



3 Stocks With Yields of 4-6% to Buy Today

Description

One of the keys to success in investing is owning dividend-paying stocks, because as history shows, they outperform non-dividend-paying stocks over the long term. With this in mind, let's take a look at three great dividend stocks with yields of 4-6% that you could buy today.

1. First Capital Realty Inc.

First Capital Realty Inc. (TSX:FCR) is one of Canada's largest owners, developers, and managers of grocery-anchored commercial real estate with 159 properties that total approximately 24.6 million square feet of gross leasable area. It pays a quarterly dividend of \$0.215 per share, or \$0.86 per share annually, which gives its stock a yield of about 4.4% at today's levels.

It is also important to note that First Capital has raised its annual dividend payment for four consecutive years, and I think its increased amount of funds from operations, including 2% year-over-year growth to an adjusted \$1.03 per share in fiscal 2015, could allow for a slight increase at some point in 2016.

2. Northland Power Inc.

Northland Power Inc. ([TSX:NPI](#)) is one of Canada's largest producers of thermal, wind, solar, and hydroelectric power. It pays a monthly dividend of \$0.09 per share, or \$1.08 per share annually, which gives its stock a yield of about 5.8% at today's levels.

Investors must also note that Northland Power has maintained its current annual rate since 2009, and I think its consistent free cash flow generation, including \$0.87 per share in the first nine months of fiscal 2015 and \$0.85 per share in the first nine months of fiscal 2014, could allow it to continue to do so going forward.

3. Bank of Montreal

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is the fourth-largest bank in Canada and the eighth-largest bank in North America with approximately \$641.9 billion in total assets. It pays a quarterly dividend of \$0.84 per share, or \$3.36 per share annually, which gives its stock a yield of about 4.5% at today's

levels.

It is also important to make two notes.

First, Bank of Montreal has raised its annual dividend payment for three consecutive years, and its recent increases, including its 2.4% hike in December 2015, has it on pace for 2016 to mark the fourth consecutive year with an increase.

Second, the company has a target dividend-payout range of 40-50% of net earnings, so I think its consistent growth, including 5.1% year-over-year growth to an adjusted \$4.68 billion in fiscal 2015, will allow its streak of annual increases to continue going forward.

Which of these dividend stocks should you buy?

First Capital Realty, Northland Power, and Bank of Montreal are three great dividend-paying investment options. Foolish investors should take a closer look at each and consider initiating positions in at least one of them today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. TSX:BMO (Bank Of Montreal)
3. TSX:FCR.UN (First Capital Real Estate Investment Trust)
4. TSX:NPI (Northland Power Inc.)

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