



Attention Retirees: 3 Monthly Dividend Stocks Yielding Up to 8%

Description

Who else wants monthly dividend income?

I'm a major believer that dividend stocks should be a part of every retirement plan, but there has always been one major problem with them: Most of us pay our bills on a monthly cycle, yet our dividend cheques arrive only once per quarter.

Bonds are even worse. Interest coupons are usually paid out only semi-annually. That makes managing a budget even more of a challenge in our retirement years.

Thankfully, some companies have seen the value in paying investors on a more frequent basis. Today, there is a growing legion of stocks that pay dividends every month, in contrast to the typical quarterly schedule. It's a win-win for everyone. Companies gain a loyal shareholder base, while investors can better match their income to expenses.

Of course, you should never buy a stock simply because it pays a monthly dividend. You still have to rip into the financials to ensure you're buying a quality investment. So, to help get you started, I've highlighted three top-tier dividend names that reward shareholders every 30 days.

Earn up to \$1,200 in monthly rental income without becoming a landlord

Real estate investment trusts, or REITs, are straightforward to wrap your head around. They buy properties, collect rent from tenants, and pass on the income to investors. And thanks to a special loophole, these businesses pay NO corporate income taxes.

Now, because many REITs receive rents from tenants monthly, it only makes sense for them to pay their unitholders in the same fashion. **Dream Office REIT** ([TSX:D.UN](#)) is one of my favourite names in this space. As the name implies, the trust specializes in office properties, renting out its buildings to a number of businesses that I'm sure you've heard of.

This has translated into a steady stream of income. Today, Dream pays a monthly distribution of 18.66¢ per unit, which comes out to an annual yield of 8.0%. Starting with a \$180,000 investment

(about the cost of buying your own rental property), you can earn an extra \$1,200 per month in income.

The best dividend stock you've never heard of

This stock is one of the market's best kept secrets. On average, shares of this company trade hands less than 150,000 times per day—only a fraction of more well-known names. But just because you have never heard of it, that doesn't mean this is some sort of risky, unproven business.

Enbridge Income Fund Holdings Inc. (TSX:ENF) owns oil pipelines, terminals, and processing facilities across North America. In exchange for transporting energy products through its network, the company charges a fee that it passes on to investors.

Here's what I love about this business. Because it's expensive to build a competing pipeline, Enbridge has a near-monopoly on these assets. As a result, its cash flows are like bond coupons. Since going public in 2003, Enbridge has never once missed a distribution payment to shareholders.

The best dividend stock. Period.

I don't have the best relationship with my cable company. Each month I pay the TV bill and every year they raise the price.

Sure, I could switch to a competitor, but that hardly seems worth the hassle. My only real option is to cut the cord, dropping TV altogether and streaming my favourite content online. But guess what? The cable company owns that cord, too.

It's this reason why businesses like **Shaw Communications Inc.** ([TSX:SJR.B](#))([NYSE:SJR](#)) should continue to pay out some of the most dependable dividends around. Today the cable giant pays out a monthly dividend of 9.17¢ per share, which comes out to an annualized yield of 4.3%. However, I expect that payout to grow substantially in the years to come.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:D.UN (Dream Office Real Estate Investment Trust)
3. TSX:SJR.B (Shaw Communications)

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