



2 Top Real Estate Stocks to Buy and Hold for Years

Description

One of the reasons why [real estate](#) is such an excellent industry to invest in is because it's one of those industries that will be around forever. This makes finding a top real estate stock to buy and hold for years one of the best investment strategies.

Typically, investors think of residential real estate when thinking of investing in the industry. This is due to the defensive nature of residential real estate, as people always need somewhere to live.

However, in addition, there are several other subsectors that are excellent investments today. So if you're looking to buy a top real estate stock for your portfolio that you can own for years, here are two of the best to consider now.

One of the top residential real estate stocks to buy

If you are more interested in gaining exposure to residential real estate and taking advantage of all the opportunities that real estate investment trusts (REITs) offer, one of the top real estate stocks to buy now, is **InterRent REIT** ([TSX:IIP.UN](#)).

InterRent has been an incredible growth stock over the last decade. And lately, the price of its units have fallen from their highs, offering investors an excellent entry point today.

While the Canadian housing industry has been hot, and that has helped drive InterRent's growth, the fund's execution has also been top-notch. InterRent is consistently looking for ways to expand its portfolio, or upgrade the assets it already owns, to grow the value of these suites in addition to the cash flow they can generate.

This is a simple and repeatable strategy that's earned investors a total return north of 440% over the last decade, or a [compounded annual growth rate](#) upwards of 18.3%.

So if you're looking for a top Canadian real estate stock that you can buy and hold for years, InterRent is currently trading more than 15% off its 52-week high.

A top industrial REIT with major growth potential

Another top Canadian real estate stock to buy after it's recently pulled back from highs is **Granite REIT** ([TSX:GRT.UN](#)).

Granite REIT is a high-quality industrial REIT that offers both unit price and dividend growth potential. Industrial REITs are some of the best to buy right now, as companies continue to rely on more warehouse space, especially as e-commerce grows.

This is one of the reasons Granite is a top real estate stock to buy today. The fund is already well-positioned for this growth, as more than 60% of its revenue currently comes from e-commerce related warehouses. In addition, Granite is well-diversified, with properties across North America and Europe. In total, it owns 114 income-producing properties, as well as another 12 properties it can develop.

In the past, one of the only knocks against Granite was that it had too much exposure to some companies. However, now, no company makes up more than 24% of its gross leasable area, which has helped to reduce a tonne of risk for investors.

Plus, like InterRent, it's consistently increasing its distributions. However, Granite's yield is a bit more attractive, currently sitting upwards of 3.25%. And with the stock having a 78% payout ratio of its adjusted funds from operations, you know that dividend is safe.

So if you're looking for a top real estate stock to buy now, Granite REIT is one of the best to consider.

CATEGORY

1. Investing
2. Stocks for Beginners

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1. TSX:GRT.UN (Granite Real Estate Investment Trust)
2. TSX:IIP.UN (InterRent Real Estate Investment Trust)

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