3 Income Stocks That Could Double Their Dividends

Description

It's a great time for investors interested in finding dividend stocks at a bargain. While share prices might move up and down in this volatile market, dividend payments — depending on the company — will remain the same, with hopefully consistent payouts for the investor who does their research.

In fact, there are a few companies out there that may not only continue to pay out dividends during a downturn but could increase or even double those dividends! For that to happen, we'll need to find dividend stars that have been doing well even in this economic environment and are set to continue a rise in the future. That future potential is what could spell significant growth in both share price and dividend yield.

Inter Pipeline

Inter Pipeline (TSX:IPL) had been chugging along for most of the year until about July, when rumours of a takeover started swirling around the company. While Inter Pipeline had previously traded below $20 per share, those shares spiked to about $25 per share before coming back down slightly, as the rumours began to subside.

But it got investors noticing this undervalued company. Inter Pipeline has a solid future; once its growth projects come online, this company could make serious cash. The company is already chipping away at its debt, and once its Heartland Petrochemical Complex comes online in 2021, it should be all uphill from there.

That could mean between now and 2021, the company's 7.17% dividend yield could double. Looking at some of its peers, the Inter Pipeline's $1.71 annual yield is at about half compared to competitors. So, given a year or two, that price should shoot up.

RioCan

Then, of course, there are the real estate investment trusts (REITs) like **RioCan REIT** (TSX:REI.UN).

REITs must pay out 90% of their taxable income to investment holders, and that is usually paid through dividends. The trust is already Canada's largest REIT, but it's in the midst of a redevelopment project that should see its already significant cash flow go even higher.

The company is looking to urban centres, especially Toronto, to develop retail, office and residential space over properties already owned by the company. These mixed-use spaces will add about 50% to RioCan's annual profits over the next two to three years and should mean a huge increase in taxable income that has to be paid out to investors.

Considering the company already pays out $1.44 per share per year, it would be easy to see it double that by 2022 to $2.88. That makes buying this company now practically a no brainer.

WPT Industrial

This is where things get a little trickier. **WPT Industrial REIT** is a future bet you'll want to have with the e-commerce boom. The company has bought properties across the United States, working with large corporations to use its light industrial properties to store and ship products.

WPT is already a strong business, but it's relatively new. That means there is plenty of room to grow, both through share price and dividends. As the e-commerce boom continues, WPT stands to take significant advantage, and that means so will its shareholders. Right now, it offers a $0.76 per share per year dividend, so that could easily double in the next few years.

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1. TSX:REI.UN (RioCan Real Estate Investment Trust)

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