



Diversify and Add \$4,200/Year in Dividends With These 3 Stocks

Description

In addition to just trying to grow your portfolio, diversification is also important to ensure you aren't taking on too many risks in the process. And adding a variety of [dividend stocks](#) in your portfolio can not only help you diversify, but it can generate some solid dividend income as well. Below are three stocks from three different industries that pay dividends and could be great options for investors today.

Gamehost ([TSX:GH](#)) currently pays its shareholders a dividend of \$0.0575 every month, which is good for an annual yield of about 8.2%. Not only is that a solid dividend rate, but the monthly payouts give investors a much more frequent stream of cash than dividend stocks that pay on a quarterly basis do.

And with free cash flow of \$18.3 million over the past 12 months, which is above the \$16.8 million that the company paid out as dividends during that time, Gamehost's dividend still looks to be in good shape.

Investing \$20,000 in Gamehost would produce a dividend of approximately \$137 every month for shareholders, or \$1,640 for the entire year.

The Alberta-based entertainment stock has struggled over the past year, falling more than 12%, as the Albertan economy is still nowhere near where it was before the downturn in oil and gas began more than five years ago. But with a price-to-earnings multiple of just 13, investors aren't paying a premium to own the stock today, helping to minimize some of the risk involved with holding the stock.

Gamehost could be a good contrarian option for investors who are expecting things to turn around in the province.

NorthWest Healthcare Properties Real Estate Investment Trust ([TSX:NWH.UN](#)) is another dividend stock that pays monthly. However, NorthWest offers a bit more stability. It's not just a real estate investment trust (REIT), but also a company that is in healthcare. With more than 170 income-producing properties spanning multiple continents, NorthWest offers a fair bit of geographical diversification in its holdings as well.

Currently, the stock pays investors a dividend of \$0.06667 every month, or \$0.80 per year. That

equates to an annual dividend yield of 6.7%. Although it's less than Gamehost's payout, it's still an above-average payout — well ahead of the 1.85% yield that investors can expect from the average S&P 500 stock.

A \$20,000 investment in NorthWest would generate income of \$112 every month for investors, or \$1,340 on an annual basis. The REIT can be a solid option for any portfolio, as it offers lots of stability and diversification in addition to a great dividend.

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) doesn't pay a monthly dividend, but it's arguably one of the safest stocks income investors can put their money into. The oil and gas company has remained profitable and been a good stock to own, even amid all the [challenges](#) the industry has faced over the years. Enbridge also has a solid track record for increasing its dividend payments, giving investors even more incentive to hold the stock over the long term.

It recently increased its quarterly dividend payments from \$0.738 to \$0.81 — a 9.8% hike. That means that investors today will be earning about 6.2% per year in dividend income. Another \$20,000 investment here will earn investors a dividend of \$310 every three months, or \$1,240 for the full year. However, the longer that investors hold the investment for, the larger their effective dividend will be; as the payouts grow, investors will be earning more in dividend income as a percentage of their original investment.

Summary

Here's a quick breakdown of all the three stocks listed above, their payouts, and how much each would pay you annually with a \$20,000 investment:

Company	Yield	Investment	Annual Dividend
Gamehost	8.20%	\$20,000	\$1,640
NorthWest Healthcare	6.70%	\$20,000	\$1,340
Enbridge	6.20%	\$20,000	\$1,240
TOTAL		\$60,000	\$4,220

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:GH (Gamehost)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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