



Passive Income: 3 Dependable Dividend Stocks to Own Forever

Description

One of the easiest ways to earn passive income today is to buy quality [dividend stocks](#) and then never sell them. A long-term, buy-and-hold approach is ideal if you appreciate “passive” investing. Why?

Buy-and-hold investing is the most passive way to earn income

Firstly, it is simple and care-free. Once you have picked your stocks, there is not much more to do other than collect dividends every month or quarter.

Secondly, buy-and-hold investing means you don't have to constantly research new investment ideas. This drastically reduces re-investment risk and enables the power of long-term compounding.

Lastly, owning quality stocks long term means the businesses do the work for you. You just need to monitor quarterly or annual results, and that is as hard as it gets.

If you are looking for income that is truly passive, here are three [safe](#) dividend stocks you can buy and own for a lifetime.

Fortis: A dependable passive-income stock

With 48 years of consecutive dividend increases, **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) might be one of the most dependable passive-income stocks in Canada. It operates regulated electric and gas transmission utilities across North America.

As a result, it collects very reliable streams of passive income. Over the past 10 years, it has annually compounded earnings and dividends per share by 5.4% and 6.1%, respectively. Currently, the company is implementing a \$20 billion, five-year capital plan

This plan should translate into forward 6% annual rate base growth. This should accrete around 6% annual dividend growth as well.

Today, this stock pays a \$0.415 quarterly dividend, which translates to a 3.45% dividend yield. For stable, predictable returns in a volatile world, this is a great passive-income stock to buy and hold for years ahead.

Brookfield Renewable Partners: Growth and income

The recent conflict in the Ukraine has highlighted how crucial energy security is in the world. As a result, countries will increasingly look for alternatives to ensure energy independence. This should be favourable for **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)).

With over 21,000 megawatts (MW) of hydro, wind, solar, distributed generation, and battery power in operation, it is one of the largest listed renewable power stocks.

Currently, BEP has 15,000 megawatts in construction and an overall development pipeline of 62,000 megawatts. All this means that BEP has [a huge growth opportunity ahead](#). BEP will be a major partner in helping governments and large corporations meet their decarbonization and energy targets.

BEP pays a modest \$0.39 quarterly distribution per unit. That equals a modest 3% distribution yield today. However, BEP has a great history of growing its distribution by around 6% a year. So, like Fortis, this is a very solid passive-income stock to own for both growth and income in the years to come.

Canadian Apartment REIT: A great inflation hedge

Canadian Apartment REIT ([TSX:CAR.UN](#)) has been a very reliable stock for steady capital returns and decent dividend growth. Over the past 10 years, this passive-income stock has delivered a solid 265% total return (or 13.8% annualized).

In that time, this REIT has grown funds from operation per share by around 5.5% annually. Likewise, it has increased its dividend by around 2.7% annually. Today, it pays a \$0.12083 monthly distribution. That equals a 2.68% distribution yield.

Canada is facing a massive housing crisis, especially in its top five cities. This is incredibly favourable for CAP REIT, which is Canada's largest multi-family property owner.

Strong housing demand means rising rental rates, rising property values, and solid future returns. If you are worried about longer-term inflation, this is a great passive-income stock to own as a hedge.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:FTS (Fortis Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
5. TSX:FTS (Fortis Inc.)

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