



3 Ultra-High-Yield Dividend Stocks to Buy Before November Ends

Description

High inflation, rising interest rates, and an uncertain economic outlook have increased the volatility in the equity markets. Despite the volatile environment, income-seeking investors can find few lucrative buying opportunities. Supported by their defensive business models and steady cash flows, these companies are paying [dividends](#) at a healthier rate. So, if you want a stable passive income, here are my three top picks.

NorthWest Healthcare Properties REIT

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) owns and operates 233 highly defensive healthcare properties across multiple countries. It has signed long-term rent agreements with a weighted average lease expiry of 14 years. So, it enjoys higher occupancy and collection rate. However, the company's adjusted fund from operations declined by 22% in the recently reported third quarter due to several non-recurring expenses, lower management fees, rising interest rates, and higher leverage.

Meanwhile, NorthWest Healthcare's management is hopeful that the transactional activities could rise in the coming months, driving its quarterly management fee to its historical levels. The company has also taken several initiatives to lower its leverage, thus reducing its interest expenses. Further, the company is focusing on expanding its portfolio in high-growth markets, which could drive its financials in the coming quarters. So, its growth prospects look healthy.

Meanwhile, NorthWest Healthcare currently pays a monthly dividend of \$0.06667/share, with its forward yield at 7.85%. Its valuation also looks attractive, with its price-to-book multiple standing at one. So, considering all these factors, I believe NorthWest Healthcare would be an ideal buy for income-seeking investors.

Pizza Pizza Royalty

Second on my list is **Pizza Pizza Royalty** ([TSX:PZA](#)), which reported a solid third-quarter performance

earlier this month. Supported by its new product launches, creative marketing campaigns, and strategic partnerships, the company's same-store sales growth increased by 14%. It also opened five new restaurants during the quarter, driving its royalty pool sales. Along with the sales growth, its adjusted earnings per share also increased by 14.4% to \$0.231.

Amid improving financials, the company's management raised its monthly dividend by 3.7% to \$0.07/share, marking the third dividend hike in the year. Its forward yield stands at a juicy 6.25%. Meanwhile, I expect the uptrend to continue, as the company is going ahead with new restaurant construction and renovation programs. Pizza Pizza Royalty trades at an attractive NTM (next 12-month) [price-to-earnings](#) multiple of 14.9, making it an excellent buy.

Extendicare

With a forward yield of 7.12%, **Extendicare** ([TSX:EXE](#)) is my final pick. The Canadian long-term-care company posted its third-quarter performance earlier this month. Supported by long-term-care funding enhancement, higher prices for home health care, and operational growth, its revenue grew by 8.7%. Despite the top-line growth, its adjusted EBITDA (earnings before interest, tax, depreciation, and amortization) declined by 32%. Increased operating and administrative expenses due to higher wages and technology costs dragged its adjusted EBITDA down.

Meanwhile, the improving occupancy rate and its developmental program could drive Extendicare's financials in the coming quarter. The company is continuing with its 20 redevelopment projects in Ontario, which could add or replace 4,248 beds. The company's management expects these projects to complete between the third quarter of 2023 and the first quarter of 2024. Given its healthy growth prospects, high dividend yield, and an attractive NTM EV (enterprise value)-to-EBITDA multiple of 10.1, I believe Extendicare would be an excellent addition to your dividend portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:EXE (Extendicare Inc.)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
3. TSX:PZA (Pizza Pizza Royalty Corp.)

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