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New Jersey College Asks Bondholders to Borrow Against Mortgage.

- **School would be able to borrow more if Princeton campus sells**
- **Effort shows struggle of small schools facing enrollment pinch**

Rider University, a small college outside of Trenton, New Jersey, is trying to raise additional funds to help an ongoing liquidity crunch.

College officials asked bondholders for permission to borrow against the mortgage on the school's main campus in Lawrenceville, New Jersey, according to a bond filing dated Friday. If approved, the move would free up much-needed cash for Rider in the short-term.

"In the spirit of good partnership with our current bondholders, we have been in discussion with them regarding this, and we understand that a majority of them are willing to consent to the amendment," said Kristine Brown, a spokesperson for the school.

The proposal shows the mounting challenges for small schools to make ends meet as they contend with declining enrollments and rising costs. Those pressures have driven colleges across the US to close or merge, while pushing others into new lines of business like online education, adult learning and monetizing real estate.

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By Nic Querolo

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