



1 Simple Trick to Make \$300 of Passive Income a Month

Description

Before I reveal this one simple trick, I will add a bit of a caveat. While there is one trick you can use to bring in a serious amount of passive income, it should always be backed up with research and consideration for what you want to get out of your portfolio.

After all, we could all use some extra income, and that's what this provides. If investors couple it with a Tax-Free Savings Account (TFSA), that means you're looking at income coming in from dividend stocks that the government can't touch with a 10-foot pole.

What's the trick? It's simple: invest in stocks trading at or under \$20 with dividend yields over 5.5%.

Again, this doesn't take into account how risky a stock is or historical performance — nothing. It's just that by purchasing shares at a lower price with high yields, you can bring in the most amount of passive income out there. And luckily, there are quite a few to choose from. But today, I'm going to focus on two in particular that are pretty safe bets if you're looking to add this trick to your arsenal.

Inter Pipeline

Inter Pipeline (TSX:IPL) has been hovering around the \$20 range for a couple of weeks now, which should make potential investors happy. The stock has dropped from the \$25 share mark of about a year ago but remained steady and not plummeted like so many other energy stocks out there.

The pipeline operator is merely facing outside factors at the moment that have sent shares down, namely the poor oil and gas industry. As the industry rebounds, so too should this strong stock that should benefit for years to come from growing oil sands production in Canada. This means its [incredible dividend yield](#) of 8.3% is completely safe and is set to increase by 2% annually, according to management.

Crombie

Next up, we have **Crombie Real Estate Investment Trust** ([TSX:CRR.UN](#)). While this stock seems to have zigged when the market has zagged, sending shares higher, it is still a great investment for [long-term investors](#). The company is currently redeveloping, turning its large grocery store operation into a multi-purpose property that includes residential apartments or condominiums in urban areas.

This would increase net asset value by about 75% once fully implemented, meaning shareholders can look forward to both a stellar increase in share price, and an increase in its already strong dividend yield of 6.22%.

Foolish takeaway

For those looking to take advantage of this one simple trick, here's what you would have to do with both Inter Pipeline and Crombie REIT. If you purchased at the time of writing, investors would need to purchase \$21,354.84 worth of Inter Pipeline shares, and \$30,916.38 of Crombie to bring in \$300 per month of passive income.

That's an extra \$3,600 a year in your pocket, without using up your entire TFSA contribution room.

Depending on your financial situation, \$52,271.22 can be a hefty sum to put away and leave for decades. But given the outlook of both of these stocks, these are the perfect option for implementing this one simple trick for a lifetime.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CRR.UN (Crombie Real Estate Investment Trust)

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Date

2025/07/21

Date Created

2019/06/22

Author

alegategwolfe

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