



3 Monthly Dividend Stocks Yielding Up to 8.2%

Description

Who else wants monthly dividend income?

Sure, typical blue-chip stocks are an option for income investors. But for those of us who rely on those dividends to pay the bills, syncing quarterly payouts with daily expenses is a hassle. Certainly doable, but definitely not convenient.

However, there's a small basket of stocks on the TSX that pay dividends every month, rather than the more traditional quarterly timetable. Well-known names are uncommon in this group, but there's enough variety and quality to build a reliable stream monthly of income.

That's what makes monthly payers so attractive. And because many are ex-income trusts, you'll earn some of the highest yields in the market and run out to the mailbox like a happy puppy when your stock broker sends you a cheque every week. While there many great companies in this space, here are three high quality names to get you started.

Dundee REIT

Dundee REIT ([TSX: D.UN](#)) gives you all the perks of being a landlord but without the hassles of chasing down tenants or fixing toilets. This company owns the property, but you're the one who collects the cheques.

More importantly, Dundee doesn't rent out its properties on Craigslist. This landlord specializes in commercial properties with a number of office properties across Canada. The company's tenants include the government of Canada, **Telus**, **Bank of Nova Scotia**, and **Bell**. Needless to say, these types of customers always pay their bills on time.

Today, the trust yields 7.7%. Given that many of its leases are likely to be renewed at higher rents in the next three to five years, you can expect Dundee to increase that distribution in the future.

Enbridge Income Fund

Enbridge Income Fund (TSX: ENF) owns oil pipelines, gas terminals, and green power generation facilities across the country. Thanks in large part to the monopoly status it holds on these assets, this company has posted a steady stream of record financial results with profits up twofold over the last three years.

That's great news for investors because this company returns most of its earnings on to shareholders. Since 2004, the firm has raised its dividend 55% and now pays \$1.34 per share every year. Meanwhile, over the past 10 years the stock has handily outperformed the **S&P/TSX Composite Index**, up 140% over that time excluding dividends.

And those results are likely to continue. Thanks to booming oil and gas production from the oil sands, the Duvernay, and the Bakken, the fund can count on more barrels flowing through its network. That means higher profits — and dividends — for investors.

Student Transportation

The Gallagher family has been in the transportation industry since 1922 with the Coast Cities passenger bus line. So in 1997, the third generation entrepreneur Dennis Gallagher wanted to draw upon his family's deep routes in the transit business to build a with one simple goal: become North America's premier student transporter.

Almost two decades later, **Student Transportation** (TSX: STB)(NASDAQ: STB) has become a remarkable success. Today, the company is North America's third-largest provider of school bus transportation services now operating more than 9,000 vehicles in hundreds of school districts. And with over 200 lucrative municipal contracts, Student Transportation has been able to lock-in revenues for up to eight years.

That has been a profitable formula for shareholders. Today, the stock yields 8.2% which it has paid out like clockwork since 2006. Given that the company is just beginning to consolidate the school transit business, Student Transportation has a long growth runway.

If you're an income investor, you can earn safe, monthly dividends

Monthly dividends are a winning idea for both companies and investors. Companies gain a loyal shareholder base and investors can better match their income with their living expenses. While the three names above are a great place to get started, this is a segment of the market I recommend many income investors investigate further.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:D.UN (Dream Office Real Estate Investment Trust)

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