



Looking for Passive Income? Try These 2 Top TSX Stocks

Description

How investors choose to allocate capital within their portfolio can determine their long-term returns over time. Of course, there are different investor types. Some seek growth and take a more aggressive approach. Others look for stability and passive income as key attributes with their investments.

For those looking for [passive-income](#) potential, there happen to be a number of great options on the TSX. However, I remain bullish on the ability of **Dream Industrial REIT** ([TSX:DIR.UN](#)) and **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) to provide superior long-term returns.

Top passive income stocks: Dream Industrial REIT

Dream Industrial REIT is an open-ended, unincorporated real estate investment trust. As of Dec. 31, this company owns and manages an impressive portfolio of 291 industrial assets, or 351 buildings. These industrial properties (mainly distribution centres and warehouses) are spread across the U.S., Europe, and Canada.

This trust's recent results were solid. The company brought in full-year net income of \$190 million, representing year-over-year growth of 133%. Net rental income this past quarter came in 36% higher, with total assets growing 72%. These two factors drove the company's total returns this past quarter, which were, by all accounts, impressive.

Any sort of growth like this in the real estate space is hard to come by. Accordingly, many investors have already taken note of Dream Industrial.

Among the key factors those considering Dream as a passive-income stock may want to note is that Dream Industrial announced its monthly distribution for February 2022 of \$0.05833 per unit, or \$0.70 annualized. This provides long-term investors with a juicy [4.1% dividend yield](#).

Enbridge

Another top passive-income stock I've been pounding the table on of late is Enbridge. It's not only this company's 6.4% dividend yield that I find attractive. Rather, it's the solid business model and long-term growth prospects of this company that I think the market isn't honed in on right now.

Enbridge operates the most extensive natural gas distribution system in Canada. This Calgary-based multinational pipeline organization transports approximately 20% of the natural gas that's the United States consumes. Given the geopolitical pressures on the energy market of late, Enbridge's pricing power just got a boost.

In addition to the company's core fossil fuel transportation business, Enbridge also has a number of renewable energy projects in North America and Europe which don't get enough attention. In fact, Enbridge has a goal of being carbon neutral by 2025. For any pipeline company, that's impressive.

Overall, both Dream Industrial and Enbridge make great options for passive income investors. These stocks provide reasonable yield and great long-term growth prospects.

Of course, anything can happen in these markets. However, those thinking long term have a lot to like about these two stocks right now.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:DIR.UN (Dream Industrial REIT)
3. TSX:ENB (Enbridge Inc.)

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Date

2025/07/22

Date Created

2022/02/28

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