3 of the Strongest-Yielding Dividend Stocks on the TSX Today

### Description

The TSX offers a decent selection of strong, generous, and stable dividend stocks, offering a broad spectrum of yields at any given time. A strong yield, while not the only "factor" you should consider in a dividend stock, is usually the deal maker or breaker. The sustainability of yield and growth potential (yield and capital) are also essential factors to consider when picking from some of the strongest-yielding dividend stocks.



## A commercial real estate lender

Most commercial and residential mortgage borrowers with good credits approach the big banks — i.e., the conventional lenders. But the mortgage is just one facet of the real estate "borrowing." For other needs, property owners and investors have to turn to non-bank lenders like **Timbercreek Financials** ( TSX:TF). The company offers short-term loans (fewer than five years) to commercial real estate investors.

The company's current portfolio is focused heavily on multi-family properties, which is in line with its investment strategy — i.e., stable, income-producing assets.

As a stock, Timbercreek has been relatively stable since its inception. It doesn't offer a lot of capital growth potential, but neither does it fluctuate too rapidly. As a strong dividend payer, the company is offering a juicy 7.2% yield. However, the payout ratio is highest it's been since 2012.

## A grocery-focused REIT

Food is an evergreen business. It makes other food-related businesses safe by association, including REITs like **Slate Grocery REIT** (TSX:SGR.U). The company has a geographically diverse, U.S.-focused portfolio, 98% of which is grocery-anchored real estate. It's spread out over 23 states and is made up of 106 properties. The tenant portfolio is impressive, and more than one-fourth is made up of well-known brands like **Kroger** and **Walmart**.

SGR has been an outstanding dividend stock from the beginning and has grown its payouts three times since 2017. Currently, it offers $0.072 per share every month, which equates to a mouthwatering 8.2% yield. That's enough to get you a $100 a month passive income with just $15,000 invested. And the best part is that the stock is relatively undervalued right now.

## An "iron" company

**Labrador Iron Ore Royalty** (TSX:LIF) currently offers a strong yield of 12.1%. The payout ratio of 93% is just below the danger line, but the financials look strong, and the company seems to be in a good enough position to sustain its dividends. The yield is high enough to give you a $100 a month passive income with just $10,000 invested.

The company is wholly invested in the Montreal-based Iron Ore Company of Canada, a premium iron ore mining company, with all of its mine and processing facilities in Canada. It benefitted from a sharp rise in iron ore prices that are now coming down. We've yet to see how far the price will drop in the international market and how it will reflect in Labrador's payouts.

## Foolish takeaway



The three stocks are currently some of the most generous dividend stocks in the TSX. Even with shaky payout ratios, the three are currently financially strong enough to sustain their dividends, and if you lock in the current yields before these stocks grow, they can be transformative for your dividend portfolio.

**CATEGORY**

1. Dividend Stocks
2. Investing
3. Metals and Mining Stocks

**TICKERS GLOBAL**

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2. TSX:SGR.U (Slate Retail REIT)
3. TSX:TF (Timbercreek Financial Corporation)

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