Stop Speculating! 3 Cash-Dishing Stocks That Can Actually Help With Your Bills

Description

“I believe non-dividend stocks aren’t much more than baseball cards. They are worth what you can convince someone to pay for it.” – Mark Cuban

The concept of investing is simple: lay out capital in order to get more of it back.

In the stock market, there’s no more concrete and tangible way to get your money back than through dividends. Dividends represent cash in your pocket, not a company projection or pie-in-the-sky appreciation promise. Compared to dividend-paying companies, everything else — to a certain extent — is based on hope and speculation.

Now, it doesn’t mean that non-dividend companies can’t make you rich. Not at all. It simply means that for more conservative investors, the *surest* way to earn a decent return is through well-established companies that pay well-established dividends. And if you can stuff those dividend-payers in a tax-sheltered account, the wealth-building is even more beautiful.

With that in mind, here are three potential dividend stocks for your TFSA or RRSP account. In addition to sporting yields above 4%, all three have a solid track record of uninterrupted dividends.

Check it out:

Company	Dividend Yield	M U
The Bank of Nova Scotia (TSX:BNS)(NYSE:BNS)	4.5%	Y
SmartCentres REIT (TSX:SRU.UN)	5.6%	Y
Telus (TSX:T)(NYSE:TU)	4.3%	Y

Just a quick word of caution: don’t view this list as a bunch of formal recommendations. Instead, treat them as a jumping-off point for further research.

That said, SmartCentres really catches my income-investing eye.

Smart selection

If you aren’t familiar with SmartCentres, it’s a giant shopping mall REIT with total assets of more than $9.3 billion. I know what you’re thinking: brick-and-mortar retail is a scary place right now with all shopping moving online, right?

Well, as I wrote last week, retail isn't dead — it's just changing. And SmartCentres — whose main strategy is to provide a "value-oriented" shopping experience — seems to be adjusting quite well with the times. For example, the company's 34 million-plus of square footage is primarily anchored by discount giant **Wal-Mart**.

That stability helped SmartCentres post a 7.4% increase in Q2 rental income as well as 36% spike in operating cash flow. More important, the results prompted management to grow the dividend payout.

"Our strong retail portfolio continues to provide stable operating results such that we are pleased to announce a further increase in our annual distributions from $1.75 per Unit to $1.80 per Unit effective for the November distribution payment," said CEO Peter Forde. "It also provides a solid foundation for our exciting development and intensification initiatives."

Moving forward, management has long-term plans of expanding into residential real estate, seeing tons of opportunity in things like condos, senior homes, self-storage, and hotels.

For now, the stock's dividend yield of 5.6% looks too juicy to ignore. Moreover, with a beta of 0.3 — just a third of the volatility of the overall market — SmartCentres serves as a relatively stress-free way to earn some *real* cold, hard cash.

Fool on.

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1. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:TU (TELUS)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)
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