



## How to Build Your Real Estate Empire Without Investing Millions

### Description

Buying real estate assets and owning them for a long time is a proven way of [creating wealth](#).

Many studies have shown that real estate over the long run has generated better returns. There are many advantages of owning real estate, such as a low correlation to other financial assets and relatively high, stable income returns.

The low correlation with other asset classes means that by adding real estate to an existing portfolio of equities and bonds, you can gain diversification benefits and balance out your risks.

In Canada, however, buying a real estate asset has become extremely difficult after a decade-long boom, which has sent prices through the roof in the nation's largest markets — Toronto and Vancouver.

Even if you are able to buy a couple of investment properties, managing your cash flows will be a constant struggle amid rising interest rates, property taxes, and more stringent mortgage rules.

### Investing through REITs

But buying units of real estate investment trusts (REITs), you can overcome these challenges. In fact, you don't need millions of dollars. You can get started with as little as \$1,000.

High-yielding, but reliable REITs, such as **Artis Real Estate Investment Trust** ([TSX:AX.UN](#)), **Allied Properties Real Estate Investment** (TSX:AP.UN), and **RioCan Real Estate Investment Trust** ([TSX:REI.UN](#)) could provide you steady passive income without getting into the hassle of managing properties.

Artis is one of the largest diversified commercial REITs, managing industrial, retail, and office properties in Canada and the U.S.

One big advantage of owning Artis shares in your portfolio is that this REIT generates more than 30% of its NOI from its U.S.-based rental properties. And this means more cash flows for the company when the Canadian currency is weak.

Trading at \$14.12 per unit, Artis offers an above-average yield of 7.6%. Investing \$10,000 today would generate ~\$800 in passive annual income, which is not bad when GICs are offering just over 2%.

Allied Properties focuses on the office space in Canada's biggest cities. It transforms light industrial structures into modern office facilities, featuring high ceilings, natural light, brick, and hardwood floors. Office spaces in Toronto and Montreal account for more than half of its portfolio.

Trading at \$41.68 and with a dividend yield of 3.67%, Allied Properties pays a monthly distribution of \$0.13 a share.

RioCan is Canada's largest REIT, managing 300 retail properties across Canada with some of the biggest retail names as its clients. RioCan pays a monthly distribution of \$0.1175 per unit, or a 5.67% annualized yield.

### **The bottom line**

Now you know that by investing in REITs, you can easily build a diversified real estate portfolio with an attractive passive income stream. And you don't need to be a millionaire to own these assets.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **TICKERS GLOBAL**

1. TSX:AP.UN (Allied Properties Real Estate Investment Trust)
2. TSX:AX.UN (Artis Real Estate Investment Trust)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)

### **PARTNER-FEEDS**

1. Msn
2. Newscred
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