



## Forget WELL Health (TSX:WELL) Stock: This Stock Pays Better

### Description

**WELL Health Technologies** ([TSX:WELL](#)) has been one of the top [growth stocks](#) on the **TSX** during the pandemic. But even as the pandemic comes to a close, WELL Health stock continues to trend higher and higher.

The \$1.61 billion Canadian telehealth company has become a superstar during the last year, all thanks to the massive shift into telehealth. The pandemic meant patients that needed healthcare could no longer see their physicians and other healthcare professionals in person. Telehealth companies like WELL Health stock provided a means to do this.

But it didn't stop there. WELL Health stock and others became a tool for almost every type of healthcare company. Whether it's physiotherapy or dermatology you're seeking, you can usually have at least an initial appointment online. This saves time, money, and, most importantly, lives. It looks like telehealth is here to stay.

### Why *not* WELL Health stock?

I'm giving Motley Fool Canada investors a lot of reasons to buy WELL Health stock, and I'm not saying it's a bad purchase. Shares of the company are up 5,500% since coming on the market and 203% in the last year alone. WELL Health stock management recently reported record-setting revenue during the latest earnings report, with 150% year-over-year growth.

On top of that, the company has continued its growth-through-acquisition strategy. Most recently, that's included a massive move into the United States. The company is now on the verge of becoming a global operation. That's all good news!

The bad news? It's the price. Sure, WELL Health stock still looks cheap with a \$8.65 share price as of writing. But the growth it's seeing now is bound to start slowing down. But the stock is moving quickly towards overbought territory with a Relative Strength Index (RSI) of 69 (70 is overbought). Meanwhile, its price-to-earnings (P/E) ratio is predicted to be 110.8 for the next 12 months — an *insanely* high amount.

But Motley Fool Canada investors can get similar growth *and* guaranteed income from the growing healthcare industry without investing in WELL Health stock. Instead, consider **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)).

## Stable healthcare growth

NorthWest Healthcare is a strong option for those seeking both growth and [guaranteed income](#). The company is a real estate investment trust (REIT), so 90% of taxable income must be paid out to shareholders, and this usually comes out as dividends. But on top of that, it's in the growing healthcare sector. It's one of the few REITs that actually saw revenue *increase* during the pandemic, as it was a necessary service. So, that means it was able to keep that dividend steady and stable.

Beyond that, with rents coming in the company was also able to expand. Most recently, NorthWest has been expanding in a similar way to WELL Health stock, acquiring more and more businesses. That includes a \$200 million acquisition in the Netherlands and a whopping A\$2.6 billion acquisition in Australia.

Revenue continued to climb for this company, even before it started acquiring businesses. Most recently, NorthWest reported 98.5% international occupancy, with an average lease agreement of 14.3 years! Total assets under management increased by 16.2% year over year as well to \$7.7 billion.

## It gets better...

The best part? The stock is *actually* cheap, both in share price and in fundamentals. Shares currently trade at \$12.75, up 29% in the last year and 130% since coming on the market. And its P/E ratio is an insanely cheap 9.52 as of writing, with an RSI fairly valued at 46. And whereas WELL Health stock could slow down soon, analysts predict a potential upside of 14% in the next year.

Add on top of that something WELL Health stock doesn't have: a dividend yield. Motley Fool Canada investors can currently pick up NorthWest and lock in a dividend yield of 6.19% as of writing. That's guaranteed income of, say, \$1,882 each year from a \$30,000 investment.

For me, it's a no brainer. Sure, WELL Health stock has grown, but that growth will slow eventually. NorthWest, however, will [keeping paying](#) far beyond that time.

## CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance

## TICKERS GLOBAL

1. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
2. TSX:WELL (WELL Health Technologies Corp.)

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