



How to Make \$500/Month Just by Holding This 1 REIT

Description

Real Estate Investment Trusts (REITs) can be very attractive options for investors looking to secure some strong dividend payments. With a great deal of recurring revenue and the stocks typically enjoying high profit margins, REITs are a great place for investors to begin looking for quality dividend stocks to add to their portfolios.

They're also normally good value buys as well, as they don't garner much attention or excitement from the markets. But that also means they're not volatile.

REIT offers dividends, diversification — and growth

For investors looking for recurring [dividend income every month](#), **Northview Apartment REIT** (TSX:NVU.UN) could be a great option. The REIT is greatly diversified, with the company claiming access to as many as 60 markets across the country, spanning eight provinces as well as two territories.

In total, it has about 27,000 residential suites in its portfolio with a mix of apartments, town homes, and other types of properties included in its holdings.

With home prices still fairly high in many parts of the country, renting becomes not only more appealing, but the only affordable option for many prospective home buyers. That's where Northview can see a lot of potential growth with demand likely to grow for its properties and rent prices potentially rising as a result.

In three years, the company's revenues have risen by more than 66%. Even more impressive has been its bottom line, which in 2018 was \$289 million, which was more than nine times the \$32 million that the company generated back in 2015.

While it's not likely going to be able to continue on such an impressive pace, strong numbers like that make it a very appealing investment for not only dividend investors, but growth investors as well. In two years, the stock has risen more than 25%.

One of the biggest advantages of holding the stock is that investors get a recurring dividend on a monthly basis. Currently yielding around 5.7%, it's a good [above-average payout](#) that could prove to be consistent, especially if the company continues producing strong results.

For investors who may be wondering how much is needed to accumulate a certain amount every month, here's a breakdown:

Monthly Dividend	Investment Required
\$100	\$21,097
\$200	\$42,194
\$300	\$63,292
\$400	\$84,389
\$500	\$105,486

As you can see from the above table, you'd need a little more than \$105,000 to be able to generate \$500 in dividend income every month.

However, if the stock falls in value then the investment amount required would decrease as well, as the yield would rise if all else remains the same.

Although the stock isn't one known for dividend growth, if it continues to generate strong profit numbers, it may not be a surprise if the company improves its dividend in order to entice more investors to buy the stock.

Bottom line

Northview could be a good stock to put into a number of different portfolios as the company does offer investors a bit of everything. While it may not be the most exciting stock to own, it could be a very profitable one for investors.

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Author

djagielski

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