



2 Top Canadian Stocks for Real Estate Investors

Description

Canadians are searching for ways to diversify their investments as they plan for [retirement](#), and one popular strategy involves owning real estate.

Buying and managing an income property, however, requires significant time commitments, so it isn't ideal for everyone. A better option, especially in the current environment of sky-high property values, might be to invest in companies that are players in a variety of real estate markets.

Let's take a look at **RioCan Real Estate Investment Trust** ([TSX:REI.UN](#)) and **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) to see why they might be interesting picks.

RioCan

RioCan is primarily known as an owner of shopping malls, and that remains the largest part of its business, but the company is undergoing a transformation that will make it Canada's top mixed-used property company.

RioCan is selling properties worth about \$2 billion in its non-core secondary markets and is using the proceeds to reduce debt and fund its residential developments. The company intends to build thousands of residential units at its top urban locations over the next 10 years. The first projects, located in Toronto, are moving along well and should be completed at the end of 2018 or early 2019.

On the retail side, RioCan continues to attract interest in its properties. The company successfully replaced more than 100% of the lost revenue when **Target** and **Sears** closed down in Canada, and while other casualties should be expected in the retail sector, calls for the demise of the shopping mall might be premature. RioCan's tenant base is very diversified, with no company representing more than 5% of revenue, as of the Q2 2018 report.

With RioCan, investors get good exposure to both retail and residential property in the largest Canadian cities, and if you are looking for income, this REIT is an attractive pick. The company pays its distribution monthly and currently provides a [yield](#) of 5.7%.

Brookfield Asset Management

Brookfield invests in a wide range of assets around the world and normally comes up as a play on renewable power and infrastructure, but the company also owns a significant portfolio of real estate properties.

In fact, with \$160 billion in real estate investments under management and 450 million square feet of commercial space, Brookfield is one of the world's largest investors in real estate.

The buildings span the real estate spectrum, including office, retail, multi-family, industrial, hospitality, self-storage, and even student housing. Brookfield invests around the world with properties located in North America, South America, Asia Pacific, and Europe.

If you want access to the best real estate opportunities on the planet, Brookfield Asset Management deserves to be on your radar.

The bottom line

Owning real estate is one part of a diversified investment strategy, and holding a position in companies that specialize in the sector might be a better option than buying and managing your own property.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)

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