



3 High-Yield Dividend Stocks That Can Pay You for Life

Description

One important step toward financial independence is to make your money work for *you* just as hard as you work for *it*. One way to do it is to invest in the right dividend stocks. But if you are looking for companies that can keep paying you dividends for life, you may have to prioritize dividend sustainability over yield.

However, that doesn't mean high-yield stocks are completely out of the question when it comes to dividend-payers for life.

An office REIT

Office properties took a serious beating (as a real estate asset class) during the pandemic. It is one of the reasons why [the stock](#) of **Slate Office REIT** (TSX:SOT.UN) is still trading at a 12% discount to its pre-pandemic valuation and a 35% discount from its five-year peak in 2018. The bright side of the lower market valuation is a higher yield.

The REIT is currently offering a juicy 7.7% yield, and the payout ratio is quite stable at 58%. And the stock is not just discounted; it's also quite undervalued. It has a solid portfolio of 34 office properties in two countries (the U.S. and Canada). About 44% of the total rent comes from the top 10 tenants, all of which are stable blue-collar companies.

An asset management firm

Fiera Capital ([TSX:FSZ](#)) is a Montreal-based independent asset-management company with about \$179.5 billion worth of assets under management. The number is about 160 times larger than the company's market valuation. The company also has a network of partners in various industries, including real estate and private debt.

The company has grown its dividends five times in the last five years; however, the growth is not consistent, that is one-step growth each year. It has also sustained its dividends through very unstable

payout ratios in the last few years, especially in 2020, which might be taken as an endorsement that the company just might have what it takes to keep paying you dividends till the end. And it might be a good idea to lock in the current 7.8% yield while you can.

An energy stock

Keyera ([TSX:KEY](#)) is [one of the largest](#) midstream oil and gas operators in Canada. The company has three basic operations: gathering and processing natural gas (a sector that might thrive even when oil sinks), liquid infrastructure, and marketing. It mostly focuses on natural gas, but propane, butane, and iso-octane are also part of its business model.

As a midstream operator, Keyera literally connects the end-user with its business clients. It has an impressive asset base in both the U.S. and Canada. Thankfully, this stability, especially in the relatively unstable energy sector, comes with a juicy 6.25% yield. Keyera was growing its payouts prior to 2020 and might restart the trend, which will be a major plus for a lifelong dividend holding.

Foolish takeaway

Locking in a high yield is not enough, however. You also have to ensure that the companies that are currently offering the high yield are financially stable enough to sustain and maintain (ideally grow) their dividends so your dividend-dependent passive income stream can keep flowing virtually forever. These three [dividend stocks](#) could be a great place to start.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

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3. TSX:RPR.UN (Ravelin Properties REIT)

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