



TFSA Investors: How to Easily Add \$250 in Passive Income Every Month

Description

If you're a TFSA investor looking for a way to add some income to your portfolio, there are some very good deals to be had out there today. The good news is that you also don't have to take on a lot of risk in order to do so.

Between bank stocks, utility stocks and real estate investment trusts (REITs), there's no shortage of options for dividend investors.

REITs, in particular, are attractive because not only do they give investors the opportunity to benefit from rising [property values](#), but the stocks also pay dividends on a monthly basis, giving investors a lot of liquidity.

One stock that looks like a great buy today is **RioCan Real Estate Investment Trust** ([TSX:REI.UN](#)). RioCan has generally been very [stable](#) over the years, and while it has seen some volatility, it has produced returns of around 8% over the past two years.

However, for a good dividend stock, I wouldn't be prioritizing one with a lot of potential capital appreciation, as that could also mean that there's risk there as well.

RioCan's stability and consistency make it an ideal dividend stock to own

During the past year, RioCan's share price has operated within a range of less than \$4. It also has a beta of just 0.44, indicating that you won't see wild swings in the share price even if the markets are a bit erratic.

Having that stability helps make RioCan a great option for dividend investors, as the last thing you want to do is worry about whether your dividend income is simply going to be used to offset losses incurred as a result of a declining share price.

While RioCan won't be a risk-free investment, it's still a better option than many other dividend stocks

out there.

With many properties across the country and over 27 million square foot of space in development, there's both a lot of stability and a lot coming down the pipeline for RioCan.

The company is also coming off a very strong quarter that saw its earnings of \$253 million more than double from \$111 million in the prior year. This was largely due to fair value gains on its investments, which totalled \$121 million this past quarter.

RioCan has generally provided investors with a lot of consistency, and while performances like this can happen, they're not the norm.

What investors have been able to rely on consistently has been RioCan's dividend, which has not only been stable, but payouts have increased over the years have also increased.

Currently, the stock pays shareholders a dividend yield of 5.5%. That means that if you buy around \$55,000 worth of RioCan shares, you'd be earning a dividend of \$250 per month.

If you have room inside a TFSA, all of that money could be tax-free as well. If you're looking for a more modest investment, then about \$22,000 would give you \$100 in dividends every month.

Bottom line

However big of an investment you're looking to make, RioCan is one of the best dividend stocks that you can invest in on the TSX in terms of not just yield, but also stability and fundamentals as well.,

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1. TSX:REI.UN (RioCan Real Estate Investment Trust)

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Date

2025/08/26

Date Created

2019/08/09

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