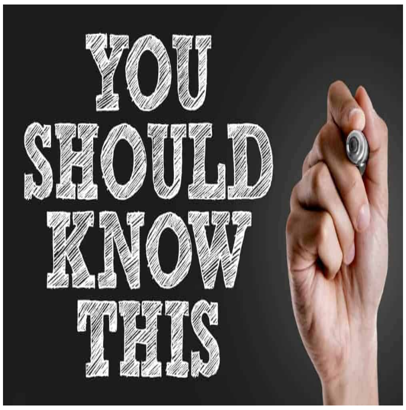

Monthly Income: Why NorthWest Healthcare (TSX:NWH.UN) Is a Must-Buy Now

Description

The healthcare industry is one of those industries that really isn't going anywhere. However, within that industry, there are a lot of ways to invest. During the COVID-19 pandemic, it became apparent that the one area where investors should look is with healthcare properties.

While real estate investment trusts can be great, **NorthWest Healthcare Properties REIT** (TSX:NWH) became one of the best dividend stocks to look for monthly income.

NorthWest stock has become one of the most attractive income stocks if you're a dividend investor. Apart from a high dividend yield, it has several growth projects in the works that should have investors drooling.

So let's look at why you should consider this one of the best dividend stocks to buy today.

Making headlines

NorthWest stock has been on the headlines again and again, mainly for the same reason: acquisitions. The company has been buying up healthcare properties all over the world. The most recent purchase was the $200 million acquisition of medical office buildings in the Netherlands. This was after a $2.6 billion acquisition of the Australian Unity Healthcare Property Trust.

This purchase adds 62 hospitals, medical office buildings, and other healthcare facilities to the company's growing portfolio. It is 98% occupied, with an average lease expiry of 16 years, and a rent growth of 2.5%. The purchase comes with a development pipeline worth $500 million in Australian currency. This acquisition alone makes it one of the best dividend stocks as revenue comes in.

More to come?

NorthWest stock doesn't seem to be stopping any time soon when it comes to acquisitions. The company recently announced a public offering worth over $201 million. This would be in part to help pay for current acquisitions, but also for further acquisitions down the line.

This year alone saw the company raise about $280 million in new equity and reduced leverage, with new acquisitions in Canada and Europe. It now has strong momentum in its global asset management initiatives as well.

The future outlook remains strong as well, as the company eyes not just becoming one of the best dividend stocks but also the leading healthcare real estate asset manager in the world. It’s been expanding and is now eyeing the United States, a major hurdle to strengthen its balance sheet.

Accelerating opportunities

And remember, this was all being done during the COVID-19 pandemic. NorthWest stock proved itself as a strong company, with all properties open and operational to date. The REIT collected 98.6% of rents, improving from last year but only slightly. That’s good news, as it shows the company could continue to collect payment even during a pandemic.

What’s more, the company showed that it can gain government commitment to ensure everyone has access to healthcare services. This means when other REITs are down, NorthWest stock remains strong. So it’s little wonder the company didn’t come close to slashing its dividend, and may soon increase it as well.

That comes from the acquisitions, growing backlog of non-essential treatments and surgeries, and increase in demand for acute healthcare services going forward. NorthWest stock now boasts a 16.2% increase in assets under management over last year, along with a 2% increase in net asset value.

But now, the dividend

This company remains one of the best dividend stocks because of its, well, dividend. It’s a cheap stock with a solid growth strategy and investors should be buying it up in bulk. It’s a solid long-term investment, with a 6.19% dividend yield for today’s investor.

All at a price-to-earnings ratio at an incredible 9.66. So this is one stock you simply don’t want to miss out on.

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alegatewolfe