



## A Top REIT to Bear-Proof Your TFSA

### Description

Just when you thought we were [out of the woods](#) after President Trump delayed tariffs on a handful of Chinese goods that included various consumer electronics and toys, the markets took a 360-degree turn on Wednesday, with the **Dow Jones Industrial Average** plunging 800 points, the fourth-largest daily point loss ever.

[Recession fears](#) haven't been this pronounced since late last year, when the U.S. market averages flirted with bear market territory. While news of an inverting yield curve seems dire, it really come as a surprise.

Every talking head on TV appeared to be rambling on about the flattening yield curve and the supposedly high risk of falling into a recession for well over the past year.

If Wednesday's bout of volatility caught you off-guard, treat the bloodbath as an opportunity to rebalance your portfolio to tolerate more erratic market moves better. Because as we head into the U.S. election year, things will probably only stand to get even choppy!

When it comes to bear-proofing one's portfolio, REITs are among the top alternative asset classes to be in. They're less correlated to equities and their larger distributions serve to dampen violent share price moves over time.

So, if you're not buying that a recession is nigh, but the recent market moves make you want to hurl, look to **Interrent REIT** ([TSX:IIP.UN](#)) to ease your stomach.

While the markets inch closer toward full-fledged correction territory, Interrent is within a percentage point of making a new all-time high.

Shares of Interrent have nearly doubled over the last two years with minimal amounts of volatility thanks to management's "acquire-to-renovate" strategy, which has resulted in ample AFFO growth over time.

While the acquisition of "seasoned" low-end properties can be as risky as developing a new property

from scratch, Interrent has proven time and time again that it can mitigate risks by acquiring properties at relatively low prices, and only making the renovations, upgrades, and the like that deliver the best ROEs.

If anyone can spruce up an aged property, it's Interrent. Shares will keep roaring higher as long management continues finding opportunities across its markets of interest, and not even the trade war nor the U.S. Fed will stop shares in its tracks.

The 1.9% yield is minuscule, but if you're looking for long-term distribution growth play that's less-affected by broader market moves, Interrent is a great place to hide out in.

With such a low-beta name, you can focus yourself on the business itself and not on what Jerome Powell or Donald Trump will say — or Tweet — next. That's what investing is about — not betting on the outcome of contingent events like some sort of casino.

## **CATEGORY**

1. Dividend Stocks
2. Investing

## **TICKERS GLOBAL**

1. TSX:IIP.UN (InterRent Real Estate Investment Trust)

## **PARTNER-FEEDS**

1. Msn
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## **Author**

joefrenette

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