



## Get \$500 in Monthly Passive Income With These 2 Stocks

### Description

Speaking from experience, there is nothing better than knowing that even if my stocks aren't performing optimally, I'll still be making money month after month.

That's because I have a number of dividend stocks in my portfolio that continue to contribute to my investments.

With the right amount of money to put in your portfolio, those dividend stocks could give you a serious payout. Everyone can use an additional \$500 per month, and these two real estate investment trusts (REITs) are a prime way to achieve that.

### RioCan

**RioCan REIT** ([TSX:REI.UN](#)) has a [diversified portfolio](#) that should put an investor's mind at ease that its shares won't exactly tumble, even if the company were to lose a large client.

But to keep its books in check, the company is selling about \$2 billion worth of its properties in secondary markets to repurchase trust units. This will be so the company can then finance developments in urban markets lying within Canada's largest cities. Needless to say, as those investments start to produce funds, investors will see the cash go straight to their pockets.

Most recently, the trust had some good news, reporting \$194.5 million in earnings for its latest quarter, with revenue at 324.1 million and funds from operations came in at \$142.2 million.

That cash will come both in the form of share price increase and dividend increase. The current yield sits at 5.59%, or \$1.44 annually, given out on a monthly basis.

### Morguard

**Morguard North American Residential REIT** ([TSX:MRG.UN](#)) has risen about 25% in the last year, with sales rising as it [takes advantage](#) of both the Canadian and American economies for its portfolio.

As the company continues to perform, it should have no problem paying out its annual dividend given its EPS of 5.11.

Most recently the company saw its earnings increase by 8.5%, though its debt remains high. However, the company has managed that by scaling back its massive operation, with net operating income going down 3.2% and net income rising to \$73 million in the last year.

Right now, the company is a steal trading at half its book value, with a price-to-earnings multiple of about 10. The biggest steal, however, is its dividend of 3.85%, or \$0.68 per share annually, paid out monthly.

## How to get that \$500?

It'll take quite an investment, but if you're willing and able to make it, you'll easily get that \$500 of monthly income.

Right now, you would need 2,083 shares to make \$249.96 a month off of RioCan shares. That's an investment of about \$53,887.

On top of that, you would need to have 4,386 shares to make \$250 a month from Morguard shares. That's an investment of \$78,684.

So, granted, in total you would need to spend \$132,571 to make \$500 per month, but at the end of the year, you'll have an extra \$6,000 waiting and ready for you to cash out or invest. On top of that, these stocks are likely to rise even higher over the next few years, making Morguard and RioCan two investments that should be hard to pass up.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:MRG.UN (Morguard North American Residential Real Estate Investment Trust)
2. TSX:REI.UN (RioCan Real Estate Investment Trust)

### PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

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