3 Cheap Stocks for Premium Passive Income

Description

Premium passive income. It's what you get when you find valuable dividend stocks with ultra-high dividend yields. What's more, these passive income stocks have a solid future ahead for investors to consider when they purchase right now.

So today, I'm looking at three cheap stocks all offering high passive income, and all with a bright future ahead. Without further delay, let's get down to it.

NorthWest REIT

First up we have **NorthWest Healthcare Properties REIT** (TSX:NWH.UN), which trades at just 8.6 times earnings. So already we are in value territory. Yet, it *also* comes with a super-high dividend yield at 7.9% as of writing!

This dividend has yet to increase since the company came on the market a few years ago. However, investors should note that it's putting the money it's making to good use. After record earnings reports, NorthWest stock is using that cash to create further opportunities, investing in healthcare properties around the world.

Shares are still down by about 21% in the last year, though they've improved by 5% in the last month alone. So now could be a great time to lock in a dividend yield before it climbs higher among other cheap stocks.

Slate Grocery REIT

Now if you're not convinced about healthcare, you should certainly be convinced of passive income from a grocery store. But instead of choosing just one brand or another, I would consider **Slate Grocery REIT** (TSX:SGR.UN). Slate stock currently trades at a valuable 5.9 times earnings as of writing, and offers a dividend yield at 7.46%!

Again, this is a strong choice given the company's focus on essential services. Instead of essential healthcare properties, it's looking at essential *food*. It invests in grocery-anchored chains across the United States, and continues to pick up more properties quarter after quarter.

Shares are up 7% in the last month, and 15% in the last year! So, you actually get some protection from Slate stock, given that it continues to be supported even through inflation and rising interest rates.

CIBC

Finally, **Canadian Imperial Bank of Commerce** (TSX:CM) is definitely one of the passive income buys among cheap stocks I would consider these days. It's a Big Six Bank with provisions for loan losses helping them through this time of trouble with fewer loans coming in. This financial cushion has helped the company get through to the other side of an economic downturn before, and it will again.

CIBC stock is therefore a huge deal, trading at just 9.1 times earnings and with a dividend yield at 5.72%. And honestly, it's probably the best deal among the Big Six Banks right now. That's because it offers the highest dividend when considering its share price, and after a stock split last year that share price is quite low.

Shares are starting to recover a bit, with CIBC stock up over 11% in the last month alone. However, it's again still down by about 20% in the last year. So, you can still pick it up for a major deal and see it eventually reach those pre-fall share prices once more.

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)
3. TSX:SGR.UN (Slate Retail REIT)

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