3 TFSA Stocks to See You Through Retirement

Description

Retirement. It's the ultimate goal for many. But what if you're already there, or even just about to start out? It can all of a sudden be less exciting, and more daunting. What on earth are you going to do to keep cash coming in with no job to rely on? That's where the Tax-Free Savings Account (TFSA), and TFSA stocks, can be a game changer.

After all, it can be quite the balancing act. You want TFSA stocks that aren't going to drop suddenly since you rely on this income. But you also want growth. And arguably most importantly, you want dividends. Passive income through dividends is all but a guarantee of future income. Like the paycheque you no longer have.

So here are three perfect TFSA stocks that fall directly into the safe and reliable passive income path.

NorthWest REIT

Real estate investment trusts (REIT) have long been relied on to see Motley Fool investors through retirement. However, we learned during the pandemic that they aren't all made the same. Apartment REITs, even business REITs were no match for the pandemic.

But health care was a different story, especially for **NorthWest Healthcare Properties REIT** (TSX:NWH.UN). NorthWest not only survived, but thrived with the pandemic. Low interest rates caused many to renew their lease agreements, providing an average 14-year agreement. Furthermore, it was able to expand operations and deliver record-setting revenue for investors.

Now, Motley Fool investors can make it one of the TFSA stocks they pick for retirement with a dividend of 5.75%. Even better, that's delivered on a monthly basis!

BMO Canadian High Dividend ETF

Exchange-traded funds (ETF) are perfect TFSA stocks for your retirement portfolio as well. It's like having a money manager choose a portfolio for you. In fact, that's exactly what it is. All with the focus on one thing. In the case of the **BMO Canadian High Dividend Covered Call ETF** (TSX:ZWC) that focus is on, you guessed it, high dividends.

The goal of the fund is to create long-term income through the focus on passive income stocks. But it also means it is relatively low risk. So while the price may not jump very high, usually trading around $20, it won't drop suddenly. That can be seen through the first few months of 2022, with shares climbing 5% while others dropped.

And of course, it offers a high yield of 7.2% as of writing! And just like NorthWest, that's handed out on a monthly basis.

Vanguard Canadian High Dividend ETF

Because you're in retirement, it doesn't hurt to have yet another high dividend ETF at your disposal. In that case, I'd also consider the **Vanguard FTSE Canadian High Dividend Yield Index ETF** (TSX:VDY). In this case, the fund focuses in on a FTSE index, finding the highest yielding Canadian dividend stocks and aiming to replicate their performance.

Now due to the focus on the FTSE, the yield isn't as high as the BMO ETF. However, it's still strong at 3.83%. And as an added bonus, shares have risen 10.3% year to date. That's double the amount of the BMO ETF. So here you get a bit more growth, though a little less in dividends.

Still, this is a strong stock with solid performance, providing again a monthly income among your TFSA stocks. Suddenly, even in retirement, Motley Fool investors can look forward to a stable flow of cash every single month.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
2. TSX:VDY (Vanguard FTSE Canadian High Dividend Yield Index ETF)
3. TSX:ZWC (Bmo Canadian High Dividend Covered Call ETF)

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