



## Canadian Investors: You Could Get Rich Off Just 1 High-Yield REIT

### Description

Canadian investors seeking passive income have no doubt already come across real estate investment trusts (REIT). REITs often provide returns at high levels through dividend income. So, they're the perfect place to start your search for passive income during this volatile market.

But don't just think short term. Having the right REIT can lead to decades of wealth. In fact, if you hold onto a solid one, you could get rich in just a few years. Let's dig in and find out how.

### Start with the right account

Canadian investors should first seek out a Tax-Free Savings Account (TFSA) to make the most of their income. This is the best way to get rich, because even if you've hit your contribution limit, you can reinvest your dividend income — all tax free!

By reinvesting that income, you can then turn it into more shares and more income. The cycle keeps compounding higher and higher until you reach that goal [you've been eyeing](#). Of course, that's a birds-eye-view way to look at it. What it comes down to is the right stock for Canadian investors.

### A REIT to consider

**Slate Grocery REIT** ([TSX:SGR.U](#)) is a strong REIT to consider for Canadian investors. It currently offers a 6.67% dividend yield. This translates to \$1.08 per share per year, with shares trading at just \$16.35 as of writing.

The company invests in grocery chains, mainly in the United States. After the pandemic hit, the REIT has been on a steady track upwards — especially with restrictions easing on a global basis. Most recently, it reported revenue of about \$138 million for 2021 — almost back to where it was pre-pandemic.

Yet the stock is still quite valuable trading at just 8.07 times earnings as of writing. That's quite cheap,

even compared to some of its riskier peers. As restrictions ease even further, this is a solid investment that can help Canadian investors get rich over the long term.

## How long?

Let's say you have a goal of reaching \$5 million by the time you're 65. If you're a 25-year-old Gen Z investor, then that means you have a whopping four decades to work with. So, that's easy, even if you don't have a lot to invest. It just takes consistency and reinvestment.

For this example, let's say you have \$10,000 to invest right now and you can't really commit to more beyond that. That's all right! After 40 years, reinvesting your dividends would bring you a whopping \$5.423 million! That's without adding another penny of your own income and just [reinvesting dividends](#).

## Foolish takeaway

Now, is it 100% guaranteed you'll get to \$5 million? No. However, it does show you how long-term investing can really help Canadian investors reach their goals. All it takes is consistency and sticking with high-yield companies with stable passive income. And Slate Grocery REIT is certainly one of them.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:SGR.U (Slate Retail REIT)

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**Date**

2025/08/24

**Date Created**

2022/04/16

**Author**

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