



Passive Income: 2 of the Best Stocks for Dividend Investors to Buy Now

Description

If you're a dividend investor these days, there are a tonne of opportunities to put your money to work. One of the best ways to earn passive income is to buy a high-quality income fund on the stock market that's specifically been made for dividend investors.

These stocks are often engaged in businesses that earn them a tonne of consistent cash flow. They then use most of this cash flow to return to investors, with some potentially saving cash for future investments.

So, if you're a dividend investor looking to find a high-quality stock that can earn you attractive passive income, here are two of the best funds to buy today.

Is Alaris Equity Partners the best dividend stock to buy now?

Canadian dividend investors will certainly want to consider buying **Alaris Equity Partners Income Trust** ([TSX:AD.UN](#)), one of the best stocks that's made for dividend investors.

Alaris looks to create partnerships with high-quality private businesses across North America. The fund finds these top-notch businesses whose owners don't want to sell equity but are in need of investment.

It then takes a non-controlling preferred equity ownership stake, which provides the fund with consistent cash flow. That cash flow is then used to pay investors, and whatever is left over can be used for more investments down the road to expand the portfolio.

It's an incredible strategy, and one that's perfect for investors looking to earn passive income. In addition, the fact that its dividend currently [yields](#) 7% makes Alaris one of the best stocks to buy now.

The strength of Alaris's portfolio was put to the test when the pandemic was hit. And though it and some of its portfolio businesses were impacted, in general, its financials have been highly robust. So, although management did trim the distribution initially, it was more a conservative move.

Since the start of the pandemic and consequent dividend trimming, Alaris has increased the distribution twice already and is now paying out 80% of what it did before the pandemic.

So, if you're looking to earn passive income and buy one of the best dividend stocks today, Alaris is one of the top opportunities to consider right now.

Boston Pizza is a top fund for passive-income seekers

In addition to Alaris Equity Partners, one of the best recovery stocks that dividend investors can buy now is **Boston Pizza Royalties Income Fund** ([TSX:BPF.UN](#)).

Boston Pizza is the number one casual restaurant dining chain across Canada. And because it's a royalty fund, it consistently returns passive income to investors.

Boston Pizza has understandably been impacted by the pandemic. However, despite the continued shutdowns, it's been doing an excellent job of weathering the storm. In addition, because the fund receives a royalty on sales, while capacity restrictions do impact it, it's still collecting cash flow.

Therefore, the current surge in the pandemic is certainly not ideal. However, it does give long-term investors another chance to buy the dividend stock now while it's [undervalued](#). In addition, at the current payout, the fund is yielding 6.9%, making it extremely attractive for passive-income seekers.

However, keep in mind that there is a risk that if this surge does last more than a couple of months, there could be another temporary dividend cut. That shouldn't be a huge concern, though. For one, it's only a temporary impact. And secondly, Boston Pizza has already shown how resilient it can be.

So, if you're a passive-income seeker looking to buy one of the best dividend stocks in Canada, Boston Pizza Income Fund is certainly one of the top candidates to consider right now.

CATEGORY

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2. TSX:BPF.UN (Boston Pizza Royalties Income Fund)

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Author

danieldacosta

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