

#U.S.

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Dowling becomes rare nonprofit college to file for bankruptcy

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WILMINGTON, Del. (Reuters) - Dowling College became a rare nonprofit college to file for bankruptcy on Tuesday after the liberal arts school near New York lost its academic accreditation in August and closed its doors after 48 years.

The college has suffered from sinking enrollment and defaulted last year on \$54 million in debt that was issued through local government agencies.

Dowling joins several for-profit colleges, such as ITT Educational Services and Corinthian Colleges, that have filed for bankruptcy in recent years after losing access to U.S. government-backed financial aid programs.

Dowling announced earlier this year that efforts to find a partner to rescue the school had fallen through and began helping its more than 1,500 students to find other institutions to complete their education.

The school offered dozens of majors and specialized in the arts and sciences, aviation, education and business, and offered graduate degrees.

The college has hired real estate firms, including A&G Realty Partners to sell its waterfront campus property in Oakdale in eastern Long

Island, according to court documents. Real estate in Shirley, New York will be marketed next year.

“The (Oakdale) property is already zoned residential and is ideal for continued use as an educational institution or redevelopment into residential or other uses,” Andy Graiser, co-president of A&G Realty, said in a statement.

Morris Brown College in Atlanta filed for bankruptcy in 2012. Other financially struggling nonprofit colleges have closed or merged with stronger institutions.

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