



Collect \$1,000 in Monthly Passive Income With These 5 Dividend Studs

Description

Many investors dream of a portfolio that spins off thousands of dollars each month with minimal effort.

The first step to earning \$5,000 per month in dividends is getting to \$1,000 per month. Here are five stocks that can help you get there.

Extendicare

The trend is your friend with **Extendicare** ([TSX:EXE](#)), which owns 58 long-term care centres (mostly in Alberta and Ontario) and 10 retirement communities in addition to the 53 facilities it manages. The company also has a large home healthcare division.

As baby boomers continue to age, more supply will be needed to make sure these folks' golden years are comfortable. This ensures plenty of growth potential for the company in both the long-term care market and the retirement community market. The company can also upgrade some of its long-term care facilities in Ontario, which will then give it a better rate from the provincial healthcare board.

Extendicare pays a \$0.04 per share monthly dividend, which is good enough for a 6.4% yield. To get \$200 per month from this stock — one-fifth of our income goal of \$1,000 per month — you'd have to buy 5,000 shares for a total price of \$37,400.

TransAlta Renewables

About a year ago, I swapped my **TransAlta** investment with a stake in its subsidiary, **TransAlta Renewables** ([TSX:RNW](#)). I'd be slightly wealthier if I would have stuck with the parent, but I sleep far better at night knowing I now own a much better basket of assets.

Renewables gets about half of its earnings from wind power, while the other half comes from natural gas-fired facilities and hydro dams. Assets are spread between Canada, the United States, and Australia. It should continue to have opportunities to acquire assets from its parent, since TransAlta will

need to improve its balance sheet.

The stock pays a \$0.94 annual dividend, which is good enough for a 6.9% yield. The payout ratio came in at approximately 80% in 2018, which is sound. It would take an investment of just under \$35,000 to generate \$200 per month from the stock.

Northview REIT

Even after big run-up in its share price, **Northview Apartment REIT** (TSX:NVU.UN) is still cheaper than its peers on a number of valuation methods.

Northview has quietly become one of Canada's top residential landlords, owning more than 30,000 units across the country. While a big chunk of its assets is located in southern Ontario, the company is unique because it generates approximately a third of its net income from northern markets. It has also recently expanded into owning commercial property, with that part of the portfolio recently surpassing 1.2 million square feet of space.

Northview shares yield 5.6%, and it would take an investment of a little over \$43,000 to generate \$200 per month from the stock.

Vermilion Energy

Despite the energy sector's woes, **Vermilion Energy** ([TSX:VET](#))([NYSE:VET](#)) continues to chug along, paying investors a generous dividend.

Vermilion has assets across North America and into Europe, which is proving to be a smart move when comparing it to other energy giants with the majority of their assets in Alberta. These diverse holdings are quietly generating enough cash flow to internally fund expansion plans, keep the balance sheet in good shape, and give investors one of the best dividends out there. The current payout is 8.4%.

To generate \$200/month from Vermilion Energy, an investor would have to buy 270 shares. This would set you back just under \$29,000.

Shaw Communications

Shaw Communications ([TSX:SJR.B](#))([NYSE:SJR](#)) essentially consists of two parts. The most important part is a fast-growing mobile business, which is rapidly taking market share by offering new customers hefty discounts. The legacy assets, which include cable TV, internet, and home phone service, are slowly shrinking as more folks decide to cut the cable cord and get rid of their home phones.

The good news is, these wireline assets are a terrific business, which should generate enough cash flow for the company to internally fund its mobile expansion while being able to afford the monthly dividend. The current yield is 4.2%.

It would take an investment of just over \$56,000 to generate \$200 per month in dividends from Shaw

Communications.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. NYSE:VET (Vermilion Energy)
3. TSX:EXE (Extendicare Inc.)
4. TSX:RNW (TransAlta Renewables)
5. TSX:SJR.B (Shaw Communications)
6. TSX:TA (TransAlta Corporation)
7. TSX:VET (Vermilion Energy Inc.)

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