



## Retirees: Protect Your OAS and Make \$700/Month TFSA Passive Income

### Description

Canadian pensioners are hurting because the Old Age Security (OAS) clawbacks are reducing retirement income. Many are looking for [ways to boost income](#) to counter the effects. The \$77,580 OAS threshold in the 2019 income year is not likely to increase considerably, as history would show.

You can increase your retirement income without risking the OAS clawback. The solution is to save up and invest in a pair of dividend stocks that can deliver a little over \$700 in monthly passive income.

**Northwest Healthcare** ([TSX:NWH.UN](#)) and **Power Financial** (TSX:PWF) have an average dividend yield of 6.12%. You have the opportunity to protect your OAS and earn monthly passive income.

### Medical care

Northwest Healthcare is a specialty real estate investment trust (REIT) that is close to the hearts of retirees. This \$1.6 billion REIT owns several medical real estate properties like hospitals, medical office buildings, retirement homes, and some long-term care facilities.

These assets can be found in Canada and countries in Europe as well as in Australia and Brazil. The number of medical real estate properties is 171; they offer a total of more than 14 million square feet in leasable area. Leading hospital operators are mostly the principal tenants.

Since the onset, Northwest has been partnering with major institutional investors that manage the properties themselves but owns minority stakes. Portfolio and asset growth are faster with this arrangement. It's worth noting too that spending in healthcare outpaces global GDP growth.

Northwest Healthcare trades at an inexpensive price of \$12.02 but pays a generous 6.55% dividend.

### Wealth provider

Power Financial is a 35-year-old diversified international management and holding company. It's also a

subsidiary of **Power Corporation of Canada**. This \$24 billion powerhouse in the life insurance industry operates in Canada, Europe, and the United States. Currently, the total assets under management are worth \$847 billion.

**Great-West Life** and **IGM Financial** are the leading franchises under the umbrella of Power Financial. If the company's financial and investment management services can help 31 million clients become wealthy, so can the stock.

The yield of PWF is a lucrative 5.55%, which is very attractive to [retirement planners](#), income investors, and pensioners. An investment of as low as \$10,000 or as high as \$500,000 can double in 13 years, excluding the compounding effect of dividend reinvestment.

## Protect OAS payments

Making \$700 in monthly passive works for a couple that is investing within a TFSA. Assuming that each spouse has total contribution room of \$69,500 in 2020, they can split their respective contribution rooms between Northwest and Power Financial.

The resulting monthly earnings for each are \$354.50. When you combine the amount, it becomes a monthly passive income of \$708.90. The collective \$139,000 of a couple's TFSA room for 2020 maximizes fully the tax-free benefits of the investment account.

For as long as you have reliable and high-yield dividend stocks like Northwest Healthcare and Power Financial, you can protect your OAS payments while receiving a steady income stream.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
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