2 Cheap Dividend Stocks Yielding Over 4%

Description

Most dividend investors prefer established companies with outstanding dividend track records. However, their share prices could be beyond reach if the budget is limited. The **TSX** continues to outperform in Q3 2021 that you can search the market for affordable dividend payers with low-risk profiles.

Least-known **Sylogist** (TSX:SYZ) carries a strong buy rating, while **Chartwell Retirement Residences** (TSX:CSH.UN) is among the steady performers. You won't spend more than $13 per share to own these dividend stocks. Also, both are the best bang for your dollar because the yields are over 4%.

SaaS provider in the public sector

Sylogist is a $273.61 million public sector-focused software-as-a-service company from Calgary. It has been operating for nearly three decades and is known globally. You get value for money at only $11.50 per share because the tech stock pays a 4.47% dividend.

The company has a captured market in public service organizations. Sylogist's clients are K-12 school districts or boards, non-profit organizations (NPO), and international non-governmental organizations (NGOs). Other clients are in safety and defense.

Sylogist's client base has grown to more than 1,500 organizations across key verticals. Likewise, its website boasts that no single customer from its global customer base represents more than 2% of recurring revenue. General Dynamics and **Lockheed Martin** are high-profile clients in safety and defense.

According to Bill Wood, Sylogist's president and CEO, the global pandemic continues to adversely affect bookings and professional services revenue. Still, the drop in total revenues in the first nine months of fiscal 2021 (ended June 30, 2021) year over year was only 1%.

Sylogist invests heavily in sales, marketing, and account management to increase market awareness and attract more clients. Wood said the investments are bearing fruits, if not translating into new wins.

He is confident it will drive top-line growth for the rest of this fiscal year. As mentioned, market analysts are bullish. They forecast the stock to appreciate 37% to $15.75% in the next 12 months.

Returning to normal operations

Chartwell Retirement Residences is Canada's largest operator in the seniors living sector. It owns and operates 192 seniors housing communities. There are only two core operations: retirement and long-term care (LTC). The largest level of care (74%) it provides is in independent supportive living.

The $2.75 billion real estate trust continues to go through the wringer in 2021. The company reported a 1.7% decline in resident revenue in the first half of the year versus the same period in 2020. Its $9.5 million net income turned into a $9.5 million net loss year over year.

Management said occupancy levels in Chartwell's retirement residences are stabilizing as COVID restrictions ease. They also note that personal tour bookings, lease signing, and permanent move-ins are approaching pre-pandemic levels.

Despite the unimpressive financial results, the dividend stock outperforms with its 18% year-to-date gain. At $12.83 per share, the dividend offer is a hefty 4.77%. It appears that investors have confidence in Chartwell for its sound fundamentals and a robust development pipeline.

Attractive qualities

Sylogist and Chartwell aren't top-of-mind choices of dividend investors. However, the relatively low prices and generous dividend yields make both attractive investment options. Similarly, the respective businesses or operations should bounce back as Canada's economy recovers and the threat of COVID-19 significantly reduces.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

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2. TSX:SYZ (Sylogist Ltd.)

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