



Baby Boomers: These 3 Monthly Dividend Payers Are as Good as Any Pension

Description

Many baby boomers are facing an uncertain future.

These folks have worked hard for years now, often proving extremely loyal to their employers. Despite decades of service and day after day of hard work, these folks haven't been rewarded with a pension. They're left to deal with the uncertainties of retirement on their own, without help from their employers.

Fortunately, it's not all bad news. A prospective retiree can generate gobs of [passive income](#) by putting their assets to work in Canada's best dividend-paying stocks — the kinds of companies that have a record of paying consistent dividends for decades now.

In fact, if you put your cash to work in a diverse portfolio of great companies, it's as good as any workplace pension. After all, what do you think the pension plan is investing in?

Here are three great stocks to get you started. And, as a bonus, all of these companies pay monthly dividends.

H&R REIT

H&R Real Estate Investment Trust ([TSX:HR.UN](#)) is one of Canada's most diverse owners of real estate. The company's portfolio includes office space, retail property, industrial assets, and even residential homes, spread across Canada and expanding into the United States.

Growth is mostly coming from the residential part of the portfolio, which is a smart move. After all, people are always going to need a place to live. Along with other partners, H&R plans big developments in cities like Miami, Long Beach, San Francisco, and Seattle. The company is also buying completed apartments in southern states like Texas and Florida — places that have favourable demographics.

Like every other REIT, H&R pays most of its earnings back to shareholders in the form of generous dividends. The current yield is 6%. You don't have to worry about the payout, either. Barring a giant

economic meltdown like we had in 2008-09, it's safe.

Chorus Aviation

Chorus Aviation ([TSX:CHR](#)) has two different divisions, with one offering consistent earnings while the other is a very intriguing growth opportunity.

Let's start with the steady, unexciting part. Chorus operates regional flights for **Air Canada** under the Air Canada Jazz brand. These flights are typically in smaller planes, connecting medium-sized cities to larger hubs. Although most analysts are bullish on [regional travel over the long term](#), the market is pretty much saturated in Canada.

The more interesting growth opportunity is Chorus's newer division, which finances the purchase of new planes for regional airlines around the world. It's a win-win for Chorus and the partner airline — the partner can expand without using too much capital, while Chorus gets a nice return on its investment. The aircraft leasing division has 122 different planes leased to customers in places like Europe, Asia, and South America.

Chorus pays a \$0.04 per share monthly dividend, which translates into a 6.3% yield.

TransAlta Renewables

TransAlta Renewables ([TSX:RNW](#)) is a way for investors to help the move to more environmentally friendly power generation — all while collecting a nice dividend.

Renewables owns natural gas, wind, solar, and hydro power plants, spread across North America and into Australia. Thanks to a conservative balance sheet and the appetite to finance these types of projects, the company has a clear growth path going forward. It also has ample potential to buy projects from its parent, **TransAlta Corporation**, which is still actively selling assets to help get its balance sheet under control.

Even after a 30% increase in the stock price in 2019, shares still look to be a reasonable bargain today. Shares trade at approximately 12 times 2019's projected free cash flow. This also bodes well for the dividend, which currently sits at a 6.8% yield.

The bottom line

Creating your own pension is much less difficult than you'd think. Just load up on Canada's best stocks — starting with these three names — and build a diverse portfolio churning out plenty of predictable income. The only thing left to do is sit back, relax, and collect your dividends.

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2. TSX:HR.UN (H&R Real Estate Investment Trust)
3. TSX:RNW (TransAlta Renewables)

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