



## Become a Landlord by Investing in Boardwalk Real Estate Investment Trust

### Description

Real estate investment trusts (REIT) are gaining in popularity lately as viable investment options. With markets still jittery about the outcome of the Brexit vote, investors have been seeking shelter in more traditional areas, specifically, precious metals.

While gold may be rallying at the moment, providing your portfolio with something shiny, there really are limited growth prospects by hoarding physical gold. You can't actually pay your rent or utility bills with a bar of gold bullion, now can you?

Fortunately, there is hope. Those investors who are looking for an investment that pays a great dividend and has growth prospects should consider a REIT such as **Boardwalk REIT** ([TSX:BEI.UN](#)).

REITs allow investors to get as close to becoming a landlord as they can without the headaches of being a property owner. Even better, distributions from the properties are typically paid on a monthly basis, meaning investors get their monthly rent cheques, just like a landlord does.

### Boardwalk is great for investors

Boardwalk primarily deals with residential properties, having nearly 33,000 properties scattered across Ontario, Quebec, Alberta, and Saskatchewan. Most of those properties are mid- to large-sized suburban and downtown apartment buildings and community residential centres in urban markets.

In terms of how Boardwalk is currently doing, the company is trading at \$56.52, up by an impressive 19% year-to-date. Looking out over a longer period of time shows a steady growth, averaging just over 10% per year over the past decade. In terms of the monthly distribution, Boardwalk pays out \$0.19 per share monthly, giving the stock a very handsome yield of 3.98%

To put all of that into perspective, over the course of a decade, that would be 120 distributions at a great rate and another 10% growth per year on your initial investment price. Not bad.

### Boardwalk is actively growing and retaining tenants

One thing that's impressive about Boardwalk is that it's not sitting on its laurels and collecting revenues. The company is seeking out new growth opportunities and new developments wherever they may arise that will add to its bottom line. Even more impressive is the fact that Boardwalk is able to capitalize on the weakened state of the economy to acquire new assets.

Boardwalk recently announced the acquisition of a Calgary-based 238 unit community called Auburn Landing. The community consists of one- and two-bedroom units, totaling more than 205,000 square feet of space that will add to Boardwalk's already impressive portfolio that—as of the last quarter—boasted a 97% occupancy rate. There's good reason for occupancy being that high as management has made it a goal to make the properties that Boardwalk owns and manages good places to live.

Additionally, the company struck deals with various companies in the past to give residents discounted deals on internet and phone services. Given the stellar occupancy rate, the strategy seems to be working, even when considering that a huge chunk of the company's properties lie in Alberta, which has been experiencing weakness in its economy.

In my opinion, investors looking for a REIT company that is primarily invested in residential properties will be more than pleased with an investment in Boardwalk.

#### **CATEGORY**

1. Investing

#### **POST TAG**

1. Editor's Choice

#### **TICKERS GLOBAL**

1. TSX:BEI.UN (Boardwalk Real Estate Investment Trust)

#### **Category**

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