TFSA Users: $10,000 in Each of These 3 Stocks Pays You $2,032/Year

Description

As stock markets continue to stay volatile and interest rates linger around a record low, Tax-Free Savings Account (TFSA) users should focus on dividend-paying stocks offering high and safe yields. A high-quality, dividend-paying stock could continue to generate stable monthly or quarterly income and could help you in staying afloat amid turbulent times.

So, if you want to create a solid income portfolio, here are three TSX dividend-paying stocks that should be on your radar. A $10,000 investment in each of these high-quality dividend stocks would fetch you an annual dividend income of $2,032.

A healthcare REIT

With a monthly dividend of $0.067 per share and an annual yield of 6.9%, **NorthWest Healthcare Properties REIT** (TSX:NWH.UN) is a top income stock you could consider buying. While the pandemic weighed heavily on REITs, NorthWest Healthcare Properties remained largely immune, thanks to its resilient portfolio dominated by hospitals and healthcare service providers.

NorthWest Healthcare reported a portfolio occupancy of 97.3%, which remains very stable. Also, its weighted average lease expiry term increased during the most recent quarter, which is encouraging.

With most of its tenants being government funded, and its rents having inflation indexation, investors could expect a strong performance from NorthWest Healthcare Properties in the coming quarters. NorthWest Healthcare is focusing on deleveraging its balance sheet through the divestiture of non-core assets and accelerating its growth through strategic acquisitions.

A $10,000 investment in NorthWest Healthcare Properties stock would pay you approximately $691/year.

A major Canadian Bank

When it comes to solid income stock, you could consider buying the shares of one of the largest Canadian banks,

Toronto-Dominion Bank (TSX:TD)(NYSE:TD). The bank has been uninterruptedly paying dividends for the past 164 years.

Investors should note that Toronto-Dominion Bank has been growing its dividends at a higher rate than most of its peers. Its dividends have increased by 10% annually in the last decade, which is encouraging. Currently, it pays a quarterly dividend of $0.79 per share, which implies an annual yield of about 5%.

The bank remains well capitalized and continues to grow its asset base. With an expected improvement in provision for credit losses and efficiency, Toronto-Dominion Bank could continue to boost its shareholders' returns through higher dividends.

A $10,000 investment in Toronto-Dominion Bank stock would fetch $500 annually as a dividend income at the current levels.

An energy infrastructure giant

If you are eyeing a stock that pays a stellar dividend that could continue to grow with you, you must consider buying the shares of the energy infrastructure giant **Enbridge** (TSX:ENB)(NYSE:ENB).

Enbridge is facing near-term challenges that have weighed on its stock and driven its yield higher. However, investors should note that this Dividend Aristocrat runs a low-risk and diversified business and has paid dividends since listing on the exchange.

Its dividends have grown at about 11% annually in the last 25 years. Currently, it pays a quarterly dividend of $0.81 per share, implying that a $10,000 investment in Enbridge stock would generate an annual income of about $841.

Bottom line

Investors could use their TFSA to generate tax-free dividend income, which is expected to increase with each passing year. These dividend-paying stocks continue to trade low, presenting a good buying opportunity at the current levels.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Energy Stocks
5. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:ENB (Enbridge Inc.)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

5. TSX:TD (The Toronto-Dominion Bank)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Energy Stocks
5. Investing

Date
2025/08/27
Date Created
2020/10/07
Author
snahata