



Pleasant View
A Lutheran Life Community

July 12, 2012

RECEIVED

JUL 13 2012

HEALTH FACILITIES &
SERVICES REVIEW BOARD

VIA FEDERAL EXPRESS

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

Re: Pleasant View Luther Home
Project No. 08-081 (the "Project")
Request for Renewal
Pleasant View Luther Home, 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. On April 18, 2011, we requested a permit renewal for the Project to extend the original completion date to November 31, 2012, which was granted by the Board. We now seek a second permit renewal for this Project to extend the completion date until November 31, 2013.

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 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*

505 College Avenue · Ottawa, IL 61350
(815) 434-1130 · fax (815) 434-3838
www.pvOttawa.org

Since the issuance of the bonds, the Project has been proceeding well. Both Phase 1 and Phase 2 have been completed. 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 because of the delay in the completing Phase 1 and Phase 2. We anticipate the following remaining schedule for completion:

Completion of Phase 1:	August 24, 2011
Completion of Phase 2:	April 11, 2011
Securing Financing of Phase 3:	January 2013
Begin Construction of Phase 3:	February 2013
Completion of Phase 3:	November 2013

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.

Request Completion Date

We ask the Board for a Permit Renewal to November 30, 2013.

Statement as to Reasons Why the Project Has Not Been Completed

As noted in both our 2010, 2011 and 2012 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 and successfully complete Phase 1 and Phase 2. Initial delays with this Project have resulted strictly from the lending climate.

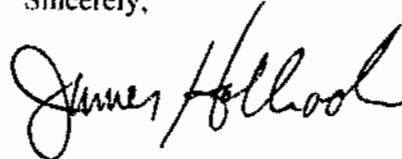
Project's Cost and Scope

The Project's cost and scope remain in compliance with what the Health Facilities and Services Review Board approved in our original permit. 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 a cost increase (of less than 10%) and as costs for Phase 3 are ascertained, we will likely pursue a permit alteration with the Board to reflect the increased amounts.

Permit Renewal Request
Project No. 08-081
July 12, 2012
Page 3

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.

Sincerely,

A handwritten signature in cursive script that reads "James Holbrook". The signature is written in black ink and is positioned above the printed name.

James Holbrook

JH:jmp

Enclosures: \$500.00 Application Fee
July 12, 2012 Annual Progress Report

cc: Ms. Courtney Avery, Administrator
Mr. Mike Constantino, Supervisor of Project Review
Mr. Kevin Madalinski
Andrew P. Tecson

CHUHAK & TECSON, P.C.
IMPREST ACCOUNT
30 SOUTH WACKER DRIVE, SUITE 2600
CHICAGO, IL 60606

mb financial Adrian, MO 65221
bank va
2-173-710



12953

07/12/2012

ILLHEA

DATE

AMOUNT

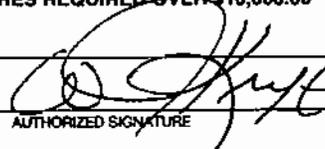
Five hundred and NO/100

\$500.00

PAY
TO THE
ORDER
OF

THE ILLINOIS HEALTH FACILITIES AND SERVICES
REVIEW BOARD

2 SIGNATURES REQUIRED OVER \$10,000.00



AUTHORIZED SIGNATURE

08-081 Pleasant View Luther Home -
Renewal

⑈012953⑈ ⑆071001737⑆ 1620009318⑈

FD Security features. Details on back.