



2 Top Dividend Stocks to Buy Under \$20

Description

Investing in the right [dividend stocks](#) is a gift that keeps on giving. It offers you one of the most convenient methods to generate passive income by parking your investment capital. You can enjoy long-term wealth growth through capital gains and shareholder dividends if you invest in the right income-generating assets.

Suppose that you need to supplement your active income to help with monthly expenses. In that case, dividend investing can provide you with the boost you need.

You can consider reinvesting the shareholder dividends to purchase more shares of the dividend stocks if you don't need to supplement your active income. This approach can help you unlock the power of compounding and accelerate your long-term wealth growth.

Today, I will discuss two dividend stocks trading for reasonable valuations. The two income-generating assets can [deliver wealth growth](#) through capital gains in the long run while providing you with reliable shareholder dividends.

NorthWest Healthcare Properties REIT

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) is a \$3.25 billion market capitalization real estate investment trust (REIT) that owns and operates a geographically diversified portfolio of over 200 healthcare properties. The company enjoys substantial security in its rent collection, because its tenants can continue paying irrespective of the broader economic factors.

Generating robust and predictable cash flows means that the company can fund its shareholder dividends comfortably. NorthWest Healthcare REIT also plans to expand its presence in Australia, Canada, Europe, and the U.S.

The company boasts a significant development project pipeline, and it's on track to make several acquisitions that could boost its financial performance for years. NorthWest Healthcare Properties REIT trades for \$13.69 per share at writing, and it boasts a juicy 5.84% 12-month trailing dividend

yield. It could be an excellent investment for just under \$14 per share and a sizeable dividend yield.

Algonquin Power & Utilities

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) could be another excellent investment to consider if you want to create a passive-income stream. Algonquin Power is a \$12.24 billion market capitalization regulated utility and renewable energy company headquartered in Oakville. The company boasts assets throughout North America that deliver robust cash flows.

The company has been generating significant cash flows, translating to dividend hikes for its investors. Algonquin Power stock trades for \$19.59 per share at writing, and it boasts a juicy 4.35% dividend yield that you can lock into your portfolio today. The company has raised its shareholder dividends by over 10% for the last 11 years.

Algonquin Power plans to invest \$8 billion to expand its renewable energy and utility assets for the next four years. It could be an investment worthwhile for reliable shareholder dividends and decent capital gains for a long time.

Foolish takeaway

Your investment returns from dividend stocks can be an excellent way to achieve your short- and long-term financial goals. Dividend income can help you mitigate some of the losses during volatile market conditions through regular payouts.

Considering the rising uncertainty in equity markets these days, it might be wise to consider allocating some of your investment capital to [generate dividend income](#).

NorthWest Healthcare REIT and Algonquin Power stock are two dividend stocks that could be ideal for this purpose.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media

6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. adamothonman
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/07/19

Date Created

2022/04/23

Author

adamothonman

default watermark

default watermark