



3 Socially Responsible Stocks to Own in Your TFSA

Description

Are you a socially responsible investor? Do you follow companies that are concerned about environmental, social, and governance issues?

If you do, you're not alone.

According to the Responsible Investment Association, 77% of investors are interested in responsible investments. Further, 52% of investors would like responsible investments to account for more than half their portfolios.

The problem, it seems, is most people are woefully unaware of responsible investing best practices and which companies are applying them.

Not to worry.

Each of these three socially responsible stocks has been selected based on their ability to proactively manage ESG issues, avoid controversy, and how they measure up against industry peers.

First Capital Realty Inc. (TSX:FCR)

According to Morningstar Canada, First Capital is one of the top 20 Canadian stocks with a positive ESG screen ahead of national institutions such as **Royal Bank of Canada** and **Thompson Reuters Corp.**

I've liked the owner of urban retail for a long time. Most recently, I'd recommended FCR in stock in late March, [suggesting](#) its 22 million square feet of future potential development space will keep the company growing over the next two to three years.

Like **RioCan Real Estate Investment Trust**, it's been trimming its real estate holdings to focus on its properties in urban markets such as Toronto.

In 2017, First Capital saw its operating funds from operations increase by 9.1% to \$284.4 million with

2.5% year-over-year same property net operating income (NOI) growth.

Over the past 10 years, First Capital has managed a compound annual growth rate of 8.9% — 100 basis points better than the S&P/TSX Capped REIT Index.

Dream Office Real Estate Investment Trst ([TSX:D.UN](#))

Ranked second out of 20 stocks with a positive ESG screen, Dream Office REIT has sold more than \$3.3 billion of assets since 2016 to focus on Toronto. Smart move.

Fool.ca contributor Jacob Donnelly recently [discussed](#) the many positive aspects of investing in Dream Office, including the fact that it generates 72% of its NOI from its Toronto assets. Given that Toronto is the largest city in Canada and our financial capital, owning quality assets in a town where good office space is hard to come by is a major selling point for potential investors.

It's often hard for big companies to go small, but that's exactly what Dream Office has done, and it's likely to pay off for shareholders.

In 2013, it owned 186 properties in 15 markets, renting out 24.6 million square feet at an average of \$17.83 a square foot. Today, it owns 42 properties in five markets, renting out 8.2 million square feet at an average of \$21.02 a square.

It's getting more from less, providing a brighter future for shareholders. Oh, and it's hard not to like the 4.3% yield.

Cogeco Communications Inc. ([TSX:CCA](#))

Ranked number one out of 20 Canadian stocks with a positive ESG screen, this [Dividend Aristocrat](#) makes for a perfect holding in your TFSA.

Dividend stocks are good investments to hold in your TFSA, especially those consistently growing their annual payment to shareholders. In November, Cogeco upped its dividend for the 14th consecutive year — a sign its business is doing just fine.

Cogeco owns cable companies in Ontario, Quebec, Pennsylvania, Florida, Maryland, South Carolina, and Connecticut, making it the eighth-largest cable operator in North America.

If you're looking for consistent income with a decent amount of capital appreciation — it's stock is down by more than 20% in 2018 — now is a good time to buy Cogeco stock because it looks to be oversold.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:CCA (COGECO CABLE INC)
2. TSX:D.UN (Dream Office Real Estate Investment Trust)
3. TSX:FCR.UN (First Capital Real Estate Investment Trust)

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Date

2025/08/16

Date Created

2018/04/26

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