



Give Yourself a Raise With These 3 Monthly Dividend Stocks

Description

Even though interest rates have moved up lately, GICs and other fixed-income options just aren't doing it for many Canadian income lovers. They demand more.

Top dividend-paying stocks are the solution. Not only do these securities provide much better rates of return than other passive-income options, but they also come with dividend-growth potential. Oh, and dividends are taxed at a much lower rate than interest. In fact, it's possible to have a substantial income stream from dividends and not [pay a nickel in tax](#).

Here are three great income stocks to get you started.

Brookfield Real Estate

Brookfield Real Estate Services ([TSX:BRE](#)), the owner of brokerage brands like Royal LePage and Via Capitale, is a small company with a giant dividend. Shares currently yield 8.3%.

Brookfield collects revenue from its agents in one of two ways. It charges monthly fees to use its name and it gets another fee for every house sold. Essentially, it uses the franchise model, but instead of selling many burgers or slices of pizza, it gets a larger piece of a slower market.

Some investors are concerned about Toronto's real estate bubble impacting the company's earnings, but this risk has existed for years without anything adverse happening. In fact, I'd argue there are many reasons why Toronto may [never see a big decline in its house prices](#), including a steady flow of new citizens fueled by immigration and a chronic shortage of affordable housing.

This trend should be positive for both Toronto's real estate market and Brookfield Real Estate Services.

Alaris Royalty

After years of being in investors' doghouse, it appears **Alaris Royalty** (TSX:AD) has finally turned the

corner.

Alaris struggled for a few years because the investments it made in partners didn't go as well as planned. Certain partners, like Kimco Services and SCR Mine Technologies, have substantially reduced their royalty payments back to Alaris, with some even going as far as suspending them for a certain period of time.

The company has also been somewhat penalized by its successful investments, as some partners have exercised exit rights and paid Alaris back. This results in a nice one-time gain, but at the expense of ongoing income.

The last few months have been good for Alaris. The company has made investments in a number of new partners, including up to US\$91 million to Body Contour Centers as well as US\$45 million to GWM Corporation. These new investments increased Alaris's income enough for it to hike the dividend — the first time it has made such a move since 2015.

Alaris shares currently yield 8.7%.

RioCan

RioCan Real Estate Investment Trust ([TSX:REI.UN](#)) is a retail behemoth with significant redevelopment potential.

Let's start with the current operations. After trimming its U.S. portfolio and certain non-core assets not located in Canada's largest markets, the portfolio consists of 250 properties spanning about 40 million square feet worth of space. These existing properties provide enough cash flow to pay the stock's generous 5.8% dividend, while having a little left over to fund growth projects.

These new initiatives have the potential to be pretty exciting. RioCan is sitting on all sorts of interesting property that has grown in value as cities have expanded. This property is ripe to be redeveloped into mixed-use facilities, either with office space or residential apartments attached to the existing retail property.

The company has 17 such properties under various stages of development right now. After these are completed, the company will have a stake in thousands of apartments and millions of square feet of other types of leasable space. In total, the redevelopment portfolio could add some 22 million square feet worth of new space in the next decade or so.

The bottom line

Investors can have their cake and eat it too. In this scenario, that includes owning stocks with nice assets, capital appreciation potential, and attractive dividends. RioCan, Alaris, and Brookfield Real Estate Services can all deliver exactly what you're looking for.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)
2. TSX:BRE (Bridgemarq Real Estate Services Inc.)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)

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