3 High-Yield Dividend Stocks That Pay Passive Income Monthly

Description

As the markets deepen, getting closer and closer to recession territory, Motley Fool investors have been flocking to passive-income stocks. These dividend stocks are a great way to create income while you wait for the market to correct.

However, don't just choose any passive-income dividend stock. There are plenty of options on the **TSX** today, but far less that offer monthly payouts. So today, I'm going to cover three dividend stocks Motley Fool investors can buy for monthly passive income.

NorthWest Healthcare: A stable investment

NorthWest Healthcare Properties REIT (TSX:NWH.UN) pays out $0.067 per share every month. If you'd invested $20,000 in this stock on the TSX today, that would bring in $107 per month! That dividend of 6.47% certainly gets you a lot.

NorthWest isn't just one of the great dividend stocks for its yield, however. It's also great because the company continues to grow thanks to investment in the healthcare property industry. Its lease agreements last a long time, and it continues to reach record revenue as it acquires more properties.

Shares of the passive-income stock are also up 64% in the last three years alone. While there was a crash back in March 2020, the stock hasn't come near those levels even now. Furthermore, it's cheap trading at 6.88 times earnings. So, this is a solid stock to consider today.

Extendicare: A strong future ahead

Did you know that about a quarter of the Canadian population are senior citizens? The baby boomer population is aging, and once many hit their 80s, there could be an increase in demand for senior care. That would put an investment in **Extendicare** (TSX:EXE) at a huge advantage right now.

Extendicare is one of the dividend stocks that delivers $0.04 per share each month. If you were to invest $20,000 in this stock on the TSX today, you would bring in $112 each and every month. That come from a high yield of 6.8%.

Now, the stock has been hit hard, as news came out that executives at long-term-care homes gave themselves hefty bonuses during the pandemic. Pretty gross. But once the pushback disappears, it's still a great investment. And hey, you might as well take advantage while you can! Shares are down 9% year to date but up 74% in the last decade.

Boston Pizza: A surprise growth story

Now that Canadians are able to get back to restaurants, **Boston Pizza Royalties Income Fund** (TSX:BPF.UN) looks like a solid option. The company has been making a strong comeback with restrictions easing, and deliveries up for the company.

Boston Pizza is one of the dividend stocks also offering a high yield at 6.91%. That comes to $0.085 per share each and every month. So, if you were to invest $20,000 in the stock, that would serve up $114 in your portfolio every month.

During its latest earnings results, Boston Pizza reported a 38.5% increase in franchise sales, with same-restaurant sales up 39.1% year over year. Of course, COVID-19 restrictions easing certainly helped, as it's still down 10.5% from 2019 levels. The company still has growth on the way and looks cheap trading at just 8.27 times earnings. Shares are only down 1.3% year to date and up 66% in the last decade.

Foolish takeaway

While these monthly dividend stocks may not seem all that exciting to Motley Fool investors, they certainly offer stability. That comes from both reasonable share growth coupled with long-term passive income. That makes them the perfect way to bring in cash over decades.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:BPF.UN (Boston Pizza Royalties Income Fund)
2. TSX:EXE (Extendicare Inc.)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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