



3 Top REITs to Buy for Passive Income

Description

Investing in [real estate](#) is one of the best ways to put your money to work, and naturally, it's one of the most popular [strategies](#) that investors consider. And with so many top Canadian real estate investment trusts (REITs) to buy, you can begin investing and building a passive-income stream with as little as a few hundred dollars.

The key to buying REITs for passive income, besides buying companies with high-quality, robust portfolios, is knowing what you want.

You can find REITs that offer high yields, or REITs that pay monthly, or you can buy some of the best dividend-growth stocks.

If you're looking to buy a top Canadian REIT to add your portfolio today, here are three of the best investments for passive-income seekers.

A top retail REIT for passive-income seekers

One of the top REITs to buy in Canada if you're a dividend investor is **CT REIT** ([TSX:CRT.UN](#)). CT is the REIT that's part-owned by **Canadian Tire**, and the company is also its biggest tenant.

In fact, Canadian Tire contributes over 90% of CT REIT's revenue, which is why it's such an excellent investment for passive-income seekers.

Canadian Tire is one of the largest and most well-known retail companies in Canada. So, you know that with CT REIT, as long as the parent company is doing well, you can expect predictable cash flows and a resilient portfolio.

It's part of the reason why it's hardly been impacted at all by the pandemic, one of the few retail REITs in such a strong position.

Plus, it offers an attractive 4.7% dividend yield. And that dividend is increased each year, which is why

CT REIT is one of the top Dividend Aristocrats in Canada.

If you're looking to build up a passive-income stream with some of the top Canadian REITs, CT REIT is certainly one of the best to consider.

A top residential REIT to buy for dividend growth

Canadian Apartment Properties REIT ([TSX:CAR.UN](#)) is another excellent investment for passive-income investors who favour consistent dividend growth.

CAPREIT is a massive fund and easily one of the best and safest REITs to buy in Canada. It has over 65,000 manufactured home community sites and apartment suites in Canada and Europe.

A quick glance at CAPREIT's financials shows just how effective the stock has been at growing its portfolio. In fact, in just the last 18 months, it's grown its sites and suites by almost 10%.

Not only that, but because it's a residential REIT, it's one of the safest investments you can make. This makes it ideal for investors looking to build a passive-income stream. In addition, its portfolio is well diversified, and its occupancy rate is above 97%.

So, if you're looking for a stock that can continue to grow its earnings and consequently its dividend long term, Canadian Apartment Properties REIT is one of the top investments to buy today.

A top high-yield REIT

Lastly, if you're an investor looking for a high-yield REIT to help grow your passive-income stream, you may want to consider **True North Commercial REIT** ([TSX:TNT.UN](#)).

True North Commercial REIT is one of the top REITs to buy for [dividend investors](#), because it offers an incredible yield of more than 8%.

While high-yield stocks usually trade that way for a reason, in my view, True North deserves more credit than it's currently receiving.

First, the stock is well diversified, owning 45 different [properties](#) across five different provinces. Second, it currently has an occupancy rate of 97%. Third, over 75% of its tenants have strong credit scores or are government agencies.

Even looking at its financials, True North was hardly impacted by the pandemic, if at all.

With the REIT paying out just about 50% of its funds from operations, it's clear that True North is not only a great investment for passive-income seekers today but also because it's considerably cheap.

So, if you're looking for a top REIT to buy today, True North offers an excellent opportunity.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
2. TSX:CRT.UN (CT Real Estate Investment Trust)
3. TSX:TNT.UN (True North Commercial Real Estate Investment Trust)

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