Turn $1,000 Into $10,000 in 10 Years

Description

There are plenty of opportunities to be had in today's stock market. But the problem is, most of those opportunities are quite volatile. While there isn't a company out there that's a sure thing, there are a few that come pretty close. And today, those mainly belong in the e-commerce industry.

Granted, the e-commerce industry is volatile on its own. After all, there are a number of companies soaring to all-time highs. What goes up does come down eventually. Maybe not by a lot, but there's still likely to be a market correction for companies that grow to0 high, too fast.

That is, unless, those companies aren't exactly an e-commerce company, but rather e-commerce adjacent. So what should you invest in to take advantage of this booming industry? **WPT Industrial REIT** (TSX:WIR.U).

Bulk up on real estate

There are two advantages to investing in real estate investment trusts right now. First off, there's the dividend. These companies must dish out 90% of after-tax earnings to shareholders, and this usually comes out as dividends. So if you want high passive income, real estate is your best bet.

But here's the problem. Real estate isn't doing too well right now. After all, who is going to invest in office space, for example, if the pandemic is causing people to stay home? So that's why the best form of real estate has to be light industrial properties. Here's why. Light industrial properties are not completely packed with people. These properties will continue to be open even during the pandemic, as it's easy to social distance. Furthermore, these properties take little wear and tear, and have even smaller maintenance. The properties simply store, and ship items. Simple, and ideal.

Revenues through the roof

So while other REITs continue to drop, with dividends being slashed, a company like WPT has seen increases again and again. E-commerce giants across North America use WPT properties to store and ship items. To date, the company has 102 properties, but that's set to become even more. WPT has been on a path of acquisition, and is unlikely to stop soon.

That's because all of this e-commerce growth has meant growth in revenue. During the last three quarters, revenue has gone up and up. Today, that revenue has grown year-over-year by 35.9%! Shares might still be just below the one-year return at about 5% as of writing, but during the last five years returns have come in at 47.37%. Meanwhile, its compound annual growth rate (CAGR) during that time has been 8% — not bad for an REIT. But if you look even deeper, between 2016 and before the crash, that CAGR was a whopping 25%!

Bottom line

So, if you want to see your revenue grow in the next ten years, you want a stock that can get you there with little doubt of shrinking. WPT might not be exciting, but it certainly has the strength and stamina to go the long haul. As it acquires more businesses, the company will bring in even more revenue.

If the stock manages to go back to its pre-crash growth, with dividends reinvested you could turn that $1,000 into $11,652.81 in just a decade.

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