



## Income for Life: These 3 Monthly Dividend Stocks Are as Good as Any Pension

### Description

I, like millions of other Canadians, will have to face retirement without a corporate pension.

I'm not stressed about this, and you shouldn't be either. I can look forward to good benefits from the Canada Pension Plan and Old Age Security. My house should be long paid off too, along with other debts. And I'm taking steps to ensure I have a steady stream of dividend income that comes in monthly — enough to cover all my expenses and then some.

There are two ways to do this. Investors can either stick with stocks that pay quarterly dividends or embrace a portfolio filled with companies that pay investors every month. Either works as long as you have basic budgeting skills.

Personally, I prefer the monthly method. Here are three great dividend stocks that pay investors 12 times a year — companies that can make up the core of any good passive-income portfolio.

### Cineplex

Naysayers will tell you nobody goes to the theatre anymore, content to stay at home and watch various streaming services. These folks couldn't be more wrong.

In fact, when **Cineplex** ([TSX:CGX](#)) releases its final 2018 numbers, it should be one of the company's best years ever. Through the first three quarters of the year, it saw a big bounce back from tepid 2017 numbers, including revenue increases of more than 5% and continued strength in revenue per seat sold and concession sales.

The company also gets little credit for some of its more interesting expansion projects. Its amusement division saw sales increase to a new quarterly record of more than \$45 million, while The Rec Room saw sales of more than \$16 million. The only real weakness is the theatre media division, and that should pick up in 2019 with a federal election looming.

Cineplex's 6.3% dividend is sound. Through the first three quarters of 2018, the company paid

shareholders \$1.285 per share in dividends. It posted \$1.87 per share in adjusted free cash flow, giving it a payout ratio of just 69%.

## RioCan

Let's switch gears to one of Cineplex's largest landlords. **RioCan** ([TSX:REI.UN](#)) owns some 40 million square feet of retail space spread among 250 locations across Canada, with a focus on the six largest markets. RioCan has 4.3% of rent coming from Cineplex locations.

RioCan is embarking on one of its biggest long-term growth projects ever. It owns dozens of different properties that can be redeveloped from retail space today into mixed-use facilities that encompass retail and apartments. The company projects this long-term growth could add another 22 million square feet of gross leasable space to the portfolio. Management's goal is to redevelop these properties while keeping the company's best-in-class balance sheet pristine.

In the meantime, investors get to collect a 5.9% dividend, which is an attractive payout. The company has steadily decreased its payout ratio in the last few years, making an already solid dividend all the more secure.

## Sienna Senior Living

As baby boomers continue to age, they're going to need increased access to assisted-living facilities. This has the potential to be a massive boom market.

**Sienna Senior Living** ([TSX:SIA](#)) owns 43 long-term care facilities and 27 retirement residences in Ontario and B.C., and it manages 17 additional locations. The company has been a growth-by-acquisition story over the last two years, buying some 15 homes with a combined 2,000 suites between them. It should continue to acquire existing homes, and management is working on an ambitious \$800 million development pipeline.

Despite this growth, Sienna is still finding room to reward shareholders with dividend increases. The annual dividend was \$0.73/share when the stock had its 2010 IPO. That was then increased to \$0.85/share and then again to \$0.90. The dividend was hiked again in August, this time to \$0.92 per share. That gives the stock a yield of 5.6% today.

### CATEGORY

1. Dividend Stocks
2. Investing

### POST TAG

1. Editor's Choice

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1. TSX:CGX (Cineplex Inc.)
2. TSX:REI.UN (RioCan Real Estate Investment Trust)

3. TSX:SIA (Sienna Senior Living Inc.)

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