Lazy Landlords: Start a Real Estate Empire With These REITs

Description

If there's one thing investors likely don't want to get into right now, it's real estate. Sure, it sounds great being a landlord that's able to rake in cash. But that's not what's happening right now. In fact, being a landlord isn't great at the best of times. It becomes a full-time jobs, dealing with damage, insurance, tenants and more. There's a much easier way to bring you passive income and that through real estate investment trusts (REITs).

If you have the cash on hand, then consider investing in REITs as your next dividend stock. These passive income stocks are perfect for investors looking for a lazy way to make returns. If you choose right, the stocks can be an easy, safe and sustainable choice that will see you bring in passive income for decades.

But you need to be smart. Right now REITs can be volatile. So let's look at two REITs that fit the bill.

WPT Industrial

WPT Industrial REIT (TSX:WIR.UN) is the perfect option for a lazy landlord wanting to take on the benefits of the e-commerce boom. WPT Industrial owns over 100 light industrial properties across the United States. These properties are used to store and ship merchandise for several e-commerce giants.

Shares in WPT Industrial have grown by about 12% as of writing in the last year. The company is relatively new, so that's why shares haven't soared like we've seen with other e-commerce companies. Instead, investors are likely to see a lot of share change during earnings season.

So let's look at earnings. I don't like to focus in on every line item, but those that matter for long-term investors. In this case, that's revenue and gross margin. Revenue continues to grow by leaps and bounds year over year, most recently by 41%. Its gross margin, meanwhile, is at an incredible 77%.

The company has plenty of cash on hand to continue its acquisition strategy, so investors should continue to see strong growth for years to come. Meanwhile, they'll have access to a 4.91% dividend yield as of writing.

NorthWest

NorthWest Healthcare REIT (TSX:NWH.UN) is another perfect option for lazy landlords looking to take on benefits of the healthcare industry. But NorthWest is also a great option for its diversity. It has an international portfolio of income-producing healthcare properties ranging from office buildings to hospitals.

The company had another incredible earnings report recently, with the average lease jumping to 14.5 years! That's on top of its stable 97% occupancy rate. So if there's one thing you'll get from this stock its stability for years if not decades.

Shares in the company have grown 17% in the last year, and 125% in the last five years. Meanwhile it offers a dividend yield of 6.17% as of writing. All of this could explode, however, as the company officially inked a European joint venture for $3 billion during the last quarter.

Foolish takeaway

If there are two industries that will continue to thrive even after the pandemic, its healthcare and e-commerce. But you don't have to take on risk to see returns. Instead, you can invest in REITs like these two and get the best of both worlds. You'll have stable dividends coming in for years, with returns right alongside.

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TICKERS GLOBAL

1. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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