Millennials: 2 Dividend Stocks With Yields Over 6% for a TFSA Mini-Retirement Fund

Description

With Canadian dividend stocks, you can turn your TFSA into a tax-free income stream that can support you through retirement if you're an older investor or a mini-retirement if you're a millennial who's looking to take a break from the workforce to travel the world.

In this piece, I'm going to concentrate on millennials who desire to take a mini-retirement and are looking to support themselves partially through their TFSA income funds.

Younger investors like millennials are able to take on a bit more risk than their Baby Boomer counterparts. Because of this, millennials can afford to take chances on more volatile high-yielders that also have medium- to long-term upside.

Without further ado, consider the following two income-paying securities for your mini-retirement.

Enbridge (TSX:ENB)(NYSE:ENB)

Here's a stock that's had a violent fall from grace. The pipeline kingpin has introduced a tonne of volatility to the portfolios of income investors after years of big capital gains, dividends, and double-digit dividend growth.

Although there's still uncertainty for the heavily indebted Enbridge, the company is still going to raise its dividend at a double-digit rate. And with potential catalysts in the cards over the medium term, I see an opportunity for the company to pole-vault over the low bar that's been set by overly pessimistic analysts.

Enbridge doesn't only have a huge dividend (currently at 6.03%); it has a high-quality dividend that should be locked in before the stock has a chance to correct upwards.

NorthWest Health Properties REIT (TSX:NWH.UN)

As the REIT's name would suggest, NorthWest is engaged in the operation of health properties including hospitals, clinics, doctor's offices, and the like.

Shares of the trust have been riding a huge wave over the past few years. With a relatively predictable growth runway in an industry that's experiencing a big generational secular tailwind, I'd say NorthWest one of the few securities that can allow investors the chance to have their cake and eat it too.

NorthWest Health is growing its footprint, and as demand for health services soar, so too will the need for real estate properties. That means the distribution, currently sporting a 6.82% yield, will keep on growing year after year, with minimal volatility.

Foolish takeaway

Enbridge and NorthWest are top dividend stocks that could allow millennials to get the big income they need for a mini-retirement without compromising on the growth front. Despite the high yields, each company (or trust) has the means to clock in significant capital gains (and dividend growth numbers) over the long haul.

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