

# Warren Buffett's Berkshire Hathaway just made a big bet on real estate

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(Berkshire Hathaway CEO Warren Buffett visits the BNSF booth before the Berkshire Hathaway annual meeting in Omaha Thomson Reuters)

[Store Capital](#), a real estate investment trust, said Monday that Berkshire Hathaway invested \$377 million in the company.

That amounted to 9.8% of outstanding shares purchased at \$20.25 apiece, Store Capital said in a [statement](#). Its shares gained by as much as 11% to \$23.10 in premarket trading.

Store Capital invests in single-tenant real estate for profit.

"An investment in our company from one of history's most admired investors represents a vote of confidence in our experienced leadership team and an affirmation of our profit-center real estate investment and management approach," said Christopher Holk, Store Capital's CEO. He was referring to Berkshire Hathaway Chairman Warren Buffett.

Buffett has said real estate was a solid investment that was less volatile than stock prices and likely to produce gains. In 2016, he said he didn't believe that US real estate was in a [bubble](#).

This investment follows [Berkshire Hathaway's provision](#) last week of a 2 billion Canadian dollar (\$1.51 billion) credit line to [Home Capital](#), Canada's largest non-bank lender that accepted responsibility for misleading investors about problems with how it underwrote mortgages.