Baby Boomers: Supplement Your Retirement With 3 Passive Powerhouse REITs

Description

If you're a Baby Boomer, retirement is likely on your mind if you're not there already. That said, you're likely already aware of all the programs Canada has to offer, including the Canadian Pension Plan (CPP) that offers up to $1,092 in funds per month for retirees.

Beyond that, you've set up your Registered Retirement Savings Plan (RRSP), have some savings set aside, and are looking forward to taking it easy. It might not be so simple, however.

CPP simply isn't enough to live on, and depending on how much you were able to stash away, your RRSP and nest egg may not be all that much either.

Between paying for your kids schooling, raising children, vacations, mortgages — and that mid-life crisis — your funds may have dwindled to the point where now you're not 100% certain whether your they'll see you through retirement.

Before you start looking for a part-time job, however, it might be a good idea to consider some passive income through real estate investment trusts (REIT).

REITs offer investors high dividend yields with usually monthly payouts, where each REIT has to payout 90% of total taxable income to its shareholders.

So here are three great options for you to consider during retirement.

RioCan

RioCan Real Estate Investment Trust (TSX:REI.UN) is the second-largest real estate investment trust in Canada, with an enterprise value of $14 billion.

REI has properties across Canada, with retail locations such as grocery stores and drug stores, retailers that are fairly well insulated from the e-commerce revolution.

The stock's dividend yield hasn't seen much movement in the last five years, increasing by just 2% in that time, which is likely due to the lag in share price the company experienced during the last three years, with the stock falling about 20% during that period.

Since then, however, shares have climbed 13% and seem on track to reach those all-time highs yet again, which is why the stock recently increased its dividend yield for this year to 5.54%.

The stock looks poised to grow further as it continues to expand into the multi-use real estate market.

WPT Industrial

A stock that holds serious potential for future growth is **WPT Industrial REIT** (TSX:WIR.U). The company has about 70 light industrial locations across the United States used to store and distribute products.

While that may sound boring, there's one industry that doesn't agree: e-commerce. As the e-commerce industry continues to grow, so too should this stock.

It has remained relatively stable since its initial public offering (IPO) back in January of 2018, but as the industry grows and the company continues to expand, shareholders should see the stock price grow right along with it.

WPT already has a net operating income of 11% growth year over year and an amazing occupancy rate of 99%. Meanwhile, its dividend yield of 5.53% is nothing to sneeze at, and has grown almost 10% in the last five years.

Crombie

Finally, we have **Crombie Real Estate Investment Trust** (TSX:CRR.UN), a company that has focused on grocery stores as its main portfolio source, with $5 billion worth of assets.

The company has recently embarked on a shift and has been taking on an ambitious development plan to add 24 projects to its already stellar list of assets.

In the coming decade, the company hopes to make its real estate multi-purpose, adding residential towers above its already existing buildings, which will considerably grow its revenue stream from rental agreements.

However, the market has caught on this new shift and the shares are now quite high, growing 25% year to date.

If this is a long-term investment for a dividend yield, Crombie is a great option. Granted, the yield hasn't increased in the last five years, but at 5.77%, it's still strong for those seeking passive income.

Foolish takeaway

When all is said and done, a passive income portfolio of $15,000 in each REIT could bring in a total of $2,476 in annual income. That's definitely not a bad little addition to your retirement fund.

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Date
2025/07/20
Date Created
2019/07/27
Author
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