



How to Earn \$300/Month in Passive Income With 1 Solid TSX Stock

Description

If you are a Canadian who opened a Tax-Free Savings Account (TFSA) when it was introduced in 2009, you know the benefits of holding investments in this registered account. The TFSA is a popular account among Canadians, as you can earn capital gains, dividends as well as interest without paying any taxes to the Canada Revenue Agency.

You need to identify a reliable stock that has a strong balance sheet, allowing the company to pay a stable monthly dividend across economic cycles. The dividends should be backed by predictable and reliable cash flows, which will help shareholders derive a recurring income stream. We'll take a look at one such TSX stock that should be part of your TFSA.

This TSX REIT is a top dividend player

A Canadian dividend-paying stock that [ticks most boxes](#) is **WPT Industrial REIT** (TSX:WIR.U) which is an open-ended real estate investment trust. It invests in institutional-quality distribution and logistics properties in top-tier industrial markets. The REIT aims to grow its portfolio in major markets using direct investments as well as by using a proprietary private capital platform to deliver strong unitholder returns.

The REIT has a portfolio of 110 industrial properties consisting of 37.5 million square feet of gross leasable area in 20 U.S. states. WPT created a joint venture with 13 stabilized investment properties with a value of \$370 million.

It earned \$8.5 million of private capital fee revenue in Q1 and collected 99.8% of billed rent for the quarter, continuing its strong record of rent collections. The REIT's same-property NOI, or net operating income, increased 2.5%, driven by strong leasing spreads, while FFO and AFFO per unit rose 62% and 87% year over year in the March quarter.

WPT Industrial REIT's debt-to-assets ratio decreased to 43.1% compared to 45.1% in the year-ago period. During its earnings call, company CEO Scott Frederiksen [explained](#), "WPT produced solid quarterly results driven by robust operating activity, meaningful progress on our capital recycling

initiative and a strengthened balance sheet.”

He added, “The formation of a new stabilized joint venture demonstrates the REIT’s ability to attract and expand relationships with strong institutional capital partners to diversify our capital resources. With our modern, well-located distribution and logistics portfolio, deepening partnerships with global institutional capital partners, and a growing development pipeline, we expect our momentum to continue throughout the remainder of the year.”

What’s next for investors?

WPT Industrial’s FFO and AFFO were positively impacted by increased revenue from properties due to acquisitions, higher management fee revenues, increases in base rent, as well as a decline in general and administrative expenses compared to the year-ago period.

Cash flow from operations (CFO) and adjusted CFO rose 20.3% and 70.2% respectively, and the adjusted ACFO payout ratio stands at a reasonable 69.6%. The REIT confirmed that cash flows increased year over year due to increased net operating income as well as increased acquisition activity and a decline in free rent.

WPT pays a monthly dividend of \$0.0633/unit, indicating annual dividends of \$0.76/unit and a forward yield of 4.16%. In order to receive \$300/month in dividends, investors need to purchase 4,740 WPT shares, which means you need close to \$87,000 in total capital.

It does not make sense for investors to allocate such a huge sum towards a single stock, and you need to identify similar companies that pay high yields. Use this article as the starting point for your research.

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Date

2025/08/25

Date Created

2021/06/26

Author
araghunath

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