



## Passive Income Alert: 5 Ways You Can Earn \$1,000 Per Month (or More!)

### Description

I don't exaggerate when I say that passive income changed my life. The impact of having additional income streams is nothing short of remarkable.

The best part is the security [passive income](#) provides. You know that even if you lose your job, get hurt, or have to deal with significant emotional stress, your passive income sources will still be there, never missing a beat.

Yes, it's always possible a source of cash flow cuts the distribution, but you can effectively minimize this by having a diverse portfolio invested in different assets.

Let's take a closer look at five possible passive income sources and how you can use them to generate some pretty significant income.

### Real estate

The beauty of real estate is you can use a small amount of money to control an expensive asset, allowing you to create a passive income stream immediately.

Here's how it works. Say you purchase a property for \$200,000 and it rents for \$1,200 per month. Your fixed expenses (mortgage interest, insurance, taxes, and maintenance) total \$700 per month. That creates an asset that immediately generates \$500 per month in passive income, and you may have only put down \$20,000 or \$40,000 to make it happen.

### Private mortgages

There are thousands of Canadian investors who make 8-12% annual returns lending money to homeowners that just can't qualify for a traditional mortgage.

Some of these folks are experiencing temporary job losses, while others just have poor credit and are

therefore forced to turn to the private lending market, where they pay a high premium for the privilege of a loan.

These mortgages are risky for investors, who usually insist on a large margin of safety in the form of home equity, giving them a little wiggle room in case the loan goes south.

## Owning websites

If you're technologically savvy, buying up a website or two can be an excellent way to earn some serious passive income.

The beauty of going this route is smaller websites often sell at a bargain basement price. Often, you can make your money back in six months or a year. Most websites need to be constantly updated, but you can always hire that out to reduce the amount of work you have to put in.

It's very possible to buy a website that will generate \$1,000 per month in passive income for \$10,000 if you're experienced in the field.

## Bonds

Companies need to borrow money periodically, and you can turn a portfolio of bonds into a safe passive income stream.

There's just one problem. With interest rates so low, it'll take a lot of capital to get to a \$1,000/month passive income stream. Even if you take a little more risk and aim for higher yields.

## Dividend stocks

I've saved the best for last. After trying some of the other methods on this list, I now dedicate most of my savings towards building up passive income via [dividend stocks](#).

One of my favourite dividend payers in Canada today is **Rogers Sugar** ([TSX:RSI](#)), one of the two companies that dominate the domestic sugar market.

Rogers has many things going for it that make it an excellent dividend stock. Business is steady and profits are fairly predictable. Tariffs on foreign sugar protect it from competition. And despite many people pledging to eat better, Canadian sugar consumption grows each year with the economy.

The stock has been somewhat weaker lately on disappointing results from the company's maple syrup subsidiary. There's a lot of supply in the syrup market today, and Rogers has made the choice to maintain its market share despite lower prices. In other words, they're playing the long game.

Rogers shares currently pay a 7.5% dividend yield, which means you'd need an investment of just \$160,000 to generate \$1,000/month in passive income from the stock. Putting all your eggs in one basket is a bad idea, so it's best to just make Rogers Sugar one stock in a diverse portfolio of dividend payers.

## The bottom line

Serious amounts of passive income are within your reach. All you need to do is invest consistently, save aggressively, and put your cash into great assets such as real estate, mortgages, or Rogers Sugar stock. Keep doing that and you'll pass \$1,000/month in passive income before you know it.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:RSI (Rogers Sugar Inc.)

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