



## Income Investors: 2 Stocks With Reliable Dividends and 6% Yields

### Description

Income investors looking for reliable dividends for passive income are in luck! Here are two dividend stocks that trade at good prices and offer safe dividend yields of up to 6%. Moreover, one stock conveniently pays out monthly dividends.

### Enbridge

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is the largest energy infrastructure company in North America with an enterprise value of roughly \$178 billion.

Enbridge's large-scale pipeline network is uniquely positioned, exporting about 70% of the crude in Canada, transporting 25% of North America's crude oil, and transporting 22% of North America's natural gas.

The company's low-risk business model generates 98% of regulated or long-term contracted cash flows. In other words, stable cash flows to pay a reliable dividend.

This year marks its 24th consecutive year of dividend growth. Its 10-year dividend-growth rate of 14.8% is worthy of admiration!

With the Canadian portion of the Line 3 Replacement Project being put on stream in early December and the U.S. portion expected to complete in the second half of 2020, Enbridge will finally be able to start generating cash flows from its large investment of \$9 billion!

It's sure to celebrate that with another dividend increase for Q1. Currently, the stock offers a juicy yield of 5.9% or a forward yield of 6.49% on an anticipated 10% dividend hike!

### SmartCentres REIT

**SmartCentres REIT** ([TSX:SRU.UN](#)) is one of the largest REITs in Canada. It has 157 retail properties

with an industry-leading average occupancy of 98% with a grocery or pharmacy anchored at each of its sites.

Its largest tenants include recognizable names such as **Walmart**, **Canadian Tire**, and **Lowe's**. Its portfolio of [quality real estate assets](#) has an average lease term of about five years, which supports stable cash flow generation.

The REIT has organic growth. Its three-year rental revenue growth and funds-from-operations per unit growth are 5.7% and 2.8%, respectively.

Moreover, SmartCentres has identified intensification opportunities in 94 properties, which translate to 256 development projects across different asset types, including apartment, office, senior housing, self-storage facility, hotel, condominium, or townhouses. Another 63 properties are under review for intensifying potential.

SmartCentres has maintained or increased its cash distribution for the last 14 years. With a high occupancy and a conservative payout ratio of 80%, it has room to increase its cash distribution going forward. Currently, it already pays a generous yield of 5.85%.

## Investor takeaway

Income investors looking for juicy passive income should consider well-valued Enbridge and SmartCentres REIT today. Both stocks offer yields of just under 6%, but investments today will likely have a yield on cost of +6% real soon after dividend hikes occur. Additionally, they should deliver long-term price appreciation over time.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

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1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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1. Business Insider
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### Date

2025/08/25

### Date Created

2019/11/22

### Author

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