Passive Income: Make $300 per Month in Dividend Income for Life!

Description

Inflation has many Canadians scared for the future. With inflation now set to rise to around 3.6% for this year alone, it's true it will affect us in many ways, such as our grocery bill, gas prices, and of course taxes. All of this adds up. So it's why you definitely want to find passive income that can help stave off inflation. But even more than that, it would be ideal to fight off inflation, and then make extra cash.

Not only can you see returns, but by investing in dividend stocks, you can set yourself up with passive income on a stable basis. That's especially great when you find dividend stocks that offer monthly distributions. So let's look at a great option, and how much you'll want to make in passive income each month.

How much?

Let's first think about how much you want to make. Here we'll use inflation as an example. If you want to fight back inflation *and* make cash, let's say you want to make at least 7.2% in returns per year. That's double what predicted inflation will be for this year. But then you have to figure out how much you'll actually need. If you make around $50,000 per year, you'll want to make $3,600 per year to reach that point.

So now we have to find a stock that can give you $3,600 in passive income. Ideally, it should be a stock that not only has stable growth now, but strong growth in the future.

There's no point investing in dividend stocks that could very well collapse in the next few years. So let's look at an industry set to climb in the next decade and beyond.

Buy online, store light

The e-commerce industry exploded during the pandemic. But Motley Fool investors may have forgotten that e-commerce was set to explode any way. Just over a longer period of time. That hasn't become less true since the pandemic. While it's been sped up, e-commerce is likely to keep climbing at an astounding rate over the next decade.

In fact, analysts predict that by 2030, e-commerce should outpace brick-and-mortar sales. It's already happening, with online sales increasing year over year often in the triple-digit range, even as in-store sales climb back with the pandemic coming to a close. However, I'm not necessarily saying you should buy up a direct e-commerce stock.

Nope, instead I'm saying that you should buy up the next best thing. Or even the best thing, if you want passive income. While e-commerce stocks are great, they aren't dividend stocks. So you don't get that stability. But light industrial real estate investment trusts (REITs) do. These companies simply store and ship e-commerce products, with minimal investment involved. So Motley Fool investors just get treated to increased revenue, increased acquisitions, and increased income.

WPT Industrial

Of the REITs to buy, I would first consider **WPT Industrial REIT** (TSX:WIR.UN). The company has signed on to multiple deals with e-commerce giants. It's been acquiring property after property, now boasting 110 properties across North America. And it's still growing. Most recently it announced a joint venture adding 13 properties to its portfolio.

This came during its recent earnings report, where it collected an astounding 99.8% of billed rent for the quarter, and Funds From Operations (FFO) climbing 62% year over year. Meanwhile, shares have climbed 36% in the last year alone and this stock offers a dividend yield of 4.16% for passive income seekers.

So to reach that $3,600 per year, you would need to invest $86,783 as of writing. That would be $300 each month — not a small sum, of course. But you could turn that into significant passive income over the year. If you invested that amount today and reinvested your dividends, in a decade you could turn that $86,783 into $443,880.84 at more conservative growth levels!

If not, you still have $3,600 or $300 each and every month in stable passive income that should only continue to grow for decades.

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