



## Got \$500? Create Passive Income Each Month Right Now

### Description

Canadian investors needing extra cash likely are a bit nervous about putting cash aside to invest. After all, you're trying to make money, not spend it. Still, instead of thinking about spending money through investments, you need to shift your focus. That is what we're going to cover today.

### Not spending: Shifting

Instead of thinking of investing as spending money on investments, think about it as shifting your investments. For example, the Tax-Free Savings Account (TFSA) is just that: a savings account. You just have the option to invest it in companies that you believe will make you money in the long run.

But you don't *have* to invest it either. You could simply put your cash aside and keep it safe from your spending habits. Then, when comfortable, you can put aside what you feel is a reasonable amount in a reasonable stock.

### Stocks to consider

If you're nervous about investing and putting that cash away, then start with safe companies. These would include passive-income stocks that have a solid present and stable future. Some of the best companies to consider are those in the [real estate industry](#).

Real estate investment trusts (REIT) pay out 90% of taxable earnings to shareholders, usually in the form of dividends. If you choose the right sector of the real estate industry, then you could be setting yourself up for long-term passive income from long-term lease agreements. The longer the lease, the longer the income stream, and the longer your passive income will come in.

### My favourite REIT

Let's say you have \$500 you want to put aside. I would put it straight towards **NorthWest Healthcare Properties REIT**

([TSX:NWH.UN](#)). While the company is fairly new, it has a solid future ahead. NorthWest stock has become a strong company based on the investment into healthcare properties around the world. Not only are these properties always going to be around, but the lease agreements are incredibly long. On average, the agreements currently sit at 14.1 years and with about 97% occupancy!

This gives investors a solid amount of passive income to look forward to for years. If you were able to put \$500 into NorthWest stock today, it would bring in \$33 in passive income per year. If you were able to do that each month, that would jump to \$33 per month and \$400 per year! Do that each year and each decade ... you get the picture.

## Foolish takeaway

If you're nervous about investing and just have \$500 you want to put aside, consider a stock like NorthWest stock. It's a strong choice. It has a high [dividend](#) yield at 6.51%, trades at a valuable 6.88 times earnings, and continues to expand throughout the world. While other real estate sectors can be far more volatile, NorthWest stock isn't one of them. The healthcare industry will always be around, and NorthWest stock looks like it will be around for the foreseeable future as well.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

### PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

### PP NOTIFY USER

1. alegatewolf
2. kduncombe

### Category

1. Dividend Stocks
2. Investing

### Date

---

2025/07/06

**Date Created**

2022/09/16

**Author**

alegatewolfe

default watermark

default watermark