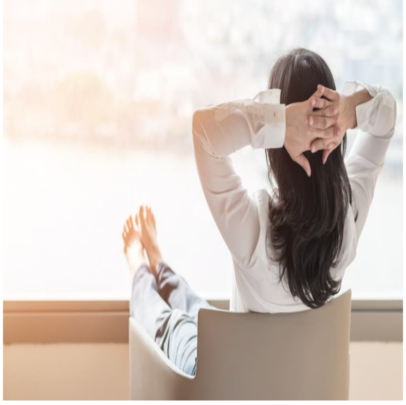

Passive-Income Seekers: This REIT Has Paid 203 Consecutive Dividends

Description

A great deal has happened since 2002.

The big event in the financial world was the Great Recession, of course. The financial crisis of 2008-09 devastated certain parts of the economy and was enough to bring down some of the largest American banks.

We've also seen a multitude of mini financial crises that have impacted certain sectors in a big way. Many retail stocks are trading at a fraction of their past glory. The energy sector has gotten decimated, much to the chagrin of Western Canada. And we've seen the TSX Composite Index sell off aggressively a few times, most recently in the latter half of 2018.

And yet, despite all this, at least one strong Canadian REIT continued to pay dividends. In fact, it has slowly increased its payout over time.

Altogether, this company has paid more than 200 consecutive dividends — 203, to be exact — since its 2002 IPO. If anything, it's gotten stronger over the years, looking poised to deliver at least another 200 more.

Let's take a closer look at this company, the kind of enterprise that would look great in any portfolio.

REITs don't get much better

For years, **SmartCentres REIT** (TSX:SRU.UN) quietly chugged along, slowly expanding its retail real estate empire.

The company was **Walmart's** landlord of choice in Canada, developing new property as the retail behemoth expanded across the country. SmartCentres would build Walmart-anchored property in major cities, fill the rest of the development with retailers who benefited from Walmart's foot traffic, and quietly collect the profits.

It was a good business. Walmart's numbers continued to be strong in Canada, which helped out SmartCentres's overall occupancy rate. More than 99% of space is consistently leased, with the odd departing tenant being replaced quickly. This is exactly what investors should want to see.

And then, starting a few years ago, the company started going down a different path. You see, SmartCentres had a lot of property in places that have grown substantially over the years. These well-located properties were ripe for redevelopment, turning retail space into something that mixed in office or residential real estate as well.

One prominent example is SmartCentres's development plans in Vaughn. The Vaughn Metropolitan Centre is located at the intersection of two major highways, a 400-acre development that will feature retail, office, and residential space when it's all said and done. It'll be connected to Downtown Toronto via the subway, and it'll provide everything citizens want in a city centre.

SmartCentres isn't stopping there, either. It has retail development planned in markets like Toronto and Montreal. It is currently developing apartments in Laval. And it has even partnered with developers for other types of real estate, including self-storage and seniors housing. In total, it plans to develop more than $12 billion worth of projects with various partners.

Get paid to wait

As previously mentioned, SmartCentres hasn't missed a monthly dividend since 2002. That's a very impressive record.

In fact, the company has slowly raised the dividend over time. When it debuted as a publicly traded company, SmartCentres paid a $0.095 per share monthly dividend. The payout has been hiked over the years — including annually since 2014 — and now stands at $0.15 per share each month.

As new developments get completed and add to the bottom line, these should help the company increase the dividend going forward, too. Not bad for a stock that currently yields 5.6% today.

The bottom line

SmartCentres REIT offers everything you're looking for in a long-term investment. It's got ample growth potential. The folks in charge are top notch. And you can't beat that dividend history.

SmartCentres would look great in any portfolio. Buy it today and you'll be well positioned to collect a generous passive income stream for years to come.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

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

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