



## Looking for 3 Gems With Yields Higher Than 4.5%?

### Description

Income-focused investors as well as prudent long-term investors looking for a balanced portfolio of growth and income opportunities largely have a hard time finding companies with stable, growing yields in excess of the 4.5% level.

I'll discuss three companies I believe are well positioned to add growth, yield, and diversity to any long-term RRSP or TFSA portfolio (each of the three companies happen to exist in distinct industries).

#### Algonquin Power & Utilities Corp.

**Algonquin Power & Utilities Corp.** ([TSX:AQN](#))([NYSE:AQN](#)) has been one of my top picks for some time now due to the company's asset profile, compounded earnings generation, and dividend growth over time. Largely considered to be one of the safest utilities traded on the TSX, Algonquin Power has a fantastic mix of high-quality assets that have continued to produce impressive earnings results and income distributions over time. An investor who'd purchased \$10,000 of Algonquin Power five years ago would have received over \$12,000 in capital appreciation as well as \$3,250 in the form of dividend payments over this time frame alone.

#### Killam Apartment REIT

Moving to the real estate space, **Killam Apartment REIT** ([TSX:KMP.UN](#)) is currently my favourite pick for investors considering a REIT with stability and growth potential amid a basket of real estate investment trust (REIT) options with high yields and perhaps issues with yield sustainability or growth long term.

Killam operates in the Canadian Maritimes, an area which is largely considered to be somewhat insulated from the overheated metropolitan areas of Canada (think Toronto and Vancouver) and in a specific segment (apartments), which is somewhat more defensive than other REIT categories, such as office or industrial, which may be more reliant on the economy. Regardless of how the Canadian economy performs over the coming years, Canadians are unlikely to shift away from apartments — if anything, apartments will become a larger and more important segment of the real estate sector in Canada

### **Bird Construction Inc.**

In the construction space, **Bird Construction Inc.** ([TSX:BDT](#)) may be one of the best value plays currently trading on the TSX. Largely oversold due to concerns about the western Canadian economy (specifically Alberta), income-focused investors have sold off BDT stock and put their money elsewhere; this deterioration in the company's stock price has led to an increasing yield, one which has recently breached the 4.5% yield level, making this an even more attractive contrarian play for enterprising investors willing to buy into the idea that tailwinds in the construction industry may materialize over the next few years as the capital-expenditure budgets of firms begin to stabilize and increase to meet demand, contrasting the past few years of budget contraction, which have not been friendly to Bird.

Stay Foolish, my friends.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **TICKERS GLOBAL**

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:BDT (Bird Construction Inc.)
4. TSX:KMP.UN (Killam Apartment REIT)

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### **Date**

2025/07/06

### **Date Created**

2017/06/28

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