



Need Passive Income? 1 Dividend Stock Offering \$200 in Monthly Income

Description

We could all use some passive income right now, and finding a solid dividend stock is a great way to achieve this. But, of course, it means you have to find the *right* dividend stock.

Today, I'm going to go over the passive-income stock I believe investors should consider today. It provides you with value, growth, and the opportunity to bring in hundreds in dividends each and every month.

The dividend stock

First up, let's look at the dividend stock that investors should consider. A great option for monthly income right now is the **SmartCentres REIT** ([TSX:SRU.UN](#)). The [real estate stock](#) currently offers a dividend yield of 6.46%, which is dished out monthly. But even better, those shares also trade at just 4.4 times earnings.

Now shares are down 7.3% year to date, but in the last month, there's been some growth for the company. In fact, since mid-June shares are up 10.3%, and that's actually down from the 16% growth it saw before a recent pullback.

The [dividend stock](#) has also been growing its portfolio, now not just operating in retail space but also through residential units, seniors residences, and other mixed-used properties. This gives investors a more diverse portfolio that they can connect to.

The cash flow

Now, if you're looking to make a lot of monthly income right away, it's going to take a significant investment. Let's say you want to aim for \$200 per month. To get there, that would be \$2,400 per year. As of writing, shares of SmartCentres trade at around \$28.50. So, if you wanted to make that amount of cash each month, it would take an investment of \$36,973 as of writing.

Now, that's significant, but it's worth noting that can all fit within the Tax-Free Savings Account (TFSA). So, you can make all that cash through this dividend stock, tax free!

Now, if you don't have the cash available, you can work up to it instead. If you want this option, let's say you were able to put \$10,000 into the stock today. That alone would bring in \$650 per year, or \$54 per month.

But if you were to take those shares and reinvest them, then add another \$2,000 each year, you could work your way up to \$2,400 per year. In that case, it would take 17 years to reach passive income of \$2,433 from the dividend stock.

Foolish takeaway

There are so many passive income stocks out there that could potentially achieve these results. However, SmartCentres offers Canadians a long history of growth to look back on and firmed up results for the future.

Furthermore, you can lock in a strong dividend stock with a high yield and shares that are still at a discount compared to pre-drop prices. And over time, shares have grown at a compound annual growth rate (CAGR) of about 18% over the last 20 years. Meanwhile, the dividend as well has grown at a CAGR of about 2% over the last decade.

So, don't worry about your passive income; instead, find a strong dividend stock to bring in cash either right now, or over the next few years.

CATEGORY

1. Dividend Stocks
2. Investing

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1. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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