3 Incredibly Cheap High-Yield Dividend Stocks to Buy Today

Description

What if I told you that there are some incredible high-yield dividend stocks that have flown under investors' radars and are trading at valuations too compelling to ignore now? You heard that right. Here are three solid dividend stocks that are trading cheaply today.

Brookfield Property Partners LP (TSX:BPY.UN)(NYSE:BPY)

Brookfield Property Partners is a real estate giant with a portfolio spanning 149 premier properties across the globe. As Brookfield buys properties and leases them out for a long term — roughly 91% of its portfolio is leased for average eight years — it can secure earnings for as many years.

If that isn't good enough, Brookfield also regularly revamps its properties to command higher rents — a strategy that has worked well so far, as evidenced by the 17% higher-rent leases it signed for its office properties in its last quarter. Not surprisingly, Brookfield's funds from operations, or FFO, (dividends are paid from FFO) is growing at a rapid pace. With the company targeting FFO growth per unit of 8-11% and annual distribution (dividend) growth of 5-8% in the long run, income investors have a lot to bank on.

Currently, Brookfield is trading incredibly cheaply at under seven times trailing earnings, which is almost a third of the broader market average P/E. Factor in a solid dividend yield of 5%, and you know you can't afford to ignore this dividend stock anymore.

Canadian Western Bank (TSX:CWB)

If there's one bank stock I have my eyes on right now, it's Canadian Western Bank. You can thank the rebound in oil prices. As Canadian Western primarily caters to clients in the western provinces of Canada, including Alberta, tumbling oil prices hit it hard. While I'm not the one to call the bottoming in oil, OPEC's proposed production cut might just be the prescription Canadian Western needed.

Source: Canadian Western Bank Corporate presentation

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In fact, Canadian Western ended fiscal 2016 on a fairly strong note with 7% higher net interest income backed by 13% growth in loans. Clearly, the bank isn't betting on a recovery in oil; instead, it's expanding its footprint via acquisitions, such as the Maxium Group of Companies and the Canadian financing arm of GE Capital.

For a bank with exposure to the oil and gas industry, Canadian Western's dividend streak is more than just impressive. It has raised its dividend for 25 straight years now, clocking average dividend growth of 13% in the past decade.

With the stock currently trading cheaper than most bank stocks at 14 times trailing earnings and a dividend yield of 3%, you might want to take a chance now.

Canadian REIT (TSX:REF.UN)

Canadian REIT is one of the most well-diversified real estate investment trusts (REIT) out there with roughly half of its profits coming from retail properties and about 25% each from industrial and office properties. Today, the company counts some of the top Canadian companies among its tenants, including **Canadian Tire**, **Suncor Energy**, **Loblaw Companies**, and **Lowe's Companies** (Canada).

A solid portfolio and tenant base and consistently high occupancy rate has enabled Canadian REIT to grow its FFO at an annual compounded average of almost 8% in the past two decades. Thanks to that, the company has been able to increase its dividend for 15 straight years — a record hard to beat in the REIT space.

You can dip your fingers into this solid dividend-growth story at an incredible price today. At 16 times trailing earnings, Canadian REIT is trading at just about half of its five-year average P/E. Add in its dividend yield of 4%, and you know this one's a good bet.

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