



## 5 Residential REITs to Buy Instead of a Rental Property

### Description

Real estate is one of the world's most popular investments, but buying and managing a rental property is simply not for everyone. Fortunately, there are real estate investment trusts (REITs) that can give you the benefits of owning rental properties without the hassles that come with being a landlord. With this in mind, let's take a quick look at five residential REITs with high and safe yields of 3-8% that you could buy today.

#### 1. Canadian Apartment Properties REIT

**Canadian Apartment Properties REIT** ([TSX:CAR.UN](#)) holds ownership interests in apartment buildings, townhomes, and manufactured home communities, comprising of 41,316 residential suites and 6,443 land-lease sites located in and around major urban centres across Canada.

It pays a monthly distribution of \$0.1042 per share, or \$1.25 per share annually, which gives its stock a yield of approximately 3.9% at current levels. Investors must also note that its two distribution hikes since the start of 2015, including its 2.5% hike last month, have it on pace for 2016 to mark the fifth consecutive year in which it has raised its annual distribution.

#### 2. Boardwalk REIT

**Boardwalk REIT** ([TSX:BEI.UN](#)) owns and operates more than 200 apartment communities, comprising of more than 33,000 residential units located across Alberta, Saskatchewan, Ontario, and Quebec.

It pays a monthly distribution of \$0.1875 per share, or \$2.25 per share annually, which gives its stock a yield of approximately 4.2% at current levels.

Investors must also make two important notes regarding its distribution.

First, its 10.3% distribution hike in February has it on pace for 2016 to mark the fifth consecutive year in which it has raised its annual distribution.

Second, it has declared special distributions for two consecutive years, including a \$1.40 per share special distribution in December 2014 and a \$1.00 per share special distribution in December 2015.

### 3. Milestone Apartments Real Estate Investment Trust

**Milestone Apartments Real Estate Inv't Tr** (TSX:MST.UN) owns and operates 72 garden-style apartment properties, comprising of 22,546 apartment units located across 14 major metropolitan markets in the United States.

It pays a monthly distribution of US\$0.04583 per share, or US\$0.55 per share annually, which gives its stock a yield of approximately 3.9% at current levels. Investors must also note that the 11% distribution hike it announced in October 2015, which was effective for its January 2016 payment, has it on pace for 2016 to mark the first year in which it has raised its annual distribution since it went public in 2013.

### 4. Northview Apartment REIT

**Northview Apartment REIT** (TSX:NVU.UN) holds ownership interests in apartment buildings and townhomes, comprising of more than 24,000 residential units located across eight provinces and two territories. It also holds ownership interests in over 400 executives and hotel units, and a number of commercial properties focused on government and "quality" corporate tenancies.

It pays a monthly distribution of \$0.1358 per share, or \$1.6296 per share annually, which gives its stock a yield of approximately 7.3% at current levels. Investors must also note that it has raised its annual distribution for three consecutive years, and its strong growth of funds from operations could allow this streak to continue in 2016 and beyond.

### 5. Killam Apartment REIT

**Killam Apartment REIT** ([TSX:KMP.UN](#)) owns and operates 176 apartment properties and 35 manufactured home communities, comprising of 13,681 residential units and 5,165 land-lease sites located across Alberta, Ontario, Nova Scotia, New Brunswick, Newfoundland & Labrador, and Prince Edward Island. It also owns three commercial properties in Halifax.

It pays a monthly distribution of \$0.05 per share, or \$0.60 per share annually, which gives its stock a yield of approximately 4.8% at current levels. Investors should also note that it has maintained this annual rate since 2014, and its very strong growth of adjusted funds from operations could allow it to continue to do so going forward or allow it to announce a hike in the very near future.

## CATEGORY

1. Dividend Stocks
2. 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:KMP.UN (Killam Apartment REIT)

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