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US Colleges' Debt Strains Mount in One of Worst Years Since 2009.

- **15 schools have disclosed technical, payment defaults in 2024**
- **College impairment tally approaches 2023 total of 17: MMA**

The challenging economics of higher education in the US are squeezing the finances of colleges and universities, driving more of them to struggle to pay their debt.

Fifteen institutions have disclosed new technical or payment defaults this year, according to data from Municipal Market Analytics. That's already just shy of last year's total of 17, the largest number of impairments — as such events are called — since at least 2009, coming in at more than twice the previous record.

The strains highlight the widening gap between the sector's haves and have-nots, as stronger universities with large endowments and brand recognition thrive while more regional institutions contend with rising costs and a steep competition for students. Weaker schools recovering from the stress of the pandemic are also facing other pressures, such as student-aid-processing delays.

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Bloomberg Markets

By Nic Querolo

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