Retirees: 3 Monthly Dividend Stocks to Help Pay Your Bills

Description

If you're retired and need some extra cash to help pay your bills, dividend stocks can be a great way to accomplish that. Many dividend stocks distribute cash on a monthly basis and can be a great source of recurring income. Below are three stocks that pay more than 3% annually that look like good buys today.

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A and W Revenue Royalties Income Fund (TSX:AW.UN) is a solid dividend stock that pays its shareholders around 4.2% on their investment. The stock has grown more than 35% over the past year. The success of the A&W brand has been evident in the fund's growing sales, which in 2018 were up 15% while profits increased by 7%. The restaurant has remained a popular choice among consumers, especially with it jumping onboard the **Beyond Meat** bandwagon and incorporating the plant-based burgers into its menu.

The strength of the brand is what makes the dividend stock an appealing investment as there's little reason I can see why it should fall out of favour anytime soon. And with the fund regularly increasing dividend payments over the years, there are many reasons to hold the stock for its attractive monthly payouts. At a price-to-earnings ratio of 24, it's a modestly priced stock that still has a bright future and lots of growth left.

Gamehost Inc (TSX:GH) hasn't been doing as well as the A&W fund has over the past year, but that also means it could have a lot more potential upside as well. Gamehost has fallen around 20% over the past 12 months and over the course of five years, it has crashed 40% as a result of a poor-performing Alberta economy. However, the good news is that things may be stabilizing in that part of the country, which means that Gamehost may finally be ready to mount a recovery.

The gaming stock hasn't seen much growth in sales over the past couple of years but with net income still fairly strong, Gamehost doesn't appear to be a risky buy despite the challenges it faces. And for investors that are willing to look past that, the returns could be significant. With a monthly cash dividend that pays 5.75 cents per share, investors will be earning 7.3% annually.

Morguard North American Residential REIT (TSX:MRG.UN) is a more attractive option for investors that are okay with a lower dividend yield in return for a lot more stability. Morguard has generated good, consistent growth in its revenues and profits have also been very strong the last few years as well.

Its share price has risen more than 20% during the past year and yet the stock still trades below book value. It's a cheap buy, and although there hasn't been much growth in dividend payments over the years, Morguard offers investors a very good yield of 3.7% per year.

Morguard's focus on residential properties and presence in multiple provinces and states gives it not only good diversification, but also a lot of opportunity for growth as well. There are still many markets the company can expand into, which means there's still even more potential for the stock price to climb higher from where it is today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:AW.UN (A&W Revenue Royalties Income Fund)
2. TSX:GH (Gamehost)
3. TSX:MRG.UN (Morguard North American Residential Real Estate Investment Trust)

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