Investing at 50: 3 Dividend Stocks to Help Get You to Retirement

Description

If you don't have many investing years left before retirement, there are still some good stocks you can hold until then that can help grow your savings. Below are three stocks that will give investors over the age of 50 a good mix of dividends and growth.

Canadian Tire Corporation (TSX:CTC.A) is a company that's popular with many Canadians and it's becoming a very attractive dividend stock as well. At over 3%, it's a very good yield for one of the top retail companies in the country. What's even better is that in five years, Canadian Tire has doubled its dividend payments.

For dividend investors, it's a great buy, and it's likely the company will continue increasing its payouts over the years. With a strong, stable business model that's still growing, Canadian Tire is in a good position to continue paying dividends and providing its shareholders with good returns.

Over the past 10 years, the share price has increased by more than 160%. Along with rising dividend income, it could be a great way for investors to help increase the value of their portfolio by the time retirement hits.

Hydro One Ltd (TSX:H) is another attractive option for older investors. The utility stock provides a lot of stability and has a great dividend too. At 4.2% annually, the company recently raised its payouts as well and is likely to continue to do so.

What makes Hydro One an intriguing option is that the once-provincially owned utility hasn't been public for all that long. And there's the possibility that at some point the Ontario government may decide that it wants to take it private again. If that were to happen, investors would likely get a decent premium on the stock in order to be enticed to sell. While it's by no means a guarantee that this will happen, it's definitely possible over the course of the next 15 years.

And even if it doesn't, you still end up holding a quality, stable dividend stock that will continue adding income to your portfolio and increasing its value.

Extendicare Inc (TSX:EXE) is another attractive dividend stock that offers a lot of growth potential as well. While its dividend yield of 5.9% will likely garner a lot of the attention, the real opportunity is in the long-term growth of Extendicare.

The company's long-term care facilities will benefit from an aging populationm and over the next 10 plus years we'll likely see demand for those facilities rise. That could lead to significant growth for Extendicare, which at a market cap of around $725 million is still fairly modest. It has been steadily increasing sales over the years, but there's still a lot more potential growth out there, which is what makes the stock a very attractive buy.

The monthly dividend the stock offers will also definitely help for investors who are seeking a consistent stream of cash flow. And although the company doesn't normally increase its payouts, at such a high yield it still offers a very significant source of cash flow.

CATEGORY

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TICKERS GLOBAL

1. TSX:CTC.A (Canadian Tire Corporation, Limited)
2. TSX:EXE (Extendicare Inc.)
3. TSX:H (Hydro One Limited)

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