



## Hooray! 3 TFSA Dividend Stocks That Could Earn You \$177/Month

### Description

Most Tax-Free Savings Account (TFSA) users prefer dividend stocks over other investment options. Dividend investing is also the best strategy if you desire [dependable income streams](#). There are established dividend payers on the **TSX**, although the majority pay quarterly dividends.

Fortunately, there is a handful of monthly income stocks that are [ideal in a TFSA](#). Assuming your available contribution room is \$51,000, you can allocate \$17,000 each in **AltaGas** ([TSX:ALA](#)), **Bird Construction** ([TSX:BDT](#)), and **H&R REIT** ([TSX:HR.UN](#)) to earn \$177.65 per month, tax-free. The share prices are less than \$25, while the average dividend yield is 4.18%.

### Regulated distribution utilities

AltaGas in the utility sector is a no-brainer choice. The \$6.71 billion diversified energy infrastructure company has been in the business of delivering affordable natural gas through regulated distribution utilities since 1994. At \$23.98 per share, the dividend offer is 4.17%. The trailing one-year price return is 52.74%.

The utility segment (42%) contributes the most to EBITDA, followed by midstream (27%) and power (31%). AltaGas' ownership in a steady utility business and high growth midstream assets are compelling reasons to include the stock in your TFSA's dividend portfolio.

Another competitive advantage is that the infrastructure assets are in North America's fastest-growing energy markets. AltaGas has ownership stakes in Petrogas and the Ferndale Terminal. It moves natural gas and NGLs to premium overseas markets through the Ridley Island Propane Export Terminal. Other investments are in natural gas pipelines in Canada and the U.S.

### Premier builder

Bird Construction is a leading construction company in Canada and is present in nearly all of the country's major markets. The \$512.35 million engineering and construction firm Bird Construction has

been operating as a general contractor for 101 years. It's an expert in the construction field and caters to a wide range of industries.

Notably, Bird evenly distributes operations between the heavy industrial and ICI (industrial, commercial and institutional) sectors. The company constructs hospitals, government buildings, education facilities, schools, and prisons in the institutional sector. Bird also constructs malls, hotels, condominiums, and offices.

In Q1 2021 (quarter ended March 31, 2021), the premier builder reported glowing numbers. Total construction revenue grew 38.2% versus Q1 2020, while net income ballooned by 533.9%. At \$9.66 per share and a dividend yield of 4.04%, Bird Construction is a steal.

## High occupancy rate

H&R has a market capitalization of \$4.57 billion and is one of the country's largest fully diversified real estate investment trusts (REITs). If you seek a stable high yield in your TFSA, this real estate stock is the best fit. At only \$15.93 per share, the dividend offer is a generous 4.33%.

The portfolio consists of office (39%), retail (30%), residential (21%), and industrial (10%) real estate properties. H&R's leased properties are in Canada and the U.S. It has a nearly 34% stake in Echo Realty, an operator of grocery-anchored shopping centers in America.

Surprisingly, H&R's office asset portfolio maintained a high occupancy rate of 99.6% (as of January 2021) despite the health crisis. The REIT derives 85.5% of rental revenues from investment-grade lessees. Moreover, the average remaining lease term to maturity is 12.2 years.

## Ideal TFSA investment

A TFSA should work wonders if users can maximize the contribution limits every year. Monthly income stocks are also ideal because you can churn money faster than if the payouts were quarterly.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:ALA (AltaGas Ltd.)
2. TSX:BDT (Bird Construction Inc.)
3. TSX:HR.UN (H&R Real Estate Investment Trust)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
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