



Income Investors: Lock in This Huge 7.7% Dividend Yield by December 31

Description

If you are a growth investor, you might have your eyes peeled for fast-moving stocks. These stocks have the potential of blooming your little investment seed to a flower that's much more prominent in terms of size.

But if you want your investment to create a passive income stream or a secondary revenue stream to beef up your savings, you might prefer the payouts over growth.

The high dividend yield is hard to pass by for any investor. Still, many investors do stay their hands from even the most extravagant of yields because they worry about the yield's long-term sustainability.

If that's you, I urge you to take a look at **Inovalis REIT** ([TSX:INO.UN](https://www.inovalisreit.com)). It's a monthly dividend payer and hasn't slashed its dividends once in the past five years. It currently offers an attractive yield of 7.74%, which you can lock in today.

About the REIT

Inovalis is a REIT that owns (fully and partially) and operates 13 significant properties in Europe, eight in France, and five in Germany, with a total area of more than 1.2 million square feet.

All French properties are situated in the greater Paris area, in high population density regions. All of the properties are strategically located in areas where they [will always attract tenants](#).

The overall occupancy rate of all of the Inovalis properties combined is almost 91%. Most of those are long-term leases, promising a dependable income stream for many years to come. Inovalis is also buying a partially owned French property this year.

Inovalis is a relatively small REIT, with a market cap of only around \$250 million. The number of properties it operates is also not very extensive. But Inovalis is highly profitable, despite its small magnitude.

Good numbers

The dividend yield of Inovalis is lucrative enough on its own to make it a worthy stock. But there are other good numbers as well. The company increased its net income by 68.5% from the same time last year.

The profit margin of the company is at 58.5%. The market value of the company has [been relatively steady](#), in the past five years, though this year the company has seen an 11.5% growth.

Currently, the company is trading at \$10.46 per share at writing. The price-to-earnings of 11.28 is a little high compared to other same size REITs, but the price-to-book ratio stands at 0.95. The company's payout ratio is also very stable at 89.5%, which is almost ideal for a REIT.

Foolish takeaway

As an income investor, you might appreciate the high returns offered by Inovalis and the security that its business model offers. But even if the company doesn't increase its payouts anytime soon, the 7.7% yield is sufficient for a decent passive income.

If you invest your fully contributed TFSA in Inovalis, you will get a monthly payment of almost \$410 a month, which is a decent enough sum for a passive income. Lock in this yield before December is over to get a good start on your 2020 investing income.

CATEGORY

1. Dividend Stocks
2. Investing

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1. TSX:INO.UN (Inovalis Real Estate Investment Trust)

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