



3 of the Best Lesser-Known Stocks to Buy Today

Description

There are a number of lesser-known companies out there with major opportunities that will reward shareholders with huge gains once they gain the exposure they deserve. These companies are well run, operate in growing industries, or are staples of the economy.

By finding these companies now, and gaining exposure ahead of the herd, you could put yourself in an enviable position and set yourself up for some major returns down the road.

Three of the [lesser-known](#) stocks in Canada that can provide huge returns are **StorageVault Canada** (TSXV:SVI), **Computer Modelling Group** ([TSX:CMG](#)) and **Nexus REIT** (TSXV:NXR).

StorageVault Canada

Like the name suggests, StorageVault Canada owns and operates nearly 150 locations and nearly eight million square feet of leasable storage space. It's the fastest-growing storage company in Canada in an industry that will be one of the top real estate performers over the foreseeable future.

It has been growing extremely rapidly, both organically and through strategic acquisitions. It currently has another one million square feet of development space, which is equal to roughly 13% of its portfolio. These developments should drive future growth, similar to the growth it's seen in the past.

In 2018 alone, it grew revenues 56%, net operating income 62%, and funds from operations a whopping 80%.

The storage business is one of the best businesses to be invested in, because it requires little capital investments to build the units and minimal operating costs to run the business.

It continues to be one of the top opportunities in Canada, despite the fact that its share price has already grown by more than 700% since 2015.

Computer Modelling Group

Computer Modelling Group is a software technology and consulting company that serves the oil and gas markets. It is one of the best companies in regard to building reservoir modelling technology and has sales offices around the world in Canada, the United States, England, Colombia, the United Arab Emirates, and Malaysia.

In the second quarter of its fiscal 2020 year, which ended September 30, it reported revenue of nearly \$20 million — an 11% increase from the same quarter the year prior.

It also increased its net income by 36%, with nearly \$6.9 million in profits this year versus just over \$5 million last year. The increase shows just how well CMG has been performing and allowed it to increase its dividend, which now yields more than 4.5%.

The numbers look solid for CMG. In a world where any improvement that companies can get by implementing computer modelling and technology, they will take, and CMG is in a prime position to take advantage.

Nexus REIT

Nexus owns a portfolio of commercial assets, including industrial, office, retail, and mixed-use properties across Canada.

It's a stock I'd recommend for those investors primarily [seeking passive income](#), as the stock doesn't move much, but it pays an attractive dividend that yields roughly 7.9%.

The dividend continues to become more stable, as the company grows its adjusted funds from operations, which subsequently reduces its payout ratio. In 2014, the payout ratio was roughly 99%, and Nexus has decreased that to 84%, making it significantly more sustainable.

Recently, it has been developing new assets, specifically a multi-tenant sports facility in Richmond B.C., where it's investing roughly \$15-\$20 million to create more value for its unitholders.

Roughly 50% of its base rent comes from Ontario, and roughly 42% of base rent comes from industrial assets, though the company is still pretty strongly diversified.

Although its occupancy rate is only 94%, that's not terrible and gives Nexus room to grow within its current capacity.

Bottom line

All three of these companies are attractive for one reason or another and will continue to reward shareholders. They have performed well, even as lesser-known companies, and will only improve, as more investors become aware of their incredible potential.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. TSX:CMG (Computer Modelling Group Ltd.)
2. TSX:NXR.UN (Nexus Real Estate Investment Trust)
3. TSX:SVI (StorageVault Canada Inc.)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Dividend Stocks
2. Investing
3. Tech Stocks

Date

2025/08/29

Date Created

2019/11/16

Author

danieldacosta

default watermark

default watermark