



3 Smart Stocks to Buy With \$25

Description

Not all stocks are expensive in the **TSX** 2021 bull run. You can [bargain hunt](#) with limited capital to realize a windfall and earn extra income. Among the great buys today are **Nexus** ([TSX:NXR.UN](#)), **Freehold Royalties** ([TSX:FRU](#)), and **Computer Modelling Group** ([TSX:CMG](#)).

You can own one share of each for only \$25. The lowest price is \$4, while the highest is not more than \$12.50. Apart from the high return potentials, all three companies are [dividend stocks](#), with yields of up to 6.67%.

Industrial-focused growth vehicle

A \$423.36 real estate investment trust (REIT), Nexus came from the TSX Venture Exchange. The real estate stock began trading on the bigger stage on February 4, 2021. Today, it trades at \$12.39 per share, a 53.53% gain from the \$8.07 closing price on its TSX's market debut.

Industrial REITs are [good choices](#) because of the e-commerce boom. Nexus's portfolio consists of 91 properties, where 56 or 62% are industrial properties. These properties contribute about 68% of the REIT's net operating income (NOI). The occupancy rate in industrial properties is high at 98.7%, while the weighted average lease term of the entire portfolio is five years.

Nexus's rental business is booming amid the pandemic. In the first half of 2021, the REIT's net income rose 196% versus the same period in 2020. The financial results prove that Nexus is a viable investment.

Royalty advantage

Freehold Royalties is an excellent dividend play, especially since the energy sector is stronger in 2021. The \$1.18 billion oil & gas royalty company owns more than 6.7 million gross acres of royalty lands in Canada. You get value for money at \$8.99 per share and a dividend yield of 6.67%.

Currently, Freehold has approximately 380,000 acres more of unleased mineral titles. The company's objective is to drive oil and gas development on the lands through lease-out programs. It generates revenue from overriding royalties. The business has rebounded in 2021 based on the recent financial results.

In the first half of 2021, Freehold's royalty revenue jumped 99% to \$81.7 million versus the same period in 2020. From a \$14.44 million net loss, the company reported \$18.18 million in net income. According to management, the turnaround was due to the strong upward momentum in crude oil prices in North America and globally.

Rare tech stock

Computer Modelling Group, or CMG is a rare find because tech companies seldom pay dividends. However, this \$328.27 million computer software technology company offers a lucrative 5.18% dividend. This tech stock led all advancers on August 16, 2021, climbing 5.96% to \$4.09. It's a steal at the current share price.

Like Freehold, CMG caters to customers in the oil and gas industry. Reservoir simulation is the company's expertise. It boasts a market-leading reservoir simulation software recognized globally as the industry standard for advanced recovery processes.

In Q1 fiscal 2022 (quarter ended June 30, 2021), total revenue declined 14% versus Q1 fiscal 2021. However, net income rose by the same percentage to \$3.73 million. Despite the income growth, CMG's president and CEO Ryan Schneider said business is far from normal due to economic uncertainty and price volatility.

Invest smart

Don't miss your chance to play smart in Q3 2021. You have three options to make more money with capital as little as \$25.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. TSX:CMG (Computer Modelling Group Ltd.)
2. TSX:FRU (Freehold Royalties Ltd.)
3. TSX:NXR.UN (Nexus Real Estate Investment Trust)

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