



3 High-Yield Dividend Stocks for a Lifetime of Monthly Income

Description

We'd all like to think there is some magical number we just have to reach as investors. That number could represent your retirement income, a down payment on a mortgage, or saving for the ultimate dream vacation.

But let's face it, no matter what, Canadians can always use more money — especially millennials. We like to tease millennials that they don't have it that hard, but financially, they do. Since 1980, the average salary of an 18-35-year-old has increased from \$34,200 to \$34,300. That's \$100.

\$100!

Meanwhile, the average mortgage, taxes, even the grocery bill has increased by leaps and bounds. So, while it's nice to think there's a magic number, unless it's \$1 billion, it's best to have a plan to bring in as much income as you can for as long as you can.

Enter the high-yield dividend stock.

These stocks offer investors passive income every quarter or even every month for as long as you have them in your portfolio. If you've put these in a Tax-Free Savings Account (TFSA), that means this passive income cannot be touched by the tax man. Every cent you make is yours to keep.

So, let's take a look at three great options that will put money in your pocket for as long as you have that passive-income portfolio.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is offering investors a [rare opportunity](#) right now. Despite strong performance in the past, and an incredible future ahead, the stock has dwindled to around \$45 per share.

This comes from two factors. The first is the oil and gas industry as a whole, which has been keeping the stock well below its net asset value (NAV) of around \$60 per share for months now. The second

issue is the stalling of the Line 3 Replacement and Expansion project due to environmental issues that need to be addressed.

But if you're a long-term investor, Enbridge is looking great right now. You can buy up shares at a huge discount and take advantage of a 6.38% dividend while you wait for a rebound, which the stock will do; not only does it have \$16 billion in growth projects set to come online in 2020, but long-term contracts that will bring in cash flow for decades.

RioCan

RioCan Real Estate Investment Trust ([TSX:REI.UN](#)) is another fantastic high-yield option that investors have been wary about due to a potential housing and/or mortgage crisis. After all, RioCan has a pretty sizable amount of debt it needs to chip away at, and that could be difficult if a crisis comes.

Yet part of this debt has come out of the REIT's recent move to focus on a strategic redevelopment. This includes narrowing in on six of Canada's largest cities, where it will take the malls it already owns and build residential and/or office space within them. This creates an incredible share growth opportunity for investors, as without even buying up further properties, RioCan has increased the rents it will receive, and those rents will be higher due to location.

With a [dividend yield of 5.52%](#), shareholders will be quite happy to jump along for the ride upwards in share price throughout the 2020s as the company continues to battle the risk e-commerce poses to brick-and-mortar retail stores.

TD

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is another perfect option for those looking to take advantage of unfairly low share prices. TD has been pumping out stellar earnings results, but due to the fear of a recession, the stock has remained on the low end of its 52-week performance.

That creates an ideal time to pick up Canada's most American bank. The bank is now a top 10 bank in America due to its expansion over the last several years and now has plans to move into the wealth management sector. This would provide further high-margin gains to the already 35% of revenue the company receives from the U.S. With a dividend yield of 3.85%, this is definitely a stock investors will want to hold on to for decades.

Foolish takeaway

By using your TFSA contribution room towards these three stocks, investors could bring in about \$3,300 in passive income every year. That's a nice little addition to household income, no matter what your magic number is.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:ENB (Enbridge Inc.)
4. TSX:REI.UN (RioCan Real Estate Investment Trust)
5. TSX:TD (The Toronto-Dominion Bank)

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