



## Like Monthly Income? These 3 Small Caps Yield up to 9%

### Description

If you're a fan of monthly dividend income, whether it's to help pay your bills or to help you beat the market in today's volatile times, then this article is for you. I've scoured the market and selected three of my favourite monthly dividend stocks from different industries, so let's take a quick look at each to determine which would fit best in your portfolio.

#### 1. Chorus Aviation Inc.

**Chorus Aviation Inc.** (TSX:CHR.B) is a dividend-paying holding company that owns Jazz Aviation LP, which is essentially a contract carrier for **Air Canada** and a number of other companies in the aviation industry. It pays a monthly dividend of \$0.04 per share, or \$0.48 per share annually, which gives its stock a 9% yield at today's levels.

Investors must also note that Chorus Aviation has raised its annual dividend payment for two consecutive years, and its 6.7% increase in March 2015 puts it on pace for 2016 to mark the third consecutive year with an increase.

#### 2. Chemtrade Logistics Income Fund

**Chemtrade Logistics Income Fund** (TSX:CHE.UN) operates a diversified business providing industrial chemicals and related services to customers around the world. It pays a monthly distribution of \$0.10 per share, or \$1.20 per share annually, which gives its stock a 7.6% yield at today's levels.

Investors should also note that Chemtrade Logistics has maintained its current annual distribution rate since 2007. However, I think its increased amount of distributable cash after all capital expenditures, including 25.2% year-over-year growth to \$119.2 million in the first nine months of fiscal 2015, could allow for a significant increase to its distribution in 2016.

#### 3. Killam Properties Inc.

**Killam Properties Inc.** (TSX:KMP.UN) is one of Canada's largest residential landlords with 175 apartment properties and 35 manufactured home communities across the country. It pays a monthly

distribution of \$0.05 per share, or \$0.60 per share annually, which gives its stock a 6% yield at today's levels.

Investors should also note that Killam Properties has maintained its current annual distribution rate since 2014. However, I think its increased amount of funds from operations, including 25.6% year-over-year growth to an adjusted \$31.9 million in the first nine months of fiscal 2015, and its low payout ratio, including 88% in the first nine months of fiscal 2015 compared to 99% in the same period a year ago, could allow it to increase its distribution in 2016.

### **Should you buy one of these monthly dividend stocks today?**

Chorus Aviation, Chemtrade Logistics, and Killam Properties are three of the most attractive monthly dividend-paying small caps in their respective industries. Foolish investors should take a closer look and consider beginning to scale in to long-term positions in one of them today.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **TICKERS GLOBAL**

1. TSX:CHE.UN (Chemtrade Logistics Income Fund)
2. TSX:CHR (Chorus Aviation Inc.)
3. TSX:KMP.UN (Killam Apartment REIT)

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