



2 Top Canadian REITs to Buy That Are Dividend Aristocrats

Description

Having a diversified portfolio is crucial to both minimizing risk but also exposing yourself to multiple growth opportunities offered by different [market sectors](#). And in order to build a well-diversified portfolio, finding top Canadian REITs to buy is a crucial step.

Real estate is excellent, because it's an industry that offers stable long-term growth, but it's also quite defensive.

Plus, if you look for REITs that are Dividend Aristocrats and high-quality dividend-growth stocks, you can have confidence that these are some of the best stocks to own for the long haul.

If you're looking to add exposure to real estate, here are two of the top Canadian REITs to buy and hold for years.

A top Canadian residential REIT to buy for long-term growth

Several high-quality REITs have performed well in recent years, especially residential REITs. However, one REIT whose performance has been unbelievable and continues to offer exceptional long-term growth potential is **InterRent REIT** ([TSX:IIP.UN](#)).

InterRent owns assets mostly in Ontario but also in Quebec and British Colombia. The fund has been focused mainly on growth, spending tonnes of capital to expand its portfolio and acquire more properties in recent years.

In addition, InterRent has done an incredible job of investing in these assets to create more value. Not only that, but many of these investments increase the yield its assets are generating.

Therefore, in addition to growing its net asset value considerably over the last decade, InterRent has also been increasing its distribution to investors.

It's worth noting, though, that the REIT doesn't pay much cash out to investors, as its current

distribution offers a [yield](#) of just 2.25%. With that being said, InterRent retains more capital to invest in growth, which, for years, has been paying off for investors.

Therefore, if you're looking for high-quality REITs to buy that can offer consistently growing income, InterRent is one of the best to consider.

One of the best retail REITs you can own

If you are an investor that's looking to buy a REIT that offers more income potential than InterRent, then one of the top Canadian REITs I'd recommend is **CT REIT** ([TSX:CRT.UN](#)).

CT REIT's largest shareholder is **Canadian Tire**. In addition, more than 90% of CT REIT's income comes from Canadian Tire or its subsidiary banners. So, it's a stock that, in recent years, has been highly robust and a top performer compared to its retail REIT peers.

As long as Canadian Tire remains the powerhouse that it is, CT REIT is an excellent investment. It's worth noting, though, that if Canadian Tire were to ever struggle, CT REIT would be exposed.

And while Canadian Tire was a major reason why CT REIT performed so well through the pandemic, the REIT has found a tonne of growth potential on its own. Most recently, it announced plans to build a massive distribution centre in Calgary that will be a net-zero warehouse powered by green energy equipment located onsite.

So, with the stock reporting an occupancy rate of more than 99% and now reporting three straight quarters of no bad debt expenses, you know the 4.7% dividend yield is incredibly safe.

Therefore, if you're looking to add top Canadian REITs to your portfolio, CT REIT is one of the best and safest to consider.

CATEGORY

1. Dividend Stocks
2. Investing

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

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