



For \$100 in Passive Income Each Month, Buy 1,500 Shares of This REIT

## Description

During bear markets, it might be difficult for investors to buy the dip. The volatility and declines associated with broader market selloffs can make even the most disciplined investor extremely nervous. But investing in the stock market remains the best bet for long-term investors, given the ability of this asset class to consistently generate inflation-beating returns.

Further, investing in dividend stocks can also allow investors to create a recurring stream of income with a small amount of capital. Here, let's see how you can invest in quality dividend-paying companies to generate \$100 in passive monthly income.

## Northwest REIT

**Northwest** ([TSX:NWH.UN](#)) is a real estate investor and asset manager. This [real estate investment trust](#), or REIT, has more than \$10 billion of assets under management. It owns and operates a portfolio of over 230 properties in Canada, the United States, Brazil, Australia, New Zealand, the United Kingdom, and the Netherlands.

Part of a recession-resistant sector, Northwest Healthcare operates properties in some of the most desirable urban centres. These properties include core infrastructure hospitals, specialty hospitals, ambulatory care centres, multi-tenant medical office buildings, and other assets.

Its portfolio of cash-generating assets is backed by long-term leases indexed by inflation and stable occupancies. Northwest has invested in countries with robust healthcare services that enjoy generous government funding, resulting in strong demand for its properties.

## An attractive dividend yield

Investing in this globally diversified REIT will provide investors exposure to a defensive asset class and necessity-based tenancies. Northwest is well poised to capitalize on strong healthcare and demographic trends in the countries where it operates. Its leases are long term in nature, with a

weighted-average lease expiry of 14 years.

COMPANY	RECENT PRICE	NUMBER OF SHARES	DIVIDEND	TOTAL PAYOUT	FREQUENCY
Northwest Healthcare REIT	\$10	1,500	\$0.067	\$100.5	Monthly

Northwest Healthcare REIT pays investors a monthly dividend of \$0.067 per share, translating to a tasty dividend yield of 8%. So, if you want to earn \$100 in monthly dividend income or \$1,200 in annual dividends, you should buy 1,500 shares of the REIT. Northwest stock is priced at \$10, and 1,500 shares will help you earn \$100 in monthly dividend income.

In addition to its high dividend yield, NWH stock is also priced at a discount of 23% to consensus price target estimates.

Northwest ended the third quarter (Q3) of 2022 with 233 properties compared to 197 properties at the end of 2021. This expansion of its asset base has allowed Northwest to increase revenue to \$115.78 million in Q3 compared to \$96.36 million in the year-ago period. Its net operating income also rose from \$74.7 million to \$89.5 million in this period.

## What's next for this REIT?

Northwest REIT aims to provide sustainable and growing cash distributions to investors via its investment in healthcare real estate. It is also focused on capitalizing on growth opportunities within its existing portfolio as well as accretive acquisitions in target markets.

This article is just an example of how investors can use dividends to create a passive-income stream. For most Canadians, investing \$15,000 in a single stock will seem extremely risky. So, you should identify similar high-yield dividend stocks trading on the TSX and create a portfolio of quality companies to benefit from a recurring stream of passive income.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

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

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## Date

2025/08/25

## Date Created

2023/01/29

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