



3 Sell-Off Stocks That Could Help Set You Up for Life

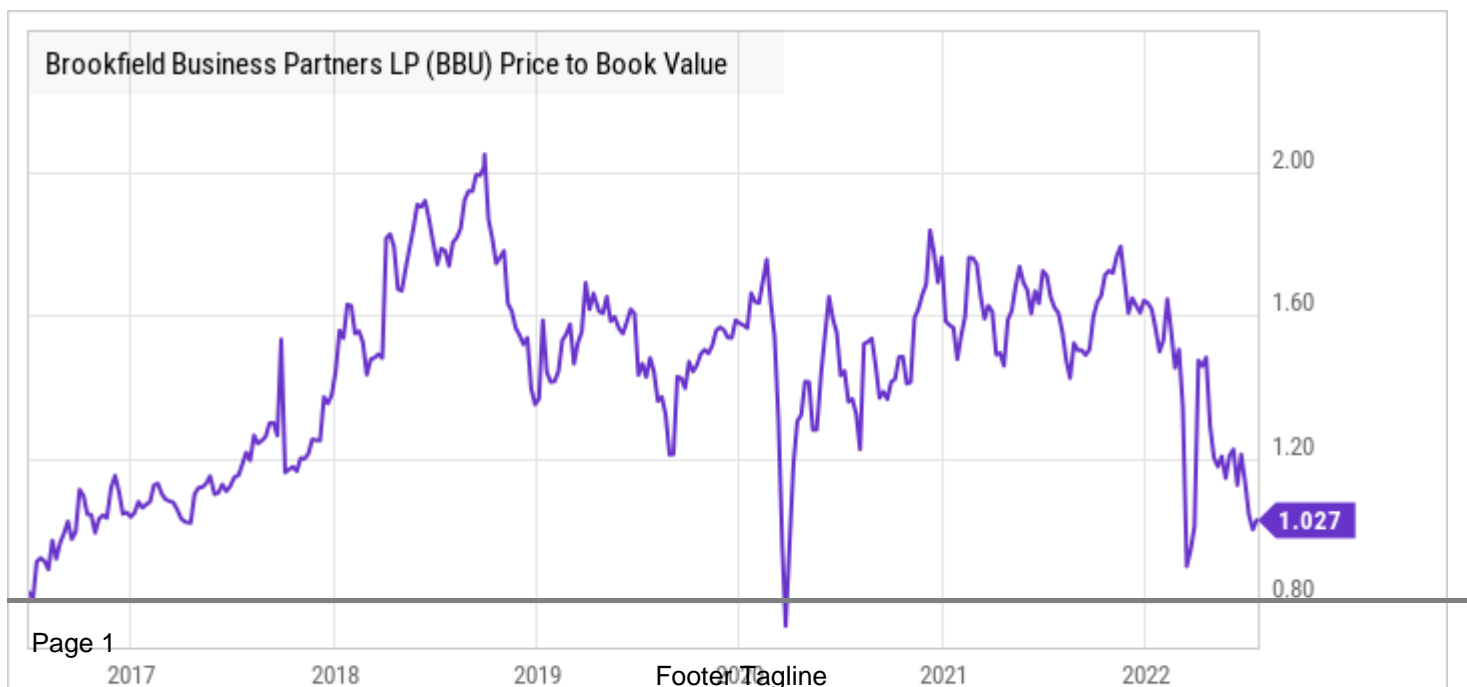
Description

When stocks sell off in a market correction, investors should take a closer look. Although the Canadian stock market, using **iShares S&P/TSX 60 Index ETF** as a proxy, has bounced back some (about 3.7%) in the past five trading days, the market is still close to 12% lower versus three months ago. Therefore, investors can still discover good stocks to buy.

Here are a few dividend-paying sell-off stocks that could help set you up for life! While the average long-term market return rate is 10% at best, these stocks have the potential to appreciate more than 40% over the next 12 months. Keep in mind though that having an investment horizon of three to five years will increase your chance of booking sizeable gains.

Double your money with Brookfield Business stock!

Patient investors could earn substantial capital gains from loading up on **Brookfield Business Partners L.P.** ([TSX:BBU.UN](#))([NYSE:BBU](#)) now. At \$25.84 per share, the industrials stock has lost tonnes of value (about 60%) from its 52-week high! The value stock now trades at close to book value, which is super cheap. Take a look at its price-to-book ratio history below.



BBU Price to Book Value data by YCharts

The company is focused on owning and operating high-quality businesses that provide essential products and services. However, it is very active in the investing front and buys and sells businesses. So, its earnings are lumpy from quarter to quarter. Overall, it aims for a long-term rate of return of 15-20% on its investments.

Consequently, buying this sell-off stock now could potentially lead to more massive capital gains over the next three to five years. According to *Yahoo Finance*, the general consensus across eight analysts suggests the stock could more than double investors' money over the next 12 months!

Grab a big dividend from Aecon stock and wait for price gains

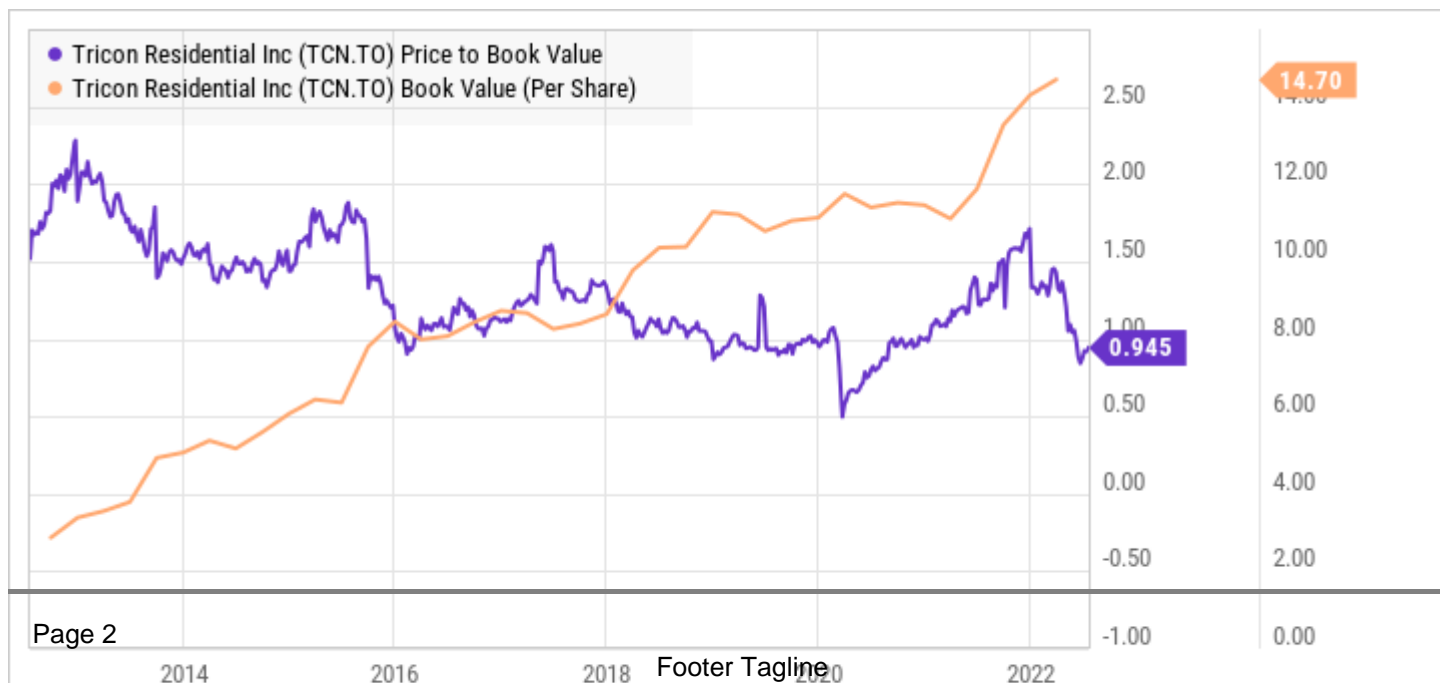
Brookfield Business doesn't pay much of a yield compared to **Aecon** ([TSX:ARE](#)). Understandably, some investors prefer to enjoy juicy income while waiting for price appreciation. Right now, the [high-yield stock](#) provides tremendous value.

The construction company is a cyclical business with cyclical earnings. The **TSX** stock has sold off markedly by about 43% from its 52-week high. The general consensus across 13 analysts implies 12-month upside potential of close to 48% to \$18.60. Meanwhile, it pays a juicy yield of almost 5.9% for the wait.

The company has a decent dividend track record. It has maintained or increased its dividend every year since 2007. Additionally, it has retained earnings accumulated through economic cycles to protect its dividend.

Tricon Residential stock is a bargain

Investors should not ignore **Tricon Residential** ([TSX:TCN](#))([NYSE:TCN](#)) stock after a sell-off. The [undervalued stock](#) is about 36% below its 52-week high. The average analyst 12-month price target suggests 42% upside potential. Moreover, it pays a yield of about 2.2% as a bonus. As the below chart displays, the company tends to increase its book value per share over time. Therefore, it's a bargain at below book right now.



TCN Price to Book Value data by YCharts

Tricon Residential has about US\$14.6 billion of assets under management (AUM), including US\$7.2 billion of third-party AUM from which it earns management fees. Approximately 90% of its portfolio is in the U.S. Sun Belt region, where half of the country's population resides and is expected to grow to 55% by 2030, according to *Clarion Partners*.

In its portfolio, Tricon has more than 31,000 single-family rental homes and 7,700 multi-family rental apartments, which are stable cash flow generators. Its 4,000 multi-family rental apartments under development serve as a strong growth catalyst.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

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TICKERS GLOBAL

1. NYSE:BBU (Brookfield Business Partners L.P.)
2. TSX:ARE (Aecon Group Inc.)
3. TSX:BBU.UN (Brookfield Business Partners)
4. TSX:TCN (Tricon Residential Inc.)

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