



3 Passive Income Streams Perfect for Retirees

Description

Canadians have been suffering during this market downturn, but it could be argued that retirees may have it the worst. They no longer have the income coming in from their full-time jobs to support their lifestyle. And during an economic downturn, all those investments they wanted to use are now going down the drain.

Granted, this will always be a short-term scenario that rebounds in a year if you've chosen the right companies. But that's not very helpful in the here and now. So, today I'm going to go over three [passive income](#) streams to help retirees get through this tough economic time.

Option 1: Rent it out

Renting is a great way to create passive income. There's no labour, no management; you simply rent out whatever you can. And by that I actually *don't* mean an investment property. That takes money, money you may not have.

Instead, use what you already have. If you're a retiree, you may have access to storage through a garage, a parking space, an attic — heck, you could build a storage unit! But beyond that, you could also rent out items you have like tools, lawn mowers, furniture, anything. There's always the rent-to-own option as well, if you decide to sell something to a renter instead of loaning it.

All of these options create consistent passive income. Just make sure you get whoever is renting your stuff to sign an agreement beforehand.

Option 2: Get passionate

It's more than likely that as a retiree, you've already found something you can be passionate about. Be that gardening, woodworking, fixing up an old car, cooking, whatever. If you're doing this any way, your favourite past time could also be a method of making passive income you can use.

It's never been easier to get online and sell products. If you love to bake, consider posting a few pictures online and stating that you'll accept requests. Same for woodworking products, even gardening! You don't want to know what I would pay to have someone come and weed my garden. Seriously. Let me know.

Whatever you choose, your passion project can suddenly turn into a source of passive income. Of course, you just want to make sure it doesn't take over your life and suddenly become a job.

Option 3: Juggle your investments

Let's say you're one of the retirees who set your investments and left them alone for decades. First off, great job! This is what I'm constantly suggesting to younger investors. But now that you're retired, it's time to meet with your financial advisor and juggle around your investments.

What were once great, conservative, long-term holds are no longer helpful in retirement. You need cash and you need it pretty much right now. So consider finding passive income stocks that could pay out every month.

But you still want to keep it safe, which is why I would recommend exchange-traded funds like the **BMO High Dividend Covered Call ETF (TSX:ZWC)**. This [exchange-traded fund](#) pays a monthly dividend of 7.2% as of writing. Plus, it's remained quite stable even during a downturn, and is actually up 6% during the last year. A \$10,000 investment would get you \$667 in annual passive income.

Bottomline

Whatever you choose, know that there is a passive income option that's right for you. Even if you're a retiree, don't stress over the current economic downturn. Instead, meet with a financial advisor who can work you through it.

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