



Get Yields of 4-6% From These 3 Senior-Living Stocks

Description

Canada's senior housing and care industry is booming, driven by its aging population. In fact, in September 2015 Statistics Canada reported that, for the first time ever, the number of Canadians aged 65 years or older exceeded the number of children aged 0-14 years.

As a savvy investor, I had to find a way to profit from this trend, so I scoured the industry and found three great stocks with high and safe dividend yields of 4-6%. Let's take a closer at each, so you can determine which would fit best in your portfolio.

1. Chartwell Retirement Residences

Chartwell Retirement Residences ([TSX:CSH.UN](#)) is the largest operator in the Canadian senior-living sector with 178 company-owned and seven managed locations across four provinces. It offers a wide range of senior-living options, including independent and assisted-living retirement homes, memory care, long-term care, and extended care residences.

It pays a monthly distribution of \$0.046818 per share, or \$0.561816 per share annually, which gives its stock a yield of about 4.1% at today's levels.

Investors must also make two notes.

First, Chartwell has raised its monthly distribution twice since the start of 2015, with its most recent hike coming on February 25 of this year, and this puts it on pace for 2016 to mark the second consecutive year in which it has raised its annual distribution.

Second, I think the company's consistent growth in funds from operations, including its 4.2% year-over-year increase to an adjusted \$0.75 per share in fiscal 2015, could allow its streak of annual distribution increases to continue going forward.

2. Extendicare Inc.

Extendicare Inc. ([TSX:EXE](#)) is the second-largest operator in the Canadian senior-living sector with

64 company-owned and 54 managed senior care and living centres, and it also offers home healthcare options.

It pays a monthly dividend of \$0.04 per share, or \$0.48 per share annually, which gives its stock a yield of about 5.1% at today's levels.

Investors must also note that Extendicare has maintained its current monthly dividend rate since May 2013, and I think its ample funds from continuing operations, including its adjusted \$0.508 per share in fiscal 2015, will allow it to continue to do so going forward.

3. Sienna Senior Living Inc.

Sienna Senior Living Inc. ([TSX:SIA](#)) is one of Canada's leading providers of at-home healthcare services, one of the largest owners and managers of retirement residences, and it is the largest licensed provider of long-term care in Ontario. Its property portfolio includes 35 long-term care facilities in Ontario and 11 retirement communities in Ontario and British Columbia.

It pays a monthly dividend of \$0.075 per share, or \$0.90 per share annually, which gives its stock a yield of about 5.45% at today's levels.

Investors must also note that Sienna has maintained its current monthly dividend rate since December 2012, and I think its consistent funds from operations, including its adjusted \$1.312 per share in fiscal 2015, will allow it to continue doing so going forward.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CSH.UN (Chartwell Retirement Residences)
2. TSX:EXE (Extendicare Inc.)

Category

1. Dividend Stocks
2. Investing

Date

2025/08/25

Date Created

2016/03/25

Author

jsolitro

default watermark