TFSA Investors: 3 Dividend-Growth Stocks That Pay Yields of More Than 5%

Description

You know you're doing well when you've uncovered stock of a company that you believe is offering such attractive prospects for growth that you unquestionably believe it will be a much larger enterprise five or even 10 years down the road.

But when you find one of those stocks and then learn that it also pays a lucrative dividend yield that will allow you to wet your beak, while that transformation takes place … well, then you know you truly have something to write home about.

These three stocks are all paying annual dividends in excess of 5% per year and, on top of that, are operating in industries that should be expected to offer investors above-average growth for years to come.

Sienna Senior Living (TSX:SIA) is a *smallish* company — at least the smallest company to make this list — at a market capitalization of just over $1.1 billion.

But the opportunity sitting in front of investors who decide to initiate a stake in SIA stock is simply difficult to ignore.

Sienna is one of Canada's largest owners of seniors' housing and the largest licensed long-term care provider in Ontario.

With its properties focused on the Ontario and British Columbia markets, the company is enviably positioned to take advantage of the impending "demographic dividend" that will see a sizable increase in the percentage of the population above retirement age.

Mind you, we're talking about a "baby boomer" population, which is already exhibiting the preference towards a more "hands-off" relationship with their homes, increasingly moving out of their detached properties to relocate in condominiums and managed property communities.

Sienna currently pays a dividend of $0.92 per share annually, which is enough to yield shareholders 5.31% against a price of $17.28 for SIA stock heading into Friday's trading.

Meanwhile, another instance where it would be difficult to come up with an argument that the industry won't be a lot bigger in 10 years' time is renewable energy.

Already a leader in its market, **Brookfield Renewable Partners** (TSX:BEP.UN)(NYSE:BEP) is paying a very healthy 6.17% yield on its BEP stock.

Not only does the stock offer a yield in excess of 6%, but its board of directors has increased the company's payout by an average of 8.3% over the past four years, making this a very difficult proposition for long-term investors to pass up.

Okay, so maybe some out there will contend that **BCE** (TSX:BCE)(NYSE:BCE) shouldn't be considered a "growth company" to make this list. However, to any of those putting forward that argument, I would simply suggest that the following.

The impending rollout of Canada's 5G network, and the massive increase in data usage that is expected to come along with it, in addition to the unmistakable trend towards linking networks of inter-connected devices, including the Enterprise-of-Things, suggest to me at least that it is difficult to envision a future 10 years from now where BCE isn't a much bigger company than it is today.

BCE stock is yielding 5.74% as of this writing, and while perhaps the growth prospects for Canada's largest telecommunications provider may not be quite as alluring as those for the aforementioned two industries, investors can rest easy that they won't be overpaying for that growth either, with BCE shares trading at a forward P/E of 14.4 times, the lowest of the three companies on this list.

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2. NYSE:BEP (Brookfield Renewable Partners L.P.)
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