

## 2 Top Dividend Stocks Yielding Over 4.5% I'd Buy Today

### Description

One of the most well-known facts about investing is that dividend-paying stocks far outperform their non-dividend-paying counterparts over the long term. It's for this reason that all long-term investors should own at least one dividend-paying stock and, depending on your age, investment goals, and risk tolerance, maybe even a diversified portfolio full of them.

With this in mind, let's take a closer look at two high-quality stocks with yields over 4.5% that you could buy right now.

### CT Real Estate Investment Trust

**CT Real Estate Investment Trust** ([TSX:CRT.UN](#)) is one of Canada's largest commercial REITs. As of March 31, its portfolio consisted of 299 retail properties, four distribution centres, one mixed-use commercial property, and three properties under development that are located across every province and two territories and total approximately 24.95 million square feet of gross leasable area.

CT currently pays a monthly distribution of \$0.05833 per unit, representing \$0.70 per unit on an annualized basis, which gives its stock a yield of approximately 4.7% at today's levels.

It's very important to always confirm the safety of a stock's distribution before investing, and you can do this with CT by checking its distributions as a percentage of its adjusted funds from operations (AFFO). In its three-month period ended on March 31, its AFFO totaled \$0.227 per unit, and its distributions totaled just \$0.175 per unit, resulting in a sound 77.1% payout ratio.

If a high and safe 4.7% yield were not enough to have you salivating over CT, then the fact that it's also one of the industry's best distribution-growth plays surely will. It has raised its annual distribution every year since its initial public offering in 2013, resulting in three consecutive years of increases, and its 2.9% hike which took effect in January has it positioned for 2017 to mark the fourth consecutive year with an increase.

I think CT is a top pick for yield and distribution growth going forward as well. I think its strong financial performance, including its 10.2% year-over-year increase in AFFO to \$0.227 per unit in the first quarter of 2017, and its vastly improved AFFO payout ratio, including 77.1% in the first quarter of 2017 compared with 82.5% in the year-ago period, will allow its streak of annual distribution increases to continue for another four years at least.

### Enbridge Inc.

**Enbridge Inc.** ([TSX:ENB](#))([NYSE:ENB](#)) is the largest energy infrastructure company in North America. Its portfolio includes the world's longest crude oil and liquids transportation system, Canada's largest natural gas distribution company, oil and natural gas storage facilities, and renewable powergeneration facilities.

Enbridge currently pays a quarterly dividend of \$0.61 per share, representing \$2.44 per share on an annualized basis, and this gives it a yield of about 4.6% at today's levels.

As mentioned previously, you must always confirm the safety of a stock's dividend, and you can do this with Enbridge by checking its dividend payments as a percentage of its available cash flow from operations (ACFFO). In its three-month period ended on March 31, its ACFFO totaled \$1.03 per share, and its dividend payments totaled just \$0.583 per share, resulting in a conservative 56.6% payout ratio.

On top of being a high and safe yielder, Enbridge is a dividend-growth superstar. It has raised its annual dividend payment for 21 consecutive years, and its recent hikes, including its 10% hike in January and its 4.6% hike earlier this month, have it positioned for 2017 to mark the 22nd consecutive year with an increase.

Enbridge is one of the market's top picks for dividend growth in the years ahead too. It has a dividend-growth program in place that calls for annual growth of 10-12% through 2024, and I think its very strong ACFFO generation, including \$1.03 per share in the first quarter of 2017 and its projected \$3.60-3.90 per share in the full year of 2017, and its growing asset base that will fuel future ACFFO growth, including its "\$26 billion of secured growth projects in execution and another \$48 billion of projects under development," will allow it to complete this program and announce a new one that extends into the 2030s.

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