



## 3 Dividend Stocks That Can Help You Get Rich

### Description

As history shows, owning a portfolio of dividend-paying stocks is the best way to build wealth over the long term, and this investment strategy is most successful when you own stocks that grow their payouts over time. With this in mind, let's take a look at three top dividend stocks that can help you get rich slowly.

#### 1. Pattern Energy Group Inc.

**Pattern Energy Group Inc.** (TSX:PEG)(NASDAQ:PEGI) is one of the world's largest independent generators of wind power with 16 facilities in the United States, Canada, Chile, and Puerto Rico. It pays a quarterly dividend of US\$0.381 per share, or US\$1.524 per share annually, which gives its stock a yield of about 8.1% at today's levels.

Investors must also make three notes.

First, Pattern has raised its dividend for eight consecutive quarters.

Second, the company has raised its annual dividend payment for two consecutive years, and its eight consecutive quarterly hikes have it on pace for 2016 to mark the third consecutive year with an increase.

Third, it has a target dividend payout of 80% of its cash available for distribution (CAFD) and it expects its annual CAFD to be in the range of \$125-145 million in fiscal 2016, representing an increase of 35-57% from fiscal 2015, so I think it is well positioned to continue its streak of quarterly and annual dividend increases going forward.

#### 2. Exchange Income Corporation

**Exchange Income Corporation** ([TSX:EIF](#)) is an acquisition-oriented company focused on the aviation and manufacturing industries, and its subsidiaries include Calm Air, Bearskin Airlines, Keewatin Air, and Perimeter Aviation. It pays a monthly dividend of \$0.16 per share, or \$1.92 per share annually, which gives its stock a yield of about 7.1% at today's levels.

Investors must also make two notes.

First, Exchange Income Corporation has raised its annual dividend payment for five consecutive years, and its 10.3% hike in August 2015 has it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, I think the company's very strong growth in free cash flow less maintenance capital expenditures, including its 89.9% year-over-year growth to \$3.02 per share in fiscal 2015, and its reduced payout ratio, including 60% in fiscal 2015 compared with 106% in fiscal 2014, sets it up nicely to announce another dividend hike within the next few months.

### 3. Telus Corporation

**Telus Corporation** ([TSX:T](#))([NYSE:TU](#)) is one of Canada's largest telecommunication companies with over 14 million customer connections, including more than eight million wireless subscribers. It pays a quarterly dividend of \$0.44 per share, or \$1.76 per share annually, which gives its stock a yield of about 4.2% at today's levels.

Investors must also make two notes.

First, Telus has raised its annual dividend payment for 12 consecutive years, and its recent increases, including its 4.8% hike in November 2015, has it on pace for 2016 to mark the 13th consecutive year with an increase.

Second, the company has a program in place to grow its dividend by another 10% in 2016 by announcing increases in May and November, and I think there is a very good chance that it will extend this program or announce a new one before the year's end.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:EIF (Exchange Income Corporation)
3. TSX:T (TELUS)

### Category

1. Dividend Stocks
2. Investing

### Date

2025/08/23  
**Date Created**  
2016/03/25  
**Author**  
jsolitro

default watermark

default watermark