



How to Make a Fortune With Dividend Stocks

Description

Fortune — big or small — can be made by anyone on the stock market. Several factors affect how big your fortune could be: how much you invest, how often you invest, and how successful your investments are.

Buying dividend stocks, while keeping value in mind, is one of the safest ways and proven paths to creating fortune in the long run. To increase your chance of making a massive fortune, invest in dividend stocks that have a track record of stable earnings or cash flows and dividend increases.

If you consistently invest, say, every month or every few months using this strategy for decades, you will generate a nice dividend income that can allow you to retire sooner than you expect!

Here are a couple of quality dividend stocks you'll want to accumulate shares of whenever they're at least fairly priced, as they are now.

Make a fortune from Brookfield Infrastructure

It's necessary for both developed and developing countries to invest in infrastructure. Many governments lack the capital to invest sufficiently in their critical infrastructures that are essential to their economies.

Research indicates US\$69 trillion of investments are needed by 2035 for global infrastructure, including €1.6 trillion in the European Union by 2030 and US\$4.6 trillion in the United States by 2025.

Consequently, **Brookfield Infrastructure Partners** ([TSX:BIP.UN](https://www.bip.com))([NYSE:BIP](https://www.bip.com)), a global diversified infrastructure company, and its shareholders, have benefited from a growing industry. BIP invests, owns, and operates in eight asset classes across four continents, including Europe and North and South America.

Long-term investors of BIP stock have made a fortune already. Since its inception on the **TSX** in 2009, the dividend stock has grown investors' money by roughly eight times, delivering annualized returns of

close to 20% per year. Its five-year returns are also very impressive at 18% per year.

The company employs a value investing strategy that involves enhancing assets, selling mature assets, and recycling capital into attractive opportunities. As a result, the dividend stock has increased its cash distribution every year consecutively while expanding its high-quality portfolio.

Investors can hold BIP through retirement. The stock provides an initial yield of 3.6%, and you can expect dividend increases of 5-9% every year!

A Canadian dividend stock that's under the radar

Canadian Net REIT ([TSXV:NET.UN](#)) is under the radar of the investing community. That's one reason why the company recently rebranded from Fronsac REIT (TSXV:FRO.UN).

"Canadian REIT" is a popular search term for those who are planning retirement and seeking stable, growing income. Surely, the REIT will come up more often in search engine results after changing its name to better reflect its business.

Perhaps because it's a small company, it has low institutional holding (about 6% versus H&R REIT's 29%). The ironic thing is that insiders own 7% of the REIT (versus **H&R REIT's** 2%). With greater insider ownership, there's greater incentive for Canadian Net REIT to do well.

Long-term [Canadian Net REIT](#) unitholders have made a fortune. The dividend stock's 10-year annual returns are close to 22%. Its five-year returns are superb at 15% per year, given its price-to-funds-from-operations ratio (P/FFO) contracted from about 23 to 15, while the REIT roughly tripled its FFO per unit.

NET.UN provides an initial yield of about 3.8%. You can anticipate cash-distribution growth of at least 10% per year over the next few years.

The Foolish investor takeaway

I expect [dividend stocks](#) Brookfield Infrastructure and Canadian Net REIT to continue making a fortune for long-term shareholders with below-average risk given their stable cash flow growth and sustainable growing dividends. I would not hesitate to continue adding to my positions at attractive valuations to grow my fortune.

If you don't need income now, you can consider turning on dividend reinvestment to accumulate more shares so that when it's time to retire, you can turn the dividend reinvestment off to receive more passive income!

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
3. TSXV:NET.UN (Canadian Net Real Estate Investment Trust)

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1. Business Insider
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