



## Yield Alert: This Monster 8.32%-Yielding REIT Is a No-Brainer Buy

### Description

I would not be wrong to say that an income investor's best friends are the highest dividend-paying stocks that offer reliable payouts. When it comes to stocks that give regular payouts to shareholders with a high yield, few sectors compare to Canada's real estate industry.

Real estate investment trust (REIT) stocks constitute a substantial portion of portfolios for income investors. The asset class happens to be the highest dividend payer on the Toronto Stock Exchange. The stock's price itself does not matter as much as the sustainability of dividend yield when it comes to income investing.

In this yield alert, I am going to discuss **BTB Real Estate Investment Trust** ([TSX:BTB.UN](https://www.scribd.com/document/1000000000/TSX-BTB-UN)). The REIT is a straightforward buy for income investors looking to capitalize on a healthy dividend yield of a [reliable company](#) in the long run. Let us take a better look at BTB, so you can determine whether or not the stock is a good buy for your investment portfolio.

### Focused approach

BTB is not one of the largest companies you will see in Canada's real estate sector. It has a modest market capitalization of just \$313.59 million — much less than most of its peers. That being said, BTB has plenty going for it. The company is paying its shareholders dividends at a phenomenal yield of 8.32% at the time of this writing.

Usually, such a [high dividend yield](#) is an alarming sign for investors. Paying out such a significant percentage in dividends per share is typically unsustainable, and you would be right to worry about it. BTB, however, is a REIT with a focused approach that allows the company to sustain the high dividend yield.

The company owns 5.7 million square feet of leasable area in total. The company's diverse portfolio consists of a total of 66 commercial, office, and industrial properties. The REIT's primary focus on the province of Quebec allows it to generate a stable and growing cash distribution, keeping everything tax efficient.

At a price of just \$5.05 per share, the stock is a lot cheaper than its peers. The REIT has an accretive acquisition program that allows it to thrive. The company continues to expand its assets, increasing the potential income for years to come.

The company's clients are from income-producing, retail, mid-market office, and industrial property segments. There is little risk for the company compared to the remarkable rewards it stands to gain. For shareholders, it means they can rely on a stable flow of cash from the company through dividends.

## Foolish takeaway

BTB has been paying dividends to investors since 2006. The real icing on the cake, aside from the high dividend yield, is the fact that it pays shareholders monthly. I think it is a very attractive option for income investors looking to boost their monthly income or to accumulate wealth over a long period.

### CATEGORY

1. Dividend Stocks
2. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. TSX:BTB.UN (BTB Real Estate Investment Trust)

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