



Protect Your TFSA: A Little-Known REIT to Buy Right Now

Description

The market roller coaster ride could be on the cusp of becoming that much more gut-wrenching as new tariff announcements continue to dictate the trajectory of stocks. The tit-for-tat U.S.-China spat looks nothing short of bleak, and as U.S.-Mexico tensions heat up once again amid Trump's latest tariff threats, investors ought to be prepared to roll with the punches as we head into the latter part of the year.

While it's never a good idea to time the market, it can only be prudent to mitigate your risk and reduce your TFSA portfolio's magnitude of volatility such that you won't be put into a spot that'd force you to make a rash decision like selling after a day of triple-digit losses. Fortunately, President Trump has been using the stock market as a gauge of his success, which bodes well for contrarians looking to buy on the dip as we inch closer to an election year.

With our own set of concerns on this side of the border, most notably depressed WCS prices, it's tough to be bullish on Canadian stocks in times of economic warfare. While there are plenty of [deep-value names on the TSX index](#) that possess considerable margins of safety, there are also very vulnerable names that could blow up in your portfolio. In this piece, we'll have a look at a little-known REIT that belong to the former category.

Enter **NorthWest Health Properties REIT** ([TSX:NWH.UN](#)), a 6.63%-yielding owner and operator of health properties, including hospitals, doctor's offices, clinics across Canada, Australia, New Zealand, and Germany. The REIT has been on an absolute tear this year, surging 28% year to date and leaving most stocks and the TSX index in the dust.

While the name has been garnering significant momentum in the first half of the year, shares still aren't exactly what you'd deem expensive, especially when you consider the generational industry-wide tailwind that the REIT is slated to enjoy over the coming decades.

The aging Baby Boomer population bodes well for the demand for health properties, and as the company continues to bolster its property portfolio, I do see a scenario in which AFFO could swell at an above-average rate over time to support generous distribution albeit infrequent hikes.

In a prior piece, I highlighted the fact that NorthWest was not only an attractively valued REIT, but also a REIT that combined a perfect combination of [agility and stability](#) — perfect for any prudent investor's TFSA.

If you're looking to build your wealth gradually over time with a fundamentally sound firm and would rather not trade your way in and out of stocks in these highly uncertain times, NorthWest is the horse to bet on.

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1. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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