



Lazy Income: Earn \$550 Per Month in 2023

Description

With 2023 coming very soon, let's take a moment to forget about 2022's rising prices, and interest rates. Instead, let's look at how lazy income investors can generate a juicy \$550 per month starting next year.

Intrigued? Good! Here's a look at three stocks for lazy income investors everywhere.

Diversification is key: A diversified income stream is even better!

One of the most important points for investors to keep in mind is the need to [diversify your portfolio](#). Diversifying minimizes the impact on your entire portfolio if a downturn impacts one area.

That's one reason why **Exchange Income** ([TSX:EIF](#)) is a great option for lazy income investors.

Exchange is an acquisition-focused company that owns a dozen smaller companies. Those subsidiaries are broadly categorized into aviation and manufacturing segments. Interestingly, the subsidiaries have two very unique factors in common with each other that make them a compelling option for investors.

First, they are all profitable businesses that generate cash for Exchange. This leads to the second even more interesting point. The businesses operate in niche segments of the market whereby competition is minimal, yet necessity is high.

An example of this on the aviation side is providing medevac, cargo, and passenger services to Canada's remote north. On the manufacturing side, an example is cell phone tower installation services.

Both segments help Exchange to generate a juicy monthly dividend for investors. The yield on that dividend works out to 5.24% meaning that a \$40,000 investment will generate just shy of \$174 per

month for lazy income investors everywhere.

Forget the mortgage, down payment, and property taxes

It's not just goods that went up in price. Rising interest rates have made it more expensive to carry a mortgage. Concurrently, Canada's white-hot real estate market is only just starting to cool, even if by any negligible means.

So, how should a prospective landlord proceed in establishing a rental income stream?

Investing in **RioCan** ([TSX:REI.UN](#)). RioCan is one of the largest [real estate investment trusts \(REITs\)](#) in Canada. The company's portfolio is traditionally focused on commercial retail. In recent years, that has shifted to mixed-use residential properties.

RioCan's mixed-use properties comprise residential units that sit above several floors of retail. The properties are situated in high-traffic areas of Canada's major metro areas along transit lines.

For investors, it's a great opportunity to generate rental income for a fraction of a down payment thanks to RioCan's monthly distribution.

The current yield works out to 4.81%, which means that a \$40,000 investment will generate a monthly income of \$160.

Renewable energy can make your retirement very comfortable

[Renewable energy](#) represents one of the biggest opportunities on the market right now, and not just for lazy investors.

One such option to consider is **TransAlta Renewables** ([TSX:RNW](#)). TransAlta operates a portfolio of over 40 renewable facilities located across Canada, the U.S., and Australia. Those facilities include gas, solar, wind, and hydro elements, making a diversified option for investors.

TransAlta's facilities follow the same lucrative long-term regulatory contract model that its fossil fuel peers adhere to. In short, those contracts provide a reliable and stable revenue stream for the company. That predictable revenue stream allows TransAlta to invest in growth while also paying out a juicy dividend.

That monthly dividend currently offers a yield of 6.61%. This means that a \$40,000 investment will earn a monthly income of \$218.

Lazy income investors: This is for you

No stock is without risk, and that includes the three stocks mentioned above. Fortunately, the stocks mentioned above boast a juicy monthly dividend and offer some diversification.

In fact, given a \$40,000 investment into each, lazy investors can expect to generate a combined

income of \$550 every month. Here's how that breaks down:

COMPANY	RECENT PRICE	NUMBER OF SHARES	DIVIDEND	TOTAL PAYOUT	FREQUENCY
Exchange Income Corporation	\$48.33	827	\$2.52	\$173.67	Monthly
RioCan REIT	\$21.30	1,877	\$1.02	\$159.45	Monthly
TransAlta Renewables	\$14.32	2,793	\$0.94	\$218.78	Monthly

Price as of 12/1/22

In my opinion, one or all of these stocks would do well as part of a larger, well-diversified portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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

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Date

2025/07/19

Date Created

2022/12/02

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