



Passive-Income Investing: How to Make Over \$500/Month in Your Sleep!

Description

The Canadian government announced that the annual contribution for the Tax-Free Savings Account (TFSA) would stay at \$6,000 in 2022. That brought the cumulative contribution room to a whopping \$81,500. Last month, I'd [discussed](#) how investors can generate serious passive income in their TFSA. The best thing about this strategy is that you will not have to pay any tax on the income you are producing. Today, I want to discuss how you can churn out big income by utilizing all the room in your TFSA. Let's jump in.

Start to build your passive-income empire with this high-yield REIT

[Real estate investment trusts \(REITs\)](#) are a fantastic source of income for Canadian investors. **True North REIT (TSX:TNT.UN)** is a Toronto-based REIT that is focused on the ownership of high-quality commercial properties. Shares of this REIT have dropped 1.6% in 2022. The stock is up 14% in the year-over-year period.

This REIT is set to release its final batch of 2021 earnings on March 2. In Q3 2021, True North delivered same-property net operating income (NOI) of 1%. It managed to collect approximately 99.5% of contractual rent.

True North REIT closed at \$7.32 per share on February 14. In our hypothetical, we'll snatch up 3,710 shares of this REIT for a purchase price of \$27,157.20. This REIT currently offers a monthly dividend of \$0.05 per share, representing a monster 8.1% yield. That will allow us to generate monthly passive income of \$185.50 per share with these shares. Remember, that is all tax free!

Here's a dividend stock to stash in your TFSA in this hypothetical

Back in March 2021, I'd looked at some of the best stocks to snatch up to benefit from [Canada's aging population](#)

. **Extendicare** ([TSX:EXE](#)) is one stock that fits the bill. This Markham-based company provides care and services for seniors across Canada. Its shares have increased 3.1% in 2022. The stock is up 18% in the year-over-year period.

This company is also set to release its fourth-quarter and full-year 2021 results late this month. It has delivered total revenues of \$939 million in the first nine months of 2021 — up from \$850 million in the previous year. However, operating expenses have also spiked over this period.

Extendicare stock closed at \$7.65 per share on February 14. Investors on the lookout for passive income should look to snatch up 3,549 shares of this stock for a total price of \$27,149.85. Extendicare last paid out a monthly distribution of \$0.04 per share. That represents a tasty 6.2% yield. This purchase will allow us to churn out monthly passive income of \$141.95 in our TFSA.

One more REIT that can help you churn out big passive income in 2022

Inovalis REIT ([TSX:INO.UN](#)) is another top REIT we can look to snatch up in our hypothetical TFSA to create a passive income beast. This Toronto-based REIT seeks to invest primarily in office properties. Its shares are up 2.7% in the year-to-date period. Meanwhile, Inovalis stock is up 6.4% year over year.

Shares of this REIT closed at \$10.07 per share on February 14. In our hypothetical, we'll snag 2,700 shares of Inovalis at a purchase price of \$27,189. This REIT currently offers a monthly dividend of \$0.069 per share. That represents a huge 8.1% yield. We can now generate monthly passive income of \$186.30 in our TFSA.

Bottom line

These big-time investments will allow you to generate passive income of \$513.75 in your TFSA every month. That works out to annual tax-free income of \$6,165.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:EXE (Extendicare Inc.)
2. TSX:INO.UN (Inovalis Real Estate Investment Trust)
3. TSX:TNT.UN (True North Commercial Real Estate Investment Trust)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media

6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. aocallaghan
2. kduncombe

Category

1. Investing

Date

2025/07/20

Date Created

2022/02/15

Author

aocallaghan

default watermark

default watermark