Retirees: 3 Super REITs Yielding up to 5.8%

Description

In October, Ryerson University's National Institute on Ageing (NIA) unveiled a survey that it had conducted in collaboration with HomeEquity Bank. The survey found that 77% of Canadian respondents in the 55-69 demographic are worried about their financial health. Worse, 79% of respondents revealed that their retirement income would not be enough for a comfortable retirement. Today, I want to look at three REITs that can potentially supplement income for retirees going forward. Let's jump in.

Why retirees should target this dependable REIT in late 2021

Choice Properties REIT (TSX:CHP.UN) is a Toronto-based real estate investment trust (REIT) that owns, manages, and develops a real estate portfolio comprising over 700 properties. Shares of this REIT have climbed 14% in 2021 as of mid-morning trading on December 17. However, the stock has dropped 2.2% month over month.

The REIT unveiled its third-quarter 2021 earnings on November 3. Net income in Q3 2021 hit $163 million — up from $97.1 in the previous year. Meanwhile, rental revenue rose to $316 million compared to $308 million in the third quarter of 2020. Cash flows from operations jumped to $153 million over $79.8 million in the previous year.

Retirees can count on a monthly dividend of $0.062, representing a 5% yield. It is trading in favourable value territory compared to its industry peers.

Here's a REIT for retirees that offers nice income

SmartCentres REIT (TSX:SRU.UN) owns and operates a large portfolio of retail and mixed-use properties. Its shares have increased 37% in the year-to-date period. The stock has dipped 1.4% month over month, but it is already on the comeback trail. It is not too late for retirees to snag this REIT on the dip.

In Q3 2021, SmartCentres announced a very solid in-place occupancy rate of 97.3%. Meanwhile, funds from operations per unit excluding ECL and condominium profits delivered 4.4% growth from the previous year. Net income and comprehensive income was reported at $178 million — up from $111 million in the third quarter of 2020.

Shares of this REIT possess an attractive price-to-earnings (P/E) ratio of 16. Retirees can count on its monthly distribution of $0.154 per share. That represents a very strong 5.8% yield.

One more income-generating stock to rely on in the new year and beyond

Chartwell Retirement (TSX:CSH.UN) is the third and final REIT I'd recommend for retirees ahead of the new year. This REIT owns and operates a range of seniors housing communities. Shares of Chartwell have increased 2.8% in 2021. However, the stock has plunged 7.3% in the month-over-month period.

The company finished the third quarter with a strong liquidity position of $338 million. Meanwhile, it delivered net income of 917,000, which was an improvement from a net loss of $6.76 million in the third quarter of 2020. It still posted a net loss of $8.60 million for the first nine months of 2021.

This REIT offers a monthly dividend of $0.051 per share. That represents a 5.4% yield. Retirees should look to buy the dip in a REIT that should benefit from Canada's aging population in the years ahead.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
2. TSX:CSH.UN (Chartwell Retirement Residences)
3. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. aocallaghan

2. kduncombe

Category

1. Investing

Date
2025/08/14
Date Created
2021/12/17
Author
aocallaghan