



4 Under-\$25 Monthly Paying Dividend Stocks to Buy Right Now

Description

Investing in monthly-paying [dividend stocks](#) is an excellent means to earn passive income in this low-interest-rate environment. If you are ready to invest, here are four companies that pay monthly dividends at healthier yields and are trading below \$25.

TransAlta Renewables

My first pick would be **TransAlta Renewables** ([TSX:RNW](#)), which owns and operates a diversified portfolio of power-producing facilities with a capacity of 2.8 gigawatts. The company sells its power through long-term contracts, with its weighted average contract life standing at over 12 years. So, these long-term contracts shield the company's financials from price and volume fluctuations, thus delivering stable cash flows.

The company also focuses on strategic acquisitions to boost its growth prospects. Since its IPO in 2013, the company has completed \$3.4 billion worth of acquisitions. So, with its liquidity standing at \$1 billion, I expect the company to continue with its future acquisitions. Also, the company has [several projects in the evaluation stage](#), which could increase its power-producing capacity by 2.9 gigawatts. So, given its healthy growth prospects, steady cash flows, and strong liquidity position, I believe TransAlta Renewables's dividends are safe. It currently pays a monthly dividend of \$0.0783 per share, with its forward dividend yield standing at 4.33%.

NorthWest Healthcare

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) is another stock [you should have in your portfolio](#), given its steady cash flows, high dividend yield, and strategic acquisitions. The company generates stable cash flows due to its highly diversified and defensive portfolio, inflation-indexed rent, government-backed tenants, and long-term agreements with its tenants. So, these stable cash flows have allowed the company to pay dividends at a healthier yield. Currently, the company's forward dividend yield stands at a juicy 6.14%.

Meanwhile, the company is working on acquiring four healthcare facilities in the Netherlands and the Australian Unity Healthcare Property Trust, which owns 62 healthcare facilities. It also has raised around \$200 million through new equity offerings, which could aid in closing these transactions. So, the company's growth prospects look healthy.

Pizza Pizza Royalty

Pizza Pizza Royalty ([TSX:PZA](#)) is a restaurant operator, which owns Pizza Pizza and Pizza 73 brands. Amid the expansion of vaccination and falling COVID-19 cases, Canadian provincial governments have started to reopen their economies. This initiative could allow the company to reopen its dining spaces, booting its financials. Its investment in expanding its digital channel could also continue to drive its financials, even in the post-pandemic world. So, the company's outlook looks healthy.

Amid an improving economic environment, Pizza Pizza Royalty has witnessed strong buying this year, with its stock price rising 17.8%. Despite the rise, the company's valuation still looks attractive. Meanwhile, Pizza Pizza Royalty currently pays a monthly dividend of \$0.055 per share, with its forward yield standing at 6.09%. So, I believe the company would be an excellent buy for income-seeking investors.

Extendicare

After a tough 2020, **Extendicare** ([TSX:EXE](#)) has delivered solid returns this year, with its stock price rising 29.5%. Amid the support of \$55.4 million from COVID-19 funding, its top line grew 18.6% in the first quarter, while its adjusted EBITDA increased by \$7.6 million. Meanwhile, I expect the momentum to continue, as the demand for the company's services could rise amid a growing aging population and rising income levels.

Meanwhile, the company has also planned to invest around \$500 million to increase its capacity and replace its aged population. The company also increased the number of students at its in-house training programs to 600 this year, creating a new supply of skilled caregivers. So, amid the favourable environment, I expect the company's financials to improve in the coming quarters. Meanwhile, Extendicare currently pays a monthly dividend of \$0.04 per share, with its forward yield standing at 5.58%.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. TSX:EXE (Extendicare Inc.)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
3. TSX:PZA (Pizza Pizza Royalty Corp.)

4. TSX:RNW (TransAlta Renewables)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date

2025/07/08

Date Created

2021/07/22

Author

rnanjapla

default watermark

default watermark