Passive-Income Investing: 3 Big Dividend Stocks to Buy Now

Description

Passive-income investing can be set up by building a safe dividend stock portfolio. Here are some big dividend stocks you can consider buying now for income. They serve as way better passive-income investments than low-interest-yielding investments if you have a long-term investment horizon and can withstand some volatility.

NorthWest Healthcare Properties REIT pays a 5.9% dividend

NorthWest Healthcare Properties REIT (TSX:NWH.UN) allows retail investors to gain exposure to a healthcare real estate investment trust (REIT) with global scale. The healthcare REIT owns 192 income-producing properties across 16.2 million square feet of gross leasable area located throughout major cities in Canada, Brazil, Europe, Australia, and New Zealand.

NorthWest Healthcare partners with leading operators and collects rental income from them. The REIT has a long weighted average lease expiry of about 14 years and a high portfolio occupancy of 97% to make its cash flow generation very stable. Don't worry about the recent spike in inflation around the world. The REIT's cash flow largely benefits from inflation, as 76% of its rents are indexed to inflation.

The steady rise of about 18% over the last year is supported by the REIT raising its net asset value per unit (NAVPU) by almost 11% year over year to $13.60. Continued execution of its growth strategy can lead to a higher NAVPU that will drive a steadily higher stock price. Currently, the big dividend stock offers a solid yield of close to 5.9%.

TC Energy yields 5.7%

TC Energy (TSX:TRP)(NYSE:TRP) is another big dividend stock that has price appreciation potential. It pays a juicy yield of about 5.7%. Oil and gas prices are volatile, but TC Energy's cash flow has proven to be reliable through market cycles.

The large-cap energy infrastructure company is a Canadian Dividend Aristocrat with a track record of increasing its dividends. Its 10-year dividend-growth rate is 7.3%. With a commercially secured $22 billion capital program through 2025 to drive growth, it should be a breeze for TC Energy to continue raising its payout at a similar rate.

Analysts who are more bullish on natural gas infrastructure particularly favour TC Energy over its peer, **Enbridge**. Specifically, TC Energy generates about 77% of its cash flow from natural gas infrastructure and 17% from liquids infrastructure. The big dividend stock trades at a discount of about 10% from its fair value, which makes it a prime passive-income investment.

Manulife Financial pays a 5.3% dividend

You're in for a treat with this last big-dividend-stock idea. Although **Manulife** (TSX:MFC)(NYSE:MFC) pays the smallest yield of the three dividend stocks (mind you, it's still a big dividend), it offers the best value. The life and health insurance company trades at about 7.6 times this year's estimated earnings, while analysts forecast an earnings-per-share (EPS) growth rate of about 12% over the next three to five years. Even if the company only increases its EPS by about 8% over this period, it would still be a cheap stock. Importantly, its 5.3% big dividend is protected by a sustainable payout ratio of approximately 36%.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:MFC (Manulife Financial Corporation)
2. NYSE:TRP (Tc Energy)
3. TSX:MFC (Manulife Financial Corporation)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:TRP (TC Energy Corporation)

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