



## Dividend Investors: 3 REITs That Pay Over 5%

### Description

If you love dividends, you probably love stability as well. Real estate investment trusts (REITs) can provide a lot of that, as the stocks have recurring revenue and often have big, stable tenants that anchor many locations. In addition, REITs normally pay monthly dividends and can provide your portfolio with a lot of recurring cash flow as well.

The other benefit of REITs is that you are indirectly investing in the underlying real estate as well, and rising property values can also lead to some big gains down the road.

Below are three REITs that have strong payouts of over 5% and that could be great building blocks for your portfolio.

**SmartCentres Real Estate Investment Trst** ([TSX:SRU.UN](#)) pays its shareholders a monthly dividend that yields 5.7% on an annual basis. The company's portfolio is made up of many different retail shopping centres, but it also has mixed-use properties as well. SmartCentres also has a strong relationship with **Walmart**, as the big-box chain anchors many of its locations.

When it comes to retail, REITs need some big anchors driving traffic, and SmartCentres has a lot of them. Many of the country's big-name retailers can be found at the company's properties. And that stability has helped SmartCentres steadily [grow](#) its top line over the years, with sales rising by more than 30% since 2013.

**Dream Global REIT** (TSX:DRG.UN) can provide your portfolio with some unique [diversification](#), as the stock has properties in Austria, Germany, Belgium, and the Netherlands. If you're concerned about the North American real estate markets or even economies, for that matter, Dream Global can give you exposure on a different continent and ensure that you aren't overly exposed to one geographical area.

Although the company has over 240 properties that span more than 19 million square feet, there are still many opportunities for Dream Global to grow, and that makes it a very appealing REIT to invest in today.

Currently, the stock pays a dividend of over 5.5% and is trading right around its book value, despite

rising more than 18% since the start of the year. Dream Global is a good value buy with lots of growth potential and a solid dividend as well.

**Artis Real Estate Investment Trust Unit** ([TSX:AX.UN](#)) is a stock that has been struggling this year, with its share price dropping more than 10% since the start of the year. With the stock trading well below its book value, Artis could be a bargain buy.

The REIT is well diversified, as it has retail, office, and industrial spaces in its portfolio. Its properties are located in several provinces and U.S. states, with a strong presence in the prairies.

Artis pays the highest dividend of the REITs on this list, with an annual yield of over 8.5%. However, despite the high payout, in its most recent fiscal year the company paid out 89% of its free cash and 76% of its per-share earnings, which suggests that the payout may be sustainable if the company can continue producing strong results.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. TSX:AX.UN (Artis Real Estate Investment Trust)
2. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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