



## TFSA Investors: Make \$260/Month Without Lifting a Finger

### Description

The [Tax-Free Savings Account](#) (TFSA) is a wonderful place to earn, collect, and grow passive income. Since any capital held in the TFSA is free from tax consequence, you can really accumulate a strong and predictable stream of passive income.

You can't hold income-yielding alternative assets like real estate, a business, or a franchise in your TFSA. These tend to be very time intensive investments that require a lot of experience and expertise.

Fortunately, you *can* buy stocks that earn elevated passive income inside your TFSA.

### Buy low-risk stocks for steady TFSA passive income

The best part is investing in stocks requires very little work and attention (other than your initial investment due diligence/research and quarterly results follow up). If you want a simple and easy way to invest in your TFSA, here's a straightforward portfolio that could earn \$260 every month.

Foolish investors should wisely hold a more diversified portfolio (at least eight to 10 stocks), but this model simply demonstrates the type of income you can collect with \$60,000 invested in today's market.

### Choice Property REIT: A safe REIT for passive income

If you want exposure to real estate in your TFSA, [real estate investment trusts \(REITs\)](#) like **Choice Property REIT** ([TSX:CHP.UN](#)) are good investments. Choice is a diversified REIT with a large retail portfolio complemented by some industrial and office properties. With a market cap of \$10 billion, it is the largest listed REIT in Canada.

Choice has a very defensive portfolio that is anchored by Superstore and **Loblaws**-affiliated essential grocery stores. The fact that it is up 1.6% over the past year is a testament to the recession-resilient quality of its portfolio.

While Choice is not growing much, it churns out a nice 4.95% dividend that is sufficiently covered by its cash flows. \$20,000 invested in this stock would earn around \$82.45 of tax-free income every month in your TFSA.

## A&W Revenue Royalty Income Fund

Another economically resilient stock for passive income is **A&W Revenue Royalty Income Fund** ([TSX:AW.UN](#)). A&W fast-food restaurants are a staple in Canada. A&W has found a nice niche by delivering quality ingredients at a reasonable price.

A&W Royalty collects 3% of the revenue from the over 1,000 A&W restaurants located in Canada. It generally distributes most of its earnings right back to shareholders.

While it has a variable dividend structure, this TFSA stock is currently yielding 5.4%. A \$20,000 investment in A&W Royalty would earn \$87.50 of monthly passive income. This is not a growth stock, but it has a strong franchise, and it pays a consistent, growing dividend.

## Pembina Pipeline: A solid TFSA stock for income

If you want exposure to energy, but with less commodity risk, you might want to consider owning **Pembina Pipeline** ([TSX:PPL](#)) in your TFSA. Pembina offers a wide array of energy infrastructure and services in Western Canada. Its biggest source of revenues come from contracted pipeline and natural gas processing assets.

Pembina had a banner year in 2022. As a result, the company has a very [solid balance sheet](#) and excess growth capacity in its network. It should continue to deliver solid results in 2023.

Today, Pembina stock yields a 5.7% dividend. It used to pay a monthly dividend, but it just moved to a quarterly dividend payment. If you invested \$20,000 in Pembina stock, your TFSA would earn \$283.84 per quarter tax free (or \$94.61 averaged monthly).

COMPANY	RECENT PRICE	NUMBER OF SHARES	DIVIDEND	TOTAL PAYOUT	FREQUENCY
Choice Properties REIT	14.95	1,337	\$0.062	\$82.45	Monthly
A&W Revenue Royalty Income Fund	36.50	547	\$0.16	\$87.50	Monthly
Pembina Pipeline	\$45.90	435	\$0.6525	\$283.84	Quarterly

Prices as of January 6, 2023

### CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. TSX:AW.UN (A&W Revenue Royalties Income Fund)
2. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
3. TSX:PPL (Pembina Pipeline Corporation)

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1. kduncombe
2. robbymbrown

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## Author

robbymbrown

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