



## TFSA Investor: 2 High-Yield Dividend REIT Stocks to Stash in 2020

### Description

A lot of investors have a simple New Year's resolution in 2020. They want to generate a higher income through their investments. If you have a resolution similar to this, you should know that the ideal way to achieve massive growth or income is through your Tax-Free Savings Account (TFSA).

The tax-advantaged status of your TFSA makes it an ideal place to achieve those goals if you use it for long-term storage of the right stocks. Using the TFSA to buy and hold shares of high-dividend-yield companies that pay regular dividends and have fantastic growth prospects can allow you to become a wealthy investor.

To this end, I think real estate investment trusts (REITs) can be ideal for you.

REITs are stocks known for being generous with dividend payouts. The TFSA is an efficient place to store REIT holdings. As generous as REITs are, there are only a few that manage to keep increasing dividend payouts for more than a couple of years.

**Smart Centres REIT** ([TSX:SRU.UN](#)) and **Choice Properties REIT** ([TSX:CHP.UN](#)) are both high-yield Dividend Aristocrats. I am going to discuss both stocks, so you can decide if you should allocate a portion of your contribution room in the TFSA to stocks from both REITs.

### SmartCentres REIT

SmartCentres REIT is the result of a merger between SmartCentres Inc. and Calloway REIT that took place five years ago. The resulting company manages a portfolio that primarily consists of physical retail stores and e-commerce businesses, providing better value to customers.

[The REIT's stock](#) enjoys plenty of stability in terms of its revenue generation courtesy of a robust customer base. SmartCentres has several longstanding tenants with a decent reputation. Its biggest client is a household name, **Walmart**. The retail chain relies on SmartCentres for more than two-thirds of its properties.

SmartCentres's ability to generate secure income allows it to increase its dividends each year, offering more value to its shareholders. The company's dividend yield at writing is a juicy 5.73%, and its stock trades for \$32.28 per share, making it an attractive option to consider.

## Choice Properties REIT

Choice Properties REIT is a massive operator in Canada's real estate industry. Its portfolio consists of more than 720 properties covering a total area of more than 65 million square feet. Almost all of the properties owned by REIT are retail or industrial properties, shielding it from any issues that may arise in the residential real estate segment like SmartCentres.

Choice Properties also enjoys a stable income due to a client base that uses its properties for the long term. The need-based clients in the industrial and retail sectors do not move around a lot, keeping Choice Properties's properties occupied.

Choice Properties stock makes for a decent REIT to consider due to its considerable 5.01% dividend yield at writing, trading at just \$14.78 per share. Choice Properties's unusually low 31.59% payout ratio means it also has plenty of room to grow its dividends as well.

## Foolish takeaway

Between the housing market-insulated revenue generation and [high dividend yields](#), I think both the SmartCentres stock and Choice Properties could be stocks you can buy and forget about in your TFSA. Both REITs are rock-solid companies with reliable clients and good prospects for growth.

### CATEGORY

1. Dividend Stocks
2. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
2. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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