



TFSA Investors: Make +\$200/Month by Investing in This 1 Dirt-Cheap REIT

Description

Are you looking for a good, monthly dividend stock that can generate a stable source of cash flow for your portfolio? The one stock that's listed below can not only provide you with dividend income on a monthly basis, but also has the potential to rise in value, as it's trading at some very low multiples.

And if you've got a tax-free savings account (TFSA), you know that you can bank that income — whether it comes from capital gains or from dividends — inside of the account on a tax-free basis. The TFSA gives you a great way to store and accumulate wealth over the years while being able to withdraw the money whenever you need it.

An ideal stock to put in your TFSA is **NorthWest Healthcare Properties Real Estate Investment Trust** ([TSX:NWH.UN](#)). Here are three reasons why it's a great income-generating stock to hang on to for years:

The dividend

There's no beating around the bush on this one as a key reason to invest in this real estate investment trust (REIT) is that it provides shareholders with a terrific payout. Investors who hold the stock today receive \$0.06667 per share every month. With shares of NorthWest trading around \$11.50, that means you'd be earning a dividend yield of close to 7%.

That's a fairly [high dividend](#) — one that can generate about \$2,40 in annual dividends on an investment of \$35,000. And that comes out to a recurring monthly payment of more than \$204/month. Whether you save that money up or use it to help pay your bills, it can help improve your financial position and all you have to do is continue holding onto the stock.

It's a cheap buy

Another great reason to buy NorthWest today is that the stock's trading at just 10 times its earnings and a price-to-book multiple of 1.3. Those are solid ratios for value investors. They not only ensure you

aren't buying at an expensive price and making yourself vulnerable if there's a correction in the markets but it also positions you well if the REIT releases strong earnings results which could send the cheap stock [soaring](#), allowing you to cash in on some great profits along the way.

It's safe

Although it may not be the most popular reason, arguably the most important is that NorthWest's a safe stock to hold right now. The COVID-19 pandemic's putting healthcare in the spotlight right now and just how essential it is around the world. And with NorthWest being in the healthcare REIT business with properties on four different continents, it offers investors a diversified way to invest not just in real estate but also in healthcare.

NorthWest's recorded an operating profit in each of the last 10 quarters and its sales haven't dipped below \$90 million for five straight quarters.

The company has a conference call scheduled for August 24 to discuss its second-quarter results, which will be the first glimpse investors get into how the REIT performed amid widespread shutdowns and lockdowns.

Bottom line

NorthWest is one of the better REITs you can invest in right now and it's a good stock to consider adding to your TFSA today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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

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1. Business Insider
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