



## Ready to Retire? Turn \$30,000 into \$1 Million in 26 Years

### Description

Canadians who are nearing retirement certainly want to start thinking about that goal sooner as opposed to later. This can prove difficult if all retirees are doing is simply putting cash aside, but not investing it. But it's a difficult decision. Where should you put cash to invest? And how can you reach your financial goals as soon as possible?

Today I'm going to be looking at how investing in strong sectors with long-term potential can certainly help you reach those retirement goals. In fact, if you have \$30,000 to invest, you could turn it into \$1 million in just a few years.

Note that I am certainly not saying that you should put all your money into one stock. Instead, this example can help investors when seeking financial advice on which stocks to invest in.

### Pick the right stock

If you are going to look at stocks to invest in, it's important to seek out ones that are likely to continue paying out passive income for decades. You want to ensure that your retirement funds will continue to pay out when you're 60, 70, and 80 years old. Not suddenly disappear.

This is why [real estate](#) can be a solid option. These companies often have lease agreements that are over a decade long! Because of this, they can continue to increase dividend yields, and thusly the value of their portfolio with that solid cash coming in.

But again, you need to find the right stock. Even in real estate, there's a lot of different types to look at. For me, I would consider essential properties that will continue to be around well into the future.

### What will we always need? Healthcare

A top choice then would be healthcare properties. Healthcare proved to be one of the essential services to remain open even during the darkest times of the pandemic, for obvious reasons. It also

showed during this time that we are severely lacking in healthcare properties, so there could be a boom on the way.

But even if there isn't, you can lock in healthcare real estate investment trusts (REIT) and get long-term passive income from these properties. Healthcare companies don't simply come and go, as hospitals are likely to be around for decades, for example. As are office buildings, and even parking garages.

This is why I would recommend looking at **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)). While it may be a new REIT, it certainly has the potential for long-term income. Plus, that dividend yield is super high right now with the recent downturn, offering up a 7.37% [dividend](#) yield. Furthermore, it comes out every month, just like a pay cheque.

## Make it to a million

If your goal is \$1 million, and you have \$30,000 available to invest in NorthWest stock, we can now look at how long it might take you to reach that goal. Today, a \$30,000 investment would buy up 2,720 shares in NorthWest. That would automatically create passive income of \$2,176 annually as of writing.

Let's say you then reinvested that passive income into NorthWest stock, and did this again and again. In the next year, we could see shares return to pre-fall prices. That alone could change your \$30,000 into \$39,168. From there, you again reinvest your income. Here's how that shakes out.

In this scenario, it would take you 39 years to reach \$1.02 million. Now if you're hoping to retire sooner, while reinvesting dividends, you could try adding just \$5,000 per year. In this case, that cuts down your time to just 26 years! By then, you would have \$1.08 million, providing you with annual passive income of \$20,739 at these rates.

### CATEGORY

1. Bank Stocks
2. Investing

### TICKERS GLOBAL

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

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