# Retirees: Create a Do-it-Yourself Pension Plan With These 3 Monthly Dividend Payers

## Description

There are millions of Canadians retiring in the next decade who won't have the security of a defined benefit pension to fall back on.

Although I'm sure most people would rather have a pension compared to not having one, doing without a pension doesn't have to hinder your golden years. Most folks will end up qualifying for CPP and OAS payments, and stock markets have historically done well. There's no need to panic.

In fact, building your own pension plan isn't so hard. All you need to do is stuff your portfolio with solid stocks that pay dividends that tend to increase over time. Diversify your portfolio sufficiently and you're practically guaranteed a stable, growing income stream. Sure, one or two companies will experience problems, but the success of the others will more than make up for it.



Although many investors would be fine with quarterly dividends, many are attracted to monthly payers, mostly because bills tend to come in monthly. With that in mind, let's take a closer look at three monthly dividend payers that should make up the foundation of an income portfolio.

**RioCan**

**RioCan Real Estate Investment Trust** (TSX:REI.UN) is Canada's largest REIT with a market cap of nearly $9 billion.

It focuses primarily on retail space, owning many of Canada's premier shopping destinations. It has 293 properties in Canada, as well as 47 in the U.S., which totals to more than 79 million square feet of space. The company boasts some of North America's largest retailers as top tenants, including **Wal-Mart**, **Loblaw**, and **Canadian Tire**. Approximately 85% of tenants are companies with a national presence.

Management's expansion plans are simple. The company believes that Canada's six largest metros are the places to invest, so it's focusing expansion plans there. Besides building traditional retail space, RioCan is also using some of its excess land to build condo developments at a much lower cost than other developers. Customers will love these developments too, since they're close to stores and public transit.

Although the company hasn't delivered much in dividend growth over the last five years, it still boasts a terrific current yield of 5.2%. And considering its payout ratio is only about 85% of funds from operations, investors may start getting some raises in the future.

**Shaw Communications**

Although the cable television business is slowly shrinking, there are still plenty of reasons to own **Shaw Communications Inc**

. (TSX:SJR.B)(NYSE:SJR).

Yes, many Canadians are cutting the cord and going without cable. Approximately 2% of Shaw's customers have done so thus far in 2015. But the company has been able to consistently push through price increases of 4-5%, which leads to overall revenue gains. And the new rules coming in 2016 that will allow customers greater freedom to pick and choose individual channels should convince many customers to stick around.

The growth driver is Internet, which is becoming increasingly important for our connected society. Switching providers is annoying, so customers are likely to stick with the provider they have now. This leads to very consistent revenue and the ability to hike prices annually as well.

Plus, Shaw trades at a reasonable 16.7 times earnings, which makes it one of the cheapest companies in the sector. It also easily makes enough to pay its 4.4% dividend, a payout that has more than a decade's worth of consecutive increases behind it.

**Chartwell Retirement Residences**

If there's one thing I'm certain about, it's that we're all getting older.

This trend is good news for **Chartwell Retirement Residences** (TSX:CSH.UN), one of Canada's largest owners of assisted living facilities. With 9.2 million Canadian baby boomers as looming potential customers, there's certainly a case to be made that investors should get on this trend now and ride the upcoming growth wave higher.



Chartwell made the recent decision to exit the U.S. market, which I think was smart. With a continued focus on its much more consistent Canadian operations, the company should be able to at least maintain its 4.7% yield. And since the U.S. sale helped the company pay down a bunch of debt, there's now potential for it to expand its Canadian operations, which could lead to dividend hikes in the future.

**CATEGORY**

1. Dividend Stocks
2. Investing

**TICKERS GLOBAL**

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:CSH.UN (Chartwell Retirement Residences)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)
4. TSX:SJR.B (Shaw Communications)

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