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[Illinois Senior-Living Default Spurs Bondholders to Hire Adviser.](#)

- **FTI hired as adviser for holders of \$150 million of munis**
- **Lutheran Life Communities owns three facilities in Illinois**

Investors holding about \$150 million of municipal bonds issued to refinance debt of an Illinois senior-living operator hired a financial adviser after the non-profit defaulted on a separate series of obligations.

Majority holders of the non-rated debt sold in 2019 on behalf of Lutheran Life Communities hired FTI Consulting, Inc. to advise on a potential long-term forbearance or debt restructuring, according to a securities filing Wednesday. Lutheran Life operates three continuing care communities in Illinois and one in Indiana.

The hiring came after the non-profit failed to make an Aug. 1 payment on about \$25 million of floating-rate debt that was also sold in 2019. A May filing shows that First Midwest Bank, which merged with Old National Bancorp. in 2022, held that portion as of March 31. Kathy Schoettlin, a spokesperson for Old National, didn't respond to a request for comment.

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