



## Boost Your Retirement Income With These 3 REITs!

### Description

Real estate investment trusts (REITs) are excellent investment vehicles for income-oriented investors seeking long-term income, with particular emphasis on income growth over time.

Retirees will enjoy higher-than-average yields, when comparing REITs to most other sectors, and can take advantage of low interest rates, which, in the event of a recession, could benefit from the zero interest rate policy (or the potentially negative interest rate policy we've seen in some European countries) we saw 10 years ago.

Here are three excellent picks for investors seeking out real estate holdings to diversify their portfolios.

### Killam REIT

For investors seeking residential real estate exposure, **Killam Apartment Real Estate Investment Trust** ([TSX:KMP.UN](#)) is a great place to start one's search.

As I've pointed out in the past, Killam has an excellent high-quality portfolio of mostly apartment/residential holdings, centred on Atlantic Canada. These real estate holdings have benefited from Canadian price appreciation over the past five years, growing in value, and allowing for increased rental rates over time — a factor which inhibits other real estate holdings that are locked into longer-term fixed-rate contracts.

As a way to play rising inflation, Killam excels in the REIT space, as investors receive more exposure to rising rental rates, particularly in the Maritimes (whereas many other REITs are heavily concentrated on metropolitan centres in Ontario, Quebec, or B.C.).

Killam is also uniquely semi-immune to the threat of rising interest rates, as I've noted in a [previous piece](#). This REIT appears to have significant upside, despite what may or may not materialize from an interest rate perspective, making this a great long-term holding for investors seeking diversification or income from REITs.

Killam's yield of "only" 3.6% reflects stock price appreciation over the past five years of nearly 80%, meaning this company has a track record of being a great growth and income play for investors.

## WPT Industrial REIT

I've been bullish on industrial real estate for some time, and **WPT Industrial Real Estate Investment Trust** (TSX:WIR.UN) has been one of my top picks for a number of reasons.

Despite muted growth in recent years, WPT's high-quality portfolio of industrial assets gives investors exposure to a sector that has seen growing institutional interest of late. [Recent acquisitions](#) in this space have bolstered higher valuations, though WPT appears to not have benefited from such an increase of late.

I remain convinced the industrial real estate sector remains undervalued (and I'll speak to this more on my next pick) and would encourage investors to consider adding positions in WPT, or other industrial REITs, on market weakness.

Industrial real estate is a niche sector of the market; supply is constrained, particularly with respect to high-quality assets near urban centres, with demand for residential and mixed-use properties nibbling away at the existing supply of industrial property, as city planners scramble to accommodate rising populations in Canada's big cities.

## Dream Global REIT

**Dream Global REIT** (TSX:DRG.UN) is another excellent industrial REIT option. This REIT focuses on European properties, allowing Canadian investors to gain exposure to Europe in a time when European growth remains solid and investors are seeking diversification geographically.

The geographical diversification offered by Dream Global REIT cannot be understated; this is primarily an office real estate play, offering further diversification from the other two options, with the company focusing on European business centres with very low vacancy rates (in Germany, office vacancy rates remain in the low single digits).

The stock price of this REIT has been on a tear of late, with investors buying into this diversification discussion. I believe that the company remains undervalued, considering its net asset value relative to its stock price, and would encourage investors to take a hard look at combining a portfolio of these three picks together for a well-diversified, high-yielding portfolio of REITs.

Stay Foolish, my friends.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:KMP.UN (Killam Apartment REIT)

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