing a property.

Here's a look at some of the better-performing REITs to add to your portfolio.

RioCan Real Estate Investment Trust

RioCan Real Estate Investment Trust ([TSX:REI.UN](#)) caters to larger property assets rather than smaller locations. The company owns 293 retail operations encompassing a whopping 37 million square feet.

Because RioCan's tenants are primarily huge, well-established companies, there is relatively little flight risk. Furthermore, RioCan is actively expanding with another seven million square feet of space in development for both office and retail use.

RioCan recently decided to sell the company's U.S. portfolio for nearly \$2.5 billion. Concurrently, the company is also in the process of buying out Kimco Realty Group, which has a stake in 20 properties. Both transactions should boost the company's revenue and distribution and lower debt.

RioCan's monthly distribution is \$0.12, giving the stock a very impressive dividend of 5.07%. For investors just starting out, a small investment could turn incredibly lucrative after a few years of reinvesting.

Canadian Apartment Properties REIT

Canadian Apartment Properties REIT ([TSX:CAR.UN](#)) is focused on multi-unit residential properties. The company owns over 47,000 residential units across 6,299 leasing sites primarily in major urban centres in Canada as well as in Ireland.

Canadian Apartment REIT's monthly distribution is \$0.10, giving the stock a yield of 4%. The distribution has steadily increased over the years, but it has not kept pace with the growth that the stock has had over the past few years, which has lowered the yield slightly.

In the past six months, the stock is up over 15%, and looking further out, the five-year difference shows the stock is up by an impressive 58%, making it a great option for growth as well as for dividends.

Boardwalk REIT

Boardwalk REIT ([TSX:BEI.UN](#)) is another residential-focused company that has an emphasis on multi-family residential units. The company has over 30 million rentable square feet across nearly 33,000 properties across Alberta, Ontario, Quebec, and Saskatchewan, and it recently acquired a further 500 newly constructed units in Alberta.

Boardwalk has a monthly distribution of \$0.19 per share, which—given the current stock price of just over \$51—gives the company stock a yield of 4.39%. As with the other companies mentioned, Boardwalk has steadily raised the distribution over the years, keeping pace with both the stock price and inflation, averaging just over 5% per year.

In the most recent quarter, the company posted a decrease to net operating costs by 3.8% and stabilized same property revenue, showing a decrease of 2.2%. Despite these lower figures and Boardwalk's exposure to the hard-hit Albertan economy, the company continues to maintain an impressive 97% occupancy rate.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:BEI.UN (Boardwalk Real Estate Investment Trust)
2. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)

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