



## TFSA Investors: 3 Rock-Solid Dividend Payers Yielding up to 7.7%

### Description

Many investors are using a similar strategy with their TFSAs. They're loading the account with rock-solid dividend payers, hoping to create a nice tax-free income stream come retirement.

Even though the market has recovered nicely from March's lows, many investors are still worried about the future of their dividend portfolios. They're looking for solid dividend payers, the kinds of stocks that will continue their dividends, no matter what happens to the underlying economy.

And, of course, these investors also want succulent dividend yields.

It turns out you can have your cake and eat it, too. Here are three excellent dividend stocks offering attractive yields — perfect companies to use as the bedrock of your TFSA [income portfolio](#).

### Choice Properties

**Choice Properties REIT** ([TSX:CHP.UN](#)) primarily owns grocery-anchored real estate, although the company has been working on diversifying itself ever since it was spun off from its former parent, **Loblaw**. As it stands today, the portfolio consists of 724 different properties spanning more than 65 million square feet of gross leasable space. It is a behemoth in the real estate space.

Owning a bunch of grocery stores might not seem that sexy, but there are a few reasons why it's an attractive sector to invest in. Supermarkets are steady businesses that actually benefit from an uncertain economy. They make terrific tenants. And there's ample opportunity to redevelop some of these sites into more dense assets as cities expand around them. Choice has nearly 20 active redevelopment projects on the go with plans to do many more over time.

One of the biggest reasons why investors should stash Choice Properties shares in their TFSA is the company's generous dividend. The current payout is 5.7%, an excellent yield in today's low interest rate world. And remember, Choice has hiked its distribution steadily since its 2013 IPO.

## Rogers Sugar

Another boring dividend payer that would look great in your TFSA is **Rogers Sugar** ([TSX:RSI](#)). This steady stock offers an excellent dividend yield of 7.7%. That alone is enough to consider stashing the stock away.

I also think the company offers solid capital gains potential. Remember, Rogers Sugar shares traded above \$6 each as recently as 2019. Once the company can prove its diversification effort into maple syrup is paying off, shares should go back to that range. That's a 30% potential gain. And investors are protected on the downside from the company's obvious moats, which include limitations on foreign sugar and high costs to get into the business.

Rogers Sugar has paid its generous dividend since 2011, when it converted from an income trust to a corporation. You can count on the payout over the long term.

## Great-West Lifeco

**Great-West Lifeco** ([TSX:GWO](#)) is one of Canada's largest financial institutions with more than \$1.6 trillion under management. The company has various insurance subsidiaries in Canada, the United States, and Europe, as well as managing various types of investments for both its own internal funds and outside investors.

Naturally, COVID-19 and its potential impact on the economy sent Great-West shares sharply lower. Investors were both concerned about higher-than-normal life insurance payouts and the affect low interest rates would have on the portfolio. Analysts are still worried about 2020's potential earnings, but they project the company will still earn \$2.59 per share. That puts shares comfortably under 10 times forward earnings expectations.

The company offers one of the most generous yields in the entire financial sector; the current payout is 7.4%. Even if earnings don't reach expectations this year, Great-West Life has a solid balance sheet. It'll be able to afford its dividend. In fact, the company could even choose to keep its dividend-growth streak alive in 2021, which would be the eighth consecutive year of increases.

## The bottom line on these excellent TFSA stocks

If you're looking to turn your TFSA into a passive-income machine, then it's time to add [dividend stalwarts](#) like Choice Properties REIT, Rogers Sugar, and Great-West Lifeco to your portfolio. Your future self will thank you.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
2. TSX:GWO (Great-West Lifeco Inc.)
3. TSX:RSI (Rogers Sugar Inc.)

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