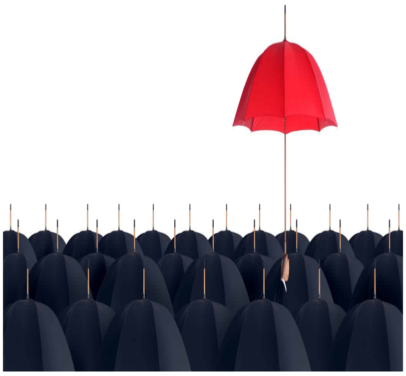

1 Ultra-High-Yield Dividend Stock You'll Regret Not Buying at These Prices

Description

If you're looking for income from a great dividend stock, then real estate investment trusts (REITs) have likely already come to mind. But this has proven not to be the best place to look right now. Retail companies, residences, and other REITs that have typically performed strongly over the long-term are suddenly fluctuating and falling during this downturn.

Today, I'm going to discuss one dividend stock that may be down for now but is still a superior choice in today's market.

NorthWest REIT

If there's one stock that I continue to drip feed into these days, it's dividend stock **NorthWest Healthcare Properties REIT** (TSX:NWH.UN). This company has long given me the best bang for my buck, providing an ultra-high dividend yield since it came on the market a few years ago.

Now, this stock has yet to raise its dividend. Even still, it's managed to keep the yield above 6%. That, to me, means investors who haven't considered this REIT continue to miss out on an amazing opportunity for growth and income.

So, let's get into why that is.

Growth

NorthWest has been growing its property portfolio for the last several years. Rather than feed more cash into the dividend, it's using it to acquire property after property, including a REIT in Australia! It now has a diverse set of properties, with a mix of every type of healthcare property. Whether it's a hospital or parking garage, NorthWest will buy it.

This has been the REIT's approach over the last few years. It now has a 232-property portfolio, supported by long-term lease agreements that average 14.1 years. During its last earnings report, the company showed just how strong it remains, even with rising interest rates and inflation.

Revenue was up 24% to $111.8 million year-over-year in the second quarter, with a 97% occupancy rate, and assets under management (AUM) reaching $10.2 billion, a 22.9% increase.

Income

These great results mean that the REIT's income is likely to continue growing even in the face of a recession. Currently, you can pick up the dividend stock with a yield of 7.61%. That's enormous by any standards! And it's far higher than the average yield for NorthWest stock of around 6%.

To give you an example of the extent of this growth, let's first look at the REIT's fundamentals. Then, we'll take a look at just how much income you could pick up now, compared to 52-week highs.

NorthWest currently trades at just 6.15 times earnings, and 0.99 times book value. That puts it well within value territory. Further, it boasts a debt-to-equity ratio of 88.37% as of this writing. Therefore, it would only take 88.37% of its equity to cover *all* of its debts. This puts it in a strong financial position.

Now, if you were to pick up $10,000 in NorthWest today, you would bring in annual income of $743. If you were to have done this at 52-week highs, that income would drop back to $554! That's almost $200 extra per year, divided up monthly.

Bottom line

If you need extra cash in this environment, you should consider NorthWest stock. It provides stellar income, a strong balance sheet, and a growth portfolio that remains unparalleled. So, if you want income at a great price, then this is the time to invest.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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

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