Here Are 2 Comfortable Stocks With Years of Growth Potential

Description

Many investors often note that finding a great investment is something that is difficult, requires a lot of searching and those investments are rarely, if ever, hiding in plain sight. Fortunately, the market does provide an abundance of options to consider. Many of those investment opportunities are around us in our everyday lives; we just fail to see them as investments.

Here are two viable investment options worthy of consideration.

Leon's Furniture (TSX:LNF) is an interesting investment option that continues to astound me. In fact, Leon's is one those investments that we likely pass or hear of on a daily basis, yet rarely consider as an investment. Much like grocers and telecoms, these often-overlooked gems can offer incredible growth and income-producing potential.

Leon's became the largest home furnishing retailer in the nation when it acquired The Brick back in 2013; the company has realized strong growth since then.

Among the highlights from the most recent quarter was the fact that despite showing little growth in sales and adjusted diluted earnings, the company did manage to reduce its overall debt to just $83.7 million, a massive reduction from the $225 million in debt Leon's had in the same quarter last year.

Another interesting point is Leon's share repurchase program, which commenced in the last quarter, with up to 4.99% of outstanding shares now slated for repurchase for cancellation.

Finally, there's Leon's dividend. The current quarterly payout provides a very handsome 3.81% yield that's been subject to a string of hikes spanning over a decade. With the most recent uptick coming this past fall and no signs of that trend ending anytime soon, long-term investors looking for an income-producing investment will be more than satisfied with what Leon's can provide.

Leon's currently trades at just over $14 with a P/E of 11.04.

Another interesting investment, often-overlooked much like Leon's is **Sleep Country Canada Holdings** (TSX:ZZZ).

Sleep Country may not appear to be a viable investment option, at least initially. Over the course of the past year, the stock has dropped near 40%. Part of the issue with Sleep Country is similar to what just about every brick-and-mortar retailer is facing: how to cope with the increasing reliance on mobile commerce.

Fortunately, Sleep Country has both the market share and strong balance sheet to help figure out a solution to that problem. The company's massive $88.7 million acquisition of Endy was a step in the right direction, and with Sears Canada now out of the picture, Sleep Country can absorb some of that traffic.

Here's the other part that I find interesting. While there are a handful of upstarts offering new innovative bed-in-a-box type of products, none of them are near the point of Sleep Country. To put it another way, Sleep Country could continue the trend it started with Endy and acquire itself a viable solution.

In terms of a dividend, Sleep country has maintained near-annual bumps to its dividend spanning back the past few years, and the current quarterly distribution provides a respectable 3.62% yield for investors.

While heavily discounted at the moment, Sleep Country remains an intriguing opportunity that currently trades just over $20 with a P/E of 12.56.

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