



Passive-Income Investors: This High-Yield Stock Yields 8.21%

Description

Looking for income *and* growth? While you may have to wait a bit with this dividend stock, passive income investors should certainly seek it out. Right now, you can lock up an 8.21% [dividend](#) yield at these prices! And that can add up quickly. So let's look at a passive income stock you might want to pick up today.

NorthWest Healthcare REIT

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) hasn't been on the market long, but its passive income has certainly put it at the top of the list. The dividend stock pays an \$0.80 annual dividend that is distributed [each month](#). That hasn't changed since it came on the market, but the REIT has been pretty busy since then.

NorthWest stock, as it says in the name, is a healthcare properties stock. This means it invests in healthcare properties of every kind. Whether it's hospitals or office buildings, family doctor offices or parking garages, if it's related to healthcare it will invest in it.

And I mean that in a *big* way. The dividend stock has grown immensely since coming on the market. It continues to pick up healthcare properties located around the world, but has also invested in healthcare trusts such as one in Australia. The company now has a market capitalization of about \$2.4 billion, as of writing. So it's no small potatoes.

New means it's a deal

Here's the thing. Because NorthWest REIT is still new, it doesn't have a lot of history to look back on. I mean that both in terms of how it's grown its share price, as well as its dividend. As I mentioned, the company has yet to increase its dividend. Yet, with a yield at 8.21%, you're not going to find many that are much higher.

But there has been a lot of share growth. That is, if you look at its initial public offering to date. Since

that time, shares are up 94%. That's almost double when it came on the market, which is pretty great. It now boasts a compound annual growth rate (CAGR) of 8.9%. Yet right now, it's a steal!

That's true in a few ways. First off, shares are down about 28% since reaching all-time highs back in March 2022. NWH.UN trades at just 8.4 times earnings and 0.98 times book value. And it would only take 93.6% of its equity to cover all debts.

Bring in passive income each month

So now, since you can get this solid company at a steal, I would put a chunk towards this passive income stock and look forward to dividends coming in each and every month. What's more, it's important to note that this is a great long-term hold. You have the security of healthcare on your side – healthcare offering properties that sign on for lease agreements averaging 14 years!

Now let's see what would happen if you were to pick up NorthWest stock today and invest \$20,000. What's more, let's then say the stock goes back to 52-week highs. Let's see what your returns might be.

COMPANY	RECENT PRICE	NUMBER OF SHARES	DIVIDEND	TOTAL PAYOUT	FREQUENCY	TOTAL INVESTMENT
NWH.UN-now	\$9.73	2,055	\$0.80	\$1,644	monthly	\$20,000
NWH.UN-52-week high	\$14.42	2,055	\$0.80	\$1,644	monthly	\$29,633.10

As you can see, in about a year, you could have added over \$10,000 to your portfolio, if you include dividends! So lock in this passive income each month now, and see your shares return to former glory.

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