



3 Passive-Income Streams You Can Start With \$10,000

Description

Before we look into the different passive-income streams that can be started with as little as \$10,000 in income, note that the concept of passive income here is quite flexible. In most cases, not all income streams will be consistent or start right away or even come close to becoming comparable to your primary income.

A wild-card passive-income stream

While many will not consider it a passive-income stream at all, there is a way for an unpredictable investment like **Bitfarms** (TSXV:BITF)([NASDAQ:BITF](#)) to augment your primary income, which is what passive income is for (in most cases). This [crypto miner](#) has seen three spikes since the beginning of 2021.

The first pushed the stock up over 100% (or 200%, if you had bought it at the end of 2020). The second one resulted in 114% growth in less than a month, and the third grew the market value of the company (and its investors' money) by about 71% in less than two weeks. So, if you had invested \$10,000 in the company at the right time, you could have easily doubled your money within the year.

So, if you set your original capital aside for another investment, you would have another \$10,000 (or even \$7,000) to use at your discretion. And if you spread it out over two years, you'd get about \$415 a month of additional "passive" income.

A reliable growth stock as a passive-income source

If stocks with unreliable and inconsistent growth histories do not match your risk tolerance, a reliable growth stock can be used to start a "delayed" passive income. One example would be **Toromont Industries** (TSX:TIH). [The company](#) has been growing at a steady pace and returned 153% to its investors in the last five years alone.

If you can wait for about half a decade to start using the passive income that your \$10,000 investment

generated (and the company maintains its growth pace), you may have about \$25,000 in the company. And since it's a consistent growth stock, you don't have to liquidate all of your shares at once. You will only sell a few to serve as passive income, and the rest can keep growing at the same pace.

With an efficient, systematic withdrawal system, you can easily generate about \$400 for a much more extended period than you would be able to with a wild-card investment.

High-yield dividend stock-based passive income

The easiest and the most tried and tested method of generating passive income that you can start right away is investing in a high-yield stock like **BTB REIT** ([TSX:BTB.UN](https://www.btbreit.com/)). The REIT is currently offering a mouthwatering yield of 7.4%. The REIT can offer you about \$61 a month in passive income at this rate. It's significantly smaller than the other, too, but with the reduced amount comes the promptness of the revenue stream and the safety of capital.

The stock has almost flatlined in the last 12 months, and it's highly likely that the current price point is the new norm for the REIT. The REIT has a portfolio of over 66 properties, and its strength lies in its stable tenant profile.

Foolish takeaway

Passive income is a common goal when you are [learning to invest](#). Still, in the beginning, when there is very little capital to work with, conventional methods like dividend stocks or real estate might not be able to produce viable passive-income streams. So, you may have to become more creative with your capital, more risk-tolerant, and assume a flexible attitude towards passive income.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NASDAQ:BITF (Bitfarms Ltd.)
2. TSX:BTB.UN (BTB Real Estate Investment Trust)
3. TSX:TIH (Toromont Industries Ltd.)

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