

5 Monthly Dividend Stocks Yielding Up to 9%

Description

If I could show you how to earn steady, monthly income from your portfolio, would you be interested?

As regular readers know, I'm a big advocate for owning dividend stocks. But for those of us who rely on our investments to pay the bills, syncing quarterly distributions with monthly expenses is kind of a hassle. Thankfully, there's a small basket of stocks that pay dividends every month in contrast to the typical quarterly schedule.

It's not hard to see why companies are switching over to more frequent payouts. Businesses gain a loyal shareholder base and investors are better able to match their income with expenses. It's a true win-win for everybody involved.

Unfortunately, widely held names are rare in this group. Many of them are ex-income trusts that converted into corporations, but stuck to their high-yield traditions. However, there are enough blue-chip stocks in this universe to build a reliable stream of monthly income.

Here are five top names to get you started.

Stock	Current Yield	Market Cap
Enerplus	4.0%	\$3.1B
Inter Pipeline	4.7%	\$10.5M
RioCan REIT	4.8%	\$9.4B
Dream Global REIT	7.8%	\$1.2B
Timbercreek Mortgage Investment	9.0%	\$331.4M

Source: Yahoo! Finance

Let's say a few words about these companies.

Real estate investment trusts, or REITs, give you all the perks of becoming a landlord, but without any of the hassles. These firms buy properties, collect rent from tenants, and pass on the income to investors. And because they receive payments monthly, it only makes sense for them to pay unitholders in the same fashion.

Dream Global REIT (TSX:DRG.UN) and **RioCan Real Estate Investment Trust** ([TSX:REI.UN](#)) are some of my favourite names in this space. Both of these firms own sprawling business empires, consisting mostly retail, office, and other commercial properties. Because their corporate tenants have a lot more "rent money" than most people, these trusts sport some of the biggest yields around.

For investors who want a higher claim on real estate earnings, **Timbercreek Mortgage Investment Corp.**

(TSX:TMC) is a safer alternative. This company provides smaller short-term loans not offered by other financial institutions. Because of this gap in the market, borrowers are willing to pay a big premium on these customized products. As a result, Timbercreek is gushing cash flow and currently yields a tidy 9%.

Energy companies are also getting into the monthly dividend game. Drilling programs are expensive. So, to attract the investment dollars they need, many oil names have resorted to paying big distributions. **Enerplus Corp.** ([TSX:ERF](#))([NYSE:ERF](#)) is my favourite example of this growth-plus-income model. Today the stock yields 4%, but production growth should push that payment higher in upcoming years.

Once again, for investors who can't stomach the wild swings in energy prices, **Inter Pipeline Ltd.** (TSX:IPL) is a good substitute. In exchange for moving and storing commodities like oil and gas, the company receives a fee that it passes onto investors. And because the total volume of energy moving through its network is remarkably stable, Inter Pipeline's cash flows resemble bond coupons.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:ERF (Enerplus Corporation)
2. TSX:ERF (Enerplus)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)

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