

## 2 Top Dividend Stocks With Yields Above 10%

### Description

The COVID-19 pandemic has created some great buying opportunities in the hard-hit sector of real estate.

While many investors are turning their backs on real estate right now, investors willing to wade into this sector have their choice of high-quality stocks selling at a massive discount. The drop in prices has driven up the yields of real estate investment trusts (REITs), creating an opportunity for income investors.

Here are two high-quality REITS with current yields above 10%.

### PRO Real Estate Investment Trust

Shares of **PRO Real Estate Investment Trust** ([TSX:PRV.UN](#)) are trading far below their pre-pandemic level. Like many stocks in this sector, [PRO tanked almost 70% from peak to trough](#). As of this writing, the stock is trading at \$4.50. At this stock price, the dividend yield is a whopping 10.23%.

PRO maintains four types of investment properties throughout Canada. These include industrial, retail, office, and commercial mixed-use properties. Last year, the company's portfolio of assets totalled \$634.7 million. The company's occupancy rate grew to 98.4% in its third straight year of growth.

Although the fate of the company's retail properties is a long way from being determined, the company's industrial properties should continue to perform well.

Prior to the pandemic, the demand for industrial real estate was already exceeding supply due to the massive popularity of online shopping. The three-month closure of most retail establishments has dramatically increased this demand.

E-commerce companies require large logistic operations to support inventory, packaging, and delivery requirements. These square footage requirements are far greater than the square footage needs of traditional brick-and-mortar tenants.

The low volume of industrial real estate coupled with rising demand has created a growing shortage of appropriate properties. As the popularity of online shopping continues to surge, the demand for industrial properties will grow, causing prices and rents to rise. This is good news for REITs like PRO, with plenty of industrial properties in their portfolio of assets.

### Simon Property Group

American commercial real estate company **Simon Property Group, Inc** ([NYSE:SPG](#)) operates more than 200 properties. It is the largest retail REIT and the largest shopping mall operator in the U.S.

While most of its properties are located in the United States, the company also maintains several international locations, including four premium outlet locations in Canada.

The company made headlines last week when it was reported that it is in talks with partners to purchase bankrupt department-store chain **J.C. Penney Company**. Bloomberg reported that Simon may team up with Authentic Brands Group LLC and **Brookfield Property Partners LP** [to acquire J.C. Penney](#) as part of its court reorganization.

Brookfield, the second-largest U.S. mall operator after Simon, had announced in May the creation of a US\$5 billion fund to buy stakes in retailers.

As of this writing, shares of Simon Property Group are trading at US \$67.12. The current dividend yield is 11.84%.

## The bottom line

For income investors, there may be no better time to invest in high-quality REITs selling at a steep discount from their pre-COVID prices.

While their stock price may be volatile for some time, the hefty dividend from PRO REIT and Simon Property Group should keep investors happy while they wait on the retail sector to settle out from the pandemic.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:SPG (Simon Property Group, Inc.)
2. TSX:PRV.UN (Pro Real Estate Investment Trust)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
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### Date

2025/08/25

### Date Created

2020/06/25

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