



TFSA Investors: 3 Ways to Get Wealthy From This Market Crash

Description

Hello, Fools! I'm back to highlight three top dividend-growth stocks. As a quick reminder, I do this because businesses with consistently increasing dividend payouts

- can guard against the harmful effects of inflation by providing a [rising income stream](#); and
- tend to [outperform the market averages](#) over the long haul.

So, if you're looking to protect your TFSA from this recent market crash, this list is a good place to start.

Smart choice

Leading off our list is retail real estate company **SmartCentres REIT** ([TSX:SRU.UN](#)), which has increased its dividend by a steady 15% over the past five years.

SmartCentres shares have fallen along with the rest of the market. On the bright side, its stable payout growth continues to be supported by strong occupancy, robust cash flows, and a recession-proof portfolio (primarily grocery stores). In 2019, for example, funds from operations (FFO) — a key cash flow metric — continued to grow steadily. Moreover, the company's committed occupancy rate clocked in at an industry-topping 98.2%.

"The debt and equity offerings completed in 2019 provide Unitholders with reliable dividends, a growing pool of unencumbered assets, and resulted in a credit rating upgrade to BBB(H)," said CEO Peter Forde. "Together with our mixed-use project partners, we are confident in our ability to provide the financial backing for our growing mixed-use portfolio."

SmartCentres currently offers a dividend yield of roughly 6.8%.

Bankable bet

Next up, we have Montreal-based bank **Laurentian Bank** ([TSX:LB](#)), which has grown its dividend

payout by 25% over the past five years.

Laurentian shares have fallen particularly hard during this downturn. But the company's rock-solid balance sheet, high credit quality, and strong scale (revenue recently exceeded \$1 billion) should continue to support long-term dividend growth.

While the company continues to see a decline in earnings, management is starting to see its turnaround efforts gain some traction. In the most recent quarter, for example, Laurentian's Common Equity Tier 1 capital ratio clocked in at a decent 9%

"We have completed a substantial part of the transformation and we are beginning to see real progress in foundational work, growth in our customer base and concrete advancements towards improving customer experience," said President and CEO François Desjardins.

Laurentian shares currently offer a juicy dividend yield of around 8.0%.

Rock-solid choice

Rounding out our list is industrial real estate company **Granite REIT** ([TSX:GRT.UN](https://www.tsx.com/stocks/REIT/Granite-REIT/TSX:GRT.UN)), which has grown its dividend by 26% over the past five years.

Granite shares have also fallen sharply in recent weeks, providing Fools with a solid income opportunity. Specifically, Granite's geographic reach, solid scale, and conservative balance sheet should continue to underpin strong dividend growth. In the company's quarterly results earlier this month, adjusted funds from operations (AFFO) clocked in at an impressive \$46.7 million. That represents a comforting AFFO payout ratio of 82%, which should give dividend investors some peace of mind.

"It is a product of a conservative capital structure and stable and sustainable cash flow growth," said CEO Kevan Gorrie in reference to Granite's most recent dividend boost. "It is a product of a conservative capital structure and stable and sustainable cash flow growth and enables us to increase the distribution in 2019 and maintain conservative capital ratios from future potential increases."

Granite currently offers a dividend yield of roughly 4.5%.

The bottom line

There you have it, Fools: three top dividend-growth stocks for 2020.

As always, they aren't formal recommendations. They're simply a starting point for more research. The breaking of a dividend-growth streak can be especially painful, so plenty of due diligence is still required.

Fool on.

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TICKERS GLOBAL

1. TSX:GRT.UN (Granite Real Estate Investment Trust)
2. TSX:LB (Laurentian Bank of Canada)
3. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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