



Here's an Unpopular, Incredible Investment Option

Description

Every so often an incredible investment comes around that has gone completely unnoticed by the market. These investments typically offer both growth and income-generating capabilities that if invested early on, can truly make the difference in growing a nest egg.

One such investment is **Inter Pipeline** (TSX:IPL) and here's why you need this incredible investment added to your portfolio.

Meet Inter Pipeline

For those who are unaware of the company, Inter Pipeline is an energy infrastructure company that generates revenue from its 7,800-kilometre pipeline network that is strategically situated to ferry oil and gas to both storage terminals and refineries wherever they may be. In addition to its transportation functions, Inter Pipeline also has a growing network of energy storage facilities located in several countries.

The [pipeline business model](#) is not unlike a toll road model, which provides Inter Pipeline with a stable source of recurring revenue for the company. The pipeline network is currently used to transport over one million barrels of oil each and every day.

As lucrative as that sounds, there's another point worth noting – the Heartland Petrochemical Complex, which is under construction north of Edmonton.

The \$3.5 billion complex is being built to convert propane into polypropylene, which can be used in a variety of different manufacturing goods and processes. Once operational, that new revenue stream is slated to provide Inter Pipeline with upwards of \$500 million in average EBITDA.

In terms of diversification, Inter Pipeline recently announced the addition of a series of seven new storage terminals located in the U.K. and in the Netherlands. Inter Pipeline also has operations in Denmark, Germany, and Sweden.

Strong financials, great investment

Inter Pipeline announced results for the most recent quarter earlier this month that really solidified why investors should consider the company as a core holding in any portfolio. Among the updates, Inter Pipeline announced \$299.7 million, or \$0.77 per share in Funds from operations in the quarter, representing a quarterly record that surpassed the same quarter last year by 11%, as well as net income of \$169 million, representing an impressive 19% gain over the same period last year.

Inter Pipeline also noted that 1.4 million barrels per day traversed the company’s pipeline network in the quarter, representing a gain of just under 100,000 barrels per day when compared to the same period last year.

One of the most compelling reasons to consider investing in Inter Pipeline, however, comes down to the company’s incredible dividend. The current monthly distribution amounts to an incredibly appetizing yield of 7.51%, which during the most recent quarter amounted to an incredibly stable payout level of just under 55%.

In terms of growth, the stock is trading down 17% year-to-date, which is astonishing considering how well the company is performing — and presents a [unique opportunity for investors](#) to purchase a great long-term income generator at a discounted price.

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