



These Monthly Dividend Payers Could Carry Your Portfolio for Years

Description

Monthly dividend payers are some of the most sought-after investments. Unfortunately, finding stocks that pay out on a monthly basis can be a daunting task for [new investors](#). The good news is that the market provides plenty of opportunities for income-seekers. Let's consider a few.

Better than a mortgage, without the costs and worry

Owning a rental property is one of the best ways to establish a recurring income stream. Unfortunately, rising interest rates and home prices are making that goal hard to reach.

Fortunately, there is another way to generate monthly income that is similar to collecting rent from a tenant. **RioCan Real Estate** ([TSX:REI.UN](#)) is one of the largest REITs in Canada and has a growing portfolio of mixed-use properties.

The properties, known as RioCan living, consist of residential units that sit atop several floors of commercial retail. These property sites are situated in high-traffic, high-demand areas along transit lines in Canada's major metro areas.

RioCan is one of the monthly dividend payers that should be on every investor's radar. The REIT boasts a monthly distribution that carries an attractive yield of 5.10%. This means that an investment of \$45,000, which is considerably less than an average down payment, will generate a monthly income of just over \$190.

Investors who don't need to draw on that income anytime soon can choose to reinvest it and allow it to grow until needed. Perhaps best of all, there's no mortgage or property tax to worry about!

A diversified stock that relies on a dozen businesses

Exchange Income Corporation ([TSX:EIF](#)) is a unique option for monthly dividend-seeking investors. Exchange owns over a dozen subsidiary companies, which broadly fall under aviation or manufacturing

categories.

Here's the interesting part. Those businesses all provide a necessary function, meaning there's constant demand and more importantly, they generate cash. Those businesses also operate in niche segments of the market, where there is limited to no competition.

Prime examples of this on the aviation side include flight schools as well as passenger and cargo services to Canada's remote north. Turning to the manufacturing side, examples include cell tower construction services, as well as the manufacturing of high-pressure washer cleaning systems.

Collectively, those reliable businesses allow Exchange to offer one of the best monthly dividend payouts on the market. The current yield works out to 5.33%. This means that a \$45,000 investment will earn \$200 every month.

As with RioCan, reinvesting that monthly income until needed can significantly increase your future income potential.

Recurring income from renewable energy?

One of the biggest shifts in the market right now is towards renewable energy. That necessary push for renewables is disrupting traditional fossil fuel utilities. In short, traditional utilities are straddled with massive upgrade and transition costs.

For renewable energy options like **TransAlta Renewables** ([TSX:RNW](#)), the shift to green and clean is a great opportunity for growth.

TransAlta operates a portfolio of renewable energy facilities located in Canada, the U.S., and Australia. Those facilities are highly diversified and include solar, wind, hydro, and gas elements.

More importantly, prospective investors should note that TransAlta adheres to the same lucrative business model that traditional utilities follow. This means there are long-term contracts that provide a recurring and stable source of revenue for the company, often spanning decades.

That steady revenue stream and the absence of massive transitional costs means that TransAlta can invest in growth and continue to pay out its handsome dividend.

That dividend, which tops the list of monthly dividend payers, earns a juicy yield of 5.79%. A \$45,000 investment in TransAlta will generate just over \$217 each month.

Final thoughts

These three stocks together can earn you over \$600 each month. This doesn't include hikes and growth, which will occur over a longer-investment timeline.

In my opinion, one or all of the monthly dividend payers mentioned above should be part of every well-diversified portfolio. Go on, start [building your portfolio](#) today.

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1. Dividend Stocks
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TICKERS GLOBAL

1. TSX:EIF (Exchange Income Corporation)
2. TSX:REI.UN (RioCan Real Estate Investment Trust)
3. TSX:RNW (TransAlta Renewables)

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Date

2025/06/29

Date Created

2022/09/21

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