



Got \$5,000? 1 TSX Stock to Turn it Into \$170K

Description

As investors, we all want returns. That's the goal. But how we get there is completely up to you and your financial advisor. That being said, there are a lot of valuable opportunities on the **TSX** today for those with some cash set aside to put towards their future.

If you're a Motley Fool investor wanting to know what to do with \$5,000, I have a safe place to put it for decades. Furthermore, it could make you thousands, if not millions, over the next few years.

Choose the right industry

If you want the right industry, you want to go industrial. Supply-chain demands still plague the entire globe, making companies involved with warehouses and industrial [properties](#) practically a sure thing when it comes to growth.

That's why I like **Granite REIT** ([TSX:GRT.UN](#)). The company acquires, manages, owns, and operates warehouses and industrial properties around the world. It has access to a wide variety of economies, rents that last years, and even a pandemic can't stop the use of warehouses. That makes the company a safe investment for decades.

Find a solid dividend

Another reason to consider Granite is *because* it's a real estate investment trust (REIT). As an REIT, it dishes out returns not just by shares but through its dividend. Right now, that dividend sits at 3.09%. That translates to annual income of \$3.10 per share.

Furthermore, that dividend has grown by 47% in the last decade. That's a compound annual growth rate (CAGR) of 3.97% over the last 10 years. Couple that with share growth of 182% during that time and you have a CAGR of 10.84% as well!

Make your millions

Now that you have the right stock, you can start doing the math to figure out how long it might take you to reach your goal. Let's say you have \$5,000 to invest and can't add another penny. But you *can* reinvest the dividends in that time. We'll also assume you're young, so if you're 30 and want to use the cash when you're 65, that's 35 years of growth.

In that case, based on historical performance by the end of 35 years you could have \$170,968.64! That's from that one \$5,000 investment and only reinvesting dividends. That's pretty amazing all on its own.

But now, let's say you can afford to put \$5,000 *each year* for the next 35 years. Everything else still applies, and you reinvest dividends as well. This could bring your [investment](#) to an incredible \$1.57 million!

Foolish takeaway

Of course, this is just an example, but it's a strong one. And I'm not suggesting you should therefore ignore the math because it's merely an example. Instead, it's important to see that investing early, often, and for long periods in strong companies can bring in stellar returns.

In the case of Granite REIT, it's already been around for years and has solidified itself in the industrial REIT world. Therefore, Motley Fool investors could continue to put cash into this company and see it dish out dividends and returns for decades to come.

CATEGORY

1. Dividend Stocks
2. Investing

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

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