



Buy These 3 REITs to Easily Boost Your Income in 2020

Description

Real estate investment trusts (REITs) give you indirect exposure to real estate at a lower cost than direct investing. A REIT combines the money of many investors to buy and operate real estate property. It allows you to own a share of the income produced by real estate properties, such as shopping centres or warehouses.

REITs are very liquid assets, as you can buy and sell them on major exchanges, just like stocks. A REIT, by law, must pay at least 90% of its profits as dividends to investors. This is why REITs usually have a high dividend yield. Buying a REIT is an easy way to earn high passive monthly income.

I present here three quality REITs that have dividend yields between 5.4% and 6.6%.

SmartCentres REIT

SmartCentres REIT ([TSX:SRU.UN](https://www.scribd.com/document/444444444/SmartCentres-REIT)) is one of Canada's largest REITs with total assets of approximately \$9.7 billion. This company develops, leases, constructs, owns, and manages more than 34 million square feet in shopping centres (mostly **Walmart**-anchored), office buildings, condos and rental residences, senior housing, and self-storage rental facilities in Canada.

SmartCentres continues to [expand](#) its portfolio to include residential, retirement homes, offices, and self-storage with an additional 59.3 million square feet in intensification and developments planned to begin over the next five years.

SmartCentres and Penguin Group have announced in December a new joint venture that will allow a major expansion in the multi-billion-dollar Vaughan Metropolitan Centre development just north of Toronto.

SmartCentres pays a monthly dividend of \$0.1542 per share, for a lofty dividend yield of 5.8%. So, if you buy 100 shares of this stock, you'll receive \$15.42 each month, or \$185.04 annually. And this amount ought to increase, as SmartCentres usually increases its dividend once a year, in November.

RioCan REIT

RioCan REIT ([TSX:REI.UN](#)) is one of Canada's largest REITs, with a total enterprise value of approximately \$15 billion.

RioCan owns, manages, and develops retail-focused, mixed-use properties located in prime, highly populated areas in leading cities like Vancouver, Calgary, Edmonton, Toronto, Ottawa, and Montreal.

RioCan's portfolio includes over 200 properties across Canada, with some of the leading national retail businesses such as Walmart, **Canadian Tire**, and **Metro**, as its leading tenants. It has a diversified portfolio of retail as well as mixed-use properties and well-balanced tenant base.

RioCan plans to do many hundreds of millions of dollars in transactions this year, which should consist of a mix of sales of its remaining non-core assets and more moves toward joint ventures.

The REIT will divest properties it doesn't have in its pipeline for growth or future improvements and raise equity to continue redeveloping its major-market retail sites into more profitable mixed-use assets.

RioCan pays a monthly dividend of \$0.12 per share, for a great dividend yield of 5.4%. If you buy 100 shares of this stock, you'll receive \$12 each month, or \$144 annually.

H&R REIT

H&R REIT ([TSX:HR.UN](#)) owns a [portfolio](#) with four types of assets: office (43%), retail (30%), residential (20%), and industrial (7%) properties. Its properties cover 41 million square feet in North America. As one of Canada's largest REITs, H&R has assets worth \$14.4 billion.

H&R's focus on a diversified portfolio of high-quality North American investment properties with quality tenants guarantees stable cash flows, which should support future dividend growth.

The U.S. accounts for 40% of the total fair value of investments, followed by Ontario (28%), Alberta (23%), and the other Canadian provinces (9%). The REIT's strategy is to acquire and develop class A properties in U.S. locations with strong population and employment growth opportunities.

H&R pays a monthly dividend of \$0.115 per share, for a huge dividend yield of 6.6%. If you buy 100 shares of this stock, you'll receive \$11.50 each month, or \$138 annually.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:HR.UN (H&R Real Estate Investment Trust)
2. TSX:REI.UN (RioCan Real Estate Investment Trust)
3. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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