



3 Safe Monthly-Paying Dividend Stocks to Buy Right Now

Description

Despite the encouraging news on the vaccine's effectiveness, the distribution of the vaccine could be challenging. Industry experts project the widespread distribution of the vaccine could not happen before mid-2021.

Meanwhile, COVID-19 cases are rising worldwide, which could prompt governments to reimpose restrictions, thus slowing down the recovery rate. Further, the widening gap between the economy and the equity markets could lead to a correction. Amid the uncertain outlook, investors could supplement themselves with passive income by investing in safe monthly-paying dividend stocks.

NorthWest Healthcare Properties REIT

First on my list is **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)), which invests in healthcare real estate. Despite the pandemic-induced disruptions, its occupancy and rent-collection rate has been on the higher side. Further, the company's 80% of the revenue is supported by public healthcare funding, thus insulating its financials from the economic downturns. Its weighted average lease expiry stands at [14.5 years as of September 30](#).

Meanwhile, NorthWest Healthcare is looking at expanding its operations in Europe. This year, it has acquired \$719 million of assets in Europe, including two hospitals in the U.K. for \$620 million. These acquisitions could drive the company's earnings growth in the coming quarters.

Given its defensive real estate portfolio, NorthWest Healthcare's cash flows are stable, thus supporting its dividends. Currently, the company pays monthly dividends of \$0.067 per share at an annualized rate of \$0.80 and a dividends yield of 6.3%.

Pizza Pizza Royalty

My second pick would be **Pizza Pizza Royalty** ([TSX:PZA](#)), which runs a highly franchised business under Pizza Pizza and Pizza 73 brands. Its revenues and cash flows are safe compared to the less-

franchised companies, as the royalty is based on sales and not on profits.

Further, the company has recently invested in building its delivery, pick-up, and digital ordering infrastructure amid the pandemic-infused restrictions, which has helped the company offset the impact of declining footfalls. The reopening of the economy has also boosted its financials. Pizza Pizza Royalty's top line and bottom line grew by 9.3% and 9.4% on a sequential basis in the September-ending quarter, respectively.

Last month, the company's board had raised its monthly dividends by 10% to \$0.055 per share at an annualized rate of \$0.66 per share. Its dividend yield looks attractive at 7.1%. With its stock trading at 5% lower for this year, I believe Pizza Pizza Royalty would be a [good buy for income-seeking investors](#).

Shaw Communications

In this digital era, telecommunication services have become essential for our daily activities and businesses to thrive. So, I have picked **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)), the fourth-largest telecommunication player in Canada with a market capitalization of \$12 billion, as my third pick. Its resilient wireline business and growing wireless segment have been generating robust cash flows to support its monthly dividend payouts.

In the August-ending quarter, Shaw Communication added 60,000 net wireless connections. The introduction of Shaw Mobile resonated well with the customers. Shaw Mobile delivers its customers a WiFi experience even on the go by automatically connecting to the thousands of hotspots across Western Canada. The company's adjusted EBITDA also rose 11.2% year over year, while its free cash flows rose by 260%. For fiscal 2021, the company's management expects to generate free cash flows of \$800 million. So, I believe the company's dividends are safe.

Since 2009, the company has paid dividends consistently. Currently, it pays monthly dividends of \$0.099 per share at an annualized payout rate of \$1.18 per share and a dividend yield of 5.2%.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
3. TSX:PZA (Pizza Pizza Royalty Corp.)
4. TSX:SJR.B (Shaw Communications)

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