



## 3 Real Estate Companies With Mouth-Watering Dividend Yields

### Description

Real estate has always been incredibly alluring for investors. Owning a property, a physical asset, gives you a sense of tangibility that is absent from many other forms of investment. But being a land owner comes with its own set of responsibilities. Managing the property, collecting rent, and dealing with tenants, it's all part of being a real estate investor. And more than often, the returns are not what you had in mind.

The investment amount is also an issue with becoming a real estate investor. Even in the cheapest housing markets in the country, the median price of an apartment is around \$165,000. And the rent for such an apartment is somewhere between \$400 and \$600. If we go with a conservative rent of \$500, your \$165,000 investment will only get you a return of around 3.6%. And that doesn't include the cost of repairs and maintenance of the property.

But if you are adamant about real estate, there are many better options.

### True REIT

**True North Commercial REIT** ([TSX:TNT.UN](#)) has a portfolio of 49 commercial properties across five provinces, covering an area of about 4.9 million sq. ft. Most of the tenants in these properties are either government institutions or credit-rated businesses. True North is currently trading at \$7.4 per share, [which has grown](#) about 21% in the past five years.

True North has been issuing consistent dividends of \$0.59 per share for the past five years. This translates to a juicy yield of 8%. If you invest the amount you would have invested in buying the apartment, you will be getting a monthly "rent" of \$1,100 — without all the fuss and responsibility of managing a property.

### Building with PROs

**PRO REIT** ([TSX:PRV.UN](#)) is another generous dividend payer, with the current, mouth-watering yield

of 8.49%. The company hasn't slashed its payouts in the past five years. It's currently trading at \$7.42 per share, which is nowhere near its peak value in 2013, but for the past five years, the company has started to come on track. This year has especially been good for growth, with market value increasing almost 27%.

PRO REIT has a diversified portfolio, with more than half of its properties belonging to retail, and the other half composed of industrial, commercial, and office properties. In terms of square footage, industrial properties make up almost half of PRO REIT's total portfolio.

## Bridgemark Real Estate

Closing the list is **Bridgemark Real Estate Services** ([TSX:BRE](#)), a tiny REIT [when it comes to market cap](#) (\$138.75 million) but definitely a giant in terms of dividend yield — a monstrous 9.23%. The company increased its payouts for four consecutive years (2014-2018). This year, the company's payouts were the same as last year.

The company was renamed from Brookfield Real Estate Services through its relationship with Bridgemark service managers. The company's growth hasn't been high, but its dividend payouts are enough to help you generate significant passive income. Currently, the company is trading at \$14.63 per share.

## Foolish takeaway

REITs have been known for generous payouts, but still, these 8% and higher yields are a very high number — especially from companies that are likely to keep growing in the future. If you want to invest in real estate, I would suggest investing in high-yield REIT stocks for at least two times the returns you will get from being a property owner.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:BRE (Bridgemark Real Estate Services Inc.)
2. TSX:PRV.UN (Pro Real Estate Investment Trust)
3. TSX:TNT.UN (True North Commercial Real Estate Investment Trust)

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