



Real Estate Investors: 2 Canadian Stocks to Hold for Decades

Description

Canadians are searching for ways to diversify their investments, and real estate is often cited as a good long-term bet.

It's true that we hear stories all the time about the guy down the street who bought four rental houses 20 years ago and is now a millionaire. People are still trying to get into that game and some will do well, although the rapid rise in property prices makes it harder to generate positive returns, and betting on price appreciation comes with more risk. In addition, rental properties demand significant time and ongoing investment, so they aren't exactly great options for busy people searching for [passive income](#).

Fortunately, there are other ways to add real estate to your investment portfolio without actually buying the properties directly. Let's take a look at two companies that might be interesting picks today.

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#))

Brookfield Asset Management is an alternative asset manager with interests in infrastructure, renewable energy, and real estate around the globe.

The property investments are held through the **Brookfield Property Partners** subsidiary and have a total value of about \$85 billion. The assets cover a wide swath of real estate, including hotels, retail, and office buildings, multi-family buildings, student housing, self-storage, and industrial facilities.

The company has the financial capability and expertise to acquire high-return opportunities and is willing to book gains through the sale of a property at the right price.

If you have always dreamed of being a global real estate mogul, owning shares of Brookfield Asset Management is a good option.

RioCan Real Estate Investment Trust ([TSX:REI.UN](#))

RioCan is best known for being Canada's largest owner of shopping malls. That might not sound like an appealing investment with all the news of struggling department stores and big-name retail bankruptcies.

It's true that certain segments are losing the battle with online shopping, but RioCan's tenant base is diverse with no single client representing more than 5% of revenue. In addition, RioCan is able to quickly fill vacated space with new tenants when a store closes up shop.

The company knows the landscape is changing and has embarked on a transition that will see RioCan monetize \$2 billion in non-core assets in secondary markets. The new focus is on mixed-use developments in six Canadian markets, and that holds strong promise going forward.

The first indications suggest the strategy is working, and investors should see cash flow rise as additional developments are completed.

RioCan pays a monthly distribution. Investors who buy today can pick up a [yield](#) of 5.4%.

The bottom line

Real estate holdings can provide additional diversification for investors. If you don't have the time, expertise, or access to the necessary funds to buy real estate investments directly, Brookfield Asset Management and RioCan might be interesting alternatives today.

CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

TICKERS GLOBAL

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

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Author

aswalker

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