



TFSA Passive Income: Earn \$11.11 Every Single Day

Description

Canadians can earn passive income during this inflationary period. One of the simplest ways is through dividend investing. If your finances allow, and you own a [Tax-Free Savings Account](#) (TFSA), potential income should be higher, because all earnings within the account are tax free.

TFSA users can maximize their 2022 limits or available contribution rooms by purchasing high-yield [dividend stocks](#) to hold in their investment accounts. Those with a \$50,000 investment in a stock that pays an 8% dividend are earning \$333.33 per month, or \$11.11 every single day.

Fiera Capital ([TSX:FSZ](#)) and **True North Commercial** ([TSX:TNT.UN](#)) are among the generous dividend payers today. Since their yields are above 8%, your passive should be more. There are inherent risks to the respective businesses, so make sure you understand them before investing.

Global vision

Fiera Capital is an independent asset management firm with a growing global presence. The \$1.06 billion company caters to institutional, financial intermediary, and private wealth clients in North America, Europe, and key Asian markets. It offers customized and multi-asset solutions across public and private market asset classes.

As of year-end 2021, the level of assets under management (AUM) was \$188.3 billion — a 3.5% increase from December 31, 2020. The Public Markets segment (91.5%) has a higher percentage weight compared with the Private Markets (8.5%). Fiera delivered strong results in 2021, notwithstanding the uncertain economic backdrop.

Jean Guy Desjardins, Fiera's global president and CEO, said, "Our strong 2021 financial performance is a direct result of Fiera Capital's active investment management in creating value for clients during the last two years." In 2021, total revenues grew 7.87% to \$749.87 million versus 2020.

Fiera's net earnings ballooned 3,680% year over year to \$76.62 million, while adjusted EBITDA increased 18.11%. In Q4 2021, net earnings grew 1,050.42% to \$36.61 million versus Q4 2020.

According to Desjardins, Fiera's mission going forward is to be efficient allocators of capital.

Given its global vision and focus on generating organic growth, management commits to create sustainable prosperity for all stakeholders. The non-bank stock trades at only \$10.63 per share (+3.4% year to date) and pays an attractive 8.09% dividend.

Stable contractual cash flows

True North Commercial in the real estate sector is [pure dividend play](#) with its 8.8% dividend. At \$6.88 per share, TFSA investors can partake of the ultra-high dividend yield. The \$631.17 real estate investment trust (REIT) that owns and operates 46 commercial properties in Canada has a distinct advantage.

About 76% of the REIT's revenues from government (35%) and credit-rated (41%) tenants. The Federal Government of Canada is among its anchor tenants. Other high-profile lessees include four provincial governments, **TD Insurance**, and **General Motors** Canada.

While revenue (-0.65%) in 2021 dropped slightly versus 2020, net income and comprehensive income rose 28.31% to \$51 million. As of year-end 2021, the occupancy rate was a high 96% and the weighted average lease term is 4.4 years. Notably, True North collected 99.5% of contractual rent in Q4 2021.

The compelling reasons to invest in True North are its resilient, growing portfolio and stable contractual cash flows. According to management, the REIT has an exciting future ahead, given the pipeline of off-market acquisition opportunities.

Lessen the impact of inflation

TFSA investors can choose between Fiera Capital and True North Commercial to earn passive income. Owning either stock can help lessen the impact of inflation.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:FSZ (Fiera Capital Corporation)
2. TSX:TNT.UN (True North Commercial Real Estate Investment Trust)

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