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April 8, 2011

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Mr. Dale Galassie
Chairman
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street--2nd Floor
Springfield, IL 62761

Re: Pleasant View Lutheran Home,
Project No. 08-081 (the "Project")
Request for Renewal
Pleasant View Luther, Inc. and Lutheran Life Communities
(the "Permit Holders")

Dear Chairman Galassie:

On March 10, 2009, the Illinois Health Facilities and Services Review Board granted a permit ("Permit") for an extensive modernization of our home in Ottawa. We now seek a permit renewal for this Project from the original completion date of May 31, 2011 to November 30, 2012. This is our first request for a permit renewal.

Project Overview and Status

We timely obligated our Project on July 15, 2010 with the signing of a Guaranteed Maximum Price (GMP) construction contract. The Project has proceeded steadily since.

As the Board well knows, during the period immediately following the Board's approval of this Project financing for projects such as this became very difficult to obtain on favorable terms. As we reported on our April 9, 2010 annual report, we had been advised by our financial advisors to delay the Project financing until conditions improved. We noted then that a delay in financing may necessitate our seeking a Permit Renewal. To meet the new lending challenges we separated our Project into three Phases; Renovation of the Existing Skilled Facility (Phase 1), construction of the Assisted Living portion of the Project (Phase 2), and construction of portions of the Project, including a chapel and administrative space (Phase 3). In September 2010, we successfully issued \$16,695,000 of tax-exempt bonds through the Upper Illinois River Valley Development Authority to finance Phase 1 and Phase 2 of the Project.

*Vibrant, grace-filled living
across all generations*

Since the issuance of the bonds the Project has been proceeding well. Phase 2, construction of the Assisted Living, is nearly complete and we anticipate our first residents moving in only three weeks (by May 2). We further anticipate completing the modernization of the existing skilled facility by August 15, 2011. Phase 3 of the Project involves the construction of components such as the chapel, administrative space, canopy and other space. Construction of this space has been delayed until the completion of Phase 1 and Phase 2. We anticipate the following remaining schedule for completion.

Completion of Phase 1:	August 15, 2011
Completion of Phase 2:	May 2, 2011
Securing Financing of Phase 3:	January 2012
Begin Construction of Phase 3:	February 2012
Completion of Phase 3:	November 2012

Concurrent with filing this Permit Renewal request, we are also filing our Annual Progress Report. Our Project status is outlined in greater detail in that report and is attached for your convenient reference to this report.

Requested Completion Date

We ask the Board for a Permit Renewal to November 30, 2012.

Statement as to Reasons why the Project has not been Completed

As noted in both our 2010 and 2011 annual reports, the national economic situation created a challenging situation for financing. Despite the difficult lending environment we have been able to proceed with our Project. Initial delays with this Project have resulted strictly from the lending climate.

Project's Cost and Scope

The Project's cost and scope remain in compliance with what the Health Facilities and Services Review Board approved. With the subsequent financing arrangements discussed above for Phase 3, sufficient financial resources are available to complete the Project. As noted in the Annual Progress Report, we anticipated that there may be cost increase (of less than 5%) and as costs for Phase 3 are ascertained we will likely pursue a permit alteration with the Board to reflect the increased amounts.

Enclosed please find the required \$500 application fee. Please let me know of any questions on this material, or if additional information needs to be provided.

Permit Renewal Request
Project No. 08-081
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Sincerely,



James Holbrook

Enclosures (\$500 Application Fee)
April 8, 2011 Annual Progress Report

cc: Ms. Courtney Avery, Administrator
Mr. Mike Constantino, Supervisor of Project Review
Mr. Kevin Madalinski
Mr. Joe Ourth

Ill Dept of Public Health

Vendor Code: 008147

Invoice No.	Description	Date	Amount	Discount	Withheld	Net Amount
411	CON Renewal	04/08/2011	500.00	0.00	0.00	500.00

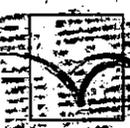
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HEALTH FACILITIES & SERVICES REVIEW BOARD

Check Date: 04/08/2011	Check #: 0000061183	Totals:	500.00	0.00	0.00	500.00
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PleasantView - PleasantView



Pleasant View

A Lutheran Life Community

505 College Avenue, Ottawa, IL 61350

Pay to the order of

Ill Dept of Public Health
Permit Renewals &
28-081 Pleasant View Lutheran Home

Chicago, IL

70-2380
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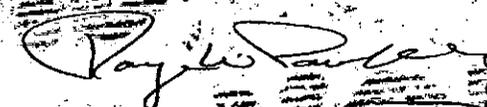
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April 08, 2011

***Five hundred and 00/100 dollars

\$*****500.00

TWO SIGNATURES REQUIRED OVER \$10,000.00.



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Security features included. Details on back.