



Canadian REITs: 3 Investments to Boost Your Monthly Passive Income

Description

Real estate is one of the best industries that you can invest in for the long haul. There are numerous high-quality Canadian real estate investment trusts (REITs) that are reliable investments and offer investors both attractive passive income and long-term capital gains potential.

[Real estate](#) is one of the best industries to invest in for passive income because these stocks are constantly bringing in tonnes of cash flow from their tenants. Many REITs pay cash back to investors monthly rather than quarterly, making these stocks ideal for investors looking to increase their monthly passive income.

If you're looking for high-quality real estate stocks to buy today, here are three of the top Canadian REITs to buy now while they trade at such compelling valuations.

A top industrial REIT that's become ultra-cheap

Many Canadian REITs have lost a tonne of value this year and offer some of the best deals on the market. But while there are lots of REITs to choose from, one of the best to consider today has to be **Granite REIT** ([TSX:GRT.UN](#)).

Granite is an industrial REIT that owns properties such as warehouses and e-commerce distribution facilities. This is part of the reason why Granite is such an excellent long-term investment. In recent years, demand for industrial real estate has risen rapidly, making Granite a more defensive investment and leading to considerable growth for the REIT.

Rental prices have been rising rapidly, leading to strong growth in revenue for Granite. Not to mention, the stock has an attractive pipeline of growth projects.

Therefore, while Granite, a Dividend Aristocrat, trades roughly 30% off its high, and while its monthly distribution offers a [yield](#) of over 4.4%, it's one of the best Canadian REITs to buy now.

At the start of the year, Granite traded at a forward price to adjusted funds from operations (AFFO)

ratio of 27.4 times, and it offered a yield of just 2.9%. Today, Granite trades at just 16.6 times its forward AFFO, showing what an incredible deal it offers investors in this environment and why it's one of the best Canadian REITs to buy if you want boost your monthly passive income.

A highly reliable retail REIT offering a yield of 5.6%

Typically, retail REITs are less reliable than other real estate subsectors. However, one exception is **CT REIT** ([TSX:CRT.UN](#)) due to its relationship with one of Canada's best-known brands and largest retailers, **Canadian Tire**.

Canadian Tire owns a large portion of CT REIT in addition to being its largest tenant — responsible for roughly 90% of the REIT's rents. An investment in CT REIT, especially in the current environment, is essentially an investment in Canadian Tire's ability to continue performing well.

However, a tonne of exposure to one company can also be a significant risk. Nevertheless, CT REIT and its investors only need Canadian Tire and the REIT's other tenants to perform well enough to continue making their rental payments.

And given how well Canadian Tire has been performing lately, even with a recession on the horizon, it would take a disastrous impact on the economy for the retailer to be impacted that negatively.

Therefore, after falling in price throughout the year, CT REIT has become one of the best Canadian REITs to buy. And just like Granite, not only does it pay investors monthly, but it's also a Dividend Aristocrat.

One of the best Canadian residential REITs to buy

Residential real estate is one of the safest businesses you can buy — not just in real estate but across the entire market. People always need somewhere to live. And while many residential REITs offer exceptional value today, **Morguard North American Residential REIT** ([TSX:MRG.UN](#)) is one of the best to buy now.

Morguard is a top REIT to buy for passive income due to its excellent diversification, owning residential assets across much of the United States as well as parts of Canada.

Plus, it's one of the cheapest REITs you can buy, trading at just 0.5 times its estimated net asset value.

So, given the fact that Morguard is so cheap, and its yield has risen to roughly 4.5%, there's no question that it's one of the best Canadian REITs to buy now.

CATEGORY

1. Dividend Stocks
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1. NYSE:GRP.U (Granite Real Estate Investment Trust)

2. TSX:CRT.UN (CT Real Estate Investment Trust)
3. TSX:GRT.UN (Granite Real Estate Investment Trust)
4. TSX:MRG.UN (Morguard North American Residential Real Estate Investment Trust)

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