



Grow Your Portfolio With Brookfield Asset Management Inc.

Description

There are few companies on the market that are as impressive, or represent as much as an opportunity for investors, as **Brookfield Asset Management Inc.** (TSX:BAM.A)([NYSE:BAM](#)).

Asset management is all about identifying distressed assets and acquiring them for the purposes of turning them around and eventually selling them. Brookfield has become a true master in this business. Over the years, it has acquired an impressive portfolio of assets valued at nearly \$250 billion that are scattered around the world.

Some of those assets include large swaths of downtown New York City, Toronto, and Sydney. The company is also the largest landlord of office space in London and owns a myriad of landmark properties ranging from Atlantis in the Bahamas to Canary Wharf in London.

The key to acquiring all of these assets is that they were distressed at the time of acquisition. This gave Brookfield the upper hand to acquire the asset at a bargain price. And thanks to the superb management of the company, those assets became profitable ventures.

One area where Brookfield has targeted as the next major area for growth is infrastructure. The company already has a massive portfolio that spans 30 countries on five continents with everything from wind farms to cell towers. Brookfield is currently one of several companies vying for a share of wireless towers in India which could cost as much as over US\$1.3 billion. Brookfield already owns most of the cell towers in France.

What about the real estate market?

Brookfield has recently been considered as a potential suitor for troubled lender **Home Capital Group Inc.** ([TSX:HCG](#)).

Brookfield CEO Bruce Flatt noted that the real estate market in Canada is perfectly stable, and that despite housing prices rising over the past few years, in some cases significantly, the mortgage market is sound.

When pressed specifically on Home Capital, Platt responded that “everything that is in the market, we look at. If there’s a transaction that made sense on a risk/reward that we could get involved in, we’d be pleased to be involved.”

Brookfield’s exposure to the Canadian housing market has traditionally been through building homes around the country and through its Royal LePage Real Estate Services subsidiary.

While a deal for Home Capital could reap some reward for Brookfield, such a deal remains a stretch at this point and would come with significant risk.

Then again, a Brookfield-owned Home Capital could be spun off in time into another Brookfield partner subsidiary to mirror how **Brookfield Property Partners LP** caters to the commercial office sector.

Why Brookfield is a great investment

Irrespective of whether or not Brookfield makes a bid for Home Capital, the company remains one of the best investments on the market, particularly for long-term, growth-seeking investors. In terms of growth, the stock has appreciated by over 17.9% year to date. Brookfield has surged over 20% in the past 12-month period.

A large part of Brookfield’s success is thanks to the unique operating structure of the company that allows a growing number of ventures to spin off from the parent company to form separate businesses once they reach a certain size.

Even after the spin-off, Brookfield maintains an interest in those companies, which include **Brookfield Renewable Partners LP**, **Brookfield Infrastructure Partners LP**, and Brookfield Property Partners.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)
3. TSX:HCG (Home Capital Group)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
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