TFSA Investors: 2 Dividend Stocks I'm Practically Addicted to Buying

Description

If you've been reading my work for a while, you might have noticed something: I tend to come back to a few stocks over and over — dividend stocks, in particular, and that's for a good reason.

Right now, I have two kids at home. Inflation and interest rates are up, and, I'm not sure if you're aware, but children five and under like to eat — a *lot*. So, frankly, I have an ongoing vendetta against grocery stores that continue to raise the price of cheese strings, because I'm going bankrupt buying them every other day.

That is why, if I have any cash coming in through my Tax-Free Savings Account (TFSA), it goes back towards these dividend stocks — ones I'm certain will keep paying me to own them and will rise back in share price. So, should I eventually run out of cash to pay for those cheese strings, these are the two stocks I'm counting on funding my kid's eating habits.

CIBC stock

If I'm staring at my portfolio with some cash sitting there, one of the first dividend stocks I'm addicted to buying again and again is **Canadian Imperial Bank of Commerce** (TSX:CM). True, it's actually the worst-performing of the Big Six banks this year, down 24% in the last year alone. But there's a method to my madness.

Zoom out, and you'll see that CIBC stock rebounds quite quickly after a recession or even downturn. It continues to create provisions for loan losses, which it's going through now with major housing mortgage exposure. Yet I'm a long-term holder and not looking for a quick buck — unless it comes to passive income.

I'm buying CIBC stock shares for long-term returns. But I'm also buying it for a super-high dividend yield. And trading at just 8.77 times earnings, it's a huge deal for that dividend of 5.77%. So, yes, I'm addicted to creating passive income from CIBC stock, and it's one of the dividend stocks I plan on buying for a long time.

NorthWest REIT

Now another of the dividend stocks I'll be buying for what seems like forever is **NorthWest Healthcare Properties REIT** (TSX:NWH.UN). NorthWest stock has the downside that it's never increased its dividend. But as it's only been around for about five years, I'm not too concerned at this point.

What I'm more interested in is that it's a dividend stock expanding at a rapid pace. The company continues to purchase and acquire new healthcare properties around the world. It continues to have a solid occupancy rate at 97% and an average lease agreement of 14 years! So, I'm not worried about my income suddenly disappearing.

The best part? NorthWest stock offers a monthly dividend. So, I can lock in a dividend yield at 8.01% right now, for example, trading at 8.6 times earnings, and see my passive income rise higher and higher month after month. It's the first of the dividend stocks I'll be counting on when my kids go nuclear with their cheese string addiction.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CM (Canadian Imperial Bank of Commerce)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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