TFSA Investors: Earn Over $400/Month Through These 3 Dividend Stocks

Description

Rising food and fuel prices have put a deeper hole in consumers' pockets. Meanwhile, investors expect a gradual price decline as the Russia-Ukraine war has disrupted the global supply chains. So, given the challenging environment, I believe investors could supplement themselves with secondary income.

Investing in high-yielding dividend stocks could be one of the easiest and most convenient ways to boost your passive income. If you had crossed 18 years by 2009 and had not invested in TFSA (Tax-Free Savings Account) till now, then your cumulative contribution room stands at $81,500. So, if you invest the amount in the following three stocks, you can earn a passive income of over $400/month through dividends.

NorthWest Healthcare Properties REIT

NorthWest Healthcare Properties REIT (TSX:NWH.UN) is an excellent stock to have in your portfolio. Thanks to its highly defensive portfolio, long-term agreements, and government-backed tenants, the company enjoys higher occupancy and collection rate, thus delivering stable and predictable cash flows. Meanwhile, the company has expanded its presence in the United States by acquiring 27 healthcare facilities for $753 million. It also has $2 billion of developmental opportunities across multiple countries.

Given its high growth prospects and stable cash flows, I believe NorthWest Healthcare is well positioned to continue paying dividends at a higher rate. With a monthly dividend of $0.0667/share, the company's forward yield stands at an attractive 6.45%. Meanwhile, its valuation also looks cheap, with its price-to-earnings multiple standing at seven.

Keyera

Keyera (TSX:KEY) is a midstream energy company that operates a highly regulated business, with around 70% of its cash flows generated from fee-for-service and take-or-pay contracts. The rising energy demand and prices could also boost its financials from its marketing segment.

Meanwhile, the company is constructing several projects, such as KAPS Liquids Pipeline System, South Cheecham Sulphur Facilities, and KFS Storage Caverns 18, which the company expects to deliver over the next 12 months. So, these investments could boost the company's financials in the coming quarters. Meanwhile, Keyera's management expects its adjusted EBITDA to grow at a CAGR of 6-7% through 2025. So, the company is well positioned to maintain its dividend growth.

Notably, Keyera has been raising its dividend at a CAGR of 7% since 2008. With a monthly dividend of $0.16, its forward yield currently stands at 6.46%. So, Keyera is an excellent stock to buy for income-seeking investors.

Pizza Pizza Royalty

Pizza Pizza Royalty (TSX:PZA) is my final pick. The company operates Pizza Pizza and Pizza 73 brands restaurants through its franchisees. With the improvement in economic activities and the reopening of its dining spaces, the company's same-store sales grew by 13.6% in the March-ending quarter. Supported by its strong financials, the company has raised its dividends twice this year. With a monthly dividend of $0.0675, the company's forward dividend yield stands at 6.6%.

Meanwhile, I expect Pizza Pizza Royalty to continue delivering solid performance in the coming quarters amid the reopening of dining spaces, new restaurant openings, and contributions from its digital channels. So, it is well positioned to continue paying a dividend at a healthy rate. However, despite its high dividend yield and improving financials, the company still trades at an NTM price-to-earnings of 15, making it an attractive buy.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:KEY (Keyera Corp.)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
3. TSX:PZA (Pizza Pizza Royalty Corp.)

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