2 Dividend Aristocrats With Over 15 Years of Dividend Growth

Description

Investing in stocks that raise their dividends every year is a great way to generate sizable returns over the long term. With this in mind, let's take a look at two stocks that have raised their dividends for over 15 consecutive years, so you can determine if you should invest in one of them today.

Canadian REIT

Canadian REIT (TSX:REF.UN), or CREIT for short, is one of Canada's largest diversified REITs. Its portfolio currently consists of ownership interests in 205 retail, industrial, office, residential, and development properties located across seven Canadian provinces and one U.S. state that total approximately 33.7 million square feet of gross leasable area.

CREIT pays a monthly distribution of $0.1558 per unit, equal to $1.87 per unit annually, which gives it a 4.1% yield today.

Investors must also make the following two notes about CREIT's distribution.

First, it has raised its annual distribution for 15 consecutive years, the longest active streak for a public REIT in Canada, and its recent hikes, including its 2.2% hike in May, have it on pace for 2017 to mark the 16th consecutive year with an increase.

Second, I think CREIT's consistently strong growth of adjusted funds from operations (AFFO), including its 4.5% year-over-year increase to $2.53 per unit in fiscal 2016 and its 10.8% year-over-year increase to $0.72 per unit in the first quarter of fiscal 2017, will allow its streak of annual distribution increases to easily continue into the late 2020s.

Metro, Inc.

Metro, Inc. (TSX:MRU) is one of Canada's leading retailers and distributors of food, and it operates a network of supermarkets, discount stores, and drugstores. Metro's family of brands includes Metro, Metro Plus, Super C, Food Basics, Brunet, Clini Plus, and Drug Basics Pharmacy.

Metro pays a quarterly dividend of $0.1625 per share, equal to $0.65 per share annually, which gives it a 1.5% yield today.

Metro may have a low yield, but what it lacks in yield, it more than makes up for in growth. Here are two notes you must make:

First, it has raised its annual dividend payment for 22 consecutive years, and its 16.1% hike in January has it on pace for 2017 to mark the 23rd consecutive year with an increase.

Second, Metro has a dividend-payout target of 25% of its net earnings from the preceding fiscal year, so I think its consistently strong growth, including its 17.7% year-over-year increase to an adjusted $2.39 per share in fiscal 2016 and its 6.5% year-over-year increase to $1.14 per share in the first half of fiscal 2017, will allow its streak of annual dividend increases to continue for the foreseeable future.

Which of these dividend-growth aristocrats belongs in your portfolio?

I think CREIT and Metro represent fantastic long-term investment opportunities for dividend-growth investors, so take a closer look and strongly consider making one of them a core holding today.

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