



## 3 Canadian REITs (With +5% Dividends) for Monthly Passive Income

### Description

[Real estate](#) is a great asset for earning monthly passive income. Lease agreements generally require tenants to pay monthly rent. So, collecting a monthly passive-income stream should be easy. However, owning a rental, vacation, or commercial property often isn't.

In fact, it can be a serious amount of work. You have to maintain the property, draft leases, advertise for tenants, enforce the lease terms, complete repairs, and chase tenants for rents.

### Why not just buy REITs for sleep-easy passive income?

If this all sounds complicated, why not just buy a publicly traded real estate investment trust ([REIT](#))? You get to own some of the highest-quality properties in diverse sectors with experienced managers.

The only job is to find the best quality REITs and then collect your monthly dividend cheques. If you want some easy monthly passive income, these three real estate stocks are attractive buys today.

### Northwest Healthcare REIT

**NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)) operates very unique assets. It owns hospitals and medical office across the world. Given how essential healthcare is, these are very defensive assets. On average, its properties have 14-year leases. Its portfolio is 97% occupied and most of its tenants are credit-grade or backed by government support.

The REIT is building out a new strategic asset management platform. It is starting to gain momentum and produce attractive rates of return.

While you wait for this to occur, you can collect a very attractive dividend. NorthWest stock pays a 6.7% dividend yield. If you put \$10,000 into this stock, you'd earn \$55.83 in monthly passive income.

## Choice Properties REIT

If you are looking for a high dividend and defensive assets, **Choice Properties REIT** ([TSX:CHP.UN](#)) is another option. It owns 701 properties across Canada. Over 75% of these properties are anchored by essential grocery and goods retailers like **Loblaw**, Shoppers Drug Mart, and **Canadian Tire**. Given the REIT was spun-out of Loblaw, it has a strong relationship with the tenant.

Choice has consistently high +97% occupancy, and its average lease term is at 5.7 years. The REIT has some very valuable land and development assets, so that provides some decent growth opportunities over the long term.

Today, it pays a very attractive 5.37% [dividend](#) yield. \$10,000 invested in Choice would earn \$44.75 in monthly passive income.

## Dream Industrial REIT

**Dream Industrial REIT** ([TSX:DIR.UN](#)) is a top real estate stock for [value](#), growth, and passive income. It owns 257 multi-tenanted [industrial properties](#) in Canada and Europe. It also has a joint-venture stake in the United States. Its properties are seeing very strong demand due to on-shoring trends, e-commerce, and strong tenant growth.

It has over 99% occupancy and an average lease term of 4.7 years. Dream has seen incredible double-digit rental rate growth. That is translating in to high-single-digit earnings growth. Despite very strong business fundamentals, this stock is down 33.5%.

Its stock trades at a huge approximate 30% discount to its private asset value. It also has a substantial 5.87% dividend yield. Put \$10,000 to work in DIR, and you'd earn \$48.92 every month.

## The takeaway on REITs for passive income

REITs are a great way to earn easy and reliable monthly passive income. There is no messy property management, and you get to own some of the highest-quality and best-managed real estate around the globe. Buy and hold these REITs for the long term, and there is likely much more upside to earn than just monthly passive income.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
2. TSX:DIR.UN (Dream Industrial REIT)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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