Sienna Senior Living Inc. (LWSCF)

Updated May 11th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$16.93	**5 Year Annual Expected Total Return:**	-1.4%	**Market Cap:**	$1.77 B
Fair Value Price:	$12.36	**5 Year Growth Estimate:**	0.0%	**Ex-Dividend Date:**	04/30/2026
% Fair Value:	137%	**5 Year Valuation Multiple Estimate:**	-6.1%	**Dividend Payment Date:**	05/15/2026
Dividend Yield:	4.1%	**5 Year Price Target**	$12.36	**Years Of Dividend Growth:**	0
Dividend Risk Score:	F	**Sector:**	Health Care	**Rating:**	Sell

Overview & Current Events

Sienna Senior Living provides senior housing and long-term care (LTC) services in Canada. The company offers a range of seniors' living options, including independent and assisted living, memory care, long-term care, and specialized services, as well as management services. As of its latest report, Sienna owned and operated a total of 93 senior living residences, including 46 retirement residences and 47 long-term care communities. The company also manages 12 additional residences, bringing its total portfolio to 105 properties. Sienna generated $732 million in revenues last year and is based in Markham, Canada.

It's worth noting that while its operations involve heavy use of its real estate assets and reports AFFO (Adjusted Funds from Operations) instead of EPS, the company has not registered itself as a REIT. Additionally, the stock was originally listed on the TSX (Toronto Stock Exchange). All numbers in this report have been converted to USD unless otherwise noted.

On May 5th, 2026, Sienna posted Q1 results for the period ending March 31st, 2026. Revenues on a proportionate basis grew 17.3% year-over-year to approximately $210.2 million, driven by acquisitions, occupancy gains, rental rate hikes, higher care revenue, and LTC funding increases. AFFO increased 45.1% year-over-year to about $25.8 million, supported by higher OFFO and construction funding income, partly offset by increased maintenance capex. AFFO per share rose 23.5% to $0.25.

Management remains constructive on Canadian senior living, supported by demographic tailwinds and limited new supply. For 2026, they expect Retirement Same Property NOI growth above 10% and LTC growth in the low-to-mid single digits, with additional momentum from roughly $138.0 million of acquisitions closed or under contract year-to-date. To be prudent and account for any FX headwinds, though, we expect AFFO/share of $1.03.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
AFFO/Share	$1.13	$1.15	$1.05	$1.01	$0.82	$0.85	$0.70	$0.84	$0.93	$0.87	***$1.03***	***$1.03***
DPS	$0.67	$0.72	$0.66	$0.71	$0.74	$0.74	$0.69	$0.71	$0.65	$0.68	***$0.69***	***$0.69***
Shares[1]	40.5	47.3	63.8	66.5	67.0	67.0	71.6	73.0	76.3	91.6	***106.1***	***120.0***

Sienna Senior Living's AFFO/share has been slowly but gradually growing in its original CAD reporting. However, due to the deprecation of the Canadian Dollar against the U.S. dollar during some years, American investors have seen slightly weaker financials. The same applies to DPS, which the company pays out on a monthly basis. Since 2010, DPS on the TSX has gradually grown from C$0.071 per month to C$0.078 as of now. However, shares trading over the counter (OTC) have suffered FX fluctuations, resulting in lower dividends over time. While we expect the company to slightly grow its AFFO following occupancy levels returning to normal and new sites under development coming online, we estimate 0% growth in both AFFO/share and DPS going forward. This is to be prudent against an inflationary environment with rising

[1] Share count is in millions.

interest rates, which could negatively affect both the company's operating and financial expenses. FX effects could also sway results either way, hence our neutral stance.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
P/AFFO	11.7	11.3	12.9	14.1	13.7	14.1	14.5	10.4	8.8	19.4	***16.4***	***12.0***
Avg. Yld.	5.1%	5.1%	5.0%	5.1%	5.1%	6.0%	6.8%	8.6%	6.9%	4.1%	***4.1%***	***5.6%***

Investors have priced shares with a relatively low multiple over the years. The company has been able to produce resilient results and even grow its dividend slowly, but gradually in CAD$ terms. Given that rates remain high and that Sienna lacks meaningful growth prospects on a per-share basis in our view, so we have set our fair multiple at 12. The current P/AFFO of 16.4 likely overvalues Sienna's prospects. The 4.1% yield is notable, and should contribute most of the stock's expected future returns.

Safety, Quality, Competitive Advantage, & Recession Resiliency

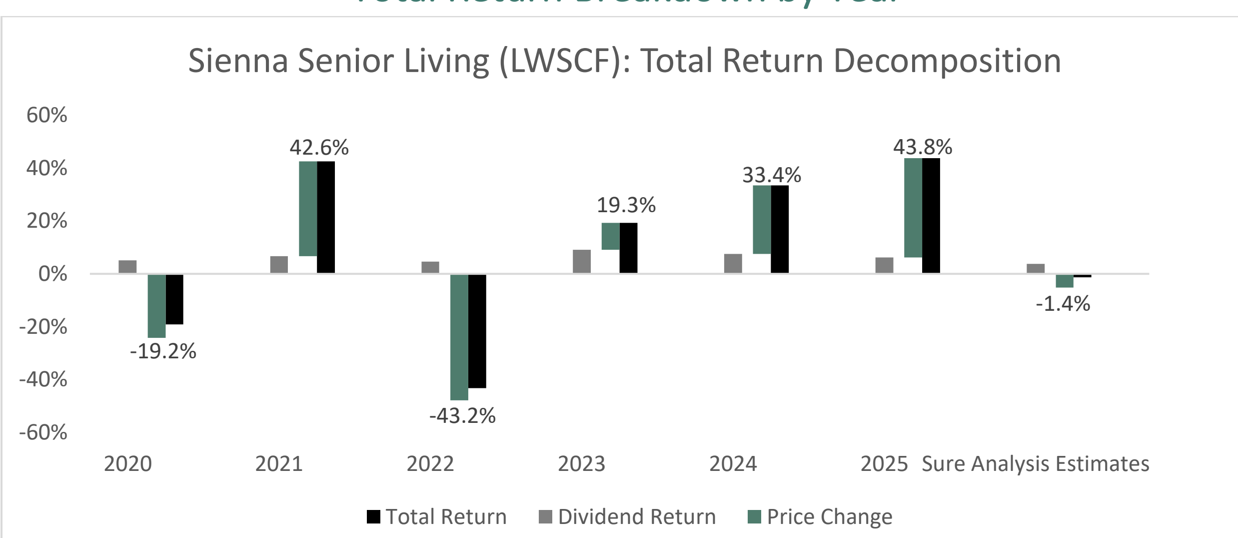
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	59%	63%	63%	70%	90%	87%	99%	85%	70%	78%	***67%***	***67%***

Sienna Senior Living's dividend should remain covered for now. DPS fluctuations have been entirely due to CAD/USD fluctuations, as management has been increasing DPS throughout the years. While the company doesn't hold any significant competitive advantage, its robust revenue generation during the adverse environment caused by COVID-19 showcases a likely strong performance amid a prolonged future recession. Additionally, its Ontario and British Columbia residents, which comprise the majority of its rental revenues, received full funding for vacancies from the Canadian government during the pandemic. This was reflected in its near-perfect collection rates historically. Government funding is likely to be resumed during any potential shock in the economy, shielding the company. Sienna's liquidity now stands at nearly $409 million, while its average cost of debt increased slightly year-over-year to 3.9%.

Final Thoughts & Recommendation

Sienna Senior Living is a conservatively managed company providing relatively stable returns to its shareholders. Due to the lack of sufficient growth catalysts both in its AFFO/share and DPS and the possibility of notable valuation headwinds ahead, we forecast insufficient return prospects in the medium-term. Shares earn a sell rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	376	430	495	505	496	533	552	582	652	719
SG&A Exp.	14	16	16	19	15	23	25	23	25	28
D&A Exp.	30	29	55	58	58	42	36	37	37	42
Operating Profit	30	46	46	41	21	48	38	46	75	70
Operating Margin	8.0%	10.8%	9.3%	8.2%	4.2%	9.0%	7.0%	7.9%	11.6%	9.7%
Net Profit	9	17	8	6	(18)	16	8	5	28	32
Net Margin	2.3%	3.8%	1.5%	1.1%	-3.7%	3.1%	1.5%	0.9%	4.3%	4.5%
Free Cash Flow	29	35	34	49	37	45	37	46	(0)	(32)
Income Tax	2	5	2	4	(7)	6	0	2	11	12

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	893	1,109	1,287	1,296	1,316	1,262	1,238	1,278	1,296	1,851
Cash & Equivalents	20	15	17	16	75	23	28	18	89	87
Accounts Receivable	6	6	8	10	14	17	13	12	13	14
Goodwill & Int. Ass.	229	279	319	307	290	285	263	273	251	279
Total Liabilities	671	794	870	890	965	944	918	996	961	1,326
Accounts Payable	55	65	72	24	30	42	33	40	43	46
Long-Term Debt	557	670	746	759	810	745	721	759	705	1,040
Shareholder's Equity	223	315	417	406	351	318	320	282	335	525
LTD/E Ratio	2.50	2.13	1.79	1.87	2.31	2.34	2.25	2.69	2.11	1.98

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.1%	1.6%	0.6%	0.4%	-1.4%	1.3%	0.7%	0.4%	2.2%	2.0%
Return on Equity	4.9%	6.1%	2.1%	1.4%	-4.8%	4.9%	2.6%	1.7%	9.1%	7.4%
ROIC	1.2%	1.9%	0.7%	0.5%	-1.6%	1.5%	0.8%	0.5%	2.7%	2.5%
Shares Out.	40.5	47.3	63.8	66.5	67	67	71.6	73	76.3	91.7
Revenue/Share	8.70	8.60	7.64	7.59	7.40	7.95	7.72	7.97	8.54	7.85
FCF/Share	0.67	0.70	0.53	0.73	0.55	0.67	0.52	0.64	(0.00)	(0.35)

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.