



Earn \$400 Per Month From 2 Dividend Machines

Description

How does earning \$400 per month on top of your regular income sound like? It's not impossible if you own shares of **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) and **Alaris Equity Partners** (TSX:AD.U). The two companies are from different sectors but have one thing in common. Both are [dividend machines](#) owing to their super-high dividend yields that average 6.85%.

If you can purchase \$70,000 worth of shares (\$35,000 each), your capital can produce \$4,798.50 in annual dividends or nearly \$400 per month. The [passive income](#) is recurring if you hold on to the stocks. If you keep reinvesting the earnings, not touch them, your money will compound some more that you'll have substantial funds over time.

Canadians have two excellent [investment vehicles](#) in the Tax-Free Savings Account (TFSA) and Registered Retirement Savings Plan (RRSP). If you utilize one or both and hold your dividend stocks in them, the income is tax-free or tax-sheltered.

Blue-chip franchises

The top compelling reasons to invest in Enbridge are business resiliency and cash flow longevity. It owns the best-in-class infrastructure franchises in the energy industry. The \$101.48 billion company has been around for a little over seven decades. At \$50.10 per share (+27.55% year-to-date), this top-tier energy stock pays a 6.66% dividend.

Prospective investors won't find it hard to understand the nature of the business. Enbridge takes care of moving about 25% of crude oil that North America produces. It also transports almost 20% of the natural gas that Americans consume. Its natural gas utility is also the third-largest in the region by consumer count.

Enbridge's four blue-chip franchises are liquid pipelines (53%), gas transmission (29%), gas distribution (13%), and power & others (5%). Its renewable energy portfolio is growing, particularly the offshore wind project. Management has increased dividends for 26 consecutive years (10% CAGR). The energy stock's total return in the last 45.5 years is 46,909.71% (14.47% CAGR). Based on

analysts' forecasts, the price could potentially hit \$60 soon.

Alternative solution for profitable businesses

Alaris Equity Partners is a dividend king, no less, due to its generous 7.05% dividend. As of July 6, 2021, the share price is 17.60 (+21.01% year-to-date). Don't expect much on price appreciation, but own it because it's an excellent dividend play. The \$791.33 million private equity firm has been operating since 2008.

This dividend player belongs in the asset management industry. Lower middle-market companies or business owners can go to Alaris to recapitalize 75% of their equity. Alaris will then participate through non-controlled, preferred equity investments.

Alaris' parameters ensure their funding support will make a difference. Clients must have historical cash flows of \$3 million and above. Likewise, the companies must be market leaders in their respective industries. More importantly, the business should be asset-light, and the risk of obsolescence is low.

The best part about investing in Alaris is its focus on well-managed private businesses. Its alternative financing solutions allow profitable businesses to achieve their maximum potential and not sell.

Build a fortune for the future

Dividend investing is a non-complicated way for regular investors to save for the future. Your capital today could grow exponentially through the power of compounding. With Enbridge and Alaris, you might be sitting on a fortune in 20 or 25 years as you accumulate more shares.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:AD.UN (Alaris Equity Partners Income Trust)
3. TSX:ENB (Enbridge Inc.)

PARTNER-FEEDS

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