



Get Paid Every Month for a Lifetime With These 3 Dividend Studs

Description

I've had the privilege of talking to hundreds of near-retirees about their finances over the years, and one concern overshadows all others.

These folks have done a nice job saving, with some even [amassing \\$1 million](#) (or more!) in retirement accounts. Even the people with just \$500,000 — or less — are still in relatively good shape, assuming they can count on CPP and have a paid-off house.

Where the average person struggles is converting their nest egg into income. They take one look at GIC rates offered by banks and shake their heads. There must be better choices out there. Dividends are an option, but aren't they risky?

Not at all, provided you pick the right stocks. I can help with that. Here are three dividend-paying stocks that'll provide dependable income for even an extended retirement. And, as a bonus, they all pay monthly, which meshes quite well with the real world.

Inter Pipeline

Inter Pipeline (TSX:IPL) has quietly become a powerhouse energy distribution company, owning assets like pipelines, natural gas processing plants, and fuel storage facilities. Some 50% of earnings come from three major pipelines that transport bitumen from the oil sands to awaiting refineries.

The company has done a nice job growing over the years by adding on smaller bolt-on projects onto existing assets, but it has now embraced a different near-term expansion plan. It's currently building the Heartland Chemical Complex, which will provide resins made from propane to plastics manufacturers. When completed, Heartland could add approximately 30% to the company's bottom line. But it'll cost some \$3.5 billion.

While investors wait for the new facility to come online — which should happen in late 2021 — they're treated to one of the best dividends out there. The yield today is 8.4%, and the stock has delivered a decade's worth of annual consecutive dividend increases. The payout ratio is sound too, coming in at

approximately 70% of funds from operations.

A&W

After years of regularly eating Mozza Burgers and wishing I owned the stock, I bit the bullet last year and bought **A&W Revenue Royalties Income Fund** ([TSX:AW.UN](#)) shares.

Buoyed by strong consumer demand for its **Beyond Meat** burger, the company posted strong same-store sales growth numbers of 10% last year, which is virtually unheard of for a restaurant chain of its size. Remember, A&W has nearly 800 locations from coast to coast and is Canada's second-largest burger chain.

A&W shares hardly ever become truly cheap, but it's a small price to pay for owning this excellent company. Shares currently trade hands for 19.7 times trailing earnings, but the bottom line should improve this year because of improved sales at existing restaurants as well as new locations opening.

The current dividend is 4.2%, and the company has raised the payout four times since the beginning of 2018.

Northwest Health

An investment in **Northwest Healthcare REIT** ([TSX:NWH.UN](#)) is as simple as it is powerful. If you believe we'll need more medical facilities going forward, then there are few better ways to play this trend.

Northwest owns a wide variety of property, including medical office buildings in Canada and Europe, hospitals in Brazil and Australia, and seniors living facilities in Australia and New Zealand. There's still plenty of potential to add to the portfolio in all of these markets, and it could really increase growth by looking to buy assets in the United States.

One big advantage of acquiring specialty healthcare buildings is they tend to come with a long lease life. It's awfully hard for a hospital to pick up and move down the road. The average Northwest Healthcare tenant has 13 years left on their lease.

The stock pays out a \$0.067-per-share monthly dividend, which is good enough for a 6.6% yield. The payout ratio should be approximately 85% this year, which is solid for a REIT. You don't have to worry about Northwest's distribution; it's safe.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. TSX:AW.UN (A&W Revenue Royalties Income Fund)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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