



## 2 of the Best REITs to Buy for Exposure to the Canadian Housing Market

### Description

Gaining exposure to residential real estate is an excellent long-term investment, particularly if you're investing in the Canadian housing market. In fact, some of the best stocks to buy for the long haul are residential real estate investment trusts (REITs) that own properties across Canada.

Residential real estate is ideal because the revenue that these REITs earn is highly predictable (everyone needs somewhere to live), and because demand is constantly outpacing new supply, these assets can gain value significantly over the years, at the same time that they generate tonnes of passive income.

So, if you're looking to gain exposure to the Canadian housing market and buy these investments, which you can plan to hold for years, then here are two of the best REITs to buy now.

## One of the best ways to gain exposure to the Canadian housing market

If you're looking to gain exposure to the Canadian housing market, one of the best residential REITs that you can buy now is **Canadian Apartment Properties REIT** ([TSX:CAR.UN](https://www.scribd.com/document/444444444)), the largest residential real estate stock in Canada.

CAPREIT is an excellent investment for several reasons. Its massive size allows the company to own assets all across Canada, plus it allows the REIT to have a tonne of liquidity. Furthermore, because it owns so many different properties across Canada, as well as some assets in Europe, CAPREIT is well diversified, making it the perfect [long-term investment](#).

This diversification makes an already defensive investment even lower risk. In fact, going all the way back to the year 2000, CAPREIT's occupancy has been extremely impressive and never dipped below 95%.

Furthermore, not only has CAPREIT proven to be a low-risk investment, but it also offers investors a

tonne of opportunity for growth. It's increasing its distribution each year as well as growing both the value of its portfolio and the cash flow that it can generate.

So, the fact that CAPREIT trades at such an ultra-cheap price today makes it one of the best REITs you can buy, particularly if you're looking for exposure to the Canadian housing market.

Currently, its price to adjusted [funds from operations](#) (P/AFFO) is just 20.5 times — well off its three-year average of 26.6 times. In addition, the REIT trades at a price to its estimated net asset value (NAV) of just 0.78 times — well below the 1.02 times its estimated NAV, where it traded at this time last year.

So, if you're looking for a top stock to buy for exposure to the Canadian housing market, CAPREIT is easily one of the best to consider.

## One of the best residential REITs to buy now

In addition to CAPREIT, another unbelievable real estate stock that offers exposure to the Canadian housing market and one of the very best REITs you can buy now is **Killam Apartment REIT** ([TSX:KMP.UN](#)).

Killam is similar to CAPREIT in a lot of ways. While Killam is nowhere near as large, it's still well [diversified](#) with assets located mostly in Atlantic Canada in addition to Ontario, Alberta, and B.C.

It's also similar to CAPREIT in that it's gone years without seeing its occupancy rate fall below 95%, which shows just how safe and reliable these stocks are. In fact, going all the way back to 2007, the lowest that CAPREIT's occupancy rate reached was roughly 95.5% back in 2013.

Furthermore, through that 15-year stretch, the company has only experienced eight quarters of negative same-property [net operating income](#) (SPNOI) growth.

Therefore, it's one of the best investments you can make if you want exposure to the Canadian housing market, especially when you consider how reliable and defensive it is.

And on top of all its growth potential and the fact that Killam, like CAPREIT, trades undervalued today, Killam also pays an attractive distribution with a current yield above 4.1%.

Therefore, if you're looking to invest in the Canadian housing market but don't have enough capital to buy an income property, or you just want a lower-risk investment, then Killam is one of the best REITs that you can buy today.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
2. TSX:KMP.UN (Killam Apartment REIT)

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