



## Passive-Income Stocks: Earn Over \$10/Day

### Description

Dividend investing is for people desiring to [earn extra income](#) with minimal effort. With prices of goods and services expected to remain elevated this year and the next, Canadians can use their free or excess cash to purchase passive-income stocks.

The TSX has dividend beasts like **True North Commercial Properties** ([TSX:TNT.UN](#)) and **Chemtrade Logistics Income Fund** ([TSX:CHE.UN](#)). Incidentally, the pair trades at nearly identical prices and offers almost the same [generous dividends](#). Since the average yield is 8.315%, a \$22,500 position in each will produce a combine monthly income of \$311.81, or around \$10.39 per day.

### Top-notch tenant base

True North isn't the largest commercial property landlord in Canada, but its quality tenant base makes it a top-of-mind choice of [yield-thirsty investors](#). The anchor tenant of this \$624 million real estate investment trust (REIT) is none other than the federal government of Canada.

You can throw in the provincial governments of Alberta, British Columbia, New Brunswick, and Ontario as lead tenants in some properties for good measure. The locations of True North's 45 income-producing office properties are in Canada's top urban areas and select secondary markets.

Government and credit-rated tenants accounts for 76% of the REIT's total portfolio revenue. Moreover, the top 20 lessees contribute 69% of total revenue. The public administration sector (26%) has the most significant percentage representation followed by services (26%), and financial, insurance & real estate (17%).

After three quarters in 2021, True North enjoys an occupancy rate of 96%. Currently, the weighted average remaining lease term is 4.6 years. Other positives for the REIT are the high retention (80%) and rent collection (99.5%) rates. Its CEO Leslie Veiner cites the high-quality tenant roster (government and credit-rated tenants) for the consistent, strong operating results and industry-leading rent collections.

As of January 24, 2022, the real stock trades at \$7.16 per share and pays an over-the-top 8.27% dividend. For long-term investors, any amount you invest in True North will double in 8.7 years.

## Improving business performance

Like True North Commercial, Chemtrade Logistics is well loved by income investors. At \$7.18 per share, this dividend machine pays a lucrative 8.36% dividend. This \$749.24 million company produces high-quality industrial chemical products and specialty chemicals.

Chemtrade caters to customers across various industries, including gasoline, metals, and water treatments. It has three core business segments, with the Sulphur Products & Performance Chemicals (SPPC) group as the strongest. It's one of the largest suppliers of sulphur-based products in North America. Management has yet to present its 2021 results, although business is vastly improving.

Chemtrade's president and CEO Scott Rook said, "For two consecutive quarters (Q2 and Q3 2021) now we have seen improving business performance." Despite the headwinds from the loonie's appreciation relative to the U.S. dollar and higher raw material costs, Rook is optimistic. He looks forward to the continued economic recovery.

While the bottom line is far from favourable, Chemtrade Logistics has managed to sustain the payouts and keep investors whole.

## Excellent second liners

True North Commercial and Chemtrade Logistics are not anchor stocks material, although both are excellent second liners. The dividend offers are way above the industry averages, and neither stock has slashed the payout in recent quarters.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:CHE.UN (Chemtrade Logistics Income Fund)
2. TSX:TNT.UN (True North Commercial Real Estate Investment Trust)

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