



Monthly Income Stocks: 3 to Buy Now!

Description

Finding the right mix of income-producing stocks can be a daunting task. Inconsistent payouts and infrequent payout schedules are just two of the concerns facing income investors. Fortunately, there are investments that are consistent and well diversified to provide a healthy income. Here's a look at three great monthly income stocks to consider.

Renewable Energy

TransAlta Renewables ([TSX:RNW](#)) is a [great stock for long-term investors](#). The company boasts a portfolio of renewable energy facilities located across Canada, the U.S., and Australia. In total, those 44 facilities consist of different energy types and have a total generating capacity of 2.5 GW.

So, why invest in TransAlta? Renewable energy continues to become an important area that impacts the entire planet. Traditional utilities still need to transition over to renewables, and considerable expense. This leaves renewable utilities like TransAlta in a prime position to invest in expanding their operations. Additionally, it's worth noting that TransAlta follows the same consistent and reliable business model that its traditional peers follow.

Turning to dividends, TransAlta's monthly payout works out to a handsome 4.75% yield. In terms of income potential, investing \$35,000 in TransAlta will provide investors with an annual income of \$138 each month.

Become a landlord

RioCan Real Estate ([TSX:REI.UN](#)) is another intriguing option to consider. Like TransAlta, RioCan caters to a colossal shift in the market. In this case, that shift is changing consumer tastes and the affordability of housing.

RioCan is one of the largest REITs in the country, with an impressive portfolio of properties. Specifically, the REIT is primarily focused on retail, such as large anchor tenants in shopping malls.

More recently, RioCan has shifted towards mixed-use residential properties. This is a lucrative opportunity for investors, as demand for affordable housing within Canada's major metro areas remains high.

Additionally, those properties are located along major transit corridors, providing an incentive to would-be tenants struggling with long commutes in the suburbs. This overlooked fact makes RioCan a great long-term option, but [there's still more](#). Let's take a moment to talk about rental income.

Just like a would-be landlord, RioCan provides investors with a steady income. In this case, your monthly rent comes in the form of a monthly distribution that works out to a yield of 4.69%. Perhaps best of all, that income comes without maintenance requests and needing to chase down tenants for rent cheques. A \$35,000 investment in RioCan will provide a monthly income of \$136.

Own a part of a dozen profitable businesses

Some of the best investments on the market are those that we often dismiss. With that in mind, let's take a moment to mention **Exchange Income Corporation** ([TSX:EIF](#)). Exchange is unique in that the company owns more than a dozen subsidiary companies. Those companies are broadly separated into two areas: aviation and manufacturing.

Apart from that high-level distinction, the subsidiary companies share two unique facts. First, they operate in segments of the market whereby demand is high and competition is low. In many respects, those businesses provide necessary services. An example here is providing medevac services to remote regions in the north.

The second important point to note is that those businesses continue to generate cash. This helps fuel Exchange's handsome monthly dividend. Speaking of that dividend, Exchange currently boasts a yield of 5.86%. This means that a \$30,000 investment will provide monthly income of \$146.

Final thoughts on monthly income stocks

The three monthly income stocks noted above represent well-diversified investments that would be a benefit to nearly any portfolio. In terms of income potential, an investment of \$100,000 across those three stocks provides just over \$420 each month.

Not ready to draw on that income? In that case, reinvesting those dividends until you need them can prove to be lucrative over the longer term. In other words, buy them, hold them and retire rich.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:EIF (Exchange Income Corporation)
2. TSX:REI.UN (RioCan Real Estate Investment Trust)
3. TSX:RNW (TransAlta Renewables)

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