



Make \$300 a Month in Passive Income With This Stock

Description

Dividend income is a great way for investors to supplement their income. After all, it's never a bad idea to have a variety of sources of income to help reduce the amount that you need to earn from your day job. If nothing else, it can help add to your savings every month.

The good news is that investors don't have to take on a great deal of risk in order to earn a decent dividend. There are many good and [safe stocks](#) out there that can provide you with some strong returns.

One stock that I find attractive for both its stability and its yield is **NorthWest Healthcare Properties Real Est Investment Trust** ([TSX:NWH.UN](#)). The REIT gives investors a lot of balance and a great way to diversify the way few other stocks can. Normally, a stock can give you good diversification through the industry that it operates in or the parts of the world that it generates sales in.

However, NorthWest gives you both of those elements as the company earns revenue in not just multiple countries, but on four different continents as well. By combining health care and real estate, investors get a unique investment that can generate a lot of growth.

The need for health care properties is only going to increase as populations continue to get bigger and older. With 158 income-producing properties in its portfolio, NorthWest is well-positioned to take advantage of those rising needs. A quick look at the company's financials shows just how strong the growth has been thus far: since 2014, sales have risen around 700%.

From just \$44 million in sales, that number became \$350 million during 2018. However, back in 2014, the company wasn't profitable but this past year NorthWest generated a profit margin of 18.8%.

These are all great signs for investors, as they demonstrate that the company is strong and doesn't look to be in any apparent danger. And with strong free cash flow in recent years, NorthWest is in a good position to continue paying dividends — and potentially increasing them as well.

Currently, the stock pays its shareholders a dividend yielding 6.7% per year, which is definitely above average from what investors can expect from most dividend stocks. For investors to generate \$300 in

dividends from the stock, they would need to invest around \$54,000. That would generate above \$3,600 for the year in dividend income spread over 12 monthly payments.

And if you're looking to make a smaller investment, even buying \$18,000 worth of shares could produce \$100 in dividend income every month.

Bottom line

NorthWest is a very attractive stock not only for its dividend but the value and [growth](#) that it offers investors today. It strikes a good balance for investors and can be a great way for you to add to your portfolio's value while also not taking on much of a risk. Over the past three years, NorthWest's stock has risen by 20%. If you add its dividend on top of that capital appreciation, you've got some great returns to take to the bank.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date

2025/07/05

Date Created

2019/07/11

Author

djagielski

default watermark