



3 Dirt-Cheap Dividend Stocks for Monthly Passive Income

Description

Are you looking for monthly passive income? If so, I've got some good news and bad news for you.

The good news is that cheap dividend stocks offer an easy way to start building passive income. With just a few dollars invested up front, you can start building cash flow.

The bad news is that most dividend stocks don't pay every month. Quarterly (i.e., four times per year) is by far the most common [payment schedule](#) for dividend stocks; monthly is much less common. Ultimately, this doesn't impact your total returns. But if you're looking for frequent cash flow, the quarterly payouts may be a downer. Fear not, though, for there are some dividend stocks that pay monthly, and many of them are very cheap, with high yields. In this article, I will explore three dirt-cheap monthly pay dividend stocks that are worth researching in August.

Northwest Healthcare

Northwest Healthcare Properties REIT ([TSX:NWH.UN](#)) is a Canadian real estate investment trust (REIT). A REIT is a company that invests money in rental properties and passes the income on to shareholders.

Plenty of REITs pay monthly dividends, but there are reasons to consider NWH.UN a particularly interesting play.

First, it has a 6.10% yield, which is far above average.

Second, as a healthcare REIT, its tenants (healthcare organizations) are backed by government revenue.

Third, it has a high occupancy rate (about 97% in Canada and 98% in Europe).

All of these factors combine to make NWH.UN an intriguing REIT. As a cherry on top, NWH.UN is now investing in properties in the U.S., which will add to its geographic diversification. The U.S. doesn't

have single-payer healthcare like Canada and Europe do, but it is a huge market where insurance companies pay the bills. So, NWH.UN has some serious growth potential here.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#)) is a Canadian energy company that is involved in a variety of different business activities. The company's name makes it sound like it's just a pipeline, but, in fact, it does a variety of different things, including

- Transportation;
- Natural gas [marketing](#); and
- Storing oil for marine transportation (i.e., sending oil to customers by sea).

Pembina stock yields 5.3%, and its dividend is paid out monthly. It has a payout ratio (percentage of earnings paid as dividends) of 95%. That's a little on the high side, but it's not so high that the dividend is at extreme risk of being cut. In its most recent quarter, PPL grew its revenue by 62% and its earnings by 65% year over year. That's some solid growth, and if it continues, it could lead to dividend increases in the future.

Parkland

Parkland ([TSX:PKI](#)) is another energy company that supplies fuels for both retail customers and businesses. Its retail and convenience store businesses sell gasoline directly to consumers at the pump, its commercial business sells propane and heating oil to businesses, and its supply business sells petroleum products to buyers around the world.

Like many energy companies this year, PKI is doing pretty well. In its most recent quarter, it nearly doubled its revenue and earned \$91 million in positive net income compared to a loss in the same quarter a year before. It was a pretty good showing, and as long as oil prices stay relatively high, PKI will be able to keep paying its 3.84%-yielding monthly dividend.

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