



## Diversify Your Portfolio With This Healthcare Stock

### Description

Health care stocks are some of the most [lucrative long-term holdings](#) that an investor can buy into today. One area in particular that is set to grow substantially over the next few decades is long-term senior care.

**Sienna Senior Living Inc.** ([TSX:SIA](#)) is an interesting pick in the sector that is a worthy addition to nearly any portfolio.

Let's talk a little about why this company, which is relatively unheard of, is such a great investment.

### We're getting older — and Sienna provides more tools to help us

One of the things that just about everyone knows, but that we fail in turn to realize the impact of, is the fact that we are living longer and have access to a greater wealth of technology and medical devices and procedures than ever before.

Canada's aging population is just one factor that has created a unique opportunity for companies like Sienna to cater to the needs of seniors. The changing dynamic of families is another.

People are working longer and harder than ever before, which leaves little time for families to care for their aging parents. Adding to this is the fact that people are getting married and having children at later ages, and parents are increasingly looking for options without burdening their families.

This is where Sienna comes into play, offering both short- and long-term solutions to care for seniors. Unlike the typical senior home that is a long-term solution, short-term care options provided by Sienna are a unique solution that allows seniors to temporary move-in to get the assistance they need while waiting for some other long-term solution such as a surgery or procedure. This can also extend to post-hospital stays, where a senior may not be ready to move back home.

This is just one reason that Sienna's occupancy rate continues to remain above 95%, and in the most recent quarter the average occupancy remained at 97.9%

Despite that impressive occupancy rate, Sienna continues to expand, primarily through acquisitions. In the most recent quarter, the company announced that a previously noted acquisition of 10 residences in Ontario that collectively comprise 1,245 private-pay suites was completed; this past spring Sienna announced the acquisition of an additional 16% share in the B.C.-based Glenmore Lodge, bringing Sienna's share to 77%.

### What about results?

In the most recent quarter, Sienna reported \$145.4 million in revenue, thereby reflecting an improvement of 8.5% over the same quarter in the prior year. One common concern of Sienna is that of the company's debt, and during the most recent quarter, Sienna appeased shareholders by dropping its debt-to-book value by 210 basis points to 50.3%.

Perhaps one of the most intriguing reasons to consider Sienna as an investment stems from the impressive dividend that the company offers. The current monthly dividend provides an appetizing 5.58% yield, which as of the most recent quarter had an impressive payout level of just 63.6%.

Sienna currently trades at below \$16.50 per share at the time of writing, and in my opinion, is an excellent long-term [investment to diversify](#) any portfolio.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:SIA (Sienna Senior Living Inc.)

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