



Buy This Top Dividend Stock for Your TFSA to Benefit From the Biggest Secular Trend Today

Description

[TFSA](#) investors: are you looking for a solid [dividend stock](#) that has a blue-sky opportunity to consistently and profitably grow for years to come? I have here a dividend stock that I would like you to consider that is providing us with this opportunity. It is backed by one of the biggest secular trends today: the aging population.

Society is facing a rapidly aging population, and as the baby boomers are now between the ages of 54 and 72, we continue to see big demand in products and services for this stage of life.

According to Statistics Canada, in 2017, 7.2% of Canadians were over the age of 75. By 2030, this number is expected to increase to almost 11%.

This dividend stock is benefiting from this trend and has a bright future ahead of it.

Chartwell Retirement Residences ([TSX:CSH.UN](#)), the largest provider and owner of seniors housing communities from independent living to long-term care, has been benefiting from rising occupancy levels, as an uptick in demand has been accompanied by a stagnant supply of seniors housing.

If we look at the age of the population and where it's headed, we can see the built-in demand boost that Chartwell can expect to see as the years go by.

With a focus on rate increases, maximizing occupancy levels, and cost control, while at the same time increasing its service offerings, Chartwell has a few levers to pull to generate shareholder value.

The stock has already been on a tear, with a 45% five-year return. And this doesn't include its dividend yield, which has mostly been between 4% and 5% during that time period, giving investors a monthly dividend that has been reliable and growing.

After four consecutive years of cash distribution increases, and with a quality portfolio of properties, Chartwell is a solid investment that is well positioned for the future.

In its latest quarter, Chartwell reported a 6% increase in fund from operations, but the real story here is the long-term trend, as a doubling of people over the age of 75 in the next 20 years will provide a big boost to demand

Going forward, the company has a strong pipeline of opportunities to expand its portfolio of seniors housing developments as well as a plethora of opportunities to continue to expand its support services that are offered in house.

Clearly, it's a good choice for dividend income as well as capital gains for those TFSA investors that would like a safe bet that is backed by a strong real estate portfolio, a solid competitive positioning, and the biggest trend today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CSH.UN (Chartwell Retirement Residences)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date

2025/08/25

Date Created

2019/03/02

Author

karenjennifer

default watermark