NEW ISSUE - BOOK-ENTRY ONLY **RATING: See "DESCRIPTION OF RATING" herein.**

In the opinion of McCarter & English, LLP, Bond Counsel, under existing law and assuming continuing compliance with certain tax covenants and provisions of the Internal Revenue Code of 1986, as amended (the "Code"), (i) interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes under the Code, and (ii) interest on the Series 2017A Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Pursuant to Section 61(a)(4) of the Code, interest on the Series 2017B Bonds is includable in gross income for federal income tax purposes. Under existing law, interest on the Bonds and any profit on the sale of the Bonds are exempt from Massachusetts personal income taxes and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of or the accrual or receipt of interest on, the Bonds. See "TAX MATTERS" herein.

$9,905,000
MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
Revenue Bonds
Lesley University Issue, Series 2017
Consisting of:

$7,985,000 Series 2017A **$1,920,000 Series 2017B (Federally Taxable)**

Dated: Date of delivery **Due: As shown on inside cover**

A single bond for each maturity of each series of the bonds described above (the "Series 2017 Bonds") will be issued only as fully registered bonds in the aggregate principal amount of such maturity and series and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2017 Bonds. Purchases of the Series 2017 Bonds will be made in book-entry form in denominations of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Series 2017 Bonds purchased. So long as Cede & Co. is the Bondowner, as nominee of DTC, references herein to Bondowners, Owners or registered owners shall mean Cede & Co., and shall not mean the Beneficial Owners (as defined herein) of the Series 2017 Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

Principal of and semiannual interest on the Series 2017 Bonds will be paid by U.S. Bank National Association, as Trustee (the "Trustee"). So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner, as more fully described herein. Interest on the Series 2017 Bonds will be payable on July 1, 2018 and semiannually thereafter on each January 1 and July 1 to the Bondowner of record as of the close of business on the fifteenth day of the month preceding such interest payment date.

The Series 2017A Bonds are subject to mandatory sinking fund redemption, special redemption and optional redemption prior to maturity, as set forth in this Official Statement. See "THE SERIES 2017 BONDS – Redemption of the Series 2017 Bonds" herein.

The Series 2017 Bonds shall be special obligations of the Massachusetts Development Finance Agency (the "Issuer") payable solely from the Revenues, as defined in the Loan and Trust Agreement, dated as of December 1, 2017 (the "Agreement"), among the Issuer, Lesley University (the "Institution") and the Trustee, including payments to the Trustee, for the account of the Issuer by the Institution in accordance with the provisions of the Agreement. Such payments pursuant to the Agreement are the general obligation of the Institution. As security for the Series 2017 Bonds, the Institution has granted to the Trustee a lien on Tuition Receipts (as defined in therein). The lien on Tuition Receipts is on a parity with other liens on Tuition Receipts securing other indebtedness of the Institution, as more fully described herein. Reference is made to this Official Statement for pertinent security provisions of the Series 2017 Bonds and for certain Bondowners' rights.

THE SERIES 2017 BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF MASSACHUSETTS OR ANY POLITICAL SUBDIVISION THEREOF. THE PRINCIPAL, REDEMPTION PRICE OF AND INTEREST ON THE SERIES 2017 BONDS ARE PAYABLE SOLELY FROM THE REVENUES AND FUNDS PLEDGED FOR THEIR PAYMENT UNDER THE AGREEMENT. THE ISSUER HAS NO TAXING POWER UNDER THE ACT (AS DEFINED HEREIN).

The Series 2017 Bonds are offered when, as, and if issued and received by the Underwriter, subject to prior sale, to withdrawal or modification of the offer without notice and to approval of legality and certain other matters by McCarter & English, LLP, Boston, Massachusetts, Bond Counsel to the Institution. Certain legal matters will be passed upon for the Institution by its counsel, McCarter & English, LLP, Boston, Massachusetts and for the Underwriter by its counsel, Hinckley, Allen & Snyder LLP, Boston, Massachusetts. The Series 2017 Bonds are expected to be available for delivery to DTC in New York, New York or its custodial agent on or about December 28, 2017.

TD Securities

December 20, 2017

MATURITIES, AMOUNTS, RATES, PRICES, YIELDS AND CUSIP* NUMBERS

$7,985,000
Massachusetts Development Finance Agency
Revenue Bonds
Lesley University Issue, Series 2017A

Due July 1	Principal Amount	Interest Rate	Price	Yield	CUSIP* Number
2023	$365,000	5.00%	114.842%	2.13%	57584YBQ1
2024	385,000	5.00	116.496	2.26	57584YBR9
2025	405,000	5.00	117.992	2.37	57584YBS7
2026	425,000	5.00	119.138	2.49	57584YBT5
2027	450,000	5.00	119.823	2.63	57584YBU2
2028	470,000	5.00	118.989†	2.72	57584YBV0
2029	495,000	5.00	118.437†	2.78	57584YBW8
2030	520,000	5.00	117.614†	2.87	57584YBX6
2031	545,000	5.00	117.069†	2.93	57584YBY4
2032	575,000	5.00	116.618†	2.98	57584YBZ1
2033	605,000	5.00	116.168†	3.03	57584YCA5

$1,305,000 5.00% Term Bond Due July 1, 2035, Price @ 115.543%†, Yield 3.100%, CUSIP* Number: 57584YCB3
$1,440,000 5.00% Term Bond Due July 1, 2037, Price @ 115.009%†, Yield 3.160%, CUSIP* Number: 57584YCC1

$1,920,000
Massachusetts Development Finance Agency
Revenue Bonds
Lesley University Issue, Series 2017B (Federally Taxable)

Due July 1	Principal Amount	Interest Rate	Price	Yield	CUSIP* Number
2018	$365,000	2.17%	100.000%	2.17%	57584YCD9
2019	375,000	2.47	100.000	2.47	57584YCE7
2020	380,000	2.62	100.000	2.62	57584YCF4
2021	395,000	2.77	100.000	2.77	57584YCG2
2022	405,000	3.04	100.000	3.04	57584YCH0

* CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of The American Bankers Association. The CUSIP numbers are included solely for the convenience of Bondowners and none of the Issuer, the Institution or the Underwriter is responsible for the selection or the correctness of the CUSIP numbers printed herein. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors, including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financial products.

†Priced to call on the first optional redemption date of July 1, 2027.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2017 BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No dealer, broker, salesperson or other person has been authorized by the Issuer, the Institution or the Underwriter to give information or to make representations with respect to the Series 2017 Bonds, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer by any person to sell or the solicitation by any person of an offer to buy, nor shall there be any sale of the Series 2017 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Certain information contained herein has been obtained from the Institution, The Depository Trust Company and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation of the Issuer. This Official Statement is submitted in connection with the sale of securities referred to herein and may not be used, in whole or in part, for any other purpose. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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OFFICIAL STATEMENT

Relating to

$9,905,000
MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
Revenue Bonds
Lesley University Issue, Series 2017
Consisting of:

$7,985,000 Series 2017A	**$1,920,000 Series 2017B (Federally Taxable)**

INTRODUCTION

Purpose of this Official Statement

This Official Statement, including the cover page, the inside cover page and the appendices hereto, sets forth certain information in connection with the issuance and sale of $7,985,000 aggregate principal amount of Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, Series 2017A (the "Series 2017A Bonds") and $1,920,000 aggregate principal amount of Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, Series 2017B (Federally Taxable) (the "Series 2017B Bonds" and together with the Series 2017A Bonds, the "Series 2017 Bonds"). The Series 2017 Bonds are being issued by the Massachusetts Development Finance Agency (the "Issuer"), a body corporate and politic and a public instrumentality of The Commonwealth of Massachusetts (the "Commonwealth"). The Issuer is authorized under Chapter 23G and, to the extent incorporated therein, Chapter 40D of the Massachusetts General Laws (said Chapters, collectively and as amended, the "Act"), and pursuant to a resolution of the Issuer adopted on November 30, 2017, to issue the Series 2017 Bonds. The Series 2017 Bonds will be issued under a Loan and Trust Agreement dated as of December 1, 2017 (the "Agreement") among the Issuer, Lesley University (the "Institution") and U.S. Bank National Association, as trustee (the "Trustee"). The information contained in this Official Statement is provided for use in connection with the initial sale of the Series 2017 Bonds. The definitions of certain terms used and not defined herein are contained in Appendix C – "DEFINITIONS OF CERTAIN TERMS."

Plan of Financing

The proceeds from the sale of the Series 2017A Bonds will be used to refinance certain indebtedness of the Institution including the outstanding amount of a term loan in the original principal amount of $10,200,000 (the "Term Loan") and a portion of a loan in the original principal amount of $7,500,000 (the "Bridge Loan" and together with the Term Loan, the "Bank Obligations"). The Bank Obligations are currently outstanding in the aggregate principal amount of $10,991,415. A portion of the proceeds of the Series 2017A Bonds will also be used to pay the costs associated with issuing the Series 2017A Bonds.

The proceeds from the sale of the Series 2017B Bonds will be used to refinance the remaining portion of the Bridge Loan that is ineligible for tax-exempt financing. A portion of the proceeds of the Series 2017B Bonds will also be used to pay the costs associated with issuing the Series 2017B Bonds. See "THE PROJECT/PLAN OF REFINANCING" and "ESTIMATED SOURCES AND USES OF FUNDS" herein and Appendix A – "CERTAIN INFORMATION CONCERNING THE INSTITUTION."

SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2017 BONDS

General

The Issuer, the Institution and the Trustee shall execute the Agreement, which provides that, to the extent permitted by law, the Agreement is a general obligation of the Institution to which the full faith and credit of the Institution are pledged. The Agreement provides, among other things, that the Institution shall make payments to the Trustee equal to principal or sinking fund installments on the Series 2017 Bonds, as the case may be, interest on the Series 2017 Bonds and certain other payments required by the Agreement. The Agreement shall remain in full force and effect until such time as all of the Series 2017 Bonds and the interest thereon have been fully paid or until adequate provision for such payments has been made. See Appendix D – "SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT" for a description of the provisions thereof.

The Series 2017 Bonds are special obligations of the Issuer, equally and ratably secured by and payable from a pledge of and lien on, to the extent provided by the Agreement, the moneys received with respect to such Series 2017 Bonds by the Trustee for the account of the Issuer pursuant to the Agreement.

Security Under The Agreement

Under the Agreement, the Issuer assigns and pledges to the Trustee in trust upon the terms of the Agreement (i) all Revenues to be received from the Institution or derived from any security provided thereunder, (ii) all rights to receive such Revenues and the proceeds of such rights, (iii) all funds and investments held from time to time in the funds established under the Agreement, and (iv) all of the Issuer's right, title and interest in the Agreement, including enforcement rights and remedies but excluding certain rights of indemnification and to reimbursement of certain expenses as set forth in the Agreement. Under the Act, to the extent authorized or permitted by law, the pledge of Revenues is valid and binding from the time when such pledge is made and the Revenues and all income and receipts earned on funds held by the Trustee for the account of the Issuer shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Issuer irrespective of whether such parties have notice thereof.

The assignment and pledge by the Issuer does not include (i) the rights of the Issuer pursuant to provisions for consent, concurrence, approval or other action by the Issuer, notice to the Issuer or the filing of reports, certificates or other documents with the Issuer, (ii) the rights of the Issuer to certain payment or reimbursements as set forth in the Agreement, or (iii) the powers of the Issuer to enforce the rights set forth in subclauses (i) and (ii) of this sentence, as stated in the Agreement.

As additional security for its obligations to make payments to the Debt Service Fund, the Redemption Fund, the Rebate Fund and the Project Fund, and for its other payment obligations under the Agreement, pursuant to the Agreement, the Institution will grant to the Trustee a security interest in its interest in the moneys and other investments held from time to time in the funds established under the Agreement, other than the Rebate Fund.

As security for its payment obligations under the Agreement, the Institution will also grant to the Trustee for the benefit of the Bondowners a lien upon its Tuition Receipts. When the Series 2017 Bonds are issued, the lien on Tuition Receipts with respect to the Series 2017 Bonds will be on a parity with the liens granted by the Institution to secure the payment obligations of the Institution in connection with the following bonds and other indebtedness:

- Massachusetts Health and Educational Facilities Authority Revenue Bonds, Lesley University Issue, Series A (2009) issued in the original aggregate principal amount of $57,375,000 on March 10, 2009 (the "Series 2009 Bonds") and outstanding as of June 30, 2017 in the aggregate principal amount of $3,095,000;
- Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, consisting of Series B-1 (2011) and Series B-2 (2011) (Federally Taxable) issued in the original aggregate principal amount the $33,115,000 on March 30, 2011 (together, the "Series 2011 Bonds") and outstanding as of June 30, 2017 in the aggregate principal amount of $30,045,000;
- Massachusetts Development Finance Agency Revenue Bond Lesley University Issue, Series 2012 in the original aggregate principal amount of $5,030,300 dated August 20, 2012 (the "Series 2012 Bond") and outstanding as of June 30, 2017 in the aggregate principal amount of 2,766,000; and
- Massachusetts Development Finance Agency Revenue Bonds Lesley University Issue, Series 2016 in the original aggregate principal amount of $45,905,000 dated September 13, 2016 (the "Series 2016 Bonds") and outstanding as of June 30, 2017 in the aggregate principal amount of $45,905,000;

- Revolving Line of Credit with TD Bank, N.A. in the maximum outstanding amount of \$10,000,000 (the "Revolving Line of Credit" and collectively with the Series 2009 Bonds, the Series 2011 Bonds, the Series 2012 Bonds, the Series 2016 Bonds and the Series 2017 Bonds, the "Prior Parity Indebtedness"). The Institution has no balance outstanding under the Revolving Line of Credit.

The Series 2017 Bonds will retire the Bank Obligations, which are on a parity with the Prior Parity Indebtedness. For additional information regarding Prior Parity Indebtedness, see APPENDIX A – "FINANCIAL INFORMATION – Outstanding Indebtedness," Note 10 to the Institution's audited financial statements attached as APPENDIX B and APPENDIX D - "SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT – "Negative Pledge" and "Permitted Indebtedness" Also, see the subcaptions "Permitted Indebtedness and Additional Indebtedness" and "Negative Pledge," herein.

The Series 2017 Bonds are not secured by a mortgage lien or security interest in any real or tangible personal property of the Institution. See Appendix C-2 – "SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT."

Permitted Indebtedness and Additional Indebtedness

The Agreement provides that the Institution shall not incur Indebtedness unless it is Permitted Indebtedness. Permitted Indebtedness means, (i) Indebtedness arising under the Agreement including the Series 2017 Bonds; (ii) Additional Indebtedness; (iii) the Bank Obligations; (iv) the Indebtedness evidenced by the Series 2009 Bonds, Series 2011 Bonds, the Series 2012 Bond and the Series 2016 Bonds; (v) Short-Term Indebtedness in an amount not outstanding in excess of \$10,000,000 at any time; (vi) Indebtedness for taxes, assessments and governmental charges or levies; (vii) unsecured current Indebtedness of the Institution (not representing an obligation for money borrowed or the deferred purchase of property) owed to suppliers of goods and services and incurred in the ordinary course of business; (viii) Indebtedness relating to any Hedging Contracts; (ix) purchase money financings; (x) guaranties by endorsement for deposit or collection in the ordinary course of business.

Additional Indebtedness, which is Indebtedness secured on a parity with the lien on the Tuition Receipts of the Institution granted with respect to the Series 2017 Bonds, may be issued subject to the provisions of the Agreement and the agreements providing for the issuance of the Prior Parity Indebtedness. See APPENDIX C – "DEFINITIONS OF CERTAIN TERMS – Additional Indebtedness" and "Permitted Indebtedness" and APPENDIX D - "SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT – Negative Pledge" and "Permitted Indebtedness."

Negative Pledge

Pursuant to the Agreement, the Institution shall not, without the consent of the majority of the Bondowners, grant a mortgage on any of the Restricted Property to secure any Indebtedness, unless the Institution shall grant to the Trustee a mortgage securing the Series 2017 Bonds then Outstanding, concurrently with the granting of a mortgage to any other mortgagee, which places the Trustee in a parity position in every respect with such mortgagee. Restricted Property consists of the real property owned by the Institution on the date of issuance of the Series 2017 Bonds. See APPENDIX C – "DEFINITIONS OF CERTAIN TERMS – "Restricted Property" and APPENDIX D - "SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT – Negative Pledge".

Acceleration

The Trustee may, and, at the written direction of the registered owners of at least 25% of the principal amount of the Outstanding Bonds, shall declare the Series 2017 Bonds immediately due and payable at par prior to maturity upon the occurrence of an Event of Default under the Agreement. See Appendix D – "SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT" under the headings "Default by the Institution" and "Remedies for Events of Default."

Special Obligations of the Issuer

The Series 2017 Bonds are special obligations of the Issuer payable solely from, and to the extent of, loan payments made by the Institution pursuant to the Agreement and any other funds held under the Agreement for such purpose.

THE SERIES 2017 BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF. THE PRINCIPAL AND REDEMPTION PRICE OF AND INTEREST ON THE SERIES 2017 BONDS ARE PAYABLE SOLELY FROM THE REVENUES AND FUNDS PLEDGED FOR THEIR PAYMENT UNDER THE AGREEMENT. THE ISSUER HAS NO TAXING POWER UNDER THE ACT.

THE ISSUER

The Issuer is authorized and empowered under the laws of the Commonwealth, including the Act, to issue the Series 2017 Bonds for the purposes described herein and to enter into the Agreement and other agreements and instruments necessary to issue and secure the Series 2017 Bonds.

The Members of the Board of Directors and the officers of the Issuer authorized to sign documents related to bond transactions are as follows:

Ex-Officio Members

Chairperson, Secretary of the Executive Office of Housing and Economic Development, The Commonwealth of Massachusetts.

Secretary, the Executive Office for Administration and Finance, The Commonwealth of Massachusetts, or the Secretary's designee.

Appointed Members

James W. Blake, President & CEO, HarborOne Bank

James E. Chisholm, Vice President for Business Development, Advantage Waypoint

Karen Grasso Courtney, President, K. Courtney and Associates, Inc., and Executive Director, The Foundation for Fair Contracting of Massachusetts

Grace K. Fey, CFA, Grace Fey Advisors, LLC

Brian Kavoogian, Principal, Charles River Realty Advisors

Patricia McGovern, Consultant, formerly General Counsel and Senior Vice President at Beth Israel Deaconess Medical Center (retired)

Juan Carlos Morales, Founder and Managing Director, Surfside Capital Advisors

Christopher P. Vincze, Chairman and CEO, TRC Solutions, Inc.

There is one vacancy on the Board of Directors.

Officers of the Issuer

Lauren A. Liss, President and Chief Executive Officer

Simon R. Gerlin, Treasurer, Chief Financial Officer and Executive Vice President for Finance & Administration

Laura L. Canter, Executive Vice President for Finance Programs

Richard C.J. Henderson, Executive Vice President for Real Estate

Patricia A. DeAngelis, General Counsel and Secretary

Steven J. Chilton, Senior Vice President for Investment Banking (Mr. Chilton has signing authority for bond transactions only)

Except for the information contained herein under the caption "THE ISSUER" and "LITIGATION" insofar as it relates to the Issuer, the Issuer has not provided any of the information contained in this Official Statement. The Issuer is not responsible for and does not certify as to the accuracy or sufficiency of the disclosures made herein or any other information provided by the Institution, the Underwriter or any other person.

THE ISSUER MAKES NO REPRESENTATION THAT INTEREST ON THE SERIES 2017 BONDS IS EXCLUDED FROM THE GROSS INCOME OF THE OWNERS THEREOF FOR FEDERAL INCOME TAX PURPOSES OR THAT INTEREST ON THE SERIES 2017 BONDS IS EXEMPT FROM MASSACHUSETTS INCOME TAX.

THE PROJECT/PLAN OF REFINANCING

The Project

The proceeds from the sale of the Series 2017 Bonds will be used to pay off the outstanding amounts due under the Bank Obligations as follows: (a) the proceeds from the sale of the Series 2017A Bonds will be used to refinance the amount outstanding under the Term Loan and a portion of the amount outstanding under the Bridge Loan; and (b) the proceeds from the sale of the Series 2017B Bonds will be used to refinance the portion of the Bridge Loan that could not be financed on a tax-exempt basis. The Institution will also use a portion of the proceeds of the Series 2017 Bonds to pay certain costs associated with the issuance of the Series 2017 Bonds. The proceeds of the Bank Obligations were applied to the costs of constructing the Lunder Art Center, an academic building located in the Porter Square neighborhood of Cambridge, Massachusetts.

Plan of Refinancing

A portion of the proceeds from the sale of the Series 2017 Bonds will be applied to the prepayment of the Bank Obligations on the date of issuance of the Series 2017 Bonds.

A more detailed description of the use of proceeds of the Series 2017 Bonds and other moneys and receipts, including approximate amounts and purposes, is included herein under "ESTIMATED SOURCES AND USES OF FUNDS."

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds related to the Series 2017 Bonds:

Sources of Funds:	
Principal Amount	$9,905,000.00
Original Issue Premium	1,338,556.45
TOTAL SOURCES	$11,243,556.45
Uses of Funds:	
Apply to Payoff of Bank Obligations	$10,991,414.63
Costs of Issuance[1]	252,141.82
TOTAL USES	$11,243,556.45

[1] Includes certain legal fees, Underwriter's Discount, Issuer's fee, printing costs and other costs associated with the issuance of the Series 2017 Bonds.

THE SERIES 2017 BONDS

General Description of the Series 2017 Bonds

The Series 2017A Bonds will be dated the date of delivery thereof and will bear interest from such date, payable on July 1, 2018 and on each January 1 and July 1 thereafter, at the rates and, maturing on the dates set forth on the inside cover page of this Official Statement.

The Series 2017B Bonds will be dated the date of delivery thereof and will bear interest from such date, payable on July 1, 2018 and on each January 1 and July 1 thereafter, at the rates and, maturing on the dates set forth on the inside cover page of this Official Statement.

Subject to the provisions discussed under "BOOK-ENTRY-ONLY SYSTEM" below, the Series 2017 Bonds are issuable as fully registered bonds without coupons in the minimum denomination of $5,000 or any multiple thereof. Principal or redemption price of the Series 2017 Bonds will be payable at the principal corporate trust office of the Trustee, and interest on the Series 2017 Bonds will be paid by check or draft mailed to the registered owner as of the 15th day of the month preceding the date on which the interest is to be paid ("Record Date"), or by wire or bank transfer within the United States to any registered owner of $1,000,000 or more in principal amount of the Series 2017 Bonds upon direction satisfactory to the Trustee prior to the Record Date.

Redemption of the Series 2017 Bonds

Optional Redemption. The Series 2017A Bonds (except such Series 2017A Bonds maturing on or before July 1, 2027, which are not subject to redemption prior to maturity unless redeemed pursuant to the special redemption provisions of the Agreement), are redeemable prior to maturity beginning July 1, 2027, at the option of the Institution by the written direction of the Institution to the Issuer and the Trustee. Such redemption shall be in accordance with the terms of the Series 2017A Bonds, as a whole or in part at any time, in such order of maturity or sinking fund installments, if any, as directed by the Institution (provided that, if less than all of the Series 2017A Bonds Outstanding of any maturity shall be called for redemption, the Series 2017A Bonds to be so redeemed shall be selected, subject to the terms of the Agreement, by the Trustee by lot or in any customary manner of selection as determined by the Trustee), at the principal amount, plus accrued interest to the redemption date of such Series 2017A Bonds to be redeemed.

Any Series 2017A Bonds called for optional redemption may, at the option of the Institution, be purchased in lieu of redemption by the Institution or by a person designated by the Institution on the redemption date at a price equal to the redemption price thereof.

The Series 2017B Bonds are not subject to optional redemption prior to maturity.

Mandatory Redemption.

Redemption of the Series 2017A Bonds by Sinking Fund Installments. The Series 2017A Bonds maturing July 1, 2035 will be subject to mandatory sinking fund redemption and shall be redeemed by sinking fund installments on July 1 in each of the years and in the amounts set forth below at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption, as follows:

Year	Principal Amount
2034	$635,000
2035*	670,000

* Final Maturity

The Series 2017A Bonds maturing July 1, 2037 will be subject to mandatory sinking fund redemption and shall be redeemed by sinking fund installments on July 1 in each of the years and in the amounts set forth below at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption, as follows:

Year	Principal Amount
2036	$700,000
2037*	740,000

* Final Maturity

The Institution may purchase Series 2017 Bonds of any maturity and credit them against the principal payment for such maturity or, as the case may be, any sinking fund installment for such maturity at the principal amount or applicable redemption price, as the case may be, by delivering them to the Trustee for cancellation at least sixty (60) days before the principal payment date or sinking fund installment date.

Special Redemption. The Series 2017A Bonds are subject to optional redemption prior to maturity, as a whole or in part at any time, in such order of maturity or sinking fund installments as directed by the Institution at their principal amounts, without premium, plus accrued interest to the redemption date, at the option of the Institution, in the event of substantial loss to the Project, from insurance or condemnation award proceeds allocable to the Series 2017A Bonds pursuant to the special redemption provisions contained in the Agreement. Such redemption may be directed by the Institution only to the extent the proceeds of insurance or condemnation exceed the lesser of 10% of the project allocation to the Series 2017A Bonds or 20% of the Outstanding Bonds. The Series 2017B Bonds are not subject to special redemption prior to maturity.

Notice of Redemption. When Series 2017A Bonds are to be redeemed, the Trustee shall give notice in the name of the Issuer, which notice shall identify the Series 2017A Bonds to be redeemed, state the date fixed for redemption, state that the proposed redemption is conditioned on there being on deposit in the Redemption Fund on the redemption date sufficient money to pay the full redemption price of the Series 2017A Bonds to be redeemed and state that such Series 2017A Bonds will be redeemed at the corporate trust office of the Trustee. The notice shall further state that, subject to the conditionality of the notice, on such date there shall become due and payable upon each Series 2017A Bond to be redeemed the redemption price thereof, together with interest accrued to the redemption date, and that moneys therefor having been deposited with the Trustee, from and after such date, interest thereon shall cease to accrue. The Trustee shall mail the redemption notice not more than forty-five (45) nor less than twenty (20) days prior to the date fixed for redemption, to the registered owners of any Series 2017A Bonds which are to be redeemed, at their addresses shown on the registration books maintained by the Trustee, and to the principal office of the managing underwriter of the Series 2017A Bonds. Failure to mail notice to a particular Bondowner, or any defect in the notice to such Bond, shall not affect the redemption of any other Series 2017A Bond.

So long as DTC or its nominee is the Bondowner, the Issuer and the Trustee will recognize DTC or its nominee as the Bondowner for all purposes, including notices and voting. Conveyance of notices and other communications by DTC to DTC Participants, by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners, will be governed by arrangements among them, subject to any statutory and regulatory requirements which may be in effect from time to time.

Selection of the Series 2017A Bonds. If less than all of the Outstanding Series 2017A Bonds of any maturity are to be called for redemption, the Series 2017A Bonds of that maturity (or portions thereof) to be redeemed will be selected by the Trustee by lot or in any customary manner as determined by the Trustee; provided, that for so long as DTC or its nominee is the Bondowner, the particular portions of the Series 2017A Bonds to be redeemed within a maturity shall be selected by DTC in such manner as DTC may determine. If a Series 2017A Bond is of a denomination in excess of five thousand dollars ($5,000), portions of the principal amount in the amount of five thousand dollars ($5,000) or any multiple thereof may be redeemed.

Effect of Redemption. Notice of redemption having been duly mailed, and provided any conditions to redemption have been satisfied, the Series 2017A Bonds to be redeemed, or the portion called for redemption, will become due and payable on the redemption date at the applicable redemption price and, moneys for the redemption having been deposited with the Trustee, from and after the date fixed for redemption, interest on the Series 2017A Bonds called for redemption (or such portion) will no longer accrue.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each series and maturity of the Series 2017 Bonds in the aggregate principal amount of such series and maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Series 2017 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase; Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2017 Bonds, except in the event that use of the book-entry system for the Series 2017 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Bonds, such as redemptions, defaults and proposed amendments to the documents relating to the Series 2017 Bonds. For example, Beneficial Owners of the Series 2017 Bonds may wish to ascertain that the nominee holding the Series 2017 Bonds for their benefit has agreed to obtain and transmit notices to the Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2017 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2017 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2017 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as a depository with respect to the Series 2017 Bonds at any time by giving reasonable notice to the Issuer and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT ARE BELIEVED TO BE RELIABLE, BUT NONE OF THE ISSUER, THE UNDERWRITER, OR THE INSTITUTION TAKES ANY RESPONSIBILITY FOR THE ACCURACY THEREOF.

No Responsibility of the Issuer, Institution and Trustee. NONE OF THE ISSUER, THE INSTITUTION, OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR

THE PROVIDING OF NOTICE FOR DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS, OR BENEFICIAL OWNERS.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2017 BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDOWNERS OR REGISTERED OWNERS OF THE SERIES 2017 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2017 BONDS.

PRINCIPAL, SINKING FUND INSTALLMENTS AND INTEREST REQUIREMENTS

The following table sets forth, for each fiscal year of the Institution ending June 30, the amounts required to be made available in such year by the Institution for payment of the principal of, sinking fund installments and interest on its outstanding indebtedness.*

Fiscal Year Ending June 30	Total Debt Service on Other Institution Debt	Principal and Sinking Fund Installments on the Series 2017 Bonds	Interest on the Series 2017 Bonds	Total Debt Service on the Series 2017 Bonds	Total Annual Debt Service
2018	$6,283,397	$ -	$ -	$ -	$6,283,397
2019	6,311,908	365,000	449,429	814,429	7,126,338
2020	6,334,889	375,000	437,091	812,091	7,146,979
2021	6,165,352	380,000	427,482	807,482	6,972,834
2022	6,194,059	395,000	417,033	812,033	7,006,092
2023	6,204,538	405,000	405,406	810,406	7,014,944
2024	6,209,675	365,000	390,125	755,125	6,964,800
2025	6,207,100	385,000	371,375	756,375	6,963,475
2026	6,211,419	405,000	351,625	756,625	6,968,044
2027	6,202,375	425,000	330,875	755,875	6,958,250
2028	6,209,456	450,000	309,000	759,000	6,968,456
2029	6,202,138	470,000	286,000	756,000	6,958,138
2030	6,209,919	495,000	261,875	756,875	6,966,794
2031	6,207,138	520,000	236,500	756,500	6,963,638
2032	6,203,544	545,000	209,875	754,875	6,958,419
2033	6,208,381	575,000	181,875	756,875	6,965,256
2034	6,206,013	605,000	152,375	757,375	6,963,388
2035	4,825,125	635,000	121,375	756,375	5,581,500
2036	4,827,125	670,000	88,750	758,750	5,585,875
2037	4,829,375	700,000	54,500	754,500	5,583,875
2038	4,831,375	740,000	18,500	758,500	5,589,875
2039	4,832,625	-	-	-	4,832,625
2040	4,827,750	-	-	-	4,827,750
Total	**$134,744,675**	**$9,905,000**	**$5,501,065**	**$15,406,065**	**$150,150,740**

* Columns may not total due to rounding.

LITIGATION

There is no litigation pending against the Issuer or, to the knowledge of the officers of the Issuer, threatened against the Issuer, seeking to restrain or enjoin the issuance or delivery of the Series 2017 Bonds or in any way contesting the existence or the powers of the Issuer relating to the issuance of the Series 2017 Bonds.

See Appendix A – "LITIGATION" with respect to the absence of material litigation affecting the Institution.

TAX MATTERS

In the opinion of McCarter & English, LLP, Bond Counsel ("Bond Counsel"), under existing law and assuming, among other matters, compliance with certain covenants, (i) interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") (the "Federal Gross Income Exclusion"), and (ii) interest on the Series 2017A Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Pursuant to Section 61(a)(4) of the Code, interest on the Series 2017B Bonds is included in gross income for federal income tax purposes. Other than as expressly stated herein, Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2017 Bonds.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2017A Bonds. Failure to comply with these requirements may result in interest on the Series 2017A Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2017A Bonds. The Issuer and the Institution have covenanted to comply with such requirements to ensure that interest on the Series 2017A Bonds will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these covenants.

Prospective Beneficial Owners should be aware that certain requirements and procedures contained or referred to in the Agreement or other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series 2017A Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series 2017A Bonds may adversely affect the value of, or the tax status of interest on, the Series 2017A Bonds (each said action taken (or not taken) or event occurring (or not occurring) constituting a "Post-Issuance Circumstance", such as the enactment into law of federal tax legislation (a "Tax Law Legislative Enactment")). For example, and without limitation to the preceding discussion, it is possible that if one or more Post-Issuance Circumstances cause the Series 2017A Bonds to be deemed to be currently refunded for federal income tax purposes (a "Reissuance"), a Tax Law Legislative Enactment could cause interest on the Series 2017A Bonds to lose the Federal Gross Income Exclusion on and after the date of the Reissuance.

Interest paid on tax-exempt obligations such as the Series 2017A Bonds is now generally required to be reported by payors to the Internal Revenue Service ("IRS") and to recipients in the same manner as interest on taxable obligations. In addition, such interest may be subject to "backup withholding" if the owner of such Series 2017A Bond fails to provide the information required in IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the IRS has specifically identified said owner as being subject to backup withholding because of prior underreporting. Neither the information reporting requirement nor the backup withholding requirement affects the excludability of interest on the Series 2017A Bonds from gross income for federal tax purposes.

Bond Counsel is also of the opinion that, under existing law, interest on the Series 2017 Bonds and any profit on the sale of the Series 2017 Bonds are exempt from Massachusetts personal income taxes and that the Series 2017 Bonds are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other Massachusetts tax consequences arising with respect to the Series 2017 Bonds. Prospective Beneficial Owners of the Series 2017 Bonds should be aware, however, that the Series 2017 Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the Series 2017 Bonds and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel has not opined as to the taxability of the Series 2017 Bonds or the income therefrom under the laws of any state other than Massachusetts. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix D hereto.

To the extent the issue price of any maturity of the Series 2017A Bonds is less than the amount to be paid at maturity of such Series 2017A Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2017A Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Series 2017A Bonds, which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, the issue price of a particular maturity of the Series 2017A Bonds is the first price at which a substantial amount of such maturity of the Series 2017A Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2017A Bonds accrues daily over the term to maturity of such Series 2017A Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2017A Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2017A Bonds. Beneficial Owners of the Series 2017A Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2017A Bonds with original issue discount, including the treatment of purchasers who do not purchase such Series 2017A Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2017A Bonds is sold to the public.

Series 2017A Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Bonds, or, in some cases, at the earlier redemption date of such Bonds ("Premium Series 2017A Bonds"), will be treated as having amortizable bond premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Series 2017A Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a Beneficial Owner's basis in a Premium Series 2017A Bonds will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Holders of Premium Series 2017A Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Any federal, state or local legislation, administrative pronouncement or court decision (any such legislation, administrative pronouncement or court decision constituting a "Governmental Action") may affect (i) the tax status (whether or not discussed herein or addressed in the opinion of Bond Counsel) of the Bonds (including without limitation any exemption under applicable federal, state or local law from otherwise applicable taxes with respect to the (a) interest on the Bonds, (b) gain from the sale or other disposition of the Bonds, or (c) value of the Bonds (any aforesaid exemption with respect to tax status, whether in connection with the Bonds or other bonds, constituting the "Tax Exemption Status")), or (ii) the market price or marketability of the Bonds. The impact of any Governmental Action, including without limitation a Tax Law Legislative Enactment, cannot be predicted. Beneficial Owners of the Bonds are encouraged to consult their personal or institutional tax and financial advisors with respect to the tax and financial aspects of ownership of the Bonds in light of such considerations (for example, the New Tax Bill discussed in the immediately succeeding paragraph).

Identical tax legislation has been passed on December 20, 2017 in both houses of the United States Congress (the "New Tax Bill"). The New Tax Bill is expected to be signed by the President. If enacted into law as passed by Congress, the New Tax Bill would not affect the exclusion from gross income of interest on the Series 2017A Bonds. However, the New Tax Bill would change the income tax rates for individuals and corporations and would, among other changes, repeal or modify the alternative minimum tax for certain taxpayers, for tax years beginning after December 31, 2017. The opinions expressed by Bond Counsel with respect to the Series 2017A Bonds are based upon laws in effect on the date of issuance of the Series 2017A Bonds, and then existing regulations as interpreted by relevant judicial and regulatory changes as of the date of issuance of the Series 2017A Bonds. Bond Counsel has expressed no opinion with respect to any legislation, regulatory changes or litigation not yet having taken effect or later enacted, adopted or decided (including without limitation legislation enacted into law but, pursuant to effective date rules, not yet in effect).

Although Bond Counsel is of the opinion that interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2017A Bonds may otherwise affect a Beneficial Owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences, and Beneficial Owners of the Series 2017A Bonds should consult with their own tax advisors with respect to such consequences.

The Series 2017B Bonds

In the opinion of Bond Counsel, under existing law, interest on the Series 2017B Bonds is included in the gross income of the Beneficial Owners thereof for federal income tax purposes under Section 61(a)(4) of the Code. Bond Counsel expresses no opinion regarding any other federal tax consequences related to the ownership or disposition of, or accrual or receipt of interest on, the Series 2017B Bonds.

The following discussion summarizes certain U.S. federal tax considerations generally applicable to Beneficial Owners of the Series 2017B Bonds that acquire their Series 2017B Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not address all U.S. federal income tax consequences applicable to any given investor, nor does it address the U.S. federal income tax considerations applicable to investors who may be subject to special taxing rules (regardless of whether or not such persons constitute U.S. Holders), such as certain U.S. expatriates, banks, real estate investment trusts, regulated investment companies, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors who hold their Series 2017B Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose "functional currency" is not the U.S. dollar. Furthermore, the following discussion does not address (i) alternative minimum tax consequences or (ii) the indirect effects on persons who hold equity interests in a Beneficial Owner of Series 2017B Bonds. In addition, this summary generally is limited to investors who become Beneficial Owners of Series 2017B Bonds pursuant to the initial offering for the issue price that is applicable to such Series 2017B Bonds (i.e., the price at which a substantial amount of such Series 2017B Bonds is first sold to the public) and who will hold their Series 2017B Bonds as "capital assets" within the meaning of the Code.

As used herein, "U.S. Holder" means a Beneficial Owner of a Series 2017B Bond who for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust with respect to which a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a Beneficial Owner of a Series 2017B Bond (other than a partnership) who is not a U.S. Holder. If an entity classified as a partnership for U.S. federal income tax purposes is a Beneficial Owner of Series 2017B Bonds, the tax treatment of a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partners in such partnerships should consult their own tax advisors regarding the tax consequences of an investment in the Series 2017B Bonds (including their status as U.S. Holders or Non-U.S. Holders).

U.S. Holders

Interest. Stated interest on the Series 2017B Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

"Original issue discount" will arise for U.S. federal income tax purposes in respect of any Series 2017B Bond if its stated redemption price at maturity exceeds its issue price by more than a de minimis amount (as determined for tax purposes). For any Series 2017B Bonds issued with original issue discount, the amount of original issue discount is equal to the excess of the stated redemption price at maturity of that Series 2017B Bond over its issue price. The stated redemption price at maturity of a Series 2017B Bond is the sum of all scheduled amounts payable on such Series 2017B Bond other than qualified stated interest. U.S. Holders of Series 2017B Bonds generally will be required to include any original issue discount in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders of Series 2017B Bonds issued with original issue discount generally will be required to include in income increasingly greater amounts of original issue discount in successive accrual periods.

"Premium" generally will arise for U.S. federal income tax purposes in respect of any Series 2017B Bond to the extent its issue price exceeds its stated principal amount. A U.S. Holder of a Series 2017B Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such Series 2017B Bond.

Disposition of the Series 2017B Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the Issuer), reissuance or other disposition of a Series 2017B Bond will be a taxable event for U.S. federal income tax purposes. In such event, a U.S. Holder of a Series 2017B Bond generally will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Series 2017B Bond which will be taxed in the manner described above under "Interest") and (ii) the U.S. Holder's adjusted tax basis in the Series 2017B Bond (generally, the purchase price paid by the U.S. Holder for the Series 2017B Bond, increased by the amount of any original issue discount previously included in income by such U.S. Holder with respect to such Series 2017B Bond and decreased by any payments previously made on such Series 2017B Bond, other than payments of qualified stated interest, or decreased by any amortized premium). Any such gain or loss generally will be capital gain or loss. Defeasance or material modification of the terms of any Series 2017B Bond may result in a deemed reissuance thereof, in which event a beneficial owner of the defeased Series 2017B Bonds generally will recognize taxable gain or loss equal to the difference between the amount realized from the sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and the beneficial owner's adjusted tax basis in the Series 2017B Bond.

In the case of a non-corporate U.S. Holder of the Series 2017B Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain may be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. Holder's holding period for the Series 2017B Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Additional Tax Consequences. Tax consequences for U.S. Holders of Series 2017B Bonds in addition to those described above may ensue. For example, under Section 1411 of the Code, a 3.8% tax on certain net investment income earned by individuals, estates, and trusts generally applies for taxable years beginning after December 31, 2012. For these purposes, net investment income generally includes a U.S. Holder's interest income from taxable obligations such as the Series 2017B Bonds (including any accrued original issue discount and market discount on said taxable obligations) and gain realized on the sale, retirement or other disposition of said taxable obligations. In the case of an individual, the tax will be imposed on the lesser of (i) the U.S. Holder's net investment income from all investments, or (ii) the amount by which the U.S. Holder's modified adjusted gross income exceeds $250,000 (if the U.S. Holder is married and filing jointly or a surviving spouse), $125,000 (if married filing separately) or $200,000 (if the U.S. Holder is unmarried or in any other case). In the case of an estate or trust, the tax will be imposed on the lesser of (i) undistributed net investment income, or (ii) the excess of adjusted gross income over the dollar amount at which the highest income tax bracket applicable to an estate or trust begins.

Non-U.S. Holders

The following discussion applies only to non-U.S. Holders. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. Holders in light of their particular circumstances. For example, special rules may apply to a non-U.S. Holder that is a "controlled foreign corporation" or a "passive foreign investment company," and, accordingly, non-U.S. Holders should consult their own tax advisors to determine the United States federal, state, local and other tax consequences of holding the Series 2017B Bonds that may be relevant to them.

Interest. Subject to the discussion below under the heading "Information Reporting and Backup Withholding," payments of principal of, and interest on, any Series 2017B Bond to a Non-U.S. Holder, other than a bank that acquires such Series 2017B Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, generally will not be subject to any U.S. withholding tax provided that the beneficial owner of the Series 2017B Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

Disposition of the Series 2017B Bonds. Subject to the discussion below under the heading "Information Reporting and Backup Withholding," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement, reissuance or other disposition of a Series 2017B Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement, reissuance or other disposition and certain other conditions are met.

U.S. Federal Estate Tax. A Series 2017B Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that at the time of such individual's death, payments of interest with respect to such Series 2017B Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

Information Reporting and Backup Withholding — U.S. Holders and Non-U.S. Holders

Interest on, and proceeds received from the sale of, a Series 2017B Bond generally will be reported to U.S. Holders, other than certain exempt recipients, such as corporations, on IRS Form 1099. In addition, a backup withholding tax may apply to payments with respect to the Series 2017B Bonds if the U.S. Holder fails to furnish the payor with a correct taxpayer identification number or other required certification or fails to report interest or dividends required to be shown on the U.S. Holder's federal income tax returns.

In general, a non-U.S. Holder will not be subject to backup withholding with respect to interest payments on the Series 2017B Bonds if such non-U.S. Holder has certified to the payor under penalties of perjury (i) the name and address of such non-U.S. Holder and (ii) that such non-U.S. Holder is not a United States person, or, in the case of an individual, that such non-U.S. Holder is neither a citizen nor a resident of the United States, and the payor does not know or have reason to know that such certifications are false. However, information reporting on IRS Form 1042S may still apply to interest payments on the Series 2017B Bonds made to non-U.S. Holders not subject to backup withholding. In addition, a non-U.S. Holder will not be subject to backup withholding with respect to the proceeds of the sale of a Series 2017B Bond made within the United States or conducted through certain U.S. financial intermediaries if the payor receives the certifications described above and the payor does not know or have reason to know that such certifications are false, or if the non-U.S. Holder otherwise establishes an exemption. Non-U.S. Holders should consult their own tax advisors regarding the application of information reporting and backup withholding in their particular circumstances, the availability of exemptions and the procedure for obtaining such exemptions, if available.

Backup withholding is not an additional tax, and amounts withheld as backup withholding are allowed as a refund or credit against a holder's federal income tax liability, provided that the required information as to withholding is furnished to the IRS.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular Beneficial Owner of Series 2017B Bonds in light of the Beneficial Owner's particular circumstances and tax situation. In addition, the foregoing summary does not discuss the possible impact on taxable obligations of a Tax Law Legislative Enactment, including without limitation the impact on the market value of an investment of a change in corporate or individual tax rates. Prospective investors are urged to consult their own personal or institutional tax and financial advisors as to any tax or financial consequences to them from the purchase, ownership and disposition of Series 2017B Bonds, including without limitation the application and effect of state, local, foreign and other tax laws.

CONTINUING DISCLOSURE

No financial or operating data concerning the Issuer is material to any decision to purchase, hold or sell the Series 2017 Bonds and the Issuer will not provide any such information. The Institution has undertaken all responsibilities for any continuing disclosure to Bondowners as described below, and the Issuer shall have no liability to the Bondowners or any other person with respect to such disclosures.

The Institution has covenanted for the benefit of Bondowners to provide certain financial information and operating data relating to the Institution by not later than 180 days following the end of the Institution's fiscal year beginning with the fiscal year ending June 30, 2018 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of enumerated events will be filed by the dissemination agent (which may be the Institution), with the Municipal Securities Rulemaking Board (the "MSRB"). The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is summarized in Appendix F – "FORM OF CONTINUING DISCLOSURE AGREEMENT." These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

The Institution is subject to continuing disclosure requirements under existing continuing disclosure agreements.

FINANCIAL ADVISOR

PFM Financial Advisors LLC ("PFMFA") is serving as financial advisor to the Institution for the issuance of the Series 2017 Bonds. PFMFA is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in this Official Statement. PFMFA is an independent financial advisory firm and is not engaged in the business of underwriting, trading, or distributing securities.

LEGALITY OF THE SERIES 2017 BONDS FOR INVESTMENT AND DEPOSIT

Chapter 23G of the Massachusetts General Laws, as amended ("Chapter 23G"), provides that the Series 2017 Bonds are legal investments in which all public officers and public bodies of the Commonwealth and its political subdivisions, all Massachusetts insurance companies, trust companies, savings banks, co-operative banks, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. The Series 2017 Bonds, under Chapter 23G, are securities which may properly and legally be deposited with and received by any Commonwealth or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations of the Commonwealth is now or may hereafter be authorized by law.

THE COMMONWEALTH NOT LIABLE ON THE SERIES 2017 BONDS

The Series 2017 Bonds are not a general obligation of the Issuer and shall not be deemed to constitute a debt or liability of the Commonwealth or any political subdivision thereof, or a pledge of the faith and credit of the Issuer or the Commonwealth or any such political subdivision, but shall be payable solely from and to the extent of the payments made by the Institution pursuant to the Agreement and any other funds held under the Agreement for such purpose. Neither the faith and credit of the Issuer or the Commonwealth nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to the payment of the principal of or interest on the Series 2017 Bonds. The Act does not in any way create a so-called moral obligation of the Commonwealth or of any political subdivision thereof to pay debt service in the event of default by the Institution. The Issuer has no taxing power under the Act.

DESCRIPTION OF RATING

S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P") has assigned its municipal bond rating of "A-" with a stable outlook to the Series 2017 Bonds.

No application has been made to any other rating agency in order to obtain additional ratings on the Series 2017 Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2017 Bonds. The above rating is not a recommendation to buy, sell or hold the Series 2017 Bonds.

UNDERWRITING

The Series 2017 Bonds are being purchased for reoffering by TD Securities (USA) LLC (the "Underwriter") pursuant to a Contract of Purchase (the "Contract of Purchase") among the Issuer, the Institution and the Underwriter. The Underwriter has agreed to purchase the Series 2017 Bonds at an underwriter's discount of \$54,837.13 from the initial public offering prices set forth on the inside cover page of this Official Statement. The Contract of Purchase for the Series 2017 Bonds provides that the Underwriter will purchase all the Series 2017 Bonds, if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in the Contract of Purchase. Such Series 2017 Bonds may be offered and sold by the Underwriter to certain dealers (including dealers depositing such Series 2017 Bonds in unit investment trusts or mutual funds, some of which may be managed by the Underwriter) and certain dealer banks and banks acting as agents at prices lower (or yield higher) than the public offering prices (or yields) set forth on the inside cover page of this Official Statement. Subsequent to such initial public offering, the Underwriter may change the public offering prices (or yields) as it may deem necessary in connection with the offering of such Series 2017 Bonds.

The Underwriter has entered into a negotiated dealer agreement (the TD Dealer Agreement) with TD Ameritrade for the retail distribution of certain securities offerings, including the Series 2017 Bonds at the original issue price. Pursuant to the TD Dealer Agreement, TD Ameritrade may purchase Series 2017 Bonds from the Underwriter at the original issue prices less a negotiated portion of the selling concession applicable to any of the Series 2017 Bonds TD Ameritrade sells.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the Series 2017 Bonds by the Issuer are subject to the approval of McCarter & English, LLP, Boston, Massachusetts, Bond Counsel to the Institution, whose opinion approving the validity and tax status of the Series 2017 Bonds will be delivered with the Series 2017 Bonds and who will also pass upon certain legal matters for the Institution. A copy of the proposed form of the opinion of Bond Counsel is attached hereto as Appendix E. Certain legal matters will be passed on for the Underwriter by its counsel, Hinckley, Allen & Snyder LLP, Boston, Massachusetts.

MISCELLANEOUS

The references to the Act and the Agreement are brief summaries of certain provisions thereof. Such summaries do not purport to be complete, and reference is made to the Act and the Agreement for full and complete statements of such provisions. The agreements of the Issuer with the holders of the Series 2017 Bonds are fully set forth in the Agreement, and neither any advertisement of the Series 2017 Bonds nor this Official Statement is to be construed as constituting an agreement with the Bondowners. So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. Copies of the documents mentioned in this paragraph will be on file at the offices of the Issuer and of the Trustee.

Information relating to DTC and the book-entry system described herein under the heading "BOOK-ENTRY-ONLY SYSTEM" has been furnished by DTC and is believed to be reliable, but none of the Issuer, the Institution or the Underwriter makes any representations or warranties whatsoever with respect to such information.

Appendix A has been provided by the Institution and contains certain information relating to the Institution. While the information contained therein is believed to be reliable, the Issuer and the Underwriter, except as set forth on page (i) hereof, do not make any representations or warranties whatsoever with respect to such information and the financial statements of the Institution.

The Issuer has relied on the Institution with respect to the information contained in Appendix A – "CERTAIN INFORMATION CONCERNING THE INSTITUTION" and the financial statements contained in Appendix B – "FINANCIAL STATEMENTS OF THE INSTITUTION."

Appendix C – "DEFINITIONS OF CERTAIN TERMS," Appendix D – "SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT" and Appendix E – "PROPOSED FORM OF BOND COUNSEL OPINION have been prepared by McCarter & English, LLP, Bond Counsel.

Appendix F – "FORM OF CONTINUING DISCLOSURE AGREEMENT" has been prepared by Hinckley, Allen & Snyder LLP, counsel to the Underwriter.

All appendices are incorporated as an integral part of this Official Statement.

The Institution has reviewed the portions of this Official Statement describing the Institution, including the information under the headings "INTRODUCTION – Plan of Financing," "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2017 BONDS (only as to the fourth paragraph and the bullets under the subsection "Security Under The Agreement")," "THE PROJECT/PLAN OF REFINANCING," "ESTIMATED SOURCES AND USES OF FUNDS," "PRINCIPAL, SINKING FUND INSTALLMENTS, AND INTEREST REQUIREMENTS," "CONTINUING DISCLOSURE" (as it relates to the Institution) and "LITIGATION" (as it relates to the Institution) and has furnished Appendix A – "CERTAIN INFORMATION CONCERNING THE INSTITUTION" and Appendix B – "FINANCIAL STATEMENTS OF THE INSTITUTION" to this Official Statement, and has approved all such information for use in this Official Statement. At the closing, the Institution will certify that such portions of this Official Statement, except for any projections and opinions contained in such portions, do not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

The Issuer has consented to the use of this Official Statement. The Issuer is responsible only for the statements contained under the caption "THE ISSUER" and the information pertaining to the Issuer under the caption "LITIGATION," and the Issuer makes no representation as to the accuracy, completeness or sufficiency of any other information contained herein. Except as otherwise stated herein, neither the Issuer nor the Underwriter makes any representations or warranties whatsoever with respect to the information contained herein.

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
Revenue Bonds
Lesley University Issue, Series 2017

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HISTORY

Founded in 1909 by Edith Lesley as the Lesley School, the mission of Lesley University ("Lesley" or the "University") was to train young women to become teachers. In 1941 the Lesley School was incorporated as a non-profit institution of higher education, changing its name to Lesley College. Lesley College received undergraduate accreditation in 1944, graduate accreditation in 1954 (which allowed establishment of the Graduate School that year) and authority to issue Ph.D. degrees in 1986. During the 1970s, Lesley College developed additional programs in teacher education, expressive therapies and counseling, and began to offer off-campus instruction. In 2000, Lesley College changed its name to Lesley University to better reflect its standing as an institution offering a range of post-baccalaureate degrees. Since the retirement of Edith Lesley Wolfard in 1943, the University has had six presidents: Dr. Trentwell Mason White (1944 to 1960), Dr. Don Orton (1960 to 1984), Margaret A. McKenna (1985 to 2007), Dr. Joseph B. Moore (2007 to 2016), and on July 1, 2016, the University welcomed its sixth president, Jeff A. Weiss.

Traditionally, the College of Liberal Arts and Sciences (the on-campus undergraduate school) had been a women's college, but in 2005, Lesley College became co-educational. As of the 2016-2017 academic year, approximately 25% of the Lesley College student population was male.

The University has expanded its physical plant over the last several decades including the purchase in 1994 of the 220,000 square foot Porter Square building, located near the MBTA (Massachusetts Bay Transportation Authority) subway line and approximately eight blocks from the heart of its Doble campus, described below. This expansion added more than 25 classrooms and studios, as well as student services and administrative space. The building is mixed-use, retaining its retail characteristics on the lower level and first floor with a variety of boutiques and restaurants, and educational spaces in the remaining floors. From 2008-2010, Lesley purchased several buildings in the Brattle Street area of Cambridge to form the "Brattle Campus" and in January 2015, the University completed the construction of a new facility for the College of Art and Design, as described below.

Since inception, Lesley has maintained its focus on the education and development of teachers. However, the University has greatly expanded the breadth and depth of its degree programs, the scope of its off-campus programs and the size of its physical campus over the last 30 years. The University's endowment has grown from less than $1 million in 1985 to approximately $194 million as of November 2017 (un-audited), while enrollment has increased by over 50% during that same period.

INSTITUTIONAL OVERVIEW

Lesley serves approximately 7,200 students a year in four schools: the College of Liberal Arts and Sciences, the College of Art and Design, the Graduate School of Education, and the Graduate School of Arts and Social Sciences; and in the Threshold Program. Lesley has over 84,000 alumni in all 50 states and 81 countries who are engaged in work that makes a difference in the world—as teachers and educational administrators, artists, writers, counselors, therapists, environmentalists, entrepreneurs, human services professionals, and business and community leaders.

For the 2016-2017 academic year Lesley had a total full time equivalent ("FTE") enrollment of 1,732 undergraduate students and 2,045 graduate students. Approximately 77% of Lesley students attend classes at its Cambridge campuses, while the remaining 23% participate in Lesley's off-campus and on-line programs. Unless otherwise noted, all references to academic year herein shall mean the academic year commencing July 1 and ending June 30.

The Academic Core. Each of Lesley University's four schools and the Threshold Program has a distinctive character, history, and mission. Collectively, the four schools and the Threshold Program have a commitment to the transformative impact of a Lesley education. Celebrating a *Century of Innovation* in 2009, Lesley's programs have extended interdisciplinary, arts-enriched, and community-engaged experiences to a wide and diverse audience. Lesley has added to its reputation for providing educational access to underserved populations and developed unique offerings to advance and celebrate creative practice, critical pedagogy, and academic inquiry.

With a dedicated faculty-led focus in all schools and the addition of resources for assessment support, continuous programmatic improvements have been made based upon learning outcomes assessment and evidence of student learning. These include planning for an increased number of fully online and hybrid offerings. Through infrastructure investments in instructional design support, Lesley envisions a diversity of online programs that continue to extend the reach of a Lesley degree to a wide range of audiences, demonstrate academic quality, and foster meaningful engagement for faculty and students.

An array of student services supports both the undergraduate and graduate students of the University. Of particular note is the expansion of counseling and health services, academic support for athletes, creation of new peer mentoring programs, and an undergraduate program for emerging leaders. Expanded services for graduate students include the addition of online tutorial assistance and reflect ongoing changes to student expectations for service and support.

The Cost of Higher Education for Students and Families. The financial condition of many sectors in American higher education has changed substantially. In the moderately-selective private, non-profit sector that includes Lesley, Lesley believes that the decline of the American middle class has led to enrollment challenges, increased student debt loads, and increased tuition discounts that threaten core budgets. Lesley is of the view that income inequality is real and affects individuals and families whom Lesley has traditionally served. Within this context, the Lesley University Board of Trustees approved a reduction in the undergraduate tuition, beginning in the Fall of 2014, from a projected $32,000 in annual tuition to $24,000. This was done in conjunction with a matching reduction in institutional aid. The goal of this tuition reset was to lower the tuition price of attending the University, while limiting the net revenue impact, since approximately 90% of Lesley students receive some form of financial aid. Lesley believes that many students previously chose not to apply because the "sticker price" of tuition was a deterrent even though financial aid mitigates the cost. The University did see an initial uptick in applications as a result of the tuition reset.

The Campus. Lesley University's primary location is in Cambridge, Massachusetts and is comprised of three campuses located (a) in Porter Square (b) on Brattle Street and (c) the "Doble Campus" which is between Sacramento, Oxford and Everett Streets and Massachusetts Avenue. The campuses consist of 62 buildings spread across more than 16 acres.

The most recent additions to Lesley's campus include the new facility for the College of Art and Design (the "Lunder Art Center") and the acquisition of new buildings now known as the Brattle Campus.

In 1998, the Art Institute of Boston ("AIB") merged with the University. AIB can trace its roots back to 1912. Today it is called the College of Art and Design and its programs are recognized nationally and internationally. In January 2015, the University completed the construction of a new 74,000 square foot arts center, which houses state of the art facilities for the College of Art and Design, as well as public gallery space. With the completion of the Lunder Arts Center, the University was able to relocate the

College of Art and Design, from antiquated space in the Kenmore Square area of Boston, to new space within the University's Cambridge campus. This has afforded the opportunity for collaboration across the University, for both faculty and students.

In 2010, Lesley again experienced a significant expansion of its physical plant with the completed acquisition of ten buildings in the Brattle Street area of Cambridge, to form the "Brattle Campus." Two of the buildings were purchased from the Weston Jesuit School of Theology and now house the Graduate School of Arts and Social Sciences. The other eight buildings were purchased from the Episcopal Divinity School and consist of four dormitories, new office space for the Office of Advancement and new library space, as well as new classroom space and dining facilities.

Diversity. Given the changes in the demographic profile of our country, the University has made a significant commitment to increasing the diversity of its staff, faculty, and students and to a curriculum that advances diverse perspectives and pedagogies. The University hired a full-time Director of Equal Opportunity and Inclusion/Title IX Coordinator eight years ago and now produces an annual diversity report that tracks diversity gains in personnel, students, and curriculum. An Affirmative Action Advisory Council meets twice a year to review the latest data and make recommendations. The President's Committee on Inclusive Excellence, through its active committee structure, supports curriculum initiatives, art and music events, and visiting lecturers and performers and advises the President on key issues. The University has also committed to the enrollment and support of international students through its new Global Education Center, established in 2014.

Two new programs seek to extend educational access to underserved populations in eastern Massachusetts. The Urban Scholars Initiative attracts urban high school students to Lesley through a unique program that offers significant financial aid, as well as mentoring and other support, including free textbooks. Through community college partnerships, Lesley is developing a model to offer bachelor's degree programs on community college campuses (beginning at Bunker Hill Community College, a state community college located in Charlestown, Massachusetts, "Bunker Hill") and other pathways for degree completion.

Faculty. The University implemented a plan to enhance faculty salaries, indexing the AAUP IIA salaries at the 60th percentile. In three of the past seven years, the University has added a supplemental salary increase in January for the faculty, in addition to the annual cost-of-living adjustment ("COLA"). For the past eight years, adjunct faculty rates have increased at the same COLA rate as all other employees. The adjunct faculty voted to unionize through the Service Employees International Union ("SEIU") in the spring of 2014. The first collective bargaining agreement has been signed. The core faculty voted in 2015 to unionize through the SEIU and the first collective bargaining agreement has also been signed.

Finance and Budget. The University has balanced its budgets in each of the last ten years and carefully manages the budget given enrollment challenges. The endowment has recovered substantially over the past two years with judicious management, and its current value (unaudited, as of November, 2017) of approximately $194 million is largely unrestricted. The University has a bond rating of A-, with a stable outlook, from S&P Global Ratings. This rating, originally issued in 2009, has been affirmed annually since 2011, most recently in August 2017.

Planning and Accountability. Lesley has increased its use of data for assessment and accountability and resources devoted to institutional research. For example, the University collects data on diversity, the assessment of student learning outcomes, employee and student satisfaction as well as annual surveys of recent graduates. This data informs planning for continuous improvement, helps avoid planning by anecdote, and enhances accountability for fulfilling the Lesley mission.

MISSION

The current Mission Statement emerged from a planning process that sought input from a broad range of faculty, students, administrators, staff, and trustees. In tandem with four Core Values, the Mission Statement accurately and comprehensively captures the University's identity and aspirations while establishing the philosophical foundation for all academic programs:

Mission Statement. *Lesley University engages students in transformative education, through active learning, scholarly research, diverse forms of artistic expression, and the integration of rigorous academics with practical, professional experience, leading to meaningful careers and continuing lifelong learning. Lesley prepares socially responsible graduates with the knowledge, skills, understanding and ethical judgment to be catalysts shaping a more just, humane, and sustainable world.*

Core Values.

> ***Inquiry:*** *Lesley University is devoted to academic excellence through active teaching, engaged learning, and individual student development. We design and deliver innovative, interdisciplinary academic programs that value inspired teachers, curious learners, relevant scholarship, and real-life application.*
>
> ***Community:*** *Learning is an individual and collective endeavor that involves students, educators, families, and communities. We believe in the power of collaboration and its impact on personal and social development.*
>
> ***Diversity:*** *Our community respects, values, and benefits from the individual, demographic and cultural differences of our students, faculty, and staff. As an academic community, our creativity, critical thinking, and problem-solving approaches are shaped by this diversity. Through their varied learning experiences, Lesley students develop the tools to effectively interact with diverse populations and strive for social justice and equity.*
>
> ***Citizenship:*** *Higher educational institutions have a responsibility to prepare their graduates to participate in the cultural, political and economic life of their community, nation and world. This democratic ideal is reflected in Lesley's academic environment that encourages scholarship, freedom of expression, and the open exchange of ideas.*

The core value of INQUIRY, particularly as a vehicle for transformative learning, reflects the strong relational pedagogies that faculty have adopted. Practical professional experience is integrated with rigorous academics through required internships, practica, and other field-based experiences. Many of these internships support pathways to employment and are believed to contribute to employment rates ranging from 83-98% within the first year after graduation. Students are also provided with multiple opportunities to engage in scholarly activity, whether presenting work in a student art exhibit or co-authoring a publication in a disciplinary journal with a faculty mentor.

Lesley's intentional focus on a strong COMMUNITY of learners begins with the engaged educational experiences of its students and extends beyond the classroom through the co-curriculum. Speaker series, artist's exhibitions, events, and community service learning permeate the campus. Beyond the internal community of students, scholars, and practitioners, Lesley also engages extensively with the Cambridge community though a variety of events and programs. A notable example of this is Lesley University's Boston Speaker Series, which brings

The core value of DIVERSITY has advanced with a number of key achievements. University-wide efforts led by the schools and the President's Committee on Inclusive Excellence have brought thought-provoking programs and extensive curricular development. Long-standing commitments to diversity (for example, to learners with special needs in the decades old Threshold Program) sit alongside newer efforts such as the Urban Scholars Initiative, community college partnerships, the Child Homelessness Initiative, and the Cultural Literacy Curriculum Institute. Education programs have infused Sheltered English Instruction across the curricula and modeled this for other institutions. Amidst these activities, Lesley recognizes that assuring an inclusive environment for all members of this diverse community requires vigilance and on-going dialogue, particularly in response to external events and circumstances.

International programs further illustrate Lesley's long history and ongoing commitment to diverse learners. In 2014, Lesley concluded its Israel location operations due to changes in Israeli governmental regulations and celebrated its decades of successful service to nearly 4,000 graduates. Lesley's global reach continues through efforts such as the Guyana master's program developed in partnership with the Ministry of Education and Health Services in Guyana; with a strong focus on cultural relevance, this specially designed program embeds mental health specialists as community leaders to increase local and regional well-being. The University's International Higher Education / Intercultural Relations master's program continues its service to international education and intercultural understanding.

CITIZENSHIP is enacted through extensive community service, internship, and field-based experiences in the curriculum and co-curriculum. Citizenship is also visible in Lesley's commitment to regional and national partners, global citizenship via international initiatives, and climate change activities. Lesley's sustainability efforts have increased in the last two years; improvements include progress with e

Finally, Lesley's extensive history of community partnerships including arts and education-based programs continues to strengthen and expand. Decades-long initiatives with elementary and secondary schools include the collaborative internship programs. A public art project at the Lunder Arts Center envisions Cambridge artists and others in the local community as key partners for ongoing arts engagement.

The Mission Statement and Core Values serve as the foundation for program review, student services, new academic program development, and strategic planning at the school/college and departmental levels. Alignment of the elements of the mission statement to programmatic activity and decision-making is a priority of faculty engaged in this work.

CURRICULUM AND DEGREE OFFERINGS

The four schools of Lesley University, described in more detail below, are: the College of Liberal Arts and Sciences, the College of Art and Design, the Graduate School of Arts and Social Sciences, and the Graduate School of Education. Each school is divided into divisions or programs within which faculty are assigned. Faculty personnel policies are University-wide. Each of Lesley University's four schools has a distinctive character, history, and mission. A limited number of programs and projects are jointly offered and some faculty hold joint appointments. In addition to the four schools, the University also manages the Threshold Program, a two-year certificate program for young adults with learning challenges and special needs, as described below.

Degrees are awarded at numerous levels: Associate of Arts, Bachelor of Science, Bachelor of Science in Education, Bachelor of Arts, Bachelor of Fine Arts, Bachelor of Arts in Behavioral Science and Liberal

Studies, Master of Arts, Master of Science, Master of Education, Master of Fine Arts, Certificate of Advanced Graduate Study ("CAGS"), Doctoral of Philosophy in Expressive Therapies, and Doctoral of Philosophy in Educational Studies with a specialization in Adult Learning, Educational Leadership, or a self-designed specialization.

The following table illustrates the degrees and certificates awarded at the University over the past five academic years ended:

Degrees and Certificates Awarded

	2013	2014	2015	2016	2017
Associates	0	1	0	0	0
Bachelor's	426	475	453	441	439
Post-Bac Cert.	3	0	1	0	0
Master's	1,637	1,434	1,084	961	914
CAGS	53	40	16	10	5
Ph.D.	23	26	28	35	33
Total	**2,142**	**1,976**	**1,582**	**1,447**	**1,391**

Source: Lesley University

Enrollment trends at the University have seen decreases in graduate students, primarily in the Graduate School of Education, while the University has seen undergraduate increases in both the College of Liberal Arts and the College of Art and Design. These enrollment trends have resulted in shifts in the student population that have led to a downward trend in degrees awarded from 2013 to 2017, primarily due to the fact that undergraduate students are enrolled in 4-year programs compared to the 2-year programs that graduate students are enrolled in.

The University is divided into undergraduate and graduate schools as described below.

The Undergraduate Schools

Lesley's undergraduate programs are varied in scope, but all are supported by broad instruction in liberal arts. The undergraduate programs emphasize the integration of academic and field-based learning, which begins in the freshman year. In the 2017 academic year, the undergraduate schools enrolled 1,732 FTE students.

Lesley's undergraduate program is divided into two schools: the College of Liberal Arts and Sciences and the College of Art and Design.

The College of Liberal Arts and Sciences. The original all-women's Lesley College has evolved from an undergraduate teacher education school into a comprehensive undergraduate school with 25 majors. The renamed College of Liberal Arts and Sciences (sometimes referred to herein as "CLAS") began enrolling men in the fall of 2005. Since then, CLAS enrollments have nearly doubled to approximately 1,100 FTE traditional undergraduates and 200 FTE adult learners in the Center for the Adult Learner (described below). Sixty-five percent of CLAS students are liberal arts majors and nearly one-half are double majors. Rigorous assessment and program strengthening have been the hallmarks of CLAS; in the past ten years, CLAS has launched nine academic program reviews across five of six divisions, two fully online baccalaureate programs, and seven new majors. CLAS graduates enjoy careers that extend Lesley's footprint throughout many areas of the world. Faculty and staff seek to instill in CLAS students the ambition to acquire and refine the classic values and virtues of character, engaged citizenship, intelligence, original thinking, justice, and perseverance.

The Center for the Adult Learner offers adult students flexible ways of earning a bachelor's degree while accommodating on-going work and personal responsibilities. Courses are offered in the late afternoon or evening, as well as on weekends. Course are offered, on-line, on-campus in Cambridge and on-campus at Bunker Hill. The program at Bunker Hill allows Bunker Hill students to earn their Associates Degree at Bunker Hill and then earn a Lesley Bachelor's Degree, taught by Lesley faculty, all without leaving their campus at Bunker Hill. Majors are offered in Business Management, Early Childhood Studies, Education, Human Services, Liberal Arts and Interdisciplinary Humanities, Liberal Studies, and Psychology and Applied Therapies. Prospective teachers may also complete course work leading to initial licensure in Massachusetts.

The College of Art and Design. The Lesley University College of Art and Design (sometimes referred to as "LUCAD"), immerses artists and designers in rigorous studio practice, visual culture and inquiry, and the interdisciplinary benefits of a liberal education. With a strong, century-old tradition of professional art programs, LUCAD offers Bachelor of Fine Arts ("BFA") degrees in animation, art history, digital filmmaking, fine arts, graphic design, illustration, interdisciplinary studies, and photography, as well as master's program in photography and new majors in digital filmmaking and interdisciplinary studies. It enrolls approximately 500 FTE undergraduates, 100 FTE graduate MFA students, and several hundred high school students in summer college-level studio arts programs. LUCAD's historic move from Boston to Cambridge in January 2015 showcases the University's support for arts integration and innovation.

In 2013, the University launched the Urban Scholars Initiative, which aims to make the dream of attending college a reality for low-income students in the greater Boston area and beyond. The program serves approximately 80 students and provides a 50% discount on tuition. In addition, there are endowed scholarships that in conjunction with federal financial aid, bring the cost of attendance close to zero. There is also a support system in place, with dedicated staff to guide these students through their Lesley journey.

Threshold Program. In addition to the two schools, the undergraduate program also includes the unique Threshold Program, which is a campus-based non-baccalaureate certificate program for motivated young adults with diverse learning challenges and other special needs. Serving approximately 60 students annually, the program has more than 30 years of experience in preparing students to become independent adults leading full and active lives. With the creation of the Threshold Advisory Council in 2011 and a focused planning initiative, the program realized its goal of establishing a new Alumni Center that offers employment service and other support. In 2015-2016 the University upgraded the Threshold Program residence halls to support its programs and make the buildings fully accessible to people with disabilities.

The Graduate Schools

The University's philosophy with respect to graduate education has a strong grounding in practice. Lesley's curriculum is fine-tuned each year to keep students current with the shifting and emerging needs of society and the specific issues facing each profession. Most on-campus graduate courses are offered in the late afternoon and evening hours to accommodate both full and part-time students. In addition, on-line courses are offered. At off-campus learning sites, courses are offered in intensive weekend seminars. In addition to graduate degrees, the graduate schools also offer programs leading to a CAGS as well as Doctoral Degrees. The Graduate Schools are co-educational with an FTE enrollment for the 2016-2017 academic year of 2,045 students.

The graduate programs at Lesley are divided into two schools: the Graduate School of Arts and Social Sciences and the School of Education.

Graduate School of Arts and Social Sciences. The Graduate School of Arts and Social Sciences (sometimes referred to herein as "GSASS") enrolled approximately 1,250 students during the 2016-2017 academic year and is known for innovative programs in areas such as Expressive Therapies and Counseling and Psychology and a sustained reputation for excellence in the field of mental health. In addition, through the MFA in Creative Writing, Interdisciplinary Studies, and International Higher Education and Intercultural Relations programs, GSASS continues to offer unique graduate programs grounded in the arts and social justice. The Mindfulness Studies Master's program, launched in 2014, is the first of its kind in North America in an emerging cross-disciplinary field.

International programs continue to figure prominently in the GSASS portfolio, despite the closure of the program in Israel (due to changes in Israeli regulations). Other endeavors include programs with new international partners such as the Ministry of Education and Human Service in Guyana. Plans are underway to expand this interdisciplinary educational model to other parts of the globe as part of the school's commitment to developing and implementing culturally relevant curriculum. More than 50% of the enrollees in the Ph.D. Expressive Therapies program are international students, a further example of the continued global reach of a Lesley education.

School of Education. The Graduate School of Education (sometimes referred to herein as "GSOE") enrolled nearly 1,600 students during the 2016-2017 academic year and offers advanced study in numerous fields that lead to licensure, master's degrees, certificates of advanced graduate study, and doctoral degrees. Enrollment has declined over the past ten years, particularly in master's degree programs for practicing educators that had been offered in locations across the country. Many reasons contributed to the decline: fewer teachers pursued master's degrees as fewer school districts financially supported teachers to earn additional degrees, and online and for-profit institutions became significant competitors. The downward enrollment trend has been steady and has required careful budgetary planning and management. Enrollment trends for academic years 2014-2015 and 2015-2016 remained flat while they declined slightly during the 2016-2017 academic year.

Despite these challenges, the strength, depth, and quality of Lesley's educator preparation programs remain key features of Lesley's identity and distinctiveness. This strength was affirmed through the national accreditation process by the Teacher Education Accreditation Council ("TEAC") and special recognition for the innovative Unified Assessment System covering all educator preparation programs.

Professional Development, Centers and Institutes

Since its inception, Lesley has focused on degree-granting programs at both the graduate and undergraduate level. Lesley also has created Continuing Education Offices in the graduate schools to make features of its master's programs available to professionals interested in furthering their education outside of a traditional degree-based program. Lesley's professional development courses, pre-college offerings, institutes and centers, and other non-degree programs, extend Lesley's offerings to a wide audience. Lesley's Center for Reading Recovery and Literacy Collaborative, Math Achievement Center, and Special Education Center have been highly successful in the last decade in providing grant-funded, research-based educational interventions for schools and districts.

ACCREDITATION AND MEMBERSHIPS

Lesley University is accredited by the New England Association of Schools and Colleges ("NEASC"). In 2016, the University completed its ten- year full accreditation review with NEASC and was granted accreditation for another ten years. All programs leading to educator licensure are approved by the Massachusetts Department of Education and the Interstate Certification Compact ("ICC"). The College of Art and Design is accredited by the National Association of Schools of Art and Design. The M.A. in Dance Therapy of the Expressive Therapy Division is accredited by the American Dance Therapy Association, the American Art Therapy Association and the American Music Therapy Association. The M.A. in Counseling Psychology programs are accredited by the Master's in Psychology Accreditation Council ("MPAC"). Lesley University's Professional Development master's programs are accredited by TEAC. Some of the organizations with which Lesley holds an affiliation or receives recognition are: American Association of Colleges for Teacher Education, Committee of Applied Master's Programs in Psychology, Council for Accreditation of Counseling and Related Educational Programs, American Art Therapy Association, and the American Music Therapy Association. Lesley University is authorized by the appropriate state education office in the states in which it offers degree programs.

Lesley's institutional memberships include the American Association of Higher Education, the American Council on Education, the Association of American College and Universities, the Association of Independent Colleges and Universities in Massachusetts, the National Association of College and University Business Officers, the Council for the Advancement and Support of Education, the Council of Independent Colleges, the National Association of Independent Colleges and Universities, Boston Higher Education Partnership, the Association of Independent Colleges of Arts and Design and the Massachusetts Higher Education Consortium.

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GOVERNANCE

Lesley University's organization and governance support its mission and institutional effectiveness by means of a multi-tiered distribution of roles and responsibilities.

Board of Trustees. The Board of Trustees is vested with the ultimate responsibility for the quality, integrity, and effectiveness of the University as described in the University's Articles of Organization. The Bylaws allow for 35 Board members, including the President, alumni trustees, and a young alumnus/alumna trustee. The Board of Trustees currently has 23 members and five trustee emeriti.

Board members are chosen for expertise, experience, and ability to advance the University's mission. The Trustee Affairs Committee of the Board oversees the recruitment, vetting, and nomination of new trustees, as well as the re-nomination of existing trustees and the nomination of the Chair of the Board of Trustees, the Clerk, and the Assistant Clerk. Board members may serve up to four terms of three years each, with years of service prior to 1999 not included in the calculation of term limits.

The Board of Trustees holds quarterly meetings. Its committee structure includes standing committees that provide opportunity for more thorough review and discussion of key issues, including: Academic Affairs, Advancement, Audit, Campus Planning and Property Management, Compensation, Enrollment, Finance, Investment, Student Experience, Trustee Affairs, and Executive.

The University engages in enterprise risk assessment on a regular basis, and oversight of regulatory compliance and risk rests with the Audit Committee of the Board of Trustees. In addition, the University's General Counsel serves as risk manager, formally reviewing enterprise risk with the President's cabinet once a year, and reporting the outcome of this discussion to the Audit Committee. The Audit Committee devotes one meeting each year to topics of risk management and regulatory compliance. The General Counsel provides updates to the Audit Committee as necessary during the year.

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The following table lists the current Board members, and their primary occupational affiliations.

2017-2018 Lesley University Board of Trustees

The active standing committees of the Board and the respective Chairpersons are as follows.

2017-2018 Board Committees

Committee	Chairperson
Academic Affairs	Juanita James
Advancement	Allene Pierson
Audit	Michael Mooney
Campus Planning/Property Management	Michelle O'Brien
Compensation	Hans Strauch
Enrollment	Barbara Russell
Executive	Hans Strauch
Finance	Hal Belodoff
Investment	Thomas N. Riley
Student Experience	Deborah Raizes
Trustee Affairs	Karen Morton

Administrative Organization. The Board vests in the President the responsibility to manage the University. The President relies on senior administrators responsible for the following functional areas: Academic Affairs, Administration, Advancement, Budget and Finance, Enrollment, Student Life and Academic Development, Legal, and Technology (cabinet membership). The 16 member President's Cabinet is composed of the senior leadership of the University and meets twice monthly to address issues and share information. The President regularly meets one-on-one with his direct reports.

Academic Organization. The Provost reports to the President and is responsible for the academic core of the University. This includes the four schools, Enrollment Management, the University Library, e-Learning and Instructional Support (eLIS), Office of Assessment and Institutional Research, the Center for Teaching, Learning, and Scholarship, Office of Grants and Sponsored Projects, Threshold Program, and the Global Education Center. The Provost works closely with school Deans both one-on-one and collectively through the "Deans Group", which meets twice monthly.

Faculty Governance. Open to all core faculty members, the Faculty Assembly serves as the steward of the academic environment, and plays a central role in the development of the University's intellectual direction, University-wide academic standards and structures, and opportunities for professional growth of faculty. The Faculty Assembly and/or its designated committees participate at key stages in the development of major institutional strategies and policy initiatives. Faculty Assembly elects representatives to attend meetings of the Board of Trustees. Monthly meetings are facilitated by the Faculty Assembly chair and vice chair. Standing committees include: Rank and Promotion, Faculty Life and Development, Budget and Planning, External Professional Affairs Committee, Faculty Affairs and Academic Policies, and Institutional Review Board for Human Subjects in Research.

Student Governance. Undergraduates in the College of Liberal Arts and Sciences and the College of Art and Design participate in the Undergraduate Student Government ("USG"). Graduate student governance continues to take shape across the University. The Graduate Student Association serves as the official governing body for graduate students, and each graduate school has a school-based association. The newly formed Student Associations of GSASS and GSOE continue to work toward meeting their goals of involving more students.

Alumni Council and Alumni Association. The Alumni Council is the governing board of the Alumni Association. It is an elected body that establishes goals and implements policy for the more than 84,000 members of the Alumni Association. The Council is composed of 25-30 members who serve one to three year terms and meets three times a year. The Executive Committee of the Council is comprised of four officers and two alumni and is governed by the trustees.

Communication. There are a variety of structures and vehicles in place for communication within and across committees, groups, programs, divisions, and schools as well as from groups to the wider University. Board communication is facilitated through the committee and meeting structure. In 2009, the Cabinet was expanded with the addition of the school Deans and the Chief Information Officer and then again in 2016 to include the Vice Provost for Academic Affairs and the Dean of Faculty to facilitate communication and planning across administrative and academic units. Examples of mechanisms for communication across the University include: regularly scheduled meetings, school caucuses, community-wide meetings, issue-specific meetings (e.g., Provost's meetings with divisions), community memos/updates/letters, the website and intranet, myLesley community groups, open forums, issue-specific forums, and newsletters.

ADMINISTRATION

As provided in its charter and related documents, the Board of Trustees delegates executive authority to the President to manage the University and to formulate and implement policies for its operation. In doing so, the President relies on a management team, which assists him in his administration of the University. This group includes the Provost and Vice President for Academic Affairs, the Vice Provost for Academic Programing and Resource Planning, the Dean of Student Life and Academic Development, the Vice President of Enrollment Management, Vice President for Administration, Vice President and Chief Financial Officer, Vice President for Budget and Financial Planning, Vice President for Advancement, Chief Information Officer, Vice President for Strategy and Implementation, the Vice President and Chief Legal Counsel and the Deans of the four schools.

Jeff A. Weiss, President
On July 1, 2016, Jeff A. Weiss became the sixth President of Lesley University. Prior to joining Lesley, President Weiss was a partner at Vantage Partners ("Vantage"), an internationally recognized consulting firm, of which he was a co-founder. Over close to 20 years at Vantage, he co-led the Alliance Practice and built and ran both its IT and its Healthcare industry practices. His work focused on helping leading organizations around the world improve how they structure and manage strategic partnerships, negotiate complex transactions, manage change, drive innovation, and emerge in shared decision-making. Before founding Vantage, President Weiss was a partner at Conflict Management, Inc., and helped found Conflict Management Group (now part of Mercy Corps), a not-for-profit that works with governmental and community leaders to resolve international conflict and effect social change. His work in these organizations had roots in the Harvard Negotiation Project, of which he was a member while studying at Harvard Law School. President Weiss has written extensively on enabling effective internal collaboration, external partnering, multi-party alignment to drive change, and negotiation. He is a frequent contributor to the *Harvard Business Review*, and is the author of the *HBR Guide to Negotiating*. He is presently working on a new book on leadership. President Weiss was a long-time Adjunct Professor at the Tuck School of Business at Dartmouth College where he taught extensively in the MBA program and the Master of Health Care Delivery Science program. In addition, he served for over a decade as an Adjunct Professor at the United States Military Academy, and was a co-founder and co-director of the West Point Negotiation Project. President Weiss was awarded West Point's 2010 Apgar Award for Excellence in Teaching. He is also the recipient of the Department of the Army's Commander's Award

for Civilian Service and a recipient of the Department of the Army's Outstanding Civilian Service Medal. He holds an A.B. in government from Dartmouth College and a J.D. from Harvard Law School.

Marylou Batt, Vice President for Administration
Ms. Batt has held her current position at Lesley since 2002. From 2001 to 2002 Ms. Batt was the Director of Centers and Institutes, providing leadership and coordination for the six University Centers. Prior to joining Lesley, Ms. Batt was the Special Assistant to the Deputy Secretary of the U.S. Department of Transportation. Ms. Batt has also served as the Deputy Secretary of Administration and Financial Affairs of the Executive Office of Transportation and Construction in Boston, Massachusetts. Ms. Batt earned a B.A. in Political Science from Marymount College, followed by a Master's of Public Administration in Government and Public Administration from American University.

Bernice E. Bradin, Vice President/Chief Financial Officer
Ms. Bradin joined Lesley in November 2006, and has primary responsibility for the fiscal stewardship of the University's resources with a focus on planning and strategically positioning and managing assets to maximize their utilization in achieving the University's academic mission. Reporting to her are the Office of Information Technology and the Financial Operations, which include Accounting, Budgeting/Planning, Cash Management, Endowment Management and Procurement. With over 30 years of professional experience in finance, Ms. Bradin has served as Chief Financial Officer for several portfolio companies of Schooner Capital Corporation, a private equity firm in Boston, and for numerous small and start-up clients of Corporate Initiatives, a firm she co-founded. She spent eight years prior to joining Lesley as a senior partner for Argo Global Capital, a venture capital firm specializing in wireless telecommunications, in Wakefield, Massachusetts, which managed $435 million of assets. Prior to that, Ms. Bradin was a Partner at Advent International, focusing on Asian investments. Ms. Bradin was a board member of the Financial Executives International, Boston Chapter, where she was Chair of the Academic Relations Committee. Additionally, she has held similar high-profile financial positions at Harvard University as Director of the Budget Office and at the University of Massachusetts as Vice President for Management. She also was the Chairperson of the Board of Trustees of Bunker Hill Community College. She holds a B.A. in English Literature from Cornell University and an MBA from Harvard Business School.

Timothy Cross, Interim Vice President of Advancement
Tim Cross joined Lesley in July 2017. His 30 plus years of experience in academic leadership include serving as assistant to the dean at The Medical College of Pennsylvania, associate dean for finance and administration and acting dean for development and alumni relations at Harvard Divinity School, executive director of advancement services at Tufts University, and, most recently, vice president for advancement services at Brandeis University. At Harvard Divinity School, he helped design and execute the first capital campaign in its history, and at Tufts he was a key member of the leadership team that successfully completed that institution's $1.2 billion *Beyond Boundaries* campaign. At Brandeis, he oversaw a comprehensive campaign readiness review, led the reorganization of Advancement efforts, and began the planning for a new major campaign. Tim earned his undergraduate degree from Dartmouth College and also holds two master's degrees and a PhD from the University of Pennsylvania

Amy Donovan, Chief Information Officer
Ms. Donovan joined Lesley in September 2015. As Chief Information Officer, she is responsible for Information Technology. Prior to joining the University, Ms. Donovan was Chief Information Officer for Gordon-Conwell Theological Seminary, a graduate school with multiple campuses and online programs. Ms. Donovan has also served in Information Technology roles with a global non-profit, a nationwide retailer, and the Federal Deposit Insurance Corporation ("FDIC"). She has been involved in volunteer relief and development projects in the Caribbean, Middle East, South Africa, and U.S. Ms. Donovan earned her B.S. in Business Administration from George Mason University and has completed graduate

studies in Workplace Ethics, at Gordon-Conwell. She is currently completing an M.S. in Innovation and Strategic Management at Salve Regina University.

ML (Marylou) Dymski, Vice President for Budgeting/Financial Planning
Ms. Dymski joined Lesley in 2002. She oversees the Budgeting and Financial Planning of the University. Prior to joining the University Ms. Dymski was the Vice President of Finance and Chief Financial Officer of eRoom Technology, a software startup company. Ms. Dymski has also held positions at a number of software companies, including the Vice President of Finance at Stream International and Vice President of Finance and Chief Financial Officer of Corporate Software incorporated. Prior to that, Ms. Dymski was employed by Intel Corporation. She received her B.A. in Political Science from Swarthmore College and an MBA with distinction from the J.L. Kellogg Graduate School of Management at Northwestern University.

Dr. Jack Gillette, Dean of the Graduate School of Education
Dr. Jack Gillette joined Lesley University as Dean of the Graduate School of Education in July 2011. Dr. Gillette came to Lesley from Yale University where he served for ten years as Director of the Teacher Preparation and Educational Studies Program. He previously served as Director of Professional Development and Consultation for the School Development Program of the Child Study Center at Yale University. While at Yale, Dr. Gillette established a new M.A. degree in Urban Education Studies program in partnership with the New Haven Public Schools. He also redesigned the undergraduate education majors to meet the National Counsel for Accreditation of Teacher Education standards for the successful approval of all undergraduate and graduate programs at the university. As Director of Professional Development and Consultation for the School Development Program of the Child Study Center, Dr. Gillette managed the scale up and implementation of the School Development Program across the United States and in Trinidad, expanding the programs reach from 400 to 1,100 schools under his leadership. He trained and supervised all national faculty in the 1,100 schools and managed eight University-District Partnerships. He began his career as a high school social studies teacher in New Haven, CT. Dr. Gillette earned his Ph.D. from Yale University, his M.A. at Wesleyan University, and his B.A. from Harvard College.

Dr. Richard Hansen, Interim Provost and Vice President for Academic Affairs
Dr. Hansen joined the University in September 2017, as the interim Provost and Vice President for Academic Affairs while the University searches for a long-term successor to the former Provost, who retired in July 2017. Dr. Hansen most recently served as the interim provost for Wentworth Institute of Technology, and has previously worked in multiple senior roles at Norwich University, the University of New Orleans, the University of Louisiana System, Union Institute and University, University of Evansville, and Thomas Edison State College. Dr. Hansen holds a Doctor of Philosophy in education administration from the University of Denver and is provost emeritus of Cincinnati's Union Institute and University. Dr. Hansen received his M.S. in Education from Indiana University and his B.A. in Political Science from the University of Denver. Dr. Hansen will work with other administrators and faculty to evaluate the University's academics and organizational structure, sustain the University's work on faculty, staff and student diversity, and inclusion and other administrative priorities.

Dr. Lisa Ijiri, Vice Provost for Academic Program and Resource Planning
Dr. Lisa Ijiri, Vice Provost for Academic Program and Resource Planning has been a member of the Lesley community since 2012. During that time, she has led key initiatives such as the establishment of the Global Education Center and the 2015 ten year NEASC accreditation process. A Fulbright scholar, Dr. Ijiri is a seasoned academic administrator with extensive international program experience. She holds doctoral and master's degrees from Northwestern University in Learning Disabilities and master's and bachelor's degrees in Psychology from Johns Hopkins University. Prior to joining Lesley, Dr. Ijiri was Associate Dean at Curry College in Milton, MA and served for 14 years as Director of the internationally

renowned Program for Advancement of Learning, a comprehensive program for college students with learning disabilities. She is a member of the Massachusetts American Council for Education ("ACE") Women's Network Executive Board, a state chapter of the national ACE organization dedicated to advancing women's leadership in higher education.

Dr. David Katz, Dean of the Graduate School of Arts and Social Sciences
In 2016, Dr. Katz became the Dean of the Graduate School of Arts and Social Sciences. Dr. Katz has served for over a decade in academic leadership roles at both the California School of Professional Psychology and most recently at Adler University in Chicago. As Chair of the Department of Psychology at Adler, Dr. Katz reported directly to the Vice President of Academic Affairs as a member of the senior leadership team and was responsible for leading a team of 28 core faculty and overseeing an annual budget of approximately $4.5 million. During his tenure at Adler, Dr. Katz successfully increased the number of both faculty and students from diverse backgrounds and presented nationally on the topic of supporting the retention of faculty of color. Dr. Katz is a board certified neuropsychologist and licensed clinical psychologist. Mr. Katz earned his Ph.D. in counseling psychology at the University of Kentucky with an emphasis on neuropsychology and medical behavioral sciences. Mr. Katz also completed a fellowship in Clinical Neuropsychology at McLean Hospital/Harvard Medical School.

Dr. MaryPat Lohse, **Vice President for Strategy and Implementation**
Dr. Lohse joined the University in 2009 and serves as the principal aide to the President. Dr. Lohse handles a wide range of matters on behalf of the President, works closely with the Board of Trustees, and over sees operations within the office of the President. A member of the President's Cabinet, she works closely with the President on the implementation of the University's strategic plan, the development of University partnerships with other educational and cultural institutions, and the implementation of other University initiatives. Dr. Lohse provides leadership, coordination, and oversight in the development of defined core initiatives for the University and serves as the President's primary liaison with University constituencies. Prior to joining Lesley, Dr. Lohse worked at Brandeis University, Boston College, and Wheelock College. She holds a Bachelor's degree in English from Canisius College, a Master's degree in Administration, Planning, and Social Policy from Harvard University's Graduate School of Education, and a Doctorate in Higher Education Administration from Boston College.

Dr. Nathaniel Mays, Dean of Student Life and Academic Development
Nathaniel Mays is the Dean of Student Life and Academic Development at Lesley University. Prior to joining Lesley in the summer of 2004, Dr. Mays served in several student affairs positions at Brandeis University; he was Protestant Chaplain, the Director of the Intercultural Center, the Assistant Dean of Student Affairs, and the Assistant Dean of Student Life and Coordinator of Diversity Services. Dr. Mays has a B.A. in Religion and Philosophy from Bishop College, Dallas, Texas, a Masters of Divinity and an M.A. in Religious Education from Andover Newton Theological School in Newton, MA, and a Ph.D. in Social Foundations of Education from the University of Connecticut. His work in higher education has focused on building a safe, respectful, vibrant, and engaged community of students, faculty, and staff from various walks of life with the express purposes of fostering an environment that encourages learning and an appreciation of campus community.

Shirin Philipp, Esq., Vice President and General Counsel
Ms. Philipp joined Lesley University in 2011. Ms. Philipp provides legal advice to the University. She works with the Board of Trustees, faculty, and administrators on a variety of legal matters, including governance, contracts, student affairs, employment, intellectual property, regulatory compliance, and risk management. Prior to joining Lesley, Ms. Philipp was a partner at the law firm Foley Hoag LLP, where she led the nonprofit organizations practice group and also represented investment managers and private funds. She joined the firm following a clerkship with the Justices of the Superior Court of Massachusetts.

She earned her J.D. degree from Boston University School of Law and her B.A. degree from Dartmouth College.

Tim Robison, Vice President for Enrollment Management
Mr. Robinson joined the University in 2012 and serves as the Vice President for Enrollment Management. Mr. Robison has worked in various aspects of enrollment services. His career began at the University of Chicago, Graduate School of Business where he served as Assistant Director of Admission and Financial Aid before advancing to the position of Director of Admission at the School of the Art Institute of Chicago. He then moved to California, assuming the role of Director of Admission at the San Francisco Art Institute where he was promoted to positions of progressively greater responsibility, resulting in the promotion to Vice President for Enrollment and Student Services. Looking for a new challenge at a mission-driven institution with a broad array of undergraduate and graduate programs, Mr. Robison moved to Arizona, serving for a number of years as the Vice President for Enrollment Management at Prescott College. He remained at Prescott for seven years before becoming a consultant on enrollment management and marketing assessment at Olivet College in Olivet, Michigan. Mr. Robison earned a BFA and MFA at Northern Illinois University in De Kalb, Illinois. He has been active in a number of professional organizations, including the American Association of Collegiate Registrars and Admissions Officers (AACRAO).

Amy Rutstein-Riley, Dean of Faculty
In 2015 Dr. Rutstein-Riley became the Dean of Faculty. In addition Dr. Rutstein-Riley directs the Center for Teaching, Learning and Scholarship and holds a joint appointment in the Sociology PhD Program in Educational Studies in the Graduate School of Education and the Social Science Division of the College of Liberal Arts and Sciences. Dr. Rutstein-Riley teaches courses in medical sociology, women's studies, girls' studies, research methods, adult learning and development, and interdisciplinary inquiry. Dr. Rutstein-Riley is the principal investigator of The Girlhood Project. Dr. Rutstein-Riley serves as Co-chair of the Lesley University Women's Studies Steering Committee and the Women's Center, and co-facilitates LEAD, leadership enrichment and development for women core faculty. Dr. Rutstein-Riley started The Girlhood Project in 2008, which brings together undergraduate and adolescent girls to talk freely about identity, body image, critical media literacy, and relationship health. Dr. Rutstein-Riley is a recipient of the prestigious American Association of University Women's Community Action Grant, which provides funding for projects that promote education and equity for women and girls. The project is entitled *Girls, Media, and You!* Dr. Rutstein-Riley earned a BA from Simmons College, a MPH from Boston University School of Public Health and a PhD from Lesley University.

Dr. Steven Shapiro, Dean of the College of Liberal Arts and Sciences
In 2016, Dr. Shapiro became the Dean of the College of Liberal Arts and Sciences. Dr. Shapiro comes to Lesley from Guilford College in Greensboro, NC where he served in a variety of capacities in academic affairs. He began his career at Guilford as an Assistant Professor of Physics and was promoted up the ranks to tenured Associate Professor and ultimately to Full Professor. His administrative service has included positions as Chair of the Physics Department, Chair of the Division of Natural Sciences and Mathematics, Director of Academic Advising, and Associate Academic Dean. He has conducted research at MIT and at the Harvard-Smithsonian Center for Astrophysics, and has published and made conference presentations on various topics in the sciences and in the area of professional advising. Steven Shapiro earned his bachelor's degree from Colby College, graduating with distinction in Physics. He later earned a Ph.D. in Geophysics at MIT and a certificate from Harvard's Institute for Management and Leadership Education.

Richard Zauft, Dean, College of Art and Design
Richard Zauft is the Dean of the College of Art and Design and has served in that capacity since July 2014. Prior to Lesley, Mr. Zauft was the Associate Vice President of Academic Affairs for Emerson

College in Boston, where he also served as Executive Director of the Institute for Interdisciplinary Studies, interim Dean of Liberal Arts, and Dean of Graduate Studies. Previously, Mr. Zauft served as associate dean of the Peck School of the Arts at the University of Wisconsin-Milwaukee for six years, and Chair of the Art Department at the University of South Dakota. He was a Professor of Visual Arts for 24 years and is a two-time project grant recipient from the National Endowment for the Arts. He earned his bachelor's degree and master of fine arts at the University of Wisconsin-Madison, and earned a certificate in the management development program at Harvard University. Mr. Zauft's commitment to diversity led to the creation of the annual New England Higher Education Recruitment Consortium's Diversity Recruitment Conference. Outside academia, Mr. Zauft has served for three years as President of the College Book Art Association and two years as President of the Society of Printers. Mr. Zauft has lectured extensively and exhibited across the country. He has been recognized as a visiting artist at Columbia College of Art and Design in Chicago, at Indiana University, Washington University in St. Louis, Minnesota Center for Book Arts, San Francisco Center for the Book, Dartmouth College, Wellesley College and Massachusetts College of Art and Design.

FACULTY

As of the academic year ending 2017, approximately 85% of the full-time faculty had terminal degrees in their fields. In 1988, the University faculty voted to eliminate Lesley's version of the traditional tenure system in favor of a multi-year contract system for faculty. Professors become eligible for long-term contracts through performance evaluation and length of service. In 2015, the core faculty unionized and a contract has been negotiated with the Service Employees International Union ("SEIU") and was signed in 2016.

The number of full-time and part-time faculty for the last five academic years is provided in the table below.

Faculty Headcount

Academic Year Ending

	2013	2014	2015	2016	2017
Professor	51	51	47	40	40
Associate	61	62	57	58	63
Assistant	56	57	65	64	54
Instructor	22	19	19	19	16
Total	**190**	**189**	**188**	**181**	**173**

Source: Lesley University

In addition to these full-time and part-time faculty members, the University also currently employs approximately 500 adjunct faculty members. Most of the adjunct faculty members work full-time in the profession in which they teach, and typically contract to instruct one course per semester. In 2014 the adjunct faculty voted to unionize and the University signed a collective bargaining agreement with the SEIU, as representative of the adjunct faculty, in 2015.

OTHER EMPLOYEES

As of fiscal year ending 2017, the University employed 377 non-faculty employees, 349 of whom were employed on a salaried basis and 28 on an hourly basis. Non-faculty employees of Lesley are not represented by labor unions.

ENROLLMENT

Lesley's admissions office serves the four schools of the University with staff dedicated to the various student populations, undergraduate students, graduate students, and adult learners. Each program officer within the admissions office applies their process within the guidelines of the academic programs of the respective schools and, in turn, with the University's mission statement and program goals.

The following three tables show Lesley's enrollment for the last five academic years. The University's internal tracking service gauges enrollment at GSOE, GSASS and the Center for the Adult Learner, on the basis of credit hours. To make enrollment statistics at these schools more comparable to the University's other schools (College of Liberal Arts and Sciences and the College of Art and Design) and other, more traditional schools, the enrollment statistics for GSOE, GSASS and the Center for the Adult Learner, in the following three tables, treat 24 credit hours to be one FTE.

The following table demonstrates FTE enrollment by school.

Full Time Equivalent Enrollment
Academic Year Ending

		2013	2014	2015	2016	2017
CLAS		1,008	1,003	907	992	1,052
LUCAD		455	428	385	458	481
Center for the Adult Learner						
	On-Campus	172	167	152	147	137
	Off-Campus	19	14	64	48	62
Subtotal Undergraduate Programs		**1,654**	**1,612**	**1,508**	**1,645**	**1,732**
GSOE						
	On-Campus	939	708	762	805	645
	Off-Campus	829	806	578	508	569
GSASS						
	On-Campus	730	648	758	757	526
	Off-Campus	144	185	36	53	226
LUCAD MFA		108	108	119	87	79
Subtotal Graduate Programs		**2,750**	**2,455**	**2,253**	**2,210**	**2,045**
	Total	**4,404**	**4,067**	**3,761**	**3,855**	**3,777**

Source: Lesley University

There are annual variations in enrollment numbers due in part to the timing of the enrollment of cohort groups, which management considers in planning and budgeting. In addition, as state teacher certification requirements change, students often accelerate the process of obtaining licensing to avoid being caught in changing regulations; this phenomenon occurs primarily on campus in the School of Education.

On-campus undergraduate enrollments have increased from academic years ending 2013 through 2017. The University has seen growth in the College of Liberal Arts and Sciences and the College of Art and Design. Graduate School of Arts and Social Sciences has seen a decline in on-campus enrollment which has been offset to some degree with increases in off-campus students. The College of Art and Design enrollment figures had trended down, through academic year ending 2015, however the impact of the new "arts center" is beginning to be reflected in the 2016 and 2017 academic year figures.

Total FTE enrollment has decreased by approximately 14% from academic year ending 2013 to 2017, primarily due to declines in enrollment in GSOE and on-campus GSASS. The declines in enrollment in GSOE are a result of a decrease in demand for teacher certification. As state and local budget cuts have occurred over the past five years, local school districts are no longer providing financial incentives to teachers getting their masters degrees. Certain steps have been taken over approximately the past two years to assist in enrollment, such as the engagement of an enrollment consultant and the Bunker Hill partnership described above. Management is of the view that the campus decline in GSOE should begin to show signs of gradual improvement, while the 2017 data points to improving off-campus enrollments.

The following table compares FTE enrollment in on-campus versus off-campus programs for the last five academic years.

On-Campus and Off-Campus FTE Enrollment
Academic Year Ending

	2013	2014	2015	2016	2017
On-Campus	3,412	3,062	3,083	3,246	2,920
Off-Campus	992	1,005	678	609	857
Total	**4,404**	**4,067**	**3,761**	**3,855**	**3,777**

Source: Lesley University

Trends in Applications and Admissions

The tables below show, for the fall semesters indicated, Lesley's application, acceptance and matriculation statistics for the undergraduate schools and graduate programs.

Trends in Applications and Admissions
Undergraduate Programs
Fall Semester

	2013	2014	2015	2016	2017
Freshman					
Applications	2,672	2,828	3,433	3,709	3,478
Acceptances	1,797	2,022	2,293	2,350	2,492
Enrollment	317	310	390	377	382
% accepted	67%	71%	67%	63%	72%
% matriculated	18%	15%	17%	16%	15%
Transfers					
Applications	352	364	422	363	376
Acceptances	196	231	286	266	257
Enrollment	89	93	120	116	130
% accepted	56%	63%	68%	73%	68%
% matriculated	45%	40%	42%	44%	51%

Source: Lesley University

Lesley's undergraduate market demand statistics have improved in recent years with increases in applications. The University's plan for undergraduate growth established goals for increasing student quality while also attaining enrollment growth. The success of the plan is evidenced by the increase in applications and enrollment over this time frame. Freshman applications have increased 30% while freshman enrollment has increased 21% from fall 2013 to fall 2017. Freshman acceptance rates and matriculation rates have remained relatively consistent. At the same time, the percentage of transfer applicants and enrollment has increased slightly from fall 2013 to fall 2017. The transfer matriculation rate has also increased over this time, which was an expected outcome due to the improved quality of applicants.

Trends in Applications and Admissions
Graduate Programs
Fall Semester

	2013	**2014**	**2015**	**2016**	**2017**
Graduate					
Applications	2,634	2,328	2,440	2,312	1,815
Acceptances	1,738	1,456	1,690	1,456	1,282
Enrollment	1,065	911	1,092	852	825
% accepted	66%	63%	69%	63%	71%
% matriculated	61%	63%	65%	59%	64%

Source: Lesley University

The graduate applications and enrollment are both trending negatively for the past five years while the acceptance rate for the University's graduate programs have been relatively consistent for the past five years. This decline is mostly attributed the declines within the GSOE, which have been noted above.

The University created the "Lesley Dividend" program to retain qualified Lesley University undergraduate students that wish to enroll in the graduate program. This program offers 12 free credits in graduate school to students who maintain an undergraduate grade point average of at least 3.60 on a 4.00 scale. This program helps to improve the quality of the students in the graduate program while serving as motivation for students to excel in the undergraduate program. It also serves to support students for careers (such as teaching and counseling) in which master's degrees are required for licensure or certification.

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Geographic Areas of Representation

For the academic year ending 2017, approximately 57% of Lesley's undergraduate students were from Massachusetts, while approximately 13% were from other New England states. This data reflects an increased diversification of undergraduate student geographical distribution. In prior years the percentage of Massachusetts students averaged about 65% while the average number of students from other areas was about 10% compared to 30% for the academic year ending 2017.

The following table summarizes the geographic distribution of the undergraduates for the academic year ending 2017.

Geographical Distribution of Undergraduate Students (*)

		2017
Massachusetts		1,508
Other New England States		359
New York/New Jersey		190
All Other		603
	Total	**2,660**

(*) Based on headcount and not FTE.
Source: Lesley University

The table below summarizes the geographic distribution of Lesley's graduate students for the academic year ending 2017. The University attributes the higher concentration in certain states to the licensing and regulatory requirements for educators in those states.

Geographical Distribution of Graduate Students (*)

		2017
Massachusetts		3,211
Other New England States		406
New York/ New Jersey		145
California		76
All Other		837
	Total	**4,675**

(*) Based on headcount and not FTE.
Source: Lesley University

Student Fees Data

The following table shows Lesley's undergraduate tuition and room and board rates for the last five academic years. During this time, annual undergraduate tuition increases have averaged about 3.0% with the exception of the 2015 academic year, when tuition decreased 24%, on average. In the 2015 academic year the University made the strategic decision to lower the student tuition rate or "sticker price" of its tuition, in an effort to attract more students. This reduction in tuition to $24,000 was intended to set the tuition level below that of schools that the University regarded as its competitors, and thus the new level was set after some investigation of the tuition levels being charged by these competing institutions. Market research had shown that many students would only use the "sticker price" in making their decisions on where to apply and by lowering the "sticker price" management felt they could widen the potential pool of students. This reduction in the stated tuition rate was matched by a reduction in institutional financial aid, so as to minimize the impact on net tuition revenues, since approximately 90% of Lesley students receive some form of financial aid.

Student Fees
Academic Year Ending

	2013	2014	2015	2016	2017
Tuition-College of Liberal Arts and Science	$31,200	$32,000	$24,000	$24,720	$25,500
Tuition-College of Art and Design	$29,250	$30,600	$24,000	$24,720	$25,500
Room & Board	$13,650	$14,000	$14,400	$14,830	$15,300

Source: Lesley University

The table below shows Lesley's graduate tuition for the last five academic years. Graduate school tuition is paid per credit hour and most courses are three credit hours. Room and board is not available to graduate students.

Graduate Tuition (per credit hour)
Academic Year Ending

	2013	2014	2015	2016	2017
On-Campus	$870	$900	$925	$950	$975
Off-Campus/On-Line	$550	$570	$585	$590	$610

Source: Lesley University

Retention

The table shows the first to second year student retention rates for the CLAS and the LUCAD first-time students (entering freshmen and transfer students) since the fall 2013 semester.

Student Retention
Fall Semester

	2013	2014	2015	2016	2017
Headcount	334	317	298	419	408
Students Returning	263	241	238	339	328
Retention %	79%	76%	80%	81%	80%

Source: Lesley University

Over the past five academic years the University's retention rates for entering freshmen and transfer students have averaged 79% with a high of 81% in 2016. The University believes the general increase in the retention rate is a direct result of strategic measures that have been put in place to improve student retention. The University's focus on student retention has resulted in a decline in student attrition, which peaked at 36% in 2007. The University has a dedicated staff person who closely monitors the student experience and collects data on why students tend to leave, recommends changes and strategies to improve retention. In addition, the University has established a committee of the Board of Trustees (Student Experience) that is tasked with monitoring student retention and making recommendations for improving retention.

Competition

The University competes against other institutions to attract students. These competitors vary depending on the school and program.

The table below lists the selected colleges and universities with which the College of Liberal Arts and Sciences competes for undergraduate students.

College of Liberal Arts and Sciences List of Competitors
Assumption College
Clark University
Emmanuel College
Endicott College
Lasell College
Merrimack College
Northeastern University
Regis College
Simmons College
Stonehill College
Suffolk University
Wheelock College

The table below lists the selected colleges and universities with which the College of Art and Design competes for undergraduate students.

College of Art and Design List of Competitors
Maine College of Art
Maryland Institute College of Art
Mass College of Art
Montserrat College of Art
NESAD @ Suffolk University
Parsons @ New School
Pratt Institute (Brooklyn)
Rhode Island School of Design
Savannah College of Art and Design
School of Museum of Fine Arts (Boston)
School Visual Arts
UMASS Dartmouth

The table below lists other regional institutions with which Lesley competes for graduate students.

Graduate Programs (GSOE and GSASS) List of Competitors

Boston College (School of Education)
Boston College (School of Science and Humanities)
Boston University (School of Education)
Bridgewater State University
Cambridge College
Emmanuel College
Salem State University
Simmons College (School of Education)
Simmons College (School of Science and Humanities)
Suffolk University
UMASS Boston
Wheelock College

Student Employment Rates

Six months after graduation, Lesley conducts employment surveys for all graduated students who had been on-campus in the College of Liberal Arts and Sciences, the Adult Learning Division, the College of Art and Design, the Graduate School of Education, and the Graduate School of Arts and Social Sciences. The 2016 survey response rates ranged from 50% to 65%, depending on the degree attained.

The following table lists employment rates for Lesley graduates, defined as the percentage of such graduates employed, excluding those not seeking employment at the time of the survey.

Post-Graduation Employment Rate
Academic Year Ending

	2013	2014	2015	2016
College of Liberal Arts and Sciences	95%	96%	96%	97%
Adult Learning Division	92	98	90	94
College of Art and Design	92	92	87	90
Graduate School of Education	98	98	97	97
Graduate School of Arts and Social Sciences	87	91	91	91

Source: Lesley University

The data shows that as the national economy has improved, so have the employment rates of Lesley's graduates.

FACILITIES

Lesley's facilities are located within three campuses (Doble, Porter and Brattle) that are located between Harvard and Porter Squares in Cambridge, Massachusetts. The urban campus setting provides easy access to Boston by public transportation. The facilities consist of 62 Victorian and more modern buildings that provide a cohesive academic setting within a residential neighborhood.

Doble Campus. The University's original campus, located between Harvard and Porter Squares, is home to the College of Liberal Arts and Sciences, the University's traditional undergraduate program, as well as classrooms, computer labs, the student center, fitness center, student affairs, dining facilities, residence halls, and the Office of the President and other administrative offices. These are housed in a variety of facilities ranging from renovated Victorian homes to modern office buildings.

Porter Campus. A ten minute walk north of the Doble Campus, the Porter Campus is in the heart of Porter Square. University Hall is home to the Graduate School of Education, science labs, classrooms, studio space for LUCAD, the University Registrar and Financial Aid Office, other administrative offices and the Porter Café. Most of the lower level and the first floor of University Hall is devoted to revenue generating retail uses; a lively hub of activity with restaurants, a bank, the University Bookstore and other retail establishments. A portion of the lower level of University Hall has been renovated into classroom space and studio space for the College of Art and Design. On the adjacent corner to University Hall is the new Lunder Arts Center, which houses the College of Art and Design. This state of the art facility marries history with contemporary design. The structure's new four-story building is connected by a glass-walled commons to the restored and relocated North Prospect Church. The Lunder Arts Center contains classroom space, studio space, and a library as well as public gallery space.

Brattle Campus. Located near Harvard Square, opposite the Cambridge Common from the Doble Campus, the historic 19th century Brattle Campus is the location of the Graduate School of Social Sciences, the Sherrill Library (the University's main library), residence halls, classrooms, building and grounds facilities and dining facilities. In addition, the Office of Advancement occupies a prominent building in the heart of this campus. The ten buildings that make up the Brattle Campus were purchased from the Episcopal Divinity School ("EDS") and the Weston School of Theology, over a three year period that concluded in July 2010. EDS maintains ownership of four buildings on the Brattle Campus, which house EDS's administrative offices and chapel. The University and EDS share ownership and use of the Sherrill Library as well the common ground space of the Brattle Campus.

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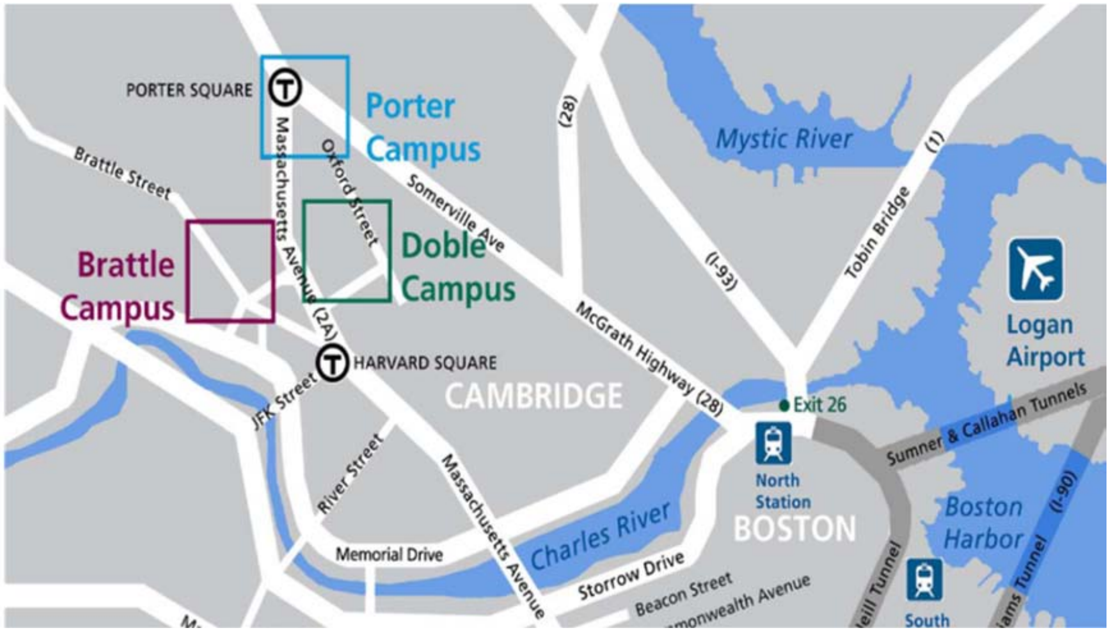
The following maps depict Lesley's existing campuses.

<u>Overview</u>



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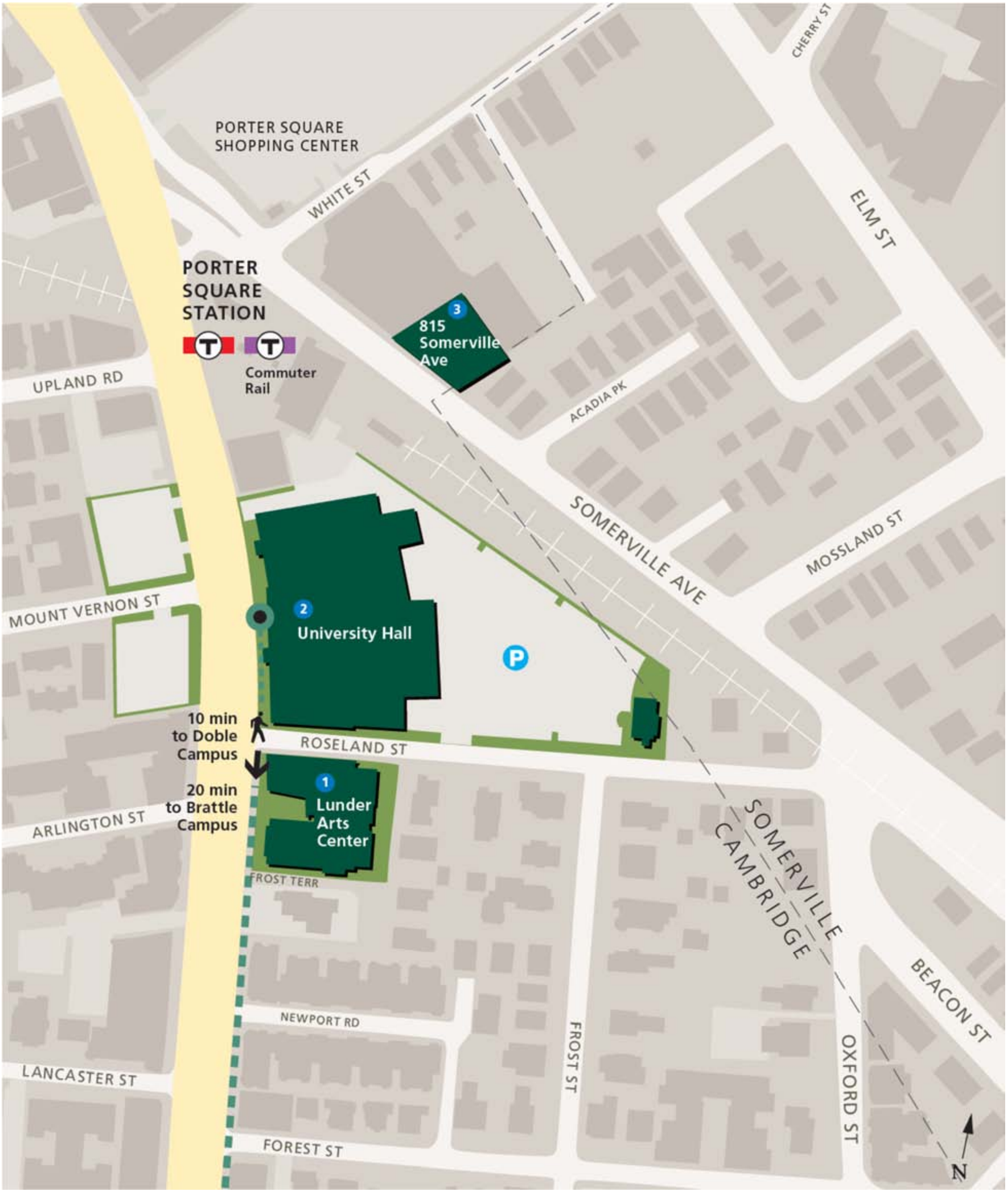
<u>Porter Campus</u>



Doble Campus

Brattle Campus

For its off-campus programs, Lesley rents space in local schools for the weekends when courses are offered. These leases are tied to the duration of the cohort, which is generally less than two years. The University pays for the space only when cohorts are using it. Off-campus leases represent a variable cost to the University, which can be adjusted to meet the changing needs of Lesley's offsite student population. The University has no obligation to continue renting after the cohort is complete. The University leases sports fields and a gymnasium from a private secondary school in Cambridge. This lease is due to expire at the end of 2018 and the University is currently exploring other options.

Lesley's current on-campus physical resources include 20 residence halls, amounting to approximately 900 beds, numerous classroom buildings, office space for faculty and administrators, a library and parking facilities. The following table summarizes the academic, administrative, and student facilities by size and principal use.

Summary of Campus Facilities

Building Address		Gross Square Footage	Principal Use
89	Brattle St.	51,938	Library
101	Brattle St.	11,379	Office
99-4	Brattle St.	28,970	Dorm
29	Everett St.	8,390	Office
31	Everett St.	12,285	Office/Classrooms
33	Everett St.	31,990	Dorm/Cafeteria
2	Hastings Rd.	4,739	Maintenance
12	Kirkland Pl.	8,695	Presidents House
1627	Mass Ave.	6,491	Office
1815	Mass Ave.	231,590	Office/Classrooms Commercial Rental
1826	Mass Ave.	0	Parking Lot
1840	Mass Ave.	0	Parking Lot
1868	Mass Ave.	0	Parking Rights
1663/1665	Mass Ave.	2,578	Commercial Rental
1801	Mass Ave.	74,000	Classrooms/Studios/Gallery Space/Office
7	Mellen St.	4,865	Office
9	Mellen St.	4,180	Office
11	Mellen St.	4,153	Office
13	Mellen St.	3,959	Office
17	Mellen St.	2,400	Rental
19	Mellen St.	1,857	Rental
21	Mellen St.	4,860	Rental
23	Mellen	12,375	Office
24	Mellen St.	5,033	Office
27	Mellen St.	4,474	Office
29	Mellen St.	3,546	Office
30	Mellen St.	90,700	Fitness Center/Offices/Classrooms
31	Mellen St.	6,610	Dorm
33	Mellen St.	4,282	Offices/Classrooms

33.5	Mellen St.	1,823	Offices
34	Mellen St.	included w/30 Mellen	Dorm/Offices/Classrooms/Theater/Gallery
35	Mellen St.	7,156	Dorm
36	Mellen St.	w/30 Mellen	Dorm, Dining
37	Mellen St.	5,679	Office
38	Mellen St.	included w/30 Mellen	Dorm/Office/Student Center
61	Oxford St.	6,248	Dorm
63	Oxford St.	13,681	Dorm
68	Oxford St.	9,045	Dorm
78	Oxford St.	8,405	Dorm
79-81	Oxford St.	8,200	Rental
80	Oxford St.	2,704	Offices
82	Oxford St.	3,422	Office
3	Phillips Pl.	14,465	Office
5	Phillips Pl.	7,318	Office
10	Phillips Pl.	18,152	Dining
49	Roseland St.	10,000	Rental
6	Sacramento St.	12,719	Dorm
815	Somerville Ave.	29,284	Office/Parking Garage
6	St Johns Rd.	4,105	Dorm
1,3,5,7	St Johns Rd.	24,794	Dorm
2,4	St Johns Rd.	8,561	Dorm
1	Wendell St.	27,414	Dorm
3	Wendell St.	7,226	Dorm
14	Wendell St.	8,100	Dorm
20	Wendell St.	3,802	Rental
34	Wendell St.	2,778	Office
16/18	Wendell St.	11,406	Dorm
22/24	Wendell St.	6,514	Rental
28F	Wendell St.	4,830	Rental
28R	Wendell St.	4,830	Dorm
30/32	Wendell St.	N/A	Tennis Court
37-41	Wendell St.	30,050	Rental
	Total	**929,050 sq. feet**	

The following is a list of significant campus improvements completed since 2011:

- The completion of the $50 million Lunder Arts Center (January 2015)
- ADA improvements, including an elevator at 29/31 Everett Street
- Major renovations to the Threshold Program buildings.
- Major renovations to the electrical distribution system of the Brattle Campus.
- Upgrades to technology equipment, software and the University website.

In accordance with the Americans with Disabilities Act ("ADA"), the University has taken steps to accommodate the needs of the physically challenged. Several buildings are equipped with lifts or elevators for those unable to use the stairs. The dormitory for students in the Threshold Program, is equipped with appliances, furniture, doorways and bathrooms for physically challenged persons. Newly-constructed buildings are in full compliance with the ADA, and as older buildings are renovated, they are brought into compliance.

THE ISSUANCE

The proceeds from the sale of the Series 2017 Bonds will be used to finance the University's 2013 bank obligations, which were incurred to finance a portion of the construction of the Lunder Arts Center which has been previously discussed, as well as to finance certain costs associated with issuing the Series 2017 Bonds.

FINANCIAL INFORMATION

Financial Aid

Lesley's financial aid policy takes into account the different student populations enrolled at the University and the demands of the professions Lesley students plan to enter. Financial aid is offered to students in the form of loans, grants, and/or employment. For the academic year 2016-17, approximately 90% of Lesley undergraduate students received some sort of financial assistance, including loans, work-study and need-based grants directly from University funds. The financial aid sources available to Lesley students include Lesley scholarships, federal Supplemental Educational Opportunity Grants, state scholarships, Department of Vocational Rehabilitation Grants, Federal Pell Grants, Federal Perkins Loans, Federal subsidized Stafford Loans, Federal Unsubsidized Stafford Loans, Federal Teach Grants, employment that is supported by the Federal College Work-Study Program and graduate apprenticeships. For students whose needs still are not met by these programs, the University offers a variety of loans, monthly payment plans, and/or employment. Students who are in default on any student loans or owe refunds on Title IV grants at any institution are ineligible for financial aid at Lesley.

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The table below shows trends in financial aid for the last four academic years:

Financial Aid
Academic Year Ending

Scholarships		2014	2015	2016	2017
Private		$ 1,348,593	$ 1,047,622	$ 1,249,408	$ 707,686
Lesley		17,928,702	8,013,799	10,071,467	13,609,775
State		585,183	797,969	628,574	610,016
	Subtotal	$19,862,478	$ 9,859,390	$11,949,449	$14,927,477
Federal					
Pell		$ 2,125,871	$ 2,095,116	$ 2,340,743	$ 2,620,561
SEOG		216,700	238,500	200,827	105,711
	Subtotal	$ 2,342,571	$ 2,333,616	$ 2,541,570	$ 2,726,272
Loans					
Perkins		$ 470,090	$ 268,690	$ 223,400	$ 225,717
Stafford Loans		47,019,155	46,859,314	47,961,405	44,526,247
Massachusetts		157,775	174,750	173,350	171,850
	Subtotal	$47,647,020	$47,302,754	$48,358,155	$44,923,814
College Work Study					
Federal		$ 526,551	$ 530,189	$ 574,993	$ 447,744
Subtotal		$ 526,551	$ 530,189	$ 574,993	$ 447,744
Total		**$70,378,620**	**$60,025,949**	**$63,424,167**	**$63,025,307**

Source: Lesley University

*The large decrease in 2015 Lesley scholarships resulted from the tuition reset at the undergraduate level.

Endowment Investments

From fiscal year ended June 30, 2013, to fiscal year ended June 30, 2017, the market value of the University's endowment portfolio increased from $170 million to $186 million, net of the annual endowment spending policy drawdown which had averaged about 4%-5%, per year.

The market value of endowment investments for each of the past five fiscal years is provided below.

Market Value of Endowment Investments
Fiscal Year Ended June 30,

	2013	2014	2015	2016	2017
Quasi-Endowment	$153,591,000	$170,210,000	$158,114,000	$153,255,000	$163,637,000
True Endowment	16,634,000	18,790,000	18,550,000	19,473,000	22,049,000
Total	**$170,225,000**	**$189,000,000**	**$176,664,000**	**$172,728,000**	**$185,686,000**

Source: Lesley University

Investment Management

The investment policy at Lesley, including overall portfolio allocation parameters, is established by the Board of Trustees. Specific investment decisions are proposed by the University's outside financial advisors and reviewed by the Investment Committee, which makes the final decision on investment vehicles. Below is a breakdown of the University's Investment Portfolio as of June 30, 2017.

Lesley University Investment Portfolio
As of June 30, 2017

Market Value	Current % Allocation	Type
$ 120,034,000	65%	Equity
16,253,000	9	Fixed Income
26,952,000	14	Hedge Funds
8,691,000	5	Real Estate
5,649,000	3	Private Equity
6,736,000	3	Real Assets
1,371,000	1	Private Real Assets
$ 185,686,000	**100%**	**Total Fund**

Source: Lesley University

Fundraising

Lesley University's institutional development program is directed by the Office of Advancement and is overseen by the Advancement Committee of the Board of Trustees. Private funding sources are cultivated and solicited on behalf of the University's programs by professional staff in the Office of Advancement. The staff is led by the Vice President of Advancement, and includes a Director of Annual Giving and three major gift officers.

The table below shows development activity, on a cash basis, at Lesley University over the past five fiscal years.

Donations by Group
Fiscal Year Ended June 30,

	2013	**2014**	**2015**	**2016**	**2017**
Governing Boards	$ 693,721	$ 574,614	$ 618,570	$ 685,538	$ 438,265
Alumni	293,346	963,777	925,813	921,645	580,535
Parents	217,211	211,143	501,312	293,652	275,660
Planned Giving	3,123	3,212	-	312,428	37,906
Corporate	236,017	1,279,314	208,962	204,623	452,827
Faculty and Staff	697,021	676,609	498,625	627,281	314,400
Foundations	1,321,898	1,938,417	5,174,884	2,958,223	3,088,010
Government Grants	542,961	464,494	13,500	47,200	21,600
Friends and Others	920,753	1,372,896	752,775	1,092,433	167,038
Total	**$4,926,051**	**$7,484,476**	**$8,694,441**	**$7,143,023**	**$5,376,241**

Source: Lesley University

The significant jump in donations from fiscal year 2013 to 2017 can be attributed to the efforts to raise funds for the construction of the new Lunder Arts Center. During this effort, the University raised approximately $17.5 million.

Capital Campaigns

While the University has not had an official capital campaign in the past five years, over the past five years there have been significant projects for which the University has successfully raised funds.

The first major project was the construction of the Lunder Arts Center, which cost approximately $50 million. This project was financed significantly through donations, which accounted for approximately 35% of the total project cost. In addition the major renovations of the Threshold Program buildings, which cost approximately $8 million, were principally financed through donations, approximately 75% of the project cost. A third major project was the creation of the Urban Scholars Initiative, of which $2 million has been raised to fund endowed scholarships for the program, which serves to provide college education to urban students, at little to no cost. In fiscal year 2017 the University received a $6.8 million pledge donation from an anonymous donor, which was given to support substantial renovations and improvements to existing space. These renovations and improvements will allow the University to house a state of the art animation studio. In addition this anonymous donation will provide funding for ten years of operating expenses for the animation studio.

Budget Development and Planning

The budget process for each fiscal year begins in the fall prior to the start of such fiscal year. Comparative tuition data is gathered and tuition rate recommendations for the upcoming fiscal year are made to the Board of Trustees. The revenue budget is developed by the Finance Office based on enrollment projections by program from each of the schools and the off-campus staff.

The expense budget development process begins upon completion of the revenue budget. During January and February, all University departments conduct a thorough review of current budget activity and future needs. Budget proposals are developed and submitted in March to the Budget Office. Once a baseline budget is established, any remaining revenue forms an above-base expense pool to support new academic and administrative initiatives.

Review of the budget assumptions takes place in April and based upon the recommendation of the Finance Committee, the full Board acts upon the budget at its May meeting.

Accounting Matters

The following summaries and discussions of financial matters should be read in conjunction with the 2017 and 2016 audited financial statements of the University, related notes, and independent auditors' report included as Appendix B to this Official Statement. The financial statements included in Appendix B have been audited by Mayer Hoffman McCann P.C., independent auditors, as stated in their report appearing therein.

Statements of Unrestricted Revenue, Expenses and Other Changes in Unrestricted Net Assets
($ in thousands)

	For the Fiscal Years Ended June 30,			
	2014	2015	2016	2017
Operating Revenues				
Tuition and fees, net	$ 73,577	$ 69,339	$ 72,616	$ 72,175
Government grants and contracts	2,497	2,435	1,456	1,309
Private grants and contracts	-	-	-	490
Auxiliary enterprises	17,626	17,137	18,075	18,882
Contributions	570	504	771	577
Other investment income	57	59	72	(15)
Other income	763	826	799	630
Amounts reclassified under spending formula and board designations	7,670	7,457	8,209	8,745
Net assets released from restrictions	1,932	2,865	2,712	3,355
Total operating revenues	**$ 104,692**	**$ 100,622**	**$ 104,710**	**$ 106,148**
Operating Expenses				
Instruction	$ 34,717	$ 33,815	$ 35,970	$ 38,619
Academic support	12,407	11,764	11,861	11,822
Student services	11,942	11,087	11,285	11,680
General institutional	13,694	12,918	13,951	13,990
Student aid	419	426	457	385
Research	25	-	-	-
Auxiliary enterprises	12,296	12,225	12,454	12,248
Operation of plant	6,230	6,276	6,005	6,002
Interest on debt	2,465	2,643	2,943	2,780
Depreciation expense	5,665	6,285	6,535	6,404
Total operating expenses	**$ 100,130**	**$ 97,439**	**$ 101,461**	**$ 103,930**
Increase in unrestricted net assets from operating activities	**$ 4,562**	**$ 3,183**	**$ 3,249**	**$ 2,218**
Non-operating Activities				
Investment income on board designated funds, net of fees	$ 1,174	$ 1,318	$ 1,063	$ 1,527
Net realized and unrealized gains (losses) on investments	21,804	(4,290)	(3,809)	17,207
Net assets released from restrictions (plant/special projects)	4,593	6,028	1,943	1,833
Fundraising expenses	(2,242)	(1,688)	(1,818)	(1,972)
Transfer to restore market value of underwater endowment investments	161	(46)	(162)	174
Amounts reclassified under spending formula and board designations	(7,670)	(7,457)	(8,209)	(8,745)
Gain on sale of property	-	9,386	1,994	16
Clarification of donor intent	-	(50)	-	-
Loss on defeasance of debt	-	-	-	(7,680)
Investment income on trust escrow receivable	155	-	-	-
Increase/(decrease) in unrestricted net assets from non-operating activities	**$ 17,975**	**$ 3,201**	**$ (8,998)**	**$ 2,360**
Increase/(decrease) in unrestricted net assets	**$ 22,537**	**$ 6,384**	**$ (5,749)**	**$ 4,578**

Source: University records
Note: Lesley's audited statements of unrestricted activities revenue, expenses, and other changes to unrestricted net assets are categorized differently than appear here (audited statements allocate Operation of Plant, Interest and Depreciation expenses).

Statements of Financial Position
($ in thousands)

	As of June 30,			
Assets	**2014**	**2015**	**2016**	**2017**
Cash and cash equivalents	$ 11,606	$ 1,815	$ 701	$ 1,753
Student accounts receivable, net	3,565	3,122	3,911	3,885
Accounts, grants and interest receivable	2,880	3,253	1,017	1,162
Prepaid expenses and other assets	2,820	2,564	2,934	3,350
Debt service reserve with trustee	6,509	6,648	6,629	2,693
Unexpended bond proceeds	-	-	-	3,674
Contributions receivable, net	10,982	8,532	5,901	10,186
Student loans receivable, net	1,600	1,665	1,699	1,727
Trust escrow receivable	239	-	-	-
Property and equipment, net	165,296	190,391	186,293	184,884
Investments and trusts, at market value	189,782	177,901	173,949	186,949
Total Assets	**$ 395,279**	**$ 395,891**	**$ 383,034**	**$ 400,263**
Liabilities and Net Assets				
Accounts payable and accrued expenses	$ 11,342	$ 11,062	$ 6,811	$ 8,421
Deferred revenue and advance payments	11,878	11,787	12,108	11,534
Annuities payable	3,475	3,310	3,188	3,006
Capital lease obligations	376	84	17	58
Bonds payable/notes payable, net	103,996	100,959	98,917	104,529
U.S. government loan advances	1,384	1,406	1,434	1,473
Total Liabilities	**$ 132,451**	**$ 128,608**	**$ 122,475**	**$ 129,021**
Net Assets				
Unrestricted				
General and other purposes	$ 166,703	$ 146,235	$ 140,475	$ 151,215
Board-designated construction fund	4,000	-	-	-
Net investment in plant	58,497	89,348	89,359	83,197
Total Unrestricted	229,200	235,583	229,834	234,412
Temporarily restricted	20,182	16,999	14,652	19,711
Permanently restricted	13,446	14,701	16,073	17,119
Total Net Assets	**$ 262,828**	**$ 267,283**	**$ 260,559**	**$ 271,242**
Total Liabilities and Net Assets	**$ 395,279**	**$ 395,891**	**$ 383,034**	**$ 400,263**

Source: University records
Note: Bond issuance costs are presented net against bonds payable/notes payable, in all years, to conform with the FY 2017 presentation.

Management Discussion

The University continued its strong history of solid operating results in fiscal year 2017. The University has had an increase in unrestricted net assets from operating activities of at least $2 million from fiscal years 2014 to 2017. Despite a decrease in graduate enrollments, the University has been able to maintain a strong operating bottom line, as a result of a decrease in variable expenses related to graduate programs and a general effort to control costs.

During the past four fiscal years for which audited financial statements are available, the University had total increases in unrestricted net assets of at least $4.5 million per year, with the exception of fiscal year 2016, in which losses on the endowment investments resulted in a loss in unrestricted net assets of $5.8 million. Unrestricted assets increased by $22.5 million and $14.6 million in fiscal years 2014 and 2017, respectively. This was largely the result of endowment investment gains. The gain in unrestricted net assets of $6.4 million in fiscal year 2015, can be attributed to the gain on the sale of property.

The University has maintained a strong statement of financial position over the past four fiscal years. Total assets increased to $400.2 million at the end of fiscal year 2017, compared to $395.2 million at the end of fiscal year 2014. This significant increase in total assets is largely attributable to the increase in investments due to market gains, as well an increase in property, the result of the construction of the new Lunder Arts Center. From fiscal year 2014 to fiscal year 2017 the University's endowment investments remained relatively flat, despite an annual draw from these assets, on average about $8 million annually. During this same period, total University outstanding indebtedness decreased approximately $11 million to $96.8 million, as of June 30, 2017. This increase was the result of additional borrowing to fund the new Lunder Arts Center.

While individual financial statement line items can fluctuate from period to period, some noteworthy comparisons of the audited June 30, 2017 fiscal year end financial results to the audited June 30, 2016 financial results are as follows:

1. The increase in unrestricted net assets from operating activities was approximately $2.2 million which is slightly lower when compared with the approximately $3.2 million increase in fiscal year 2016. This decrease in fiscal year 2017 can be attributed to increased instructional costs, which were the result of the new union contracts.

2. Unrestricted net assets were approximately $234.4 million, which was an increase of approximately 2% from fiscal year 2016. This 2% increase in Unrestricted Net Assets is largely due to endowment investment gains of approximately $18.7 million, for fiscal year 2017.

The increase in amounts reclassified from spending formula and board designations were largely attributed to one-time expenses for the sabbatical of the prior University president, which were approximately $535,000. These funds had been reinvested into the endowment, from prior year's surpluses, until the expenses for these items were incurred, in fiscal year 2017.

Future Capital Expenditures

The University plans to make minor capital improvements at various buildings throughout its campuses.

Physical Plant Assets

The following table summarizes the University's physical plant assets and related accumulated depreciation for each of the past five fiscal years.

Property & Equipment
As of June 30,
($ in thousands)

	2014	2015	2016	2017
Land and Improvements	$ 18,584	$ 18,751	$ 18,671	$ 19,579
Building and Improvements	165,961	213,217	215,090	217,307
Furniture and Equipment	15,055	17,694	14,213	15,642
Construction in Progress	22,423	426	316	966
Total Property & Equipment	$222,023	$250,088	$248,290	$253,494
Less Accum. Depreciation and Amortization	$(56,727)	$(59,697)	$(61,997)	$(68,610)
Net Property & Equipment	**$165,296**	**$190,391**	**$186,293**	**$184,884**

Source: Lesley University

Retirement Plans

All eligible full-time and part-time personnel may elect to participate in a defined contribution plan administered by TIAA-CREF. The University makes monthly contributions to the plan and these contributions immediately vest for the benefit of the participants. Contributions are based on years of service, with a maximum contribution of 8%. Employees must also contribute between 3% and 5% of annual wages to be eligible for the plan. Voluntary contributions by participants above the minimum requirement may be made subject to Internal Revenue Service limitations. The University's contributions under the plan were $2.4 million and $2.3 million for the fiscal years 2017 and 2016, respectively.

Outstanding Indebtedness

As of June 30, 2017, the University had outstanding long-term indebtedness aggregating $93.9 million including the following:

$45.9 million in principal amount of Massachusetts Development Finance Agency Fixed Rate Revenue Bonds, Series 2016 (the "Series 2016 Bonds"). The Series 2016 Bonds were issued to refund a portion of the Massachusetts Health and Educational Facilities Authority Revenue Bonds, Series 2009 Bonds (the "Series 2009 Bonds") as well as to finance certain capital projects of the University.

$30.0 million in principal amount of Massachusetts Development Finance Agency Fixed Rate Revenue Bonds, Series 2011 (the "Series 2011 Bonds"). The Series 2011 Bonds were issued to refund the Massachusetts Development Finance Agency Variable Rate Demand Revenue Bonds, Lesley University Issue, Series 2003 as well as to finance certain capital projects of the University. The Series 2011 Bonds are insured by a bond insurance policy from Assured Guaranty Corp. The bond insurance policy only insures the Series 2011 Bonds and is not available to make payments of any obligations under any other indebtedness of the University. The bond agreement contains certain covenants, including restrictions on the incurrence of indebtedness and semi-annual debt service coverage and liquidity ratios. As of June 30, 2017 and 2016, the University was in compliance with these covenants.

$3.1 million in principal amount of Series 2009 Bonds. The Series 2009 Bonds were issued to pay off a line of credit that the University had used as a "bridge loan" to facilitate property purchases from the Episcopal Divinity School and the Weston Jesuit School of Theology and for the construction of a new dormitory. The University refunded and defeased all of the Series 2009 Bonds with proceeds from the Series 2016 Bonds, but for $3.1 million. The Series 2009 Bonds are insured by an insurance policy from Assured Guaranty Municipal Corporation which is not available to make payments of any obligations under the Series 2016 Bonds or any other indebtedness of the University. The bond agreement contains certain covenants, including restrictions on the incurrence of indebtedness and semi-annual debt service coverage and liquidity ratios. As of June 30, 2017 and 2016, the University was in compliance with these covenants.

$2.8 million in principal amount of Massachusetts Development Finance Agency, Revenue Bonds Series 2012 (the "Series 2012 Bonds"). The Series 2012 Bonds were purchased in a direct placement by TD Bank N.A. These bonds were issued to refinance the certain Commercial Paper notes, originally used for certain capital projects of the University. The bond agreement contains certain covenants, including restrictions on the incurrence of indebtedness and semi-annual debt service coverage and liquidity ratios. As of June 30, 2017 and 2016, the University was in compliance with these covenants.

In November 2013, the University entered into two financing arrangements with TD Bank, N.A., in the amounts of $10.2 million, the ("Commercial Loan") and $7.5 million the ("Bridge Loan"). These notes were issued as financing for the Lunder Art Center project. As of June 30, 2017 the principal amount on these loans is $12.1 million.

See APPENDIX B – "FINANCIAL STATEMENTS OF THE INSTITUTION" for more information about the University's long-term indebtedness.

Line of Credit

The University has a $10.0 million revolving line of credit with TD Bank N.A. with an interest rate equal to LIBOR plus 0.90%, which is collateralized by substantially all the assets of the University, other than real property. There was an outstanding balance under this line of credit of $2.9 million as of June 30, 2017, which has subsequently been repaid during fiscal year 2018. This line of credit expires on March 31, 2018 and the University intends to renew this agreement under similar terms.

INSURANCE

The University maintains a comprehensive risk management program of both property and casualty insurance through several different carriers. Such coverage includes (1) comprehensive all-risk for buildings and their contents at a total replacement value of over $200 million, (2) comprehensive general liability insurance against personal injury and property damage with limits of $1 million per occurrence and $3 million aggregate, (3) umbrella liability policies with limits of $25 million, (4) workers' compensation insurance as required by statute, (5) a blanket crime policy, (6) automobile liability insurance, (7) fiduciary liability and educators legal liability insurance (D&O) and (8) various specialized insurance limits covering items such as business interruption, boilers and machinery and fine arts. The University conducts an annual review of its insurance and risk management program in an effort to maintain insurance coverage at reasonable costs. The University periodically reviews such coverage with an independent insurance consultant.

LITIGATION

Lesley University is not aware of any litigation pending or threatened wherein any unfavorable decision would adversely affect the ability of the University to enter into the Loan and Trust Agreement or to carry out its obligations there, under or which would have a material adverse impact on the financial condition of the University.

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LESLEY UNIVERSITY

By: /s/ Bernice E. Bradin
Bernice E. Bradin
Vice President Finance and Chief Financial Officer

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Financial Statements

Lesley University

June 30, 2017 and 2016

LESLEY UNIVERSITY

Financial Statements

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Financial Statements:

500 Boylston Street ■ Boston, MA 02116
Tel: 617.761.0600 ■ Fax: 617.761.0601 ■ www.cbiztofias.com

Independent Auditors' Report

The Board of Trustees
Lesley University
Cambridge, Massachusetts

We have audited the accompanying financial statements of Lesley University (the "University"), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of unrestricted revenues, expenses and other changes in unrestricted net assets, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

MHM

__Opinion__

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lesley University as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Mayer Hoffman McCann P.C.

September 28, 2017
Boston, Massachusetts

LESLEY UNIVERSITY

Statements of Financial Position

	June 30,	
Assets	***2017***	***2016***
Cash and cash equivalents	$ 1,752,366	$ 701,399
Students' accounts receivable, net	3,884,312	3,910,867
Accounts, grants and interest receivable	1,162,263	1,017,474
Prepaid expenses and other assets	3,350,132	2,934,475
Debt service reserve with trustee	2,693,386	6,628,722
Unexpended bond proceeds	3,673,843	-
Contributions receivable, net	10,186,134	5,901,202
Student loans receivable, net	1,726,949	1,698,737
Property and equipment, net	184,883,840	186,292,921
Investments and trusts, at fair value	186,949,391	173,948,692
Total assets	**$400,262,616**	**$ 383,034,489**
Liabilities and Net Assets		
Accounts payable and accrued expenses	$ 8,420,762	$ 6,811,308
Deferred revenue and advance payments	11,533,935	12,107,934
Annuities payable	3,006,024	3,188,210
Notes payable, net	11,991,443	14,201,969
Line of credit	2,900,000	2,000,000
Capital lease obligation	58,354	17,022
Bonds payable, net	89,636,767	82,714,569
U.S. government loan advances	1,473,425	1,434,178
Total liabilities	**129,020,710**	**122,475,190**
Commitments and contingencies		
Net assets:		
Unrestricted:		
General and other purposes	151,215,056	140,474,639
Net investment in plant	83,197,276	89,359,360
	234,412,332	229,833,999
Temporarily restricted	19,711,014	14,652,481
Permanently restricted	17,118,560	16,072,819
Total net assets	**271,241,906**	**260,559,299**
Total liabilities and net assets	**$400,262,616**	**$ 383,034,489**

LESLEY UNIVERSITY

Statements of Unrestricted Revenues, Expenses and Other Changes in Unrestricted Net Assets

	Years Ended June 30,	
	2017	***2016***
Operating revenues:		
Tuition and fees	$ 86,268,944	$ 83,937,963
Discount: Institutional financial aid	(14,094,111)	(11,322,009)
Tuition and fees, net	72,174,833	72,615,954
Government grants and contracts	1,308,797	1,456,093
Private grants and contracts	489,775	-
Auxiliary enterprises	18,882,022	18,075,218
Contributions	577,528	771,463
Other investment income (loss)	(15,289)	71,972
Other income	630,347	798,516
Amounts reclassified under spending formula	7,500,000	7,500,000
Amounts reclassified under board designations	1,245,000	709,446
Net assets released from restrictions	3,355,519	2,711,621
Total operating revenues	**106,148,532**	**104,710,283**
Operating expenses:		
Instruction	41,511,090	38,858,579
Academic support	12,401,196	12,440,137
Student services	19,425,140	19,247,929
General institutional	15,641,811	15,600,884
Student aid	385,003	457,364
Auxiliary enterprises	14,565,913	14,856,443
Total operating expenses	**103,930,153**	**101,461,336**
Increase in unrestricted net assets from operating activities	**2,218,379**	**3,248,947**
Nonoperating activities:		
Investment income on board-designated funds, net of fees	1,526,982	1,063,067
Net realized and unrealized gains (losses) on investments	17,206,866	(3,808,702)
Transfer related to underwater endowment investments	173,645	(162,117)
Net assets released from restrictions (plant)	1,833,390	1,943,199
Fundraising expenses	(1,972,055)	(1,817,455)
Amounts reclassified under spending formula	(7,500,000)	(7,500,000)
Amounts reclassified under board designations	(1,245,000)	(709,446)
Loss on defeasance of debt	(7,680,450)	-
Gain on sale of property and equipment	16,576	1,993,739
Increase (decrease) in unrestricted net assets from nonoperating activities	**2,359,954**	**(8,997,715)**
Increase (decrease) in unrestricted net assets	**$ 4,578,333**	**$ (5,748,768)**

LESLEY UNIVERSITY

Statements of Changes in Net Assets

	Years Ended June 30, 2017	2016
Changes in unrestricted net assets:		
Operating revenues	$ 106,148,532	$ 104,710,283
Operating expenses	(103,930,153)	(101,461,336)
Increase in unrestricted net assets from operating activities	2,218,379	3,248,947
Increase (decrease) in unrestricted net assets from nonoperating activities	2,359,954	(8,997,715)
Increase (decrease) in unrestricted net assets	**4,578,333**	**(5,748,768)**
Changes in temporarily restricted net assets:		
Private grants and contracts	269,075	115,615
Contributions	7,888,283	2,325,576
Investment income on endowment, net of fees	196,953	126,318
Net realized and unrealized gains (losses) on investments	2,227,454	(421,461)
Transfer related to underwater endowment investments	(173,645)	162,117
Clarification of donor intent	(160,678)	-
Net assets released from restrictions	(5,188,909)	(4,654,820)
Increase (decrease) in temporarily restricted net assets	**5,058,533**	**(2,346,655)**
Changes in permanently restricted net assets:		
Contributions	841,562	1,389,007
Clarification of donor intent	160,678	-
Gains (losses) on assets held with outside trustees	43,501	(17,072)
Increase in permanently restricted net assets	**1,045,741**	**1,371,935**
Increase (decrease) in net assets	**10,682,607**	**(6,723,488)**
Net assets, beginning of year	260,559,299	267,282,787
Net assets, end of year	**$ 271,241,906**	**$ 260,559,299**

See accompanying notes to the financial statements.

LESLEY UNIVERSITY

Statements of Cash Flows

	Years Ended June 30, 2017	2016
Cash flows from operating activities:		
Increase (decrease) in net assets	$ 10,682,607	$ (6,723,488)
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation	6,639,817	6,770,620
Amortization, net	(244,741)	172,816
Gain on disposal of property and equipment	(16,576)	(1,993,739)
Loss on defeasance of debt	7,680,450	-
Provision for uncollectible amounts	249,851	450,819
Net realized and unrealized loss on investments and trusts	(19,477,821)	4,247,234
Receipts of long-term contributions	(841,561)	(1,389,007)
Changes in:		
Students' accounts receivable	(223,296)	(1,038,064)
Accounts, grants and interest receivable	(144,789)	2,033,804
Prepaid expenses and other assets	(415,657)	(370,402)
Contributions receivable	(4,379,170)	2,017,051
Accounts payable and accrued expenses	2,194,503	(3,704,178)
Annuities payable	(182,186)	(121,867)
Deferred revenue and advance payments	(573,999)	320,489
Net cash provided by operating activities	**947,432**	**672,088**
Cash flows from investing activities:		
Purchase of property and equipment, net	(5,759,484)	(3,552,772)
Proceeds from sale of property and equipment	25,924	2,326,908
Purchase of investments	(121,903,411)	(67,869,200)
Sale of investments	128,380,532	67,574,410
Student loans issued	(223,767)	(223,400)
Proceeds from student loans	195,555	189,662
Net cash provided by (used in) investing activities	**715,349**	**(1,554,392)**
Cash flows from financing activities:		
Net proceeds from issuance of bonds	7,874,787	-
Payments on bonds payable	(2,149,000)	(2,068,000)
Bond issuance costs	(331,574)	-
Payments for advance refunding	(5,685,095)	-
Payments on notes payable	(2,228,448)	(2,147,416)
Proceeds from line of credit	3,500,000	2,000,000
Payments on line of credit	(2,600,000)	-
Payments on capital lease obligations	(24,316)	(66,697)
Increase in U.S. government loan advances	39,247	28,592
Receipt of long-term contributions	935,799	2,002,522
Decrease in debt service reserve with trustees	56,786	19,517
Net cash used in financing activities	**(611,814)**	**(231,482)**
Net increase (decrease) in cash and cash equivalents	**1,050,967**	**(1,113,786)**
Cash and cash equivalents, beginning of year	701,399	1,815,185
Cash and cash equivalents, end of year	**$ 1,752,366**	**$ 701,399**

See accompanying notes to the financial statements.

Note 1 - Organization and Summary of Significant Accounting Policies

Founded in 1909 by Edith Lesley as the Lesley School, the mission of Lesley University ("Lesley" or the "University") was training young women to become teachers. In 1941, the Lesley School was incorporated as a non-profit institution of higher education, changing its name to Lesley College. Lesley College received undergraduate accreditation in 1944, graduate accreditation in 1954 (which allowed establishment of the Graduate School that year) and authority to issue Ph.D. degrees in 1986. During the 1970s, Lesley College developed additional programs in teacher education, expressive therapies and counseling, and began to offer off-campus instruction. In 2000, Lesley College changed its name to Lesley University to better reflect its standing as an institution offering a range of post-baccalaureate degrees.

Lesley's campus lies within Cambridge Massachusetts and is comprised of four schools: the College of Liberal Arts and Sciences, the College of Art and Design, the Graduate School of Education, and the Graduate School of Arts and Social Sciences; and the Threshold Program. Lesley has 85,000 alumni in all fifty states and eighty-one countries, who are engaged in work that makes a difference in the world—as teachers and educational administrators, artists, writers, counselors, therapists, environmentalists, entrepreneurs, human services professionals, and business and community leaders.

The University participates in student financial aid programs sponsored by the United States Department of Education which facilitates payments of tuition and other expenses for a significant portion of its students.

Basis of Accounting

The financial statements of the University have been prepared on the accrual basis and in accordance with the accounting and reporting principles of not-for-profit accounting.

Basis of Presentation

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of externally-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Unrestricted Net Assets

Net assets which are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Trustees.

Temporarily Restricted Net Assets

Net assets subject to limitations by law, and time or donor-imposed stipulations that may or will be met by actions of the University or the passage of time.

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Permanently Restricted Net Assets

Net assets subject to donor-imposed stipulations, which require that they be maintained permanently by the University. Generally, the donors of these assets permit the University to use all or part of the income earned and capital gains, if any, on related investments for general or specific purposes.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed stipulations. Expenses are reported as decreases in unrestricted net assets. Expirations of temporary restrictions on net assets (i.e., the externally stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reclassified as "net assets released from restrictions" in the statements of unrestricted revenues, expenses and other changes in unrestricted net assets and changes in net assets.

Contributions Receivable

Unconditional promises to give are recorded at fair value when initially pledged using Level 2 inputs to fair value. Initial recording for pledges expected to be collected in one year or more is arrived at by using the present value of a risk adjusted rate to account for the inherent risk associated with the expected future cash flows. While the risk adjusted rate is theoretically specific to each balance, management has determined that an overall average discount rate of 2.68% and 2.26% for June 30, 2017 and 2016, respectively, reasonably accounts for this inherent risk. Amortization of the discount is included in contributions revenue. Unconditional promises to give are periodically reviewed to estimate an allowance for doubtful collections. Management estimates the allowance by a review of historical experience and a specific review of collection trends that differ from plans on individual accounts. Conditional promises to give are not included as support until the conditions are substantially met.

Gifts In Kind and Contributed Services

Contributed services are recognized as gifts in kind if the services received create or enhance non-financial assets or require specialized skills. A number of volunteers contribute services to the University to assist with fundraising, admissions, recruiting and other activities. Pursuant to accounting principles generally accepted in the United States of America ("GAAP"), no amounts have been recognized in the financial statements for these services.

Endowment Gains (Losses)

Endowment net gains (losses) on permanently restricted gifts are classified as permanently restricted, if explicitly donor stipulated, or as temporarily restricted until appropriated for spending, at which time they are reclassified to unrestricted revenues. Cumulative losses on permanently restricted endowment funds are classified as a reduction to unrestricted net assets until such time as the market value equals or exceeds historic value of the gift. The University defines quasi-endowment investments as those that are designated for long-term investment by the Board of Trustees, and whose income and unrealized gains are otherwise unrestricted.

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Operations

The statements of unrestricted revenues, expenses and other changes in unrestricted net assets report the change in unrestricted net assets from operating and non-operating activities. Tuition revenues are recognized when preponderance of the related educational services are provided and are reported, net of the discount attributable to reductions, in the amounts charged to students, whether as unrestricted University financial aid or reductions from endowment funds or grants awarded to students by the University. Revenue associated with grants and contracts are recognized when the related expenses are incurred. Indirect cost recovery by the University on federal grants and contracts is based upon a predetermined negotiated rate and is recorded as unrestricted revenue. Auxiliary enterprises consist of revenues from residence halls, dining services, health services and rental properties.

Unrestricted non-operating activities includes fundraising expenses, gain on sale of property and equipment, investment income and appreciation (depreciation) earned during the year in excess of the amount made available for expenditure based on the endowment spending policy.

Cash and Cash Equivalents

The University considers as cash equivalents, highly liquid investments with maturities at date of purchase of three months or less. Cash and cash equivalents, which are under the management of the University's investment managers, are included in investments, given the expectation of near term reinvestment.

The University maintains its cash balances at several financial institutions, which at times may exceed federally insured limits. The University monitors its exposure associated with cash and cash equivalents and has not experienced any losses in such accounts.

Debt Service Reserve with Trustee

Debt service reserve with trustee consists primarily of funds held for debt service that have been invested in accordance with the various resolutions and note agreements. These amounts are carried at fair value using Level 1 inputs as discussed subsequently in this section. These funds are invested in a U.S. government only money market fund.

Unexpended Bond Proceeds

Unexpended bond proceeds have been invested in U.S. treasuries and are carried at fair value using Level 2 inputs as discussed subsequently in this section.

Student Loans Receivable and U.S. Government Loan Advances

The University makes uncollateralized loans to students based on financial need. Student loans are funded through Federal government loan programs or institutional resources.

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Student Loans Receivable and U.S. Government Loan Advances (Continued)

One such program is the Perkins Loan Program ("Perkins"). Perkins funds may be re-loaned by the University after collection, but in the event that the University no longer participates in the program, a portion of the amounts are generally refundable to the Federal government. Funds advanced by the Federal government of $1,473,425 and $1,434,178 at June 30, 2017 and 2016, respectively, are classified as liabilities in the statements of financial position. Perkins loans receivable are carried at their estimated net realizable value. Perkins loans receivable are considered past due if any portion of the receivable balance is outstanding for more than 240 days. Interest and late fees are recorded when received. Perkins loans that are in default and meet certain requirements can be assigned to the Department of Education, which reduces the Perkins refundable U.S. government grants.

For all loans, management estimates the allowance for credit losses based on historical collection experience and current economic conditions which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms.

Property and Equipment

Constructed and purchased property and equipment are carried at cost. Interest incurred during the construction phase of projects is capitalized. Library books are expensed during the period the expenditures are incurred. Plant assets donated to the University are initially recorded at fair value at the date of the gift. Fair value is determined as discussed subsequently in this section and is effectively recorded using Level 3 market inputs. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of land, buildings and equipment are recorded as unrestricted support at fair value as described later in this section. Long-lived fixed assets, with the exception of land, are depreciated using the straight-line method over their estimated useful lives, which range from five to sixty years.

Investments and Trusts

Investments are recorded at fair value as discussed subsequently in this section. The fair value of investments is determined based on quoted market prices or using other fair value approaches when quoted market prices are not available. Investments include assets received under various split interest agreements held with outside trustees.

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

The University reports certain assets and liabilities at fair value on a recurring or non-recurring basis depending on the underlying policy for the particular item, in accordance with fair value standards. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. Recurring fair value measurements include the University's investments, debt service reserve with trustee, unexpended bond proceeds and trust escrow receivable. Non-recurring measurements include contributions receivable and annuities payable. In addition, the University reports certain investments using the net asset value per share as determined by investment managers under the so called "practical expedient." The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met. Fair value standards also require the University to classify financial instruments (but for those measured using NAV) into a three-level hierarchy, based on the priority of inputs to the valuation technique.

The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the University has the ability to access.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that changes in value of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements. For more information on the fair value of the University's financial instruments, see Note 7 - Fair Value Measurements.

Concentration of Credit Risk

The University's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The University places its cash and cash equivalents with high-credit, quality financial institutions. The University routinely assesses the financial strength of these institutions and, as a consequence, believes that its cash and cash equivalents credit risk exposure is limited.

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Split Interest Agreements

The University has entered into split interest agreements with donors consisting of a variety of charitable gift annuities where the University agrees to pay a donor and named beneficiaries a fixed amount per year for the life of the annuitants. In exchange, the University receives assets recorded at fair value at the date of the gifts. The difference between the fair value of the assets and the present value of the annuity obligation represents contribution revenue. The charitable gift annuity obligations are unsecured debts of the University. The initially recorded fair value of the donated investments is determined based on the underlying nature of the investments received utilizing Level 1, 2 or 3 inputs while the initial measurement of the related obligations are Level 2 inputs.

Deferred Revenue and Advance Payments

Students' reservation deposits along with advance payments for summer and fall tuition, room and board and certain expenditures, which relate to the University's summer sessions, have been deferred and are recorded as unrestricted revenues and expenditures in the year in which the related operational services are provided.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Significant management estimates included in the financial statements relate to the allowance for doubtful students accounts, loans, contributions and grants receivable, fair value of certain financial instruments and alternative investments, useful lives of depreciable assets, conditional asset retirement obligations and certain capital lease obligations, valuation of interests in and obligations under split interest agreements, measurement of deferred revenue, and the allocation of depreciation, interest, and maintenance costs to program functions.

Income Taxes

The University is recognized by the Internal Revenue Service as a University described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is generally exempt from Federal and state income taxes on related income. Accordingly, a provision for income taxes is made only for unrelated income, which management considers de minimis.

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Uncertain Tax Positions

The University accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a "cumulative probability assessment" that aggregates the estimated tax liability for all uncertain tax positions. The University has identified its tax status as a tax-exempt entity as its only significant tax position; however, the University has determined that such tax position does not result in an uncertainty requiring recognition. In addition, the University has identified certain minor tax positions with respect to certain of its activities that management did not consider material and, accordingly, such amounts were not recognized.

The University's Federal and state tax returns are generally open for examination for three years following the date filed.

Asset Retirement Obligations

The University follows accounting standards for conditional asset retirement obligations which requires that conditional asset retirement obligations ("AROs") that meet the definition of liabilities should be recognized when incurred if their fair values can be reasonably estimated.

As of June 30, 2017 and 2016, the University was unable to estimate the range of settlement dates and the related probabilities for certain asbestos remediation AROs. These conditional AROs are primarily related to the necessary structural updates to various properties owned by the University. Because these conditional obligations have indeterminate settlement dates, the University could not develop a reasonable estimate of their fair values. The University will continue to assess its ability to estimate fair values at each future reporting date.

Advertising

The University expenses the cost of advertising when incurred. Advertising expense was approximately $1,117,900 and $920,900 for the years ended June 30, 2017 and 2016, respectively.

Fundraising

The University expenses the cost of fundraising when incurred. Fundraising expense was approximately $1,972,100 and $1,817,500 for the years ended June 30, 2017 and 2016, respectively.

Functional Expense Allocation

Costs have been allocated to functional classifications based on percentage of effort, usage, square footage and other criteria.

Reclassifications

Certain reclassifications have been made to the prior year financial statements in order to conform with the current year presentation.

Note 2 - Students' Accounts Receivable

Students' accounts receivable consist of the following at June 30:

	2017	***2016***
Students' accounts	$ 6,300,164	$ 6,530,650
Allowance for doubtful accounts	(2,415,852)	(2,619,783)
	$ 3,884,312	**$ 3,910,867**

Note 3 - Contributions Receivable

Contributions receivable are summarized as follows at June 30:

	2017	***2016***
Unconditional promises expected to be collected in:		
Less than one year	$ 5,633,815	$ 2,152,891
One year to five years	3,723,647	4,094,650
Greater than five years	1,498,623	25,000
	10,856,085	6,272,541
Less present value discount and allowance for doubtful accounts	(669,951)	(371,339)
Contributions receivable, net	**$10,186,134**	**$ 5,901,202**

As of June 30, 2017 and 2016, 87% and 48%, respectively, of gross pledges consisted of pledges from two donors and one donor, respectively.

Note 4 - Student Loans Receivable

Student loans consist of the following at June 30:

	2017	***2016***
Perkins loans program	$ 1,782,983	$ 1,754,771
Less allowance for doubtful accounts:		
Beginning of year	(56,034)	(56,034)
Write-offs	-	-
End of year	(56,034)	(56,034)
Student loans receivable, net	**$ 1,726,949**	**$ 1,698,737**

At June 30, 2017 and 2016, the following amounts were past due under student loan programs:

June 30,	***Loans Past Due***	***Loans in Default***	***Total Past Due/Default***	***Current***	***Total Receivable***
2017	$ 121,508	$ 361,118	$ 482,626	$1,300,357	$ 1,782,983
2016	$ 107,650	$ 337,168	$ 444,818	$1,309,953	$ 1,754,771

Note 5 - Property and Equipment

The following is a summary of the University's property and equipment at June 30:

	2017	***2016***
Land and improvements	$ 19,578,877	$ 18,670,861
Building and improvements	217,306,923	215,090,673
Furniture and equipment	15,642,356	14,212,747
Construction in progress	965,476	316,019
Total property and equipment	**253,493,632**	**248,290,300**
Less accumulated depreciation and amortization	(68,609,792)	(61,997,379)
Property and equipment, net	**$ 184,883,840**	**$186,292,921**

Note 5 - Property and Equipment (Continued)

Depreciation expense for the years ended June 30, 2017 and 2016 was $6,639,817 and $6,770,620, respectively.

Some of the buildings owned by the University are on land that is shared land with the Episcopal Divinity School ("EDS"). This shared land is held under a condominium association, which manages the shared expenses.

Note 6 - Investments and Trusts

Investments and trusts activity consisted of the following for the years ended June 30:

	2017	***2016***
Investments and trusts, beginning of year	**$ 173,948,692**	**$ 177,901,138**
Investment activity:		
Interest and dividend income, net of expenses of $793,584 and $716,980 in 2017 and 2016, respectively	1,723,938	1,189,385
Realized and unrealized gains (losses)	19,434,320	(4,230,162)
Investments reclassified under board designations	(8,284,150)	(8,283,927)
Investment transfers, net of board designation reclassification	83,090	7,389,330
Total investment activity	**12,957,198**	**(3,935,374)**
Trust activity:		
Realized and unrealized gains (losses)	43,501	(17,072)
Total trust activity	**43,501**	**(17,072)**
Investments and trusts, end of year	**$ 186,949,391**	**$ 173,948,692**

Note 6 - Investments and Trusts (Continued)

The amount of investment income appropriated to operations is the amount calculated by the 4.80% spending rate (4.69% for 2016) with the remaining balances reported as non-operating.

The assets held under trust investments relate to the assets of an irrevocable charitable remainder trust and an irrevocable perpetual trust, which are held by independent donor-appointed trustees. Income (loss) from the trusts amounted to $43,501 and $(17,072) for the years ended June 30, 2017 and 2016, respectively.

Income from the perpetual trust is recognized "upon distribution" unless deemed as return of capital, and income from the remainder trust represents the change in fair value of the trust assets.

Note 7 - Fair Value Measurements

The valuation of the University's financial instruments by the fair value hierarchy consisted of the following at June 30, 2017:

	Total	*Net Asset Value*	*Level 1*	*Level 2*	*Level 3*
Assets					
Debt service reserve with trustees	$ 2,693,386	$ -	$ 2,693,386	$ -	$ -
Unexpended bond proceeds	3,673,843	-	-	3,673,843	-
	6,367,229	-	2,693,386	3,673,843	-
Investments and trusts					
Cash equivalents	1,371,577	-	1,371,577	-	-
Global equity funds	120,033,607	67,371,934	52,661,673	-	-
Alternative strategies:					
Private equity	5,649,458	5,649,458	-	-	-
Directional hedge	21,240,701	21,240,701	-	-	-
Absolute return	5,711,773	5,711,773	-	-	-
Fixed income funds	16,252,531	-	16,252,531	-	-
Inflation hedges:					
Private real assets	10,452,209	10,452,209	-	-	-
Public real assets	4,973,804	-	4,973,804	-	-
Trusts held by others	1,263,731	-	-	-	1,263,731
	186,949,391	110,426,075	75,259,585	-	1,263,731
Total assets at fair value	**$ 193,316,620**	**$110,426,075**	**$77,952,971**	**$3,673,843**	**$1,263,731**

Note 7 - Fair Value Measurements (Continued)

The valuation of the University's financial instruments by the fair value hierarchy consisted of the following at June 30, 2016:

	Total	Net Asset Value	Level 1	Level 2	Level 3
Assets					
Debt service reserve with trustees	$ 6,628,722	$ -	$ 6,628,722	$ -	$ -
Investments and trusts					
Cash equivalents	3,213,405	-	3,213,405	-	-
Global equity funds	97,280,368	42,591,298	54,689,070	-	-
Alternative strategies:					
Private equity	4,552,218	4,552,218	-	-	-
Directional hedge	24,094,658	24,094,658	-	-	-
Absolute return	10,076,326	10,076,326	-	-	-
Fixed income funds	16,540,205	-	16,540,205	-	-
Inflation hedges:					
Private real assets	1,974,505	1,974,505	-	-	-
Public real assets	14,996,777	5,190,992	9,805,785	-	-
Trusts held by others	1,220,230	-	-	-	1,220,230
	173,948,692	88,479,997	84,248,465	-	1,220,230
Total assets at fair value	**$ 180,577,414**	**$ 88,479,997**	**$ 90,877,187**	**$ -**	**$ 1,220,230**

Under certain unusual circumstances, investment managers may alter redemption provisions of their investment vehicles which could impact the ultimate liquidity of the funds.

As of June 30, 2017, the liquidity of the University's investments measured at NAV are as follows:

Redemption Frequency	***Fair Value***
Daily	$ 39,664,334
Monthly	38,291,989
Quarterly	14,402,302
Annual	10,656,313
Illiquid	7,411,137
Total investments	**$110,426,075**

Note 7 - Fair Value Measurements (Continued)

The changes in instruments measured at fair value for which the University has used Level 3 inputs to determine fair value are as follows:

	Trusts held by Others
Balance, July 1, 2015	**$ 1,237,302**
Realized and unrealized losses, net	(17,072)
Balance, June 30, 2016	**1,220,230**
Realized and unrealized gains, net	43,501
Balance, June 30, 2017	**$ 1,263,731**

Unfunded commitments under various investment vehicles amounted to approximately $8,584,000 at June 30, 2017.

Note 8 - Annuities Payable

Annuities payable represent arrangements between donors and the University in which the donors have contributed assets in exchange for a promise by the University to pay a fixed amount for a specified period of time to the donors or their designees. Annuity liabilities require the use of life tables and discount rates to determine the present value of the obligation at year end.

Note 8 - Annuities Payable (Continued)

The estimated net present value of the annual annuity payments over the next five years and thereafter are as follows at June 30, 2017:

2018	$ 192,850
2019	204,374
2020	216,590
2021	229,539
2022	243,266
Thereafter	1,919,405
	$ 3,006,024

Note 9 - Debt

Line of Credit

The University has a $10,000,000 revolving line of credit with a bank with an interest rate equal to the London Interbank Offered Rate ("LIBOR") plus .90% (2.112% at June 30, 2017) and is subject to certain covenants. The line is secured, on a parity basis with all other indebtedness of the University that is secured by a pledge of the University's tuition receipts, as set forth in the indenture. The bank, on a parity basis, has the benefit of any gross revenue pledge, mortgage, or other security granted by the University in security of any indebtedness, as set forth in the indenture. There was a $2,900,000 and $2,000,000 outstanding balance under this line of credit at June 30, 2017 and 2016, respectively. The $2,900,000 outstanding balance as of June 30, 2017 was repaid in August 2017. The line of credit is subject to a fee on the unused portion of the balance equal to .20% annually. This line of credit is due to expire on April 30, 2018. Management expects to renew this credit line under similar terms.

Bonds Payable

In August 2016, the University issued $45,905,000 in Massachusetts Development Finance Agency Fixed Rate Revenue Bonds, Series 2016 with an original issuance premium of $10,074,787 for total proceeds of $55,979,787. The bonds were issued to advance refund all but $3,095,000 (un-callable) of the Series 2009 bonds as well as to facilitate various improvements throughout the University. The University incurred $536,282 in costs associated with the Series 2016 issue, which have been capitalized and are being amortized over the life of the bonds. The original issuance premium is being amortized over the life of the bonds. This transaction resulted in a loss on defeasance of $7,680,450 consisting of the write off of bond issuance costs and a bond discount of $1,995,355 and advance refunding costs of $5,685,095.

Note 9 - Debt (Continued)

Bonds Payable (Continued)

The University has outstanding $30,045,000, as of June 30, 2017, in Massachusetts Development Finance Agency Fixed Rate Revenue Bonds, Series 2011. The bonds were issued to advance refund the Series 2003 bonds as well as to facilitate various Americans with Disabilities Act of 1990 required improvements throughout the University. The University incurred $1,693,703 in costs associated with the 2011 issue (including $611,686 issuance discount), which have been capitalized and are being amortized over the life of the bonds. Payment of the bonds is fully insured with an insurance company. The bond agreement contains certain covenants, the most restrictive of which are semi-annual debt service coverage and liquidity ratios.

The University has outstanding $3,095,000 in MHEFA Fixed Rate Revenue Bonds, Series 2009. The bonds were issued to pay off a line of credit that the University had used as a “bridge loan” to facilitate property purchases from the Episcopal Divinity School and the Weston Jesuit School of Theology and for the construction of a new dormitory. Payment of the bond is fully insured with an insurance company. The bond agreement contains certain covenants, the most restrictive of which are semi-annual debt service coverage and liquidity ratios. In connection with the issuance of the Series 2016 bonds, all but $3,095,000 of these Series 2009 bonds were defeased.

In August 2012, the University entered into an arrangement with the Massachusetts Development Finance Agency for $5,030,300 of fixed rate revenue bonds, Series 2012. These bonds were a direct placement. These bonds were issued to refinance the 2006 Commercial Paper Issue. The University incurred $93,428 in costs associated with the 2012 issue which have been capitalized and are being amortized over the life of the bonds. The bond agreement contains certain covenants, the most restrictive of which are semi-annual debt service coverage and liquidity ratios. The balance of the bonds was $2,766,000 at June 30, 2017.

Note 9 - Debt (Continued)

Bonds Payable (Continued)

The following is a summary of the University's bonds payable at June 30:

	2017	***2016***
Massachusetts Development Finance Agency Revenue Bonds (Series 2016), maturing at various times through 2039 with fixed interest rates ranging from 4.00%-5.00%.	$ 45,905,000	$ -
Massachusetts Development Finance Agency Revenue Bonds (Series 2011), maturing at various times through 2033 with fixed interest rates ranging from 3.5-5.25%.	30,045,000	30,700,000
Massachusetts Health and Educational Facilities Authority Revenue Bonds (Series 2009), maturing at various times through 2039 with fixed interest rates ranging from 3.0-5.25%.	3,095,000	52,170,000
Massachusetts Development Finance Agency Revenue Bonds (Series 2012), maturing in 2021 with a fixed interest rate of 2.14%	2,766,000	3,290,000
	81,811,000	86,160,000
Less unamortized bond issuance costs	(1,416,742)	(2,069,433)
Less unamortized bond discount	(484,251)	(1,375,998)
Less unamortized bond premium	9,726,760	-
Bonds payable, net	**$ 89,636,767**	**$ 82,714,569**

Note 9 - Debt (Continued)

Bonds Payable (Continued)

Scheduled maturities of the bonds payable are as follows:

2018	$ 2,340,000
2019	2,443,000
2020	2,548,000
2021	2,470,000
2022	2,605,000
Thereafter	69,405,000
Total bonds payable	**$ 81,811,000**

Unamortized Bond Issuance Costs, Net

Deferred financing costs are amortized using the straight-line method over the life of the associated bond issue. Deferred financing costs of $1,711,726 and $2,663,527 are net of accumulated amortization of $294,984 and $594,094 as of June 30, 2017 and 2016, respectively. Amortization expense amounted to $64,984 and $96,051 for the years ended June 30, 2017 and 2016, respectively. In connection with the advance returning of the Series 2009 bonds, $1,123,998 of unamortized bond issuance costs were written off.

Bond discounts are amortized using the straight-line method over the life of the associated bond issue. Bond discounts of $611,685 and $1,765,293 are net of accumulated amortization of $127,434 and $389,295 as of June 30, 2017 and 2016, respectively. Amortization expense amounted to $20,390 and $58,843 for the years ended June 30, 2017 and 2016, respectively. In connection with the advance returning of the Series 2009 bonds, $871,358 of unamortized discounts were written off.

Bond premiums are amortized using the straight-line method over the life of the associated bond issue. Bond premiums of $10,074,787 are net of accumulated amortization of $348,027 and $0 as of June 30, 2017 and 2016, respectively. Amortization expense amounted to $348,027 and $0 for the years ended June 30, 2017 and 2016, respectively.

The debt is secured in the same manner as the aforementioned line of credit, on a parity basis with all other indebtedness of the University, which is secured by a pledge of the University's tuition receipts, as set forth in the indenture. The bank, on a parity basis, has the benefit of any gross revenue pledge, mortgage, or other security granted by the University in security of any indebtedness, as set forth in the indenture.

Notes Payable

In November 2013, the University entered into two financing arrangements with the TD Bank in the amounts of $10,200,000, the ("Commercial Loan") and $7,500,000, the ("Bridge Loan"). These notes were issued as financing for the Lunder Art Center project. The Commercial Loan is a ten-year term note with a fixed interest rate of 3.99%, while the Bridge Loan is a seven-year term note with a fixed interest rate of 3.22% and is subject to certain covenants. The University incurred $179,224 in costs associated with the issuance of these notes, which have been capitalized and are being amortized over the life of the notes.

Note 9 - Debt (Continued)

Notes Payable (Continued)

The following is a summary of the University's bonds payable at June 30:

	2017	***2016***
TD Bank Note maturing in 2024 with a fixed interest rate of 3.99%	$ 7,649,990	$ 8,668,976
TD Bank Note maturing in 2021 with a fixed interest rate of 3.22%	4,454,902	5,664,364
	12,104,892	14,333,340
Less unamortized debt issuance costs	(113,449)	(131,371)
Total notes payable	**$ 11,991,443**	**$ 14,201,969**

Scheduled maturities of the notes payable are as follows:

2018	$ 2,310,264
2019	2,395,391
2020	2,483,069
2021	1,778,624
2022	1,246,818
Thereafter	1,890,726
Total notes payable	**$ 12,104,892**

Unamortized Notes Issuance Costs, Net

Deferred financing costs are amortized using the straight-line method over the life of the associated note issue. Deferred financing costs of $179,224 are net of accumulated amortization of $65,775 and $47,853 as of June 30, 2017 and 2016, respectively. Amortization expense was $17,922 for both years ended June 30, 2017 and 2016.

The notes payable are secured in the same manner as the aforementioned line of credit, on a parity basis with all other indebtedness of the University, which is secured by a pledge of the University's tuition receipts, as set forth in the indenture. The bank, on a parity basis, has the benefit of any gross revenue pledge, mortgage, or other security granted by the University in security of any indebtedness, as set forth in the indenture.

Note 10 - Commitments and Contingencies

Capital Leases

The University leases certain equipment under long-term capital leases through 2020 and has the option to purchase the equipment for fair value or $1 as determined by the University at the termination of the leases. Assets under capital leases included in property and equipment are $1,044,692 and $979,044 at June 30, 2017 and 2016, respectively, and related accumulated depreciation is $986,338 and $962,022 at June 30, 2017 and 2016, respectively. Future annual lease payments are approximately $22,000.

During 2017 and 2016, depreciation expense on leased equipment was $24,316 and $292,225, respectively.

Operating Leases

The University has numerous operating lease obligations through 2019. Operating lease expense amounted to $202,285 and $170,494 for the years ended June 30, 2017 and 2016, respectively.

Future minimum rental commitments under operating leases are as follows for the years ending June 30:

2018	$ 197,517
2019	7,947
	$ 205,464

Commitments

The University has long-term agreements with several third-party vendors for custodial services, security, food services, bookstore operations, mail room operations and copy center operations. The expiration dates on these contracts range from fiscal year 2018 to 2020.

Note 10 - Commitments and Contingencies (Continued)

Commitments (Continued)

The University entered into a three year commitment to sponsor the "Boston Speaker Series" for fiscal years 2016 thru 2018. For the year ended June 30, 2017, the costs of the operation were approximately $464,000. The University does solicit contributions from local businesses to help defray the costs of operation, which amounted to approximately $107,000 for the year ended June 30, 2017. For the fiscal year ending June 30, 2018, the expected cost of operating the Boston Speaker Series is approximately $500,000 and the expected contributions to support it are projected to be approximately $100,000. The University executed a three year extension that will extend the commitment through the fiscal year ending June 30, 2021.

Contingencies

The University generally is subject to claims and investigations, which arise in the normal course of its operations. The University believes that the outcome of these matters will not have a material adverse effect on the financial position of the University.

Employment Agreements

The University has a long-term employment agreement with its President that stipulates a variety of business terms typical in the education sector.

The University also has employment contracts with key employees, which extend over multiple fiscal years that contain provisions for payments if terminated without cause.

The University has in place a collective bargaining agreement with its adjunct faculty and the agreement expires on June 30, 2018.

The University has in place a collective bargaining agreement with its core faculty and the agreement expires on June 30, 2019.

Other

All funds expended by the University in connection with government grants are subject to review or audit by government agencies.

Note 11 - Net Assets and Endowment Matters

Unrestricted Net Assets

Unrestricted net assets are comprised of the following:

General and other purposes - Discretionary funds available for carrying on the operating activities of the University. Included are funds set aside by the Board of Trustees to provide investment income to support operations. These funds set aside by the Board of Trustees may only be used with the approval of the Board of Trustees.

Net investment in plant - The value of buildings and equipment net of depreciation, used in the University's operations. This amount is offset by outstanding liabilities related to the assets, such as bond debt and capital leases.

Temporarily Restricted Net Assets

Temporarily restricted net assets are comprised of the following:

Unrealized and realized gains on permanently restricted investments - In accordance with accounting principles generally accepted in the United States of America and Massachusetts state law, these amounts represent un-appropriated gains on permanently restricted endowment investments.

Purpose restricted - Amounts received with donor restrictions, which have not yet been expended for their designated purpose.

Temporarily restricted net assets consist of the following at June 30:

	2017	***2016***
Accumulated unspent gains:		
Instruction	$ 5,527,206	$ 4,772,828
Student aid	1,429,681	816,427
Other (academic support, student services, general institutional)	141,101	42,121
Total accumulated unspent gains	7,097,988	5,631,376
Other temporarily restricted net assets:		
Instruction	2,686,013	3,352,842
Student aid	500,229	538,609
Plant	5,496,514	4,123,081
Other (academic support, student services, general institutional)	3,930,270	1,006,573
Total other temporarily restricted net assets	12,613,026	9,021,105
Total temporarily restricted net assets	**$ 19,711,014**	**$ 14,652,481**

Note 11 - Net Assets and Endowment Matters (Continued)

Temporarily Restricted Net Assets (Continued)

Temporarily restricted net assets of $3,240,074 and $3,819,440 are included in cash endowment investments at June 30, 2017 and 2016, respectively.

Temporarily restricted net assets were released from restrictions as follows at June 30:

	2017	**2016**
Instruction	$ 1,744,225	$ 1,028,852
Student aid	631,448	533,856
Plant	2,336,556	2,531,213
Other (academic support, student services, general institutional)	476,680	560,899
	$ 5,188,909	**$ 4,654,820**

Net assets released from restriction of $784,150 and $783,927 represented amounts attributed to accumulated unspent gains for the years ended June 30, 2017 and 2016, respectively.

Permanently Restricted Net Assets

Permanently restricted net assets are comprised of the following:

Instruction - Amounts restricted by donors against any expenditure of principal. Substantially all of the income earned on principal is to be used for instruction and is recorded in temporarily restricted net assets until appropriated for expenditure.

Academic support - Amounts restricted by donors against any expenditure of principal. Substantially all of the income earned on principal is to be used for academic support and is recorded in temporarily restricted net assets until appropriated for expenditure.

General institutional - Amounts restricted by donors against any expenditure of principal. Substantially all of the income earned on principal is to be used for general institutional and is recorded in temporarily restricted net assets until appropriated for expenditure.

Student aid - Amounts restricted by donors against any expenditure of principal. Substantially all of the income earned on principal is to be used for student aid and is recorded in temporarily restricted net assets until appropriated for expenditure.

Note 11 - Net Assets and Endowment Matters (Continued)

Permanently Restricted Net Assets (Continued)

	2017	*2016*
Instruction	$ 4,723,923	$ 4,295,287
Academic support	272,904	272,904
General institutional	2,137,135	1,830,190
Student aid	9,984,598	9,674,438
	$ 17,118,560	**$ 16,072,819**

Endowments and funds functioning as endowment, including trusts, are as follows for the years ended June 30, 2017 and 2016:

2017	*Unrestricted Net Assets*	*Temporarily Restricted Net Assets*	*Permanently Restricted Net Assets*	*Total*
Endowment assets and those functioning as endowment assets, beginning of year	$ 153,255,123	$ 5,372,050	$ 15,321,518	$ 173,948,691
Gifts and additions	-	-	935,799	935,799
Investment returns:				
Interest and dividends, net of investment expenses	1,527,202	196,736	-	1,723,938
Net realized and unrealized gains (losses)	17,206,645	2,227,675	43,501	19,477,821
Total investment returns	18,733,847	2,424,411	43,501	21,201,759
Expenditures:				
Amounts appropriated for operations	(8,352,706)	(784,150)	-	(9,136,856)
Change in investments	10,381,141	1,640,261	979,300	13,000,702
Endowment assets and those functioning as endowment assets, end of year	**$ 163,636,264**	**$ 7,012,311**	**$ 16,300,818**	**$ 186,949,393**

Note 11 - Net Assets and Endowment Matters (Continued)

Permanently Restricted Net Assets (Continued)

2016	*Unrestricted Net Assets*	*Temporarily Restricted Net Assets*	*Permanently Restricted Net Assets*	*Total*
Endowment assets and those functioning as endowment assets, beginning of year	$ 158,113,952	$ 6,451,121	$ 13,336,065	$ 177,901,138
Gifts and additions	3,798,808	-	2,002,522	5,801,330
Investment returns:				
Interest and dividends, net of investment expenses	1,063,067	126,318	-	1,189,385
Net realized and unrealized gains (losses)	(3,808,701)	(421,461)	(17,072)	(4,247,234)
Total investment returns	(2,745,634)	(295,143)	(17,072)	(3,057,849)
Expenditures:				
Amounts appropriated for operations	(5,912,000)	(783,927)	-	(6,695,927)
Change in investments	(4,858,826)	(1,079,070)	1,985,450	(3,952,446)
Endowment assets and those functioning as endowment assets, end of year	**$ 153,255,126**	**$ 5,372,051**	**$ 15,321,515**	**$ 173,948,692**

Endowment

The University's endowment consists of approximately 90 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law and Spending Policy

The Attorney General of Massachusetts has issued written guidance that all gains on permanently restricted endowment funds that have not been appropriated in accordance with the law should be classified as temporarily restricted net assets unless otherwise restricted by the donor.

The University classifies as permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Note 11 - Net Assets and Endowment Matters (Continued)

Interpretation of Relevant Law and Spending Policy (Continued)

The remaining portion of the donor restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the University in a manner consistent with standard of prudence prescribed by state law.

State law allows the Board of Trustees to appropriate a percentage of net appreciation as is prudent considering the University's long- and short-term needs, present and anticipated financial requirements, expected total return on its investments, price level trends and general economic conditions.

The University invests its endowment investment portfolio and allocates the related earnings for expenditure in accordance with the total return concept. A distribution of endowment return that is independent of cash yield and appreciation of investments earned during the year is provided for program support. In the past, the University has adopted an endowment spending policy designed specifically to stabilize annual spending levels and to preserve the real value of the endowment portfolio over time. For fiscal years 2017 and 2016, the University adopted a dollar spending policy that is approved by the Board of Trustees.

For fiscal year 2017, the endowment spending was equal to approximately $8.3 million of which approximately $7.5 million was the approved board designated spend and approximately $800K was the approved permanently restricted spend. The fiscal year 2017 spending equated to approximately 4.80% of the endowment market value at June 30, 2016. In fiscal year 2017, there was additional spending of approximately $1,245,000, which had been set aside from prior year surpluses, into the board-designated Quasi endowment. In total, the fiscal year 2017 spending equated to approximately 5.50% of the endowment market value at June 30, 2016.

For fiscal year 2016, the endowment spending was equal to approximately $8.3 million of which approximately $7.5 million was the approved board designated spend and approximately $800K was the approved permanently restricted spend. The fiscal year 2016 spending equated to 4.69% of the endowment market value at June 30, 2015. In fiscal year 2016, there was additional spending of approximately $709,000, which had been set aside from prior year surpluses, into the board-designated Quasi endowment. In total, the fiscal year 2016 spending equated to approximately 5.10% of the endowment market value at June 30, 2015. Amounts appropriated for expenditure for 2016 include the $8.3 million approved spend, $500K of the approved $709K additional spend and $157K of 2015 approved additional spend appropriated draw down spent in 2016, offset by $2.3 million of funds reinvested from the sale of the building.

The distribution from the unrestricted endowment and the permanent endowment is calculated to be approximately $8.3 million and approximately $875K, respectively, for the year ending June 30, 2018. However, the Board retains the discretion to modify its spending or transfer additional Board-designated endowment funds for other institutional purposes beyond the originally budgeted amount of spending.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the University to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported as unrestricted are $85,681 and $259,324 as of June 30, 2017 and 2016, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions.

Note 11 - Net Assets and Endowment Matters (Continued)

Return Objectives and Risk Parameters

The University's investment portfolio is managed to provide for the long-term support of the University. Accordingly, these funds are managed with disciplined longer-term investment objectives and strategies designed to meet cash flows and spending requirements. Management of the assets is designed to attain the maximum total return consistent with acceptable and agreed-upon levels of risk. The target for average annual real total return (net of investment management fees) is at least the spending policy plus inflation.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University targets an asset allocation strategy wherein assets are diversified among several asset classes. The pursuit of maximizing total return is tempered by the need to minimize the volatility of returns and preserve capital. As such, the University seeks broad diversification among assets having different characteristics with the intent to endure lower relative performance in strong markets in exchange for greater downside protection in weak markets.

Note 12 - Lessor Arrangements

Certain University owned properties are rented to outside parties based on a combination of tenancy-at-will and lease arrangements through 2028. The rental income, which is included in auxiliary enterprises, amounted to $3,047,473 and $3,181,669 for the years ended June 30, 2017 and 2016, respectively.

At June 30, 2017, approximate non-cancelable lease revenue commitments under these leases were as follows:

2018	$ 1,214,415
2019	1,320,918
2020	1,312,721
2021	1,306,791
2022	1,271,715
Thereafter	6,703,175

Note 13 - Retirement Plans

All eligible full-time and part-time personnel may elect to participate in a defined contribution plan administered by the Teachers Insurance and Annuity Association and College Retirement Equities Fund. The University makes monthly contributions to the plan which is immediately vested for the benefit of the participants. Contributions are based on years of service with a maximum contribution of 8%. Employees must also contribute between 3% and 5% of annual wages in order to be eligible for a University match. Voluntary contributions by participants above the minimum requirement may be made subject to IRS limitations. The University's contributions under the plan were $2,445,865 and $2,322,795 for the years ended June 30, 2017 and 2016, respectively.

Note 14 - Cash Flows Information

During 2017 and 2016, cash paid for interest totaled $4,566,957 and $4,800,747, respectively.

During 2017 and 2016, the University disposed of property and equipment with original gross costs totaling $36,752 and $4,803,096, and accumulated depreciation of $27,404 and $4,469,928, respectively. During 2016, the University received proceeds totaling $2,300,000 related to the sale of a building. The sale of this building was a small residential rental property that was in need of major renovations and was located outside of the University's three campuses. The proceeds from this sale were reinvested into the quasi endowment.

Non-cash investing and operating activities include $695,475 and $1,280,524 of capital acquisitions included in accounts payable at June 30, 2017 and 2016, respectively.

During 2017, the University re-financed a portion of its Series 2009 bonds; accordingly, non-cash financing activities include the refunding of $48,105,000 of principal amounts due and the issuance of $45,905,000 of Series 2016 bonds at a premium of $10,074,787.

Note 15 - Related Party Transactions

The University incurred expenses to a related party in the amount of $274,771 and $1,334,072 during 2017 and 2016, respectively. These payments related to certain construction costs incurred by the University.

Note 16 - Subsequent Events

The University has evaluated subsequent events through September 28, 2017, the date the financial statements were approved to be issued.

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DEFINITIONS OF CERTAIN TERMS

In addition to terms defined elsewhere in this Official Statement, the following are definitions of certain terms used in this Official Statement and the Loan and Trust Agreement (the "Agreement") dated as of December 1, 2017, among Massachusetts Development Finance Agency (the "Agency"), Lesley University (the "Institution") and U.S. Bank National Association, as the trustee (the "Trustee"):

"Act" Massachusetts General Laws Chapters 23G and to the extent incorporated therein, 40D, each as amended (the "Act").

"Additional Indebtedness" means Permitted Indebtedness incurred pursuant to the Agreement and which is secured equally and ratably with the Bonds as to the lien granted by the Institution on its Tuition Receipts.

"Authorized Officer" means (i) in the case of the Agency, the President and Chief Executive Officer; the Treasurer, Chief Financial Officer and Executive Vice President for Finance & Administration; the Executive Vice President for Finance Programs; the Executive Vice President for Real Estate; the General Counsel and Secretary; or the Senior Vice President, Investment Banking, and when used with reference to an act or document of the Agency also means any other person authorized to perform the act or execute the document; and (ii) in the case of the Institution, the Chairman or other presiding officer of the Board of Trustees, the President, any Vice President or Vice Chairman, the Secretary, the Treasurer or other chief financial officer or any Assistant Treasurer of the Institution, and when used with reference to an act or document of the Institution, also means any other person authorized to perform the act or execute the document.

"Bank Obligations" means any and all indebtedness, liabilities or obligations of the Institution, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, to or for the benefit of TD Bank, N.A. (the "Bank"), with such term to include without limitation the Institution's obligations related to the Amended and Restated Credit Agreement dated November 1, 2013 between the Bank and the Institution pursuant to which the Bank made the following credit facility available to the Institution: revolving line of credit (in a maximum principal amount of $10,000,000).

"Bond Counsel" means any attorney at law or firm of attorneys selected by the Institution and satisfactory to the Agency, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States.

"Bond Year" means each one year period (or shorter period from the date of issue of the Series 2017A Bonds) ending on June 30.

"Bondowners" means the registered owners of the Bonds from time to time as shown in the books kept by the Trustee as bond registrar and transfer agent.

"Bonds" means together, the Series 2017A Bonds the Series 2017B Bonds.

"Bridge Loan" means the Institution's obligations related to the Amended and Restated Credit Agreement dated November 1, 2013 between the Bank and the Institution with respect to the term note in the original principal amount of $7,500,000.

"Business Day" means a day on which banks in the city in which the principal office of the Trustee is located is not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

"Commercial Loan" means the Institution's obligations related to the Amended and Restated Credit Agreement dated November 1, 2013 between the Bank and the Institution with respect to the term note in the original principal amount of $10,200.000.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement dated as of the date of issuance of the Bonds between the Institution and the Trustee, as originally executed and as it may be amended from time to time in accordance with its terms.

"Government or Equivalent Obligations" means (i) obligations issued or guaranteed by the United States; (ii) certificates evidencing ownership of the right to the payment of the principal of and interest on obligations described in clause (i), provided that such obligations are held in the custody of a bank or trust company satisfactory to the Trustee in a special account separate from the general assets of such custodian; (iii) shares of any open-end or closed-end management type investment company or trust registered under 15 U.S.C. §80(a)-1 et seq., provided that the portfolio of such investment company or trust is limited to obligations described in clause (i) and repurchase agreements fully collateralized by such obligations, and provided further that such investment company or trust shall take custody of such collateral either directly or through a custodian satisfactory to the Trustee or the Agency; and (iv) bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (A) which are not callable at the option of the obligor or otherwise prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in the notice, (B) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) or (ii) which fund may be applied only to the payment when due of interest, principal of and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (C) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) or (ii), as the case may be, which have been deposited in such fund is sufficient to pay interest when due, principal of and redemption premium, if any, on the bonds or other obligations described in this clause (iv) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (A) of this clause (iv), as appropriate.

"Hedge Agreement" means an interest rate swap, cap, collar, floor, forward, or other hedging agreement, arrangement or security, however denominated, expressly identified pursuant to its terms as being entered into in connection with and in order to hedge interest rate fluctuations on all or a portion of any Indebtedness.

"Indebtedness" shall mean all obligations of the Institution for borrowed money, or installment sale and capitalized lease obligations, incurred or assumed, including guaranties, Long-Term Indebtedness, Short-Term Indebtedness, subordinated Indebtedness or any other obligation of the Institution for payments of principal and interest with respect to money borrowed.

"Intercreditor Agreement" means the Intercreditor Agreement dated March 10, 2009 by and among Deutsche Bank National Trust Company, as predecessor trustee, Bank of America, N.A., and the Institution, as amended by the Amendment to Intercreditor Agreement dated March 30, 2011 by and among the same parties, as amended by the Second Amendment to Intercreditor Agreement dated as of August 1, 2012 by and among the same parties, as amended by the Third Amendment to Intercreditor Agreement dated as of November 1, 2013 by and among U.S. Bank National Association, as successor trustee to Deutsche Bank National Trust Company, the Bank and the Institution and as amended by the Fourth Amendment to Intercreditor Agreement dated as of September 12, 2016 by and among the same parties, and as amended by the Fifth Amendment to the Intercreditor Agreement dated as of the date of issuance of the Bonds by and among the same parties.

"IRC" means the Internal Revenue Code of 1986, as it may be amended and applied to the Bonds from time to time.

"Long-Term Indebtedness" means any Indebtedness that is not Short-Term Indebtedness.

"Moody's" means Moody's Investors Service, Inc., or any successor rating agency.

"Opinion of Bond Counsel" means an opinion of Bond Counsel to the effect that the matter or action in question will not have an adverse impact on the tax-exempt status of the Series 2017A Bonds for federal income tax purposes.

"Outstanding," when used to modify Bonds, refers to Bonds issued under the Agreement, excluding: (i) Bonds that have been exchanged or replaced, or delivered to the Trustee for credit against a principal payment or a sinking fund installment; (ii) Bonds that have been paid; (iii) Bonds that have become due and for the payment of which moneys have been duly provided; and (iv) Bonds for which there have been irrevocably set aside sufficient funds, or non-callable Government or Equivalent Obligations described in clause (i),(ii) or (iv) of the definition thereof bearing interest at such rates, and with such maturities as will provide sufficient funds, without reinvestment, to pay or redeem them, provided, however, that if any such Bonds are to be redeemed prior to maturity, the Agency shall have taken all action necessary to redeem such Bonds and notice of such redemption shall have been duly mailed in accordance with the Agreement or irrevocable instructions so to mail shall have been given to the Trustee.

"Permitted Indebtedness" means

(i) Indebtedness arising under the Agreement or the Bonds;

(ii) Additional Indebtedness;

(iii) the Bank Obligations;

(iv) the Indebtedness evidenced by the Series 2009 Bonds, the Series 2011 Bonds, the Series 2012 Bonds, and the Series 2016 Bonds;

(v) Short-Term Indebtedness in an amount outstanding not in excess of $10,000,000 at any time;

(vi) Indebtedness for taxes, assessments and governmental charges or levies;

(vii) unsecured current Indebtedness of the Borrower (not representing an obligation for money borrowed or the deferred purchase of property) owed to suppliers of goods and services and incurred in the ordinary course of business;

(viii) Indebtedness relating to any Hedge Agreement;

(ix) purchase money financings; and

(xi) guaranties by endorsement for deposit or collection in the ordinary course of business.

"Project" means the refinancing of certain outstanding loans from TD Bank, N.A., including the Bridge Loan and the Commercial Loan, the proceeds of which loans were used to finance, refinance and/or reimburse the Institution for renovations to and improvement of the facility owned and operated by the Institution and located at 1801 Massachusetts Avenue in Cambridge, Massachusetts known as the Lunder Arts Center;.

The word "Project" also refers to the facilities that result or have resulted from the foregoing activities.

"Project Costs" means the costs of issuing the Bonds and carrying out the Project, including repayment of external loans and internal advances for the same to the extent permitted by the Agreement and the Tax Certificate, working capital expenditures directly related to the Project to the extent permitted by the IRC, and interest prior to, during and for up to one year after construction is substantially complete, but excluding general administrative expenses, overhead of the Institution and interest on internal advances.

"Project Officer" means the Chief Financial Officer or an alternate or successor appointed by the Institution.

"Property" means any and all of the Institution's rights, titles and interests in and to any and all property, whether real or personal, tangible or intangible and wherever situated including, without limitation, accounts, accounts receivable, contract rights and general intangibles, and all proceeds of all of the foregoing, whether cash or non-cash.

"Rebate Provision" shall have the meaning set forth in Section 306(a).

"Rebate Year" means the one year period (or shorter period beginning on the date of issue) ending on June 30.

"Restricted Property" means the real property owned by the Institution on the date of issuance of the Bonds, which includes the following street addresses located in Cambridge, Massachusetts:

Building Address			**Building Address**	
89	Brattle St.		63	Oxford St.
101	Brattle St.		68	Oxford St.
99-4	Brattle St.		78	Oxford St.
29	Everett St.		79-81	Oxford St.
31	Everett St.		80	Oxford St.
33	Everett St.		82	Oxford St.
2	Hastings Rd.		3	Phillips Pl.
12	Kirkland Pl.		5	Phillips Pl.
1627	Mass Ave.		10	Phillips Pl.
1815	Mass Ave.		49	Roseland St.
1826	Mass Ave.		6	Sacramento St.
1840	Mass Ave.		815	Somerville Ave.
1868	Mass Ave.		6	St Johns Rd.
1663/1665	Mass Ave.		1,3,5,7	St Johns Rd.
1801	Mass Ave.		2,4	St Johns Rd.
7	Mellen St.		1	Wendell St.
9	Mellen St.		3	Wendell St.
11	Mellen St.		14	Wendell St.
13	Mellen St.		20	Wendell St.
17	Mellen St.		34	Wendell St.
19	Mellen St.		16/18	Wendell St.
21	Mellen St.		22/24	Wendell St.
23	Mellen		28F	Wendell St.
24	Mellen St.		28R	Wendell St.
27	Mellen St.		30/32	Wendell St.
29	Mellen St.		37-41	Wendell St.
30	Mellen St.			
31	Mellen St.			
33	Mellen St.			
33.5	Mellen St.			
34	Mellen St.			
35	Mellen St.			
36	Mellen St.			
37	Mellen St.			

"Revenues" means all rates, payments, fees, charges, and other income and receipts, including proceeds of insurance, eminent domain and sale, and including proceeds derived from any security provided under the Agreement, payable to the Agency or the Trustee under the Agreement, excluding administrative fees of the

Agency, fees of the Trustee, reimbursements to the Agency or the Trustee for expenses incurred by the Agency or the Trustee, and indemnification of the Agency and the Trustee.

"S&P" means S&P Global Ratings, or any successor rating agency.

"Series 2009 Bonds" means the $57,375,000 original aggregate principal amount of Massachusetts Health and Educational Facilities Authority Revenue Bonds, Lesley University Issue, Series A (2009) dated March 10, 2009.

"Series 2011 Bonds" means the $33,115,000 original aggregate principal amount of Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, consisting of Series B-1 (2011) and Series B-2 (2011) (Federally Taxable) dated March 30, 2011.

"Series 2012 Bonds" means the $5,030,300 Massachusetts Development Finance Agency Revenue Bonds Lesley University Issue, Series 2012 dated August 20, 2012.

"Series 2016 Bonds" means $45,905,000 Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, Series 2016.

"Series 2017A Bonds" means the $7,985,000 Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, Series 2017A dated the date of original delivery thereof, and any Series 2017A Bond or Series 2017A Bonds duly issued in exchange or replacement therefor.

"Series 2017B Bonds" means the $1,920,000 Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, Series 2017B (Federally Taxable) dated the date of original delivery thereof, and any Series 2017B Bond or Series 2017B Bonds duly issued in exchange or replacement therefor

"Short-Term Indebtedness" shall mean any issue of Indebtedness no portion of which has a date of maturity more than one year from the date of original issuance thereof.

"Tax Certificate" means the certificate of that name executed by the Institution and dated as of the date of issuance of the Bonds confirming certain tax matters with respect to the Bonds.

"Tuition Receipts" shall include all of the following now or hereafter existing or owned by the Institution or in which the Institution shall now or hereafter have any interest:

all receivables arising out of and relating to tuition charges, and all other receipts, revenues, interest, income and other moneys received or receivable by or on behalf of the Institution in connection therewith, whether arising out of or in any manner with respect to, incident to or on account of the Institution's educational offerings, and all rights to receive the same, whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles, or other rights and the proceeds thereof, all of the foregoing whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Institution;

all contracts and contract rights which, upon performance, would give rise to any such receivables; all rights to the payment of money; all general intangibles which relate to, or may give rise to, any such receivables; and all proceeds of the foregoing whether now existing or hereafter acquired or arising;

all general intangibles, goodwill, customer lists, choses in action, documents and instruments (whether negotiable or non-negotiable and regardless of attachment to chattel paper), evidencing, arising out of or relating in any way to such receivables, all whether now existing and owned by the Institution or hereafter acquired or arising;

all liens, guaranties, securities, rights, remedies and privileges pertaining to, and all products and proceeds of, any of the foregoing items of Tuition Receipts (all whether now existing and owned by the Institution or hereafter arising or acquired); and all information, data, files, writings, correspondence, books and records (including, without limitation, all electronically recorded data) relating to any of the foregoing items of Tuition Receipts (all whether now existing and owned by the Institution or hereafter arising or acquired).

"UCC" means the Massachusetts Uniform Commercial Code.

Words importing persons include firms, associations and corporations, and the singular and plural form of words shall be deemed interchangeable wherever appropriate.

SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT

The following is a brief summary prepared by McCarter & English, LLP, bond counsel, of certain provisions of the Agreement. This summary does not purport to be complete, and reference is made to the Agreement for full and complete statements of such and all provisions,

The Agreement provides for the following transactions: (i) the Agency's issue of the Bonds; (ii) the Agency's loan of the proceeds of the Bonds to the Institution for the purpose of refinancing the Project; (iii) the Institution's repayment of the loan from the Agency through payment to the Trustee of all amounts necessary to pay the Bonds; and (iv) the Agency's assignment to the Trustee in trust for the benefit and security of the Bondowners of the Agency's rights under the Agreement and the Revenues to be received under the Agreement and the rights to receive the same.

The Assignment and Pledge of Revenues; Funds.

The Agency assigns and pledges to the Trustee in trust upon the terms of the Agreement (a) all Revenues to be received from the Institution or derived from any security provided under the Agreement, (b) all rights to receive such Revenues and the proceeds of such rights, (c) all funds and investments held from time to time in the funds established under the Agreement and (d) all of its right, title and interest in the Agreement, including enforcement rights and remedies but excluding certain rights of indemnification and to reimbursement of certain expenses as set forth in the Agreement. This assignment and pledge does not include: (i) the rights of the Agency pursuant to provisions for consent, concurrence, approval or other action by the Agency, notice to the Agency or the filing of reports, certificates or other documents with the Agency, (ii) the right of the Agency to any payment or reimbursement as set forth in the Agreement, or (iii) the powers of the Agency as stated in the Agreement to enforce the rights set forth in (i) and (ii) above. As additional security for its obligations to make payments to the Debt Service Fund, the Redemption Fund and the Rebate Fund, and for its other payment obligations under the Agreement, the Institution grants to the Trustee a security interest in its interest in the moneys and other investments and any proceeds thereof held from time to time in such Funds and the Expense Fund established under the Agreement, other than the Rebate Fund. (Section 201)

Negative Pledge.

The Institution shall not, without the consent of the majority of the Bondowners, grant a mortgage on any of the Restricted Property to secure any Indebtedness, unless the Institution shall grant to the Trustee a mortgage securing the Bonds then Outstanding, concurrently with the granting of a mortgage to any other mortgagee, which places the Trustee in a parity position in every respect with such mortgagee. (Section 1008)

Establishment of Funds.

The following funds have been established and shall be maintained with the Trustee for the account of the Institution, to be held in trust by the Trustee and applied subject to the provisions of the Agreement:

Debt Service Fund;
Redemption Fund; and
Expense Fund.

(Sections 303, 304, 305 and 307)

Debt Service Fund.

A Debt Service Fund is established with the Trustee and moneys shall be deposited therein as provided in the Agreement. Within the Debt Service Fund, there shall be established two separate Debt Service Fund accounts to be known as "2017A Debt Service Account" and "2017B Debt Service Account". The moneys in the Debt Service Fund and any investments held as part of such Fund shall be held in trust and, except as otherwise provided, shall be applied solely to the payment of the principal (including sinking fund installments), redemption premium, if any, and interest on the Bonds. Promptly after July 1 of each Bond Year, if the amount deposited by the Institution in the Debt Service Fund during the preceding Bond Year pursuant to the Agreement was in excess of the amount required to be so deposited, the Trustee shall transfer such excess to the Institution unless there is then an Event of Default known to the Trustee with respect to payments to the Debt Service Fund, the Rebate Fund or to the Trustee or the Agency, in which case the excess shall be applied to such payments. (Section 303)

Redemption Fund.

A Redemption Fund is established with the Trustee and moneys shall be deposited therein as provided in the Agreement. The moneys in the Redemption Fund and any investments held as a part of such Fund shall be held in trust and, except as otherwise provided, shall be applied by the Trustee on behalf of the Agency solely to the redemption of Bonds. The Trustee may, and upon written direction of the Institution for specific purchases shall, apply moneys in the Redemption Fund to the purchase of Bonds for cancellation at prices not exceeding the price at which they are then redeemable (or next redeemable if they are not then redeemable), but not within the forty-five (45) days preceding a redemption date.

If on any date the amount in the Debt Service Fund is less than the amount then required to be applied by the Trustee to pay the principal (including sinking fund installments) and interest then due on the Bonds, or if on any date the amount in the Rebate Fund is less than the amount then required to be paid to the United States as provided in the Agreement, the Trustee shall apply the amount in the Redemption Fund (other than any sum irrevocably set aside for the redemption of particular Bonds or required to purchase Bonds under outstanding purchase contracts) first, to the satisfaction of such rebate payment, and second to the Debt Service Fund to the extent necessary to meet the deficiency. The Institution shall remain liable for any sums which it has not paid into the Debt Service Fund or pursuant to the Rebate Provision and any subsequent payment thereof shall be used to restore the funds so applied.

If any moneys in the Redemption Fund are invested in accordance with the Agreement and a loss results therefrom so that there are insufficient funds to pay the redemption price of Bonds called for redemption in accordance with the Agreement, then the Institution shall immediately supply the deficiency. (Section 305)

Rebate.

A Rebate Fund is also established by the Trustee for the purpose of complying with IRC Section 148(f) and the regulations thereunder (the "Rebate Provision"). Amounts in the Rebate Fund shall not be available to pay principal, interest, or redemption premium on the Bonds. No later than sixty (60) days after the close of the fifth Rebate Year following the date of issue of the Series 2017A Bonds or any earlier date that may be required to comply with the Rebate Provision and the close of each fifth Rebate Year thereafter, the Trustee shall pay from the Rebate Fund to the United States on behalf of the Agency the full amount of rebate then required to be paid under the Rebate Provision as certified and directed by the Institution. Within sixty (60) days after the Series 2017A Bonds have been paid in full, the Trustee shall pay to the United States from the Rebate Fund on behalf of the Agency the full amount then required to be paid under the Rebate Provision as certified by the Institution.

No later than fifteen (15) days prior to each date on which a payment could become due under the foregoing paragraph (a "Rebate Payment Date"), the Institution shall deliver to the Agency and the Trustee a certificate either summarizing the determination that no amount is required to be paid or specifying the amount then required to be paid pursuant to the Agreement. If the certificate specifies an amount to be paid, (A) such certificate shall be accompanied by (i) a report in form acceptable to the Agency prepared by a rebate consultant acceptable to the Agency, which is to be signed by an Authorized Officer of the Agency, (ii) a completed Form 8038-T, in a form acceptable to the Agency, which is to be signed by an Authorized Officer of the Agency, and (iii) a certification of the Institution stating that the Form 8038-T is accurate and complete, and (B) the Trustee shall make such payment on the Rebate Payment Date from the Rebate Fund. (Section 306)

Expense Fund.

An Expense Fund is established by the Agreement to be held by the Trustee and proceeds of the Bonds shall be deposited therein as provided in the Agreement. The moneys in the Expense Fund and any investments held as part of such Fund shall be held in trust and, except as otherwise provided in the Agreement, shall be applied by the Trustee at the written direction of the Institution solely to the payment or reimbursement of the costs of issuing the Bonds. The Trustee shall pay from the Expense Fund the costs of issuing the Bonds, including the reasonable fees and expenses of financial consultants and bond counsel, the reasonable fees and expenses of the Trustee incurred prior to the completion of the Project in accordance with the Agreement, any recording or similar fees and any expenses of the Institution in connection with the issuance of the Bonds, as directed by the Institution. Earnings on the Expense Fund shall not be applied to pay costs of issuance of the Bonds, but shall be transferred to the Debt Service Fund as provided in the Agreement. After all costs of issuing the Bonds have been paid, any amounts remaining in the Expense Fund shall be transferred to the Debt Service Fund. To the extent the Expense Fund is insufficient to pay any of the above costs, the Institution shall be liable for the deficiency and shall pay such deficiency as directed by the Trustee. (Section 307)

Application of Moneys.

If available moneys in the Debt Service Fund after any required transfers from the Redemption Fund are not sufficient on any day to pay all principal (including sinking fund installments), redemption price and interest on the Outstanding Bonds then due or overdue, such moneys (other than any sum in the Redemption Fund irrevocably set aside for the redemption of particular Bonds or required to purchase Bonds under outstanding purchase contracts) shall, after payment of all charges and disbursements of the Trustee in accordance with the Agreement, be applied (in the order such Funds are named) first to the payment of interest, including interest on overdue principal, in the order in which the same became due (pro rata with respect to interest which became due at the same time), second to the payment of principal (including sinking fund installments) and redemption premiums, if any, without regard to the order in which the same became due (in proportion to the amounts due). For this purpose interest on overdue principal shall be treated as coming due on the first day of each month. Whenever moneys are to be applied as described in this section of the Agreement, such moneys shall be applied at such times, and from time to time, as the Trustee in its discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall exercise such discretion it shall fix the date (which shall be the first of a month unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date. When interest or a portion of the principal is to be paid on an overdue Bond, the Trustee may require presentation of the Bond for endorsement of the payment. (Section 308)

Payments by the Institution.

The Institution shall pay to the Trustee for deposit in the 2017A Debt Service Account and the 2017B Debt Service Account of the Debt Service Fund, as applicable, at least three Business Days prior to the date on which any payment of principal (including any sinking fund installment) or interest on the respective series of Bonds is due, an amount equal to such payment less the amount, if any, in the Debt Service Fund and available therefor.

At any time when any principal (including sinking fund installments) of the Bonds is overdue, the Institution shall also have a continuing obligation to pay to the Trustee for deposit in the applicable account of the Debt Service Fund an amount equal to interest on the overdue principal but the installment payments required under this section of the Agreement shall not otherwise bear interest. Redemption premiums shall not bear interest.

As additional security for its obligations to make payments to the Debt Service Fund, the Institution grants to the Trustee a lien upon its Tuition Receipts whether in the form of proceeds of accounts receivable or contract rights or otherwise, and in any rights to receive the same. For this purpose Tuition Receipts shall include receipts from any source which are applied or to be applied to financial aid for tuition. If any required payment under the Agreement is not made when due, any receipts with respect to which this security interest remains perfected pursuant to law (including the Act) shall be transferred or paid over immediately to the Trustee without being commingled with other funds (unless already commingled) and any such receipts thereafter received shall upon receipt be transferred to the Trustee in the form received to the extent necessary to cure the deficiency. In the Agreement, the Institution represents and warrants that the lien granted is on a parity with the lien on Tuition Receipts granted by the Institution (i) to the Bank to secure the Bank Obligations, (ii) to the bondholder of the Series 2012 Bonds, (iii) to U.S. Bank National Association, as trustee for the Series 2009 Bonds, the Series 2011

Bonds, and the Series 2016 Bonds, to secure the Institution's obligations with respect to the Series 2009 Bonds, Series 2011 Bonds, and the Series 2016 Bonds, and (iv) subject only to non-consensual liens arising by operation of law. The Institution further represents and warrants that the liens mentioned in clause (iv) of this paragraph are and will at all times be of an aggregate amount which is not material to the security for the Bonds.

Payments by the Institution to the Trustee for deposit in the Debt Service Fund under the Agreement shall discharge the obligation of the Institution to the extent of such payments; provided, that if any moneys are invested in accordance with the Agreement and a loss results therefrom so that there are insufficient funds to pay principal (including sinking fund installments) and interest on the Bonds when due, the Institution shall supply the deficiency. (Section 309)

> Tuition Receipts paid by the Institution to other parties in the ordinary course might no longer be subject to the lien of the Agreement and might, therefore, be unavailable to the Agency. The enforcement of the lien on Tuition Receipts and receivables is also subject to the exercise of discretion by a court of equity which, under certain circumstances, may have power to direct the use thereof to meet expenses of the Institution before paying debt service. In the event of the bankruptcy of the Institution, receivables coming into existence and Tuition Receipts received by the Institution on or after the date which is ninety (90) days (or, in some circumstance, one year) prior to the commencement of the case in bankruptcy court might not be subject to the lien of the Agency. With respect to Tuition Receipts not subject to the lien, the Agency would occupy the position of an unsecured creditor.

Unconditional Obligation.

To the extent permitted by law, the obligation of the Institution to make payments to the Agency and the Trustee under the Agreement shall be absolute and unconditional, shall be binding and enforceable in all circumstances whatsoever, shall not be subject to setoff, recoupment or counterclaim and shall be a general obligation of the Institution to which the full faith and credit of the Institution are pledged. (Section 310)

Investments.

Pending their use under the Agreement, moneys in the Funds and Accounts established pursuant to the Agreement may be invested by the Trustee, in Permitted Investments (as defined below) maturing or redeemable at the option of the holder at or before the time when such moneys are expected to be needed and shall be so invested pursuant to written direction of the Institution if there is not then an Event of Default known to the Trustee, provided that the Institution shall not request, authorize or permit any investment that would cause any Bonds to be classified as "arbitrage bonds" as defined in IRC §148. Any such investments shall be held by the Trustee as a part of the applicable Fund and shall be sold or redeemed to the extent necessary to make payments or transfers or anticipated payments or transfers from such Fund, subject to the notice provisions of Section 9 611 of the UCC to the extent applicable.

Except as set forth below, any interest realized on investments in any Fund and any profit realized upon the sale or other disposition thereof shall be credited to the Fund with respect to which they were earned and any loss shall be charged thereto. Earnings (which for this purpose include net profit and are after deduction of net loss) on proceeds from the sale of Bonds deposited in the Expense Fund shall be transferred to the Debt Service Fund not less often than quarterly. Earnings on other moneys deposited in the Redemption Fund shall be transferred to the Debt Service Fund and credited against payments otherwise required to be made thereto not less often than quarterly.

The term "Permitted Investments" means: (A) Government or Equivalent Obligations; (B) "tax exempt bonds" as defined in IRC §150(a)(6), other than "specified private activity bonds" as defined in IRC §57(a)(5)(C), rated at least "AA" or "Aa2" by S&P and Moody's, respectively, or the equivalent by any other nationally recognized rating agency, at the time of acquisition thereof or shares of a so-called money market or mutual fund that do not constitute "investment property" within the meaning of IRC §148(b)(2), provided either that the fund has all of its assets invested in such "tax exempt bonds" of such rating quality or, if such obligations are not so rated, that the fund has comparable creditworthiness through insurance or otherwise and which fund is rated "Aam" or "AAm-G" if rated by S&P; (C) Obligations of any state or political subdivision thereof rated at least "AA-" and "Aa3" by S&P and Moody's, respectively, at the time of purchase; (D) negotiable certificates of deposit maturing not more than two years after the date of purchase, and interest-bearing deposit accounts of a national association or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank, which (i) has assets of not less than $1,000,000,000, provided that the senior debt obligations of the issuing institution are rated in the highest category by Moody's or S&P, or (ii) funds are guaranteed by the Federal Deposit Insurance Corporation, or (iii) funds are fully collateralized by Government or Equivalent Obligations; (E) bills of exchange or time drafts drawn on and accepted by a commercial bank (otherwise known as bankers acceptances), provided that such bankers acceptances may not exceed 180 days maturity, and provided further that the accepting bank has the highest short-term letter and numerical rating as provided by Moody's or S&P; (F) Repurchase Agreements (defined below); (G) money market funds which have a rating of "AAAm-G," "AAAm" or "AAm" by S&P, provided that the fund is registered under the Federal Investment Company Act of 1940 and whose shares are registered under the Federal Securities Act of 1933; (H) investment agreements with providers rated not lower than the second highest category (without regard to gradations within such category) by at least one nationally recognized rating agency, provided that if the investment agreement is guaranteed by a third party, then such rating requirement shall apply to the guarantor only, and provided further that if the provider is downgraded by one or more nationally recognized rating agency to below the second highest category, the agreement shall (i) be fully collateralized at 104% by Government or Equivalent Obligations or 105% by securities outlined in clause (J) of this definition of Permitted Investments, or (ii) terminate; (I) collateralized investment agreements with providers rated not lower than the third highest category (without regard to gradations within such category) by at least one nationally recognized rating agency, provided that if the investment agreement is guaranteed by a third party, then such rating requirement shall apply to the guarantor only, and provided further that in all cases such rating requirements shall apply only at the time the investment agreement is executed; (J) forward purchase and sale agreements with providers rated not lower than the third highest category (without regard to gradations within such category) by at least one nationally recognized rating agency, provided that if the investment agreement is guaranteed by a third party, then such rating requirement shall apply to the guarantor only, and provided further that in all cases such rating requirements shall apply only at the time the investment agreement is executed; (K) senior debt obligations and participation certificates issued by an agency or instrumentality established by an act of Congress, including but not limited to the Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank System, Student Loan Marketing Association, World Bank or Federal Agricultural Mortgage Corporation, in each case rated not lower than the second highest category (without regard to gradations within such category) by at least one nationally recognized rating agency); (L) commercial paper which is rated at the time of purchase at least "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase; and (M) notes issued by corporate entities rated at least "AA-" and "Aa3" by S&P and Moody's, respectively, at the time of purchase. The term "Repurchase Agreement" shall mean a written agreement under which a bank or trust company which has a capital and surplus of not less than $50,000,000 or a government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York sells to, and agrees to repurchase from the Trustee obligations issued or guaranteed by the United States; provided that the market value of such obligations is at the time of entering into the agreement at least one hundred and three percent (103%) of the repurchase price specified in the agreement and that such obligations are segregated from the unencumbered assets of such bank or trust company or government bond dealer; and provided further that unless the agreement is with a bank or trust company, such agreement shall require the repurchase to occur on demand or on a date certain which is not later than one (1) year after such agreement is entered into and shall expressly authorize the Trustee to liquidate the purchased obligations in the event of the insolvency of the party required to repurchase such obligations or the commencement against such party of a case under the federal Bankruptcy Code or the appointment of or taking possession by a trustee or custodian in a case against such party under the Bankruptcy Code. Any such investments may be purchased from or through the Trustee.

A security interest with respect to Permitted Investments, if any, shall be perfected in such manner as may be provided by law. In the case of a Repurchase Agreement, if under applicable law, including the federal Bankruptcy Code, the agreement is recognized as transferring ownership in the underlying securities to the investing party with a right to liquidate the securities and apply the proceeds against the repurchase obligation, all free and clear of the claims of creditors and transferees of the other party, the interest of the investing party shall be regarded as the equivalent of a perfected security interest for these purposes. In any case, however, if the underlying securities or the securities subject to the security interest are certificated securities (as opposed to uncertificated or book-entry securities), they shall be delivered to the Trustee, or to a depository satisfactory to the Trustee, either as agent for the Trustee or as bailee with appropriate instructions and acknowledgement, at the time of or prior to the investment, or, if the security interest is perfected without delivery, delivery shall be made within three (3) Business Days. Possession by the Trustee of the security for an obligation of the Trustee shall not be deemed to satisfy these requirements unless there is an opinion of counsel satisfactory to the Agency to the effect that such possession satisfies these requirements.

The Trustee may hold undivided interests in Permitted Investments for more than one Fund (for which they are eligible) and may make interfund transfers in kind.

The Trustee shall be entitled to rely conclusively on all written investment instructions provided by the Institution under the Agreement. Neither the Agency nor the Trustee shall have any responsibility or liability for any depreciation in the value of any investment or for any loss, direct or indirect, resulting from any investment made in accordance with the written instructions of the Institution.

Although the Agency and the Institution each recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Agency and the Institution agree that confirmations of Permitted Investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. (Section 312)

Unclaimed Moneys.

Except as may otherwise be required by applicable law, in case any moneys deposited with the Trustee for the payment of principal of, or interest or premium, if any, on any Bond remain unclaimed for three (3) years after such principal, interest or premium has become due and payable, the Trustee may and upon receipt of a written request of the Institution shall pay over to the Institution the amount so deposited in immediately available funds, without additional interest, and thereupon the Trustee and the Agency shall be released from any further liability with respect to the payment of principal, interest or premium and the owner of such Bond shall be entitled (subject to any applicable statute of limitations) to look only to the Institution as an unsecured creditor for the payment thereof. (Section 313)

Use of Project.

Compliance with Law. In the acquisition, construction, maintenance, improvement and operation of the Project, the Institution covenants that it has complied and will comply in all material respects with all material and applicable building, zoning, land use, environmental protection, historical preservation, educational, environmental protection, sanitary and, safety laws, rules and regulations, and all material and applicable grant, reimbursement and insurance requirements, and will not permit a nuisance thereon; but it shall not be a breach of these covenants if the Institution fails to comply with such laws, rules, regulations and requirements (other than Chapter 21E of the Massachusetts General Laws, as amended) during any period in which the Institution is diligently and in good faith contesting the validity thereof, provided that the security created or intended to be created by the Agreement is not, in the opinion of the Trustee, unreasonably jeopardized thereby. (Section 401)

Payment of Lawful Charges. The Institution shall make timely payment of all taxes and assessments and other municipal or governmental charges and all claims and demands for work, labor, services, materials or other objects which, if unpaid, might by law become a lien on the Project or any part thereof; but it shall not be a breach of these covenants if the Institution fails to pay any such item during any period in which the Institution is diligently and in good faith contesting the validity thereof, provided that the laws applicable to contesting its validity do not require payment thereof and proceedings for a refund and that the security created or intended to be created by the Agreement is not, in the opinion of the Trustee, unreasonably jeopardized thereby. (Section 401)

Permitted Purposes. The Institution agrees that the Project shall be used only for the purposes described in Section 3(b) of the Act and no part of the Project shall be used for any purpose which would cause the Agency's financing of the Project to constitute a violation of the First Amendment of the United States Constitution. In particular, the Institution agrees that no part of the Project, so long as it is owned or controlled by the Institution, shall be used for any sectarian instruction or as a place of religious worship or in connection with any part of a program of a school or department of divinity for any religious denomination; and any proceeds of any sale, lease, taking by eminent domain of the Project or other disposition thereof shall not be used for, or to provide a place for, such instruction, worship or program. The provisions of the foregoing sentence shall, to the extent permitted and required by law, survive termination of the Agreement. (Section 401)

Repair and Current Expenses

The Institution agrees that it will maintain and repair the Project and keep the same in good and serviceable condition and in at least as good condition and repair (reasonable wear and tear and casualty loss excepted) as it was on the date the same was placed in service. In the event of damage to or destruction of all or any part of the Project from any casualty, the Institution shall either redeem Bonds pursuant to the provisions in the Agreement or repair, replace, restore or reconstruct the Project to the extent necessary to restore substantially its value and in a manner suitable for its continued use for the purpose for which it was provided; and this obligation shall not be limited by the amount of available insurance proceeds. The Institution shall pay all costs of maintaining and operating the Project. (Section 402)

Insurance

The Institution (i) shall keep its plant, equipment and furnishings included in its property insured against fire, lightning and extended coverage perils and against such other risks as are customarily insured against by similar institutions in the area, in the minimum amounts per person, per occurrence and in the aggregate per policy year as are usual and customary for similarly situated nonprofit educational institutions; (ii) shall, to the extent required by law, carry workers' compensation insurance, disability insurance and other insurance covering injury, sickness, disability or death of employees; (iii) shall maintain insurance against liability of the Institution imposed by law or assumed by contract for injuries to persons, and for death of persons from such injuries, in the minimum amounts per person, per occurrence and in the aggregate per policy year as are usual and customary for similarly situated nonprofit educational institutions, and for damages to property in the minimum amount per occurrence and in the aggregate per policy year as are usual and customary for similarly situated nonprofit educational institutions. All such insurance shall be with responsible and reputable companies authorized to transact business in The Commonwealth of Massachusetts. (Section 403)

Default by the Institution.

Events of Default; Default. "Event of Default" in the Agreement means any one of the events set forth below and "default" means any Event of Default without regard to any lapse of time or notice.

(i) Debt Service. Any principal or interest or redemption premium on the Bonds shall not be paid when due, whether at maturity, by acceleration, upon redemption or otherwise or the Institution shall fail to make any payment required of it under the Agreement when the same becomes due and payable.

(ii) Other Obligations. The Institution shall fail to make any other required payment to the Trustee or the Agency, and such failure is not remedied within seven (7) days after written notice thereof is given by the Trustee or the Agency to the Institution, or the Institution shall fail to observe or perform any of its other agreements, covenants or obligations under the Agreement or the Tax Certificate and such failure is not remedied within sixty (60) days after written notice thereof is given by the Trustee to the Institution.

(iii) Warranties. There shall be a material breach of warranty made in the Agreement or in the Tax Certificate by the Institution as of the date it was intended to be effective and the breach is not cured within sixty (60) days after written notice thereof is given by the Trustee to the Institution.

(iv) Voluntary Bankruptcy. The Institution shall commence a voluntary case under the federal bankruptcy laws, or shall become insolvent or unable to pay its debts as they become due, or shall make an assignment for the benefit of creditors, or shall apply for, consent to or acquiesce in the appointment of, or taking possession by, a trustee, receiver, custodian or similar official or agent for itself or any substantial part of its property.

(v) Appointment of Receiver. A trustee, receiver, custodian or similar official or agent shall be appointed for the Institution or for any substantial part of its property and such trustee or receiver shall not be discharged within sixty (60) days.

(vi) Involuntary Bankruptcy. The Institution shall have an order or decree for relief in an involuntary case under the federal bankruptcy laws entered against it, or a petition seeking reorganization, readjustment, arrangement, composition, or other similar relief as to it under the federal bankruptcy laws or any similar law for the relief of debtors shall be brought against it and shall be consented to by it or shall remain undismissed for sixty (60) days.

(vii) Breach of Other Agreements. A breach shall occur (and continue beyond any applicable grace period) with respect to a payment by the Institution of debt service on Additional Indebtedness (irrespective of the amount borrowed) or with respect to the payment of other Indebtedness of the Institution for borrowed money with respect to loans exceeding $5,000,000, or with respect to the performance of any agreement securing Additional Indebtedness or such other Indebtedness or pursuant to which the same was issued or incurred, or an event shall occur with respect to provisions of any such agreement relating to matters of the character referred to in this section of the Agreement, so that a holder or holders of such Indebtedness or a trustee or trustees under any such agreement accelerates or is empowered to accelerate any such Indebtedness; but an Event of Default shall not be deemed to be in existence or to be continuing under this clause (vii) if (A) the Institution is in good faith contesting the existence of such breach or event and if such acceleration is being stayed by judicial proceedings, (B) the power of acceleration is not exercised and it ceases to be in effect, or (C) such breach or event is remedied and the acceleration, if any, is wholly annulled. The Institution shall notify the Agency and the Trustee of any such breach or event immediately upon the Institution's becoming aware of its occurrence and shall from time to time furnish such information as the Agency or the Trustee may reasonably request for the purpose of determining whether a breach or event described in this clause (vii) has occurred and whether such power of acceleration has been exercised or continues to be in effect.

Waiver. If the Trustee determines that a default has been cured before the entry of any final judgment or decree with respect to it, the Trustee may waive the default and its consequences, including any acceleration, by written notice to the Institution and shall do so, with the written consent of the Agency, upon written instruction of the registered owners of at least twenty-five percent (25%) in principal amount of the Outstanding Bonds. (Section 601)

Remedies for Events of Default.

If an Event of Default occurs and is continuing:

(a) *Acceleration.* The Trustee may, and shall, at the written direction of the registered owners of at least twenty-five percent (25%) in principal amount of the Outstanding Bonds, by written notice to the Institution and the Agency declare immediately due and payable the principal amount of the Outstanding Bonds thereby coming due, and the payments to be made by the Institution therefor, and accrued interest on the foregoing, whereupon the same shall become immediately due and payable without any further action or notice.

(b) *Rights as to Tuition Receipts; Rights as a Secured Party.* (i) The Trustee may exercise all of the rights and remedies of a secured party, under the UCC or otherwise, with respect to the lien on Tuition Receipts. Without limiting the generality of the foregoing, to the extent permitted by law, the Trustee may realize upon such lien by any one or more of the following actions: (A) enter the Institution's property and take possession of the financial books and records of the Institution relating to the Tuition Receipts and of all checks or other orders for payment of money and cash in the possession of the Institution representing Tuition Receipts or proceeds thereof;

(B) notify account debtors obligated on any Tuition Receipts to make payment directly to the order of the Trustee; (C) collect, compromise, settle, compound or extend Tuition Receipts which are in the form of accounts receivable or contract rights from the Institution's account debtors by suit or other means and give a full acquittance therefor and receipt therefor in the name of the Institution, whether or not the full amount of any such account receivable or contract right owing shall be paid to the Trustee; (D) require the Institution to deposit all cash, money and checks or other orders for the payment of money which represent Tuition Receipts within five (5) Business Days after receipt of written notice of such requirement, and thereafter as received, into a fund or account to be established for such purpose by the Trustee, provided, however, that the requirement to make such deposits shall cease, and the balance of such fund or account shall be paid to the Institution, when all Events of Default have been cured; (E) forbid the Institution to extend, compromise, compound or settle any accounts receivable or contract rights which represent Tuition Receipts, or release, wholly or partly, any person liable for the payment thereof (except upon receipt of the full amount due) or allow any credit or discount thereon; and (F) endorse in the name of the Institution any checks or other orders for the payment of money representing Tuition Receipts or the proceeds thereof; and (ii) the Trustee may exercise all of the rights and remedies of a secured party under the UCC with respect to securities in the Debt Service Fund, Redemption Fund and Expense Fund, including the right to sell or redeem such securities and the right to retain the securities in satisfaction of the obligations of the Institution hereunder. Notice sent by registered or certified mail, postage prepaid, or delivered during business hours, to the Institution at least seven (7) days before an event under UCC Sections 9-610 and 6-111, or any successor provision of law shall constitute reasonable notification of such event. (Section 602)

Revenues after Default.

The proceeds from the exercise of the rights and remedies as described above under the subcaption "*Rights as to Tuition Receipts; Rights as a Secured Party*" shall be remitted to the Trustee upon receipt and in the form received. After payment or reimbursement of the reasonable expenses of the Trustee in connection therewith, the same shall be allocated between the Bonds and Additional Indebtedness in accordance with the Intercreditor Agreement. The portion allocable to the Bonds shall be applied, first to the remaining obligations of the Institution hereunder (other than obligations to make payments to the Agency for its own use) in such order as may be determined by the Trustee, and second, to any unpaid sums due the Agency for its own use. Any surplus thereof shall be paid to the Institution. (Section 604)

Rights and Duties of the Trustee.

Moneys to be Held in Trust. All moneys received by the Trustee under the Agreement shall be held by the Trustee in trust and applied subject to the provisions of the Agreement.

Accounts. The Trustee shall keep proper accounts of its transactions hereunder (separate from its other accounts), which shall be open to inspection by the Agency and the Institution and their representatives duly authorized in writing.

Performance Obligations. (i) If the Agency shall fail to observe or perform any covenant or obligation contained in the Agreement, the Trustee may to whatever extent it deems appropriate for the protection of the Bondowners or itself, perform any such obligation in the name of the Agency and on its behalf.

If the Institution fails to observe or perform any covenant, condition, agreement or provision contained in the Agreement with respect to the Project (including, without limitation, the insurance, maintenance or repair of the Project and the payment of taxes or other governmental charges thereon), whether or not there is an Event of Default under the Agreement, the Trustee may perform such covenant, condition, agreement or provision in its own name or in the Institution's name, and the Trustee is irrevocably appointed the Institution's attorney-in-fact for such purpose. The Trustee shall give at least seven (7) days' notice to the Institution before taking any such action, except that in the case of emergency as reasonably determined by the Trustee, the Trustee may act on lesser notice or give the notice promptly after rather than before taking the action. The reasonable cost of any such action by the Trustee shall be paid or reimbursed by the Institution.

Actions for Protection of Bondowners. The Trustee shall not be required to monitor the financial condition of the Institution or the physical condition of the Project and, unless otherwise expressly provided, shall not have any responsibility with respect to reports, notices, certificates or other documents filed with it under the Agreement, except to make them available for inspection by Bondowners. Upon a failure of the Institution to make a payment of principal (including any sinking fund installment) or interest on the Bonds when the same becomes due and payable, the Trustee shall give written notice thereof to the Agency and the Institution. The Trustee shall not be required to take notice of any other breach or default by the Institution or the Agency except when given written notice thereof by the owners of at least ten percent (10%) in principal amount of the Outstanding Bonds. The Trustee shall give default notices and accelerate payments provided by the terms of the Agreement when instructed to do so by the written direction of the owners of at least twenty-five percent (25%) in principal amount of the Outstanding Bonds. The Trustee shall proceed to enforce obligations under the Agreement by legal proceedings for the specific performance of any covenant, obligation or agreement contained under the Agreement for the benefit of the Bondowners in accordance with the written directions of the owners of a majority in principal amount of the Outstanding Bonds. The Trustee shall not be required, however, to take any remedial action (other than acceleration or the giving of notice) unless reasonable indemnity is furnished for any expense or liability to be incurred.

Responsibility. The Trustee undertakes and agrees to perform such duties and only such duties as are specifically set forth in the Agreement and no implied agreements or obligations shall be read into the Agreement against the Trustee. The Trustee shall be entitled to the advice of counsel (who may be counsel for any party) and shall not be liable for any action taken in good faith in reliance on such advice. The Trustee shall be under no obligation to advance or risk its own funds, and shall not be obligated to take any action to protect, preserve or enforce any rights or interests under the Agreement or otherwise whether on its own motion or the request of any other person, unless from time to time the Trustee is provided with indemnity to its satisfaction. The Trustee may rely conclusively on any notice, certificate or other document furnished to it under the Agreement and reasonably believed by it to be genuine. The Trustee shall not be liable for any action taken or omitted to be taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it, or taken by it pursuant to any direction or instruction by which it is governed under the Agreement or omitted to be taken by it by reason of the lack of direction or instruction required for such action, or be responsible for the consequences of any error of judgment reasonably made by it. When any payment or consent or other action by the Trustee is called for by the Agreement, the Trustee may defer such action pending receipt of such evidence or opinion, if any, as it may reasonably require in support thereof. A permissive right or power to act shall not be construed as a requirement to act. The Trustee shall not be liable for any action taken or omitted to be taken by it under the Agreement in the absence of negligence or willful misconduct. The Trustee shall in no event be liable for the application or misapplication of funds, or for other acts or defaults, by any person, firm or corporation except by its own directors, officers, agents and employees. No recourse shall be had by the Institution, the Agency, any Bondowner or any holder of Additional Indebtedness for any claim based on the Agreement, the Bonds, any Additional Indebtedness or any agreement securing the same against any director, officer, agent or employee of the Trustee unless such claim is based upon the bad faith, fraud or deceit of such person. For the purposes of the Agreement matters shall not be considered to be known to the Trustee unless they are known to an officer in its corporate trust department or to an employee in its corporate trust department who is authorized to sign certificates of authentication on bonds on behalf of the Trustee. (Section 702)

Fees and Expenses of the Trustee; Trustee's Lien. Except to the extent the Trustee has been paid or reimbursed from the Expense Fund, the Institution shall pay to the Trustee reasonable compensation for its services and pay or reimburse the Trustee for its reasonable expenses and disbursements, including reasonable attorneys' fees, hereunder. The Institution shall indemnify and save the Trustee harmless against any expenses and liabilities which it may incur in the exercise of its duties hereunder and which are not due to its negligence or bad faith. Any fees, expenses, reimbursements or other charges that the Trustee may be entitled to receive from the Institution hereunder, if not paid when due, shall bear interest at the "prime rate" of the Trustee (or, if none, the nearest equivalent), and if not otherwise paid, shall be a first lien upon any funds or other property then or thereafter held under the Agreement by the Trustee. The Trustee may apply any such funds to any of the foregoing items, and in that event the lien shall continue to apply to any other such funds, and the Institution shall remain liable for the same. Any subsequent payment of any such item by the Institution shall be used to restore the funds so applied. (Section 703)

Resignation or Removal of the Trustee. The Trustee may resign on not less than thirty (30) days' notice given in writing to the Agency, the Bondowners and the Institution, but such resignation shall not take effect until a successor has been appointed. The Trustee will promptly certify to the Agency that it has mailed such notice to all

Bondowners and such certificate will be conclusive evidence that such notice was given in the manner required. The Trustee may be removed (i) by written notice from the Owners of a majority in principal amount of the Outstanding Bonds to the Trustee, the Agency and the Institution; (ii) with or without cause by the Institution with the approval of the Agency if the Institution is not in default; or (iii) with cause by the Agency. (Section 704)

Successor Trustee. Any corporation or association which succeeds to the corporate trust business of the Trustee as a whole or substantially as a whole, whether by sale, merger, consolidation or otherwise, shall thereby become vested with all the property, rights and powers of the Trustee under the Agreement, without any further act or conveyance.

In case the Trustee resigns or is removed or becomes incapable of acting, or becomes bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property is appointed, or if a public officer takes charge or control of the Trustee, or of its property or affairs, a successor shall be appointed by written notice from the Institution to the Agency. The Institution shall notify the Bondowners of the appointment in writing within twenty (20) days from the appointment. The Institution will promptly certify to the successor Trustee that it has mailed such notice to all Bondowners and such certificate will be conclusive evidence that such notice was given in the manner required. If no appointment of a successor is made within forty-five (45) days after the giving of written notice or after the occurrence of any other event requiring or authorizing such appointment, the outgoing Trustee or any Bondowner may apply to any court of competent jurisdiction for the appointment of such a successor, and such court may thereupon, after such notice, if any, as such court may deem proper, appoint such successor. Any successor Trustee shall be a trust company or a bank having the powers of a trust company, authorized to serve as Trustee under the Act, having a capital and surplus of not less than $75,000,000. Any such successor Trustee shall notify the Agency and the Institution of its acceptance of the appointment and, upon giving such notice, shall become Trustee, vested with all the property, rights and powers of the Trustee hereunder, without any further act or conveyance. Such successor Trustee shall execute, deliver, record and file such instruments as are required to confirm or perfect its succession hereunder and any predecessor Trustee shall from time to time execute, deliver, record and file such instruments as the incumbent Trustee may reasonably require to confirm or perfect any succession hereunder. (Section 705)

Proceedings by Bondowners.

No Bondowner shall have any right to institute any legal proceedings for the enforcement of the Agreement or any applicable remedy under the Agreement, unless the Bondowners have directed the Agency to act and furnished the Agency indemnity as provided in the Agreement and have afforded the Agency reasonable opportunity to proceed, and the Agency shall thereafter fail or refuse to take such action.

No Bondowner shall have any right to institute any legal proceedings for the enforcement of the obligations of the Agency under the Agreement or any applicable remedy under the Agreement, unless the Bondowners have directed the Trustee to act and furnished the Trustee indemnity as provided in the Agreement and have afforded the Trustee reasonable opportunity to proceed, and the Trustee shall thereafter fail or refuse to take such action.

Subject to the foregoing, any Bondowner may by any available legal proceedings enforce and protect its rights under the Agreement and under the laws of The Commonwealth of Massachusetts. (Section 902)

Tax Matters.

The Institution shall not take or omit to take any action if such action or omission (i) would cause the Series 2017A Bonds to be “arbitrage bonds” under Section 148 of the IRC, (ii) would cause the Series 2017A Bonds to not meet any of the requirements of Section 149 of the IRC, or (iii) cause the Series 2017A Bonds to cease to be “qualified 501(c)(3) bonds” under Section 145 of the IRC. Without limiting the foregoing, the Institution shall not permit the $150,000,000 nonhospital bond limitation of IRC §145(b) to be exceeded. To the extent consistent with its status as a nonprofit educational institution, the Institution agrees that it will not take any action or omit to take any action if such action or omission would cause any revocation or adverse modification of such federal income tax status of the Institution.

No arrangement, formal or informal, has been, and none shall be, authorized, permitted or made for the purchase of the Series 2017A Bonds by the Institution or any related party (as defined in Section 1.150-1(c) of the Treasury Regulations) in an amount related to the amount of the loan to the Institution.(Section 1002)

Annual Reports and Other Current Information.

The Institution shall from time to time render reports concerning the condition of the Project or compliance with the Agreement as the Agency or the Trustee may reasonably request. By January 31st of each year, the Institution shall furnish to the Trustee and the Agency and to Bondowners requesting the same, copies of its audited financial statements, unless such audited financial statements are available for public access on the Electronic Municipal Market Access ("EMMA") website or on the Institution's website. If the audited financial statements are not available for public access on EMMA or on the Institution's website, copies of the reports and statements required to be filed with the Trustee shall be filed with the Trustee in sufficient quantity to permit the Trustee to retain at least one copy for inspection by Bondowners and to permit the Trustee to mail a copy to each Bondowner who requests it. The Trustee shall maintain a list of Bondowners who have made such a request. The Trustee shall have no duty to review such financial statements, is not considered to have notice of the content of such financial statements or an event of default that may be disclosed therein in any manner, and does not have a duty to verify the accuracy of such financial statements. The Institution shall furnish to the agencies rating the Bonds such information as they may reasonably require for current reports to their subscribers. The Institution shall from time to time render such other reports concerning the condition of the Project or compliance with this Agreement as the Issuer or the Trustee may reasonably request. (Section 1005)

Maintenance of Corporate Existence.

The Institution shall maintain its existence as a nonprofit corporation qualified to do business in Massachusetts and shall not dissolve, dispose of or spin off all or substantially all of its assets, or consolidate with or merge into another entity or entities, or permit one or more other entities to consolidate with or merge into it, except that it may consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it, or transfer all or substantially all of its assets to one or more other entities (and thereafter dissolve or not dissolve as it may elect), if (a) the surviving, resulting or transferee entity or entities each has the status and powers as described in the Agreement, (b) the transaction does not result in a conflict, breach or default under any bond, indenture, note or other evidence of Indebtedness of the Institution, the charter or by-laws of the Institution, any gifts, bequests or devises pledged to or received by the Institution, or any contract, lease or other instrument to which the Institution is a party or by which it is bound or cause the Institution to be in violation of any applicable statute or rule or regulation of any governmental authority. referred to in Section 1001, (c) the surviving, resulting or transferee entity or entities each (i) (if not the Institution) assumes by written agreement with the Agency and the Trustee all the obligations of the Institution hereunder and (ii) notifies the Agency and the Trustee of any change in the name of the Institution. (Section 1006)

Permitted Indebtedness.

The Institution shall not, without the consent of the majority of the Bondowners, incur any Indebtedness other than Permitted Indebtedness. (Section 1008)

Indemnification by the Institution.

The Institution shall indemnify the Agency and the Trustee against (a) any and all claims by any person related to the participation of the Agency or the Trustee in the transactions contemplated by the Agreement, including without limitation claims arising out of (i) any condition of the Project, or the construction, use, occupancy or management thereof; (ii) any accident, injury or damage to any person occurring in or about or as a result of the Project; (iii) any breach by the Institution of its obligations under the Agreement; (iv) any act or omission of the Institution or any of its agents, contractors, servants, employees or licensees; or (v) the offering, issuance, sale or any resale of the Bonds to the extent permitted by law, and (b) all costs, counsel fees, expenses or liabilities reasonably incurred in connection with any such claim or any action or proceeding brought thereon. In case any action or proceeding is brought against the Agency or the Trustee by reason of any such claim, the Institution will defend the same at its expense upon notice from the Agency or the Trustee, and the Agency or the Trustee, as the case may be, will cooperate with the Institution, at the expense of the Institution, in connection therewith. This indemnification shall survive the termination or defeasance of the Agreement. (Section 1010)

Amendment.

The Agreement may be amended by the parties without Bondowner consent for any of the following purposes: (a) to provide for the issuance of Additional Indebtedness pursuant to the Permitted Indebtedness provisions of the Agreement, (b) to subject any additional property to the lien of the Agreement, (c) to provide for the establishment or amendment of a book entry system of registration for the Bonds through a securities depository (which may or may not be DTC), (d) to add to the covenants and agreements of the Institution or to surrender or limit any right or power of the Institution, or (e) to cure any ambiguity or defect, or to add provisions which are not inconsistent with the Agreement and which do not impair the security for the Bonds.

Except as provided in the foregoing paragraph, the Agreement may be amended only with the written consent of the owners of at least a majority in principal amount of the Outstanding Bonds; provided, however, that no amendment of the Agreement may be made without the unanimous written consent of the affected Bondowners for any of the following purposes: (i) to extend the maturity of any Bond, (ii) to reduce the principal amount or interest rate of any Bond, (iii) to make any Bond redeemable other than in accordance with its terms, (iv) to create a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (v) to reduce the percentage of the Bonds required to be represented by the Bondowners giving their consent to any amendment.

Any amendment of the Agreement shall be accompanied by an opinion of Bond Counsel to the effect that the amendment (i) is permitted by the Agreement and (ii) will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

When the Trustee determines that the requisite number of consents have been obtained for an amendment which requires Bondowner consents, it shall, within ninety (90) days, file a certificate to that effect in its records and mail notice to the Bondowners. No action or proceeding to invalidate the amendment shall be instituted or maintained unless it is commenced within sixty (60) days after such mailing. The Trustee will promptly certify to the Agency that it has mailed such notice to all Bondowners and such certificate will be conclusive evidence that such notice was given in the manner required. A consent to an amendment may be revoked by a notice given by the Bondowner and received by the Trustee prior to the Trustee's certification that the requisite consents have been obtained. (Section 1101)

Defeasance.

When there are in the Debt Service Fund and Redemption Fund sufficient funds, or non-callable Government or Equivalent Obligations described in clause (i), (ii) or (iv) of the definition thereof in such principal amounts, bearing interest at such rates and with such maturities as will provide sufficient funds, without reinvestment, to pay or redeem the Bonds in full, and when all the rights hereunder of the Agency and the Trustee have been provided for, upon written notice from the Institution to the Agency and the Trustee, the Bondowners shall cease to be entitled to any benefit or security under the Agreement except the right to receive payment of the funds deposited and held for payment and other rights which by their nature cannot be satisfied prior to or simultaneously with termination of the lien of the Agreement (including obligations relating to rebate and tax matters described in the Agreement), the security interests created by the Agreement (except in such funds and investments) shall terminate, and the Agency and the Trustee shall execute and deliver such instruments as may be necessary to discharge the lien and security interests created hereunder; provided, however, that if any such Bonds are to be redeemed prior to the maturity thereof, the Agency shall have taken all action necessary to redeem such Bonds and notice of such redemption shall have been duly mailed in accordance with the Agreement or irrevocable instructions so to mail shall have been given to the Trustee. Upon such defeasance, the funds and investments required to pay or redeem the Bonds in full shall be irrevocably set aside for that purpose, subject, however, to the provisions in the Agreement regarding unclaimed moneys, and moneys held for defeasance shall be invested only as described above. Any funds or property held by the Trustee and not required for payment or redemption of the Bonds in full shall, after satisfaction of all the rights of the Agency and the Trustee and after allowance for payment of any rebate pursuant to the Rebate Provision, be distributed to the Institution upon such indemnification, if any, as the Agency or the Trustee may reasonably require. (Section 203)

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APPENDIX E

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December 28, 2017

Massachusetts Development Finance Agency
99 High Street
Boston, Massachusetts 02110

Ladies and Gentlemen:

We have examined the Constitution and laws of The Commonwealth of Massachusetts (the "Commonwealth"), particularly Chapters 23G and 40D of the General Laws of the Commonwealth and amendments thereto (collectively, the "Act"), a Certificate of Legal Existence as to the Massachusetts Development Finance Agency (the "Issuer"), a record of the proceedings of the Issuer and other proofs submitted to us relating to the issuance and sale of $7,985,000 Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, Series 2017A (the "Series 2017A Bonds") and $1,920,000 Massachusetts Development Finance Agency Revenue Bonds, Lesley University Issue, Series 2017B (Federally Taxable) (the "Series 2017B Bonds" and together with the Series 2017A Bonds, the "Bonds"), dated December 28, 2017. The Bonds bear interest at the rates, are payable as to principal and interest and are subject to redemption upon certain terms and conditions, all as provided in the Loan and Trust Agreement dated as of December 1, 2017 (the "Agreement"), among the Issuer, Lesley University (the "Institution") and U.S. Bank National Association, as trustee (the "Trustee").

The Bonds are issued initially in registered form by means of a book-entry system, with the bond certificates immobilized at The Depository Trust Company, New York, New York ("DTC"), and are not available for distribution to the public, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants.

Each Bond should be signed by the manual or facsimile signature of the President and Chief Executive Officer; the Treasurer, Chief Financial Officer and Executive Vice President for Finance & Administration; the Executive Vice President for Finance Programs; the Executive Vice President for Real Estate; the General Counsel and Secretary; or the Senior Vice President, Investment Banking of the Issuer and should bear the seal of the Issuer or a facsimile thereof, attested by the manual signature of an authorized officer of the Issuer, and the authenticating certificate, duly executed, of the Trustee.

Of the issue described, we have examined one bond of each maturity of each series, as executed, and we are of the opinion that the form of each such Bond and the form of their execution and authentication are regular and proper.

We have also examined executed copies of the Agreement, and such other documents, instruments, proceedings and opinions as we deem relevant in rendering this opinion. As to questions of fact material to our opinion we have relied upon representations and covenants of the Issuer and the Institution contained in the Agreement, the certified proceedings and other certifications of public officials furnished to us, and certifications by officials of the Institution and others, without undertaking to verify the same by independent investigation.

The Bonds are issued under and pursuant to and secured by the Agreement. The Bonds are payable solely from funds to be provided therefor pursuant to the Agreement. The proceeds of the Bonds will be loaned by the Issuer to the Institution to (i) refinance the costs of a project (the "Project") as defined in the Agreement and (ii) pay a portion of the costs of issuance of the Bonds.

The opinions set forth in paragraph 4 below are subject to the condition that the Institution and the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2017A Bonds in order that interest on the Series 2017A Bonds be or continue to be excluded from gross income for federal income tax purposes. The Institution and the Issuer have covenanted to comply with such requirements. Failure to comply with such requirements may cause the interest on the Series 2017A Bonds to be included in gross income for federal income tax purposes, and such inclusion may be retroactive to the date of issuance of the Series 2017A Bonds. Interest on the Series 2017B Bonds is includable in gross income of the owners of the Series 2017B Bonds for federal income tax purposes.

Based on the foregoing, we are of the opinion that:

1. The Issuer is a duly constituted and existing body politic and corporate and a public instrumentality of the Commonwealth with power to issue the Bonds and to enter into and perform its obligations under the Agreement.

2. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer. The Bonds do not constitute a general obligation or pledge of the faith and credit of the Issuer or a debt or a pledge of the faith and credit of the Commonwealth.

3. The Agreement has been duly authorized, executed and delivered by the Issuer and is the valid and binding obligation of the Issuer, and subject to the penultimate paragraph of this opinion, is enforceable in accordance with its terms.

4. Under existing law, interest on the Series 2017A Bonds is (i) excluded from gross income of the owners of the Series 2017A Bonds for federal income tax purposes, and (ii) not an item of tax preference for purposes of computing the

federal alternative minimum tax imposed on individuals and corporations. We express no opinion as to any other federal tax consequences or other federal tax matters with respect to the Bonds. Interest on the Series 2017B Bonds is includable in gross income of the owners of the Series 2017B Bonds for federal income tax purposes.

5. Under existing law, interest on the Bonds and any profit on the sale of the Bonds are exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion as to any other Massachusetts tax consequences or any other state tax matters with respect to the Bonds.

6. An executed copy of the Agreement is on file with the Issuer. No other filing or recording is required to make effective the pledge and assignment made by the Issuer in the Agreement.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

Neither we nor the Issuer has assumed any responsibility for the accuracy or sufficiency of representations made or materials furnished by any other party to the purchaser of the Bonds for the purpose of inducing the purchase of the Bonds. It is understood that the rights of the holders of the Bonds and the enforceability of the Bonds and the Agreement are subject to the exercise of judicial discretion in accordance with general equitable principles and to bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted, to the extent that the same may be constitutionally applied.

This opinion is limited to the matters expressly set forth herein and no opinion is implied or may be inferred beyond the matters expressly stated herein. Copies of this opinion may not be delivered to and may not be relied upon by any other party without our express written consent. The delivery of this letter to you does not create an attorney-client relationship between you and the law firm.

Very truly yours,

McCarter & English, LLP

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FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is made and entered into as of December 28, 2017, between U.S. Bank National Association, as Disclosure Agent (defined below), and Lesley University (the "Obligated Party").

RECITALS

WHEREAS, this Agreement is being executed and delivered in connection with the issuance by Massachusetts Development Finance Agency (the "Issuer") of its $9,905,000 aggregate principal amount of Revenue Bonds, Lesley University Issue, Series 2017A and Series 2017B (Federally Taxable) (together, the "Bonds"). The Bonds are being issued pursuant to a Loan and Trust Agreement dated as of December 1, 2017 (the "Loan and Trust Agreement") among the Obligated Party, the Issuer and U.S. Bank National Association, as trustee (the "Trustee").

WHEREAS, the Obligated Party and Disclosure Agent are entering into this Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters (defined below) in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "Rule") as defined below.

NOW, THEREFORE, in consideration of the mutual promises and agreements made herein and in the Rule, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the parties hereto agree as follows:

SECTION 1. Definitions; Scope of this Agreement.

(a) All terms capitalized but not otherwise defined herein shall have the meanings assigned to those terms in the Rule, as amended and supplemented from time to time. In addition, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean a copy of the annual audited financial information prepared by the Obligated Party in accordance with generally accepted accounting principles, provided, however, that the Obligated Party may change the accounting principles used for preparation of such financial information so long as the Obligated Party includes, as information provided to the public, a statement to the effect that different accounting principles are being used.

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Bondholders" shall mean any holder of the Bonds and any Beneficial Owner thereof.

"Disclosure Agent" shall mean the initial Disclosure Agent, which is U.S. Bank National Association, or any successor Disclosure Agent designated in writing by the Obligated Party and which has filed with the Obligated Party, the Trustee, and the Issuer a written acceptance of such designation.

"EMMA" means the MSRB's Electronic Municipal Market Access ("EMMA") system, or its successor as designated by the MSRB.

"Event" shall mean any of the Events listed in items (1) through (14) below, the occurrence of which the Obligated Party obtains knowledge, which Events shall be reported to the Disclosure Agent for further reporting to EMMA. To the extent any Event requires a materiality determination, such determination shall be made by the Obligated Party:

1. principal and interest payment delinquencies;

2. non-payment-related defaults, if material;

3. unscheduled draws on debt service reserves reflecting financial difficulties;

4. unscheduled draws on credit enhancements reflecting financial difficulties;

5. substitution of credit or liquidity providers, or their failure to perform;

6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. modifications to rights of holders of the Bonds, if material;

8. bond calls, if material, and tender offers (except for mandatory scheduled sinking fund redemptions not otherwise contingent upon the occurrence of an Event);

9. defeasances;

10. release, substitution, or sale of property securing repayment of the Bonds, if material;

11. rating changes;

12. bankruptcy, insolvency, receivership or similar event of the Obligated Party;

<u>Note to clause (12)</u>: For the purposes of this Event, the Event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Obligated Party in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Party, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Party;

13. the consummation of a merger, consolidation, or acquisition involving the Obligated Party or the sale of all or substantially all of the assets of the Obligated Party, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. appointment of a successor to the Trustee or additional trustee under the Loan and Trust Agreement, or the change of the name of the Trustee, if material.

The SEC requires the listing of (1) through (14) although some of such Events may not be applicable to the Bonds.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Offering Document" shall mean the Official Statement, dated December __, 2017.

"Operating Data" shall mean an update of the following information contained in the Offering Document: student enrollment and application statistics of the kind set forth in the charts provided in Appendix A to the Offering Document ("Appendix A") under the tables captioned "Full-Time Equivalent Enrollment" and "Trends in Applications and Admissions"; tuition and fees statistics of the kind set forth in the chart provided in Appendix A under the heading "Student Fees" and "Graduate Tuition"; student financial aid statistics of the kind set forth in the chart provided in Appendix A under the heading "Financial Aid by Academic Year"; and general operating statistics of the kind set forth in the charts provided in Appendix A under the headings "Endowment Investments," "Development and Gifts," and "Property Plant & Equipment."

"Participating Underwriters" shall mean the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" shall mean the Securities and Exchange Commission.

"State" shall mean The Commonwealth of Massachusetts.

(b) The Disclosure Agent shall have no obligation to disclose information about the Bonds except as expressly provided herein. The fact that the Disclosure Agent or any affiliate thereof may have any fiduciary or banking relationship with the Obligated Party, apart from the relationship created by the Rule shall not be construed to mean that the Disclosure Agent has actual knowledge of any event or condition except as may be provided by written notice from the Obligated Party.

SECTION 2. Disclosure of Information.

(a) General Provisions: This Agreement governs the Obligated Party's direction to the Disclosure Agent, with respect to information to be made public. In its actions under this Agreement, the Disclosure Agent is acting as the Obligated Party's agent.

(b) Information Provided to the Public: Except to the extent this Agreement is modified or otherwise altered in accordance with Section 3 hereof, the Obligated Party shall make or cause to be made public the information set forth in subsections (b)(1), (b)(2) and (b)(3) of this Section 2.

1. Annual Financial Information and Operating Data: The Obligated Party shall make public or cause to be made public Annual Financial Information and Operating Data within 180 days after the end of each fiscal year, commencing with the fiscal year ended June 30, 2018. In the event the Obligated Party elects to submit the Annual Financial Information and Operating Data directly to the MSRB, the Obligated Party shall at the same time provide copies of the Annual Financial Information and Operating Data to the Disclosure Agent accompanied by a written certification from the Obligated Party substantially in the form of Exhibit D hereto, upon

which the Disclosure Agent may conclusively rely. In the event that the Obligated Party elects not to submit the Annual Financial Information and Operating Data directly to the MSRB, the Obligated Party shall provide the Annual Financial Information and Operating Data to the Disclosure Agent within the time period specified in subsection (c)2 of this Section 2 accompanied by a written certification from the Obligated Party substantially in the form of Exhibit C hereto, upon which the Disclosure Agent may conclusively rely to the effect that such Annual Financial Information and Operating Data complies with the requirements of this Agreement. If the Obligated Party is unable to provide the audited Annual Financial Information within such period, the Obligated Party shall make public or cause to be made public unaudited annual financial information within such period, and shall make public or cause to be made public the audited Annual Financial Information once available. Any or all of the Annual Financial Information and Operating Data may be incorporated by reference from other documents, including Offering Documents of debt issues of the Obligated Party or related public entities, which have been transmitted to the MSRB, or may be included by specific reference to documents available to the public on the MSRB's website or filed with the SEC.

2. Event Notices: The Obligated Party shall make public or cause to be made public, notice of the occurrence of an Event, in a timely manner, not in excess of ten (10) business days after the occurrence of the Event.

3. Failure to Provide Annual Financial Information or Operating Data: The Obligated Party shall make public or cause to be made public notice of the failure of the Obligated Party to provide the Annual Financial Information or Operating Data by the respective dates in subsections (b)1 and (b)2 of this Section 2 and shall simultaneously provide written notice thereof to the Disclosure Agent. To the extent the Obligated Party does not provide to the Disclosure Agent by the date required in subsection (b) 1 of this Section 2 either the Annual Financial Information and Operating Data (accompanied by written certification in the form of Exhibit C or Exhibit D, as applicable) or written confirmation that it has made public notice of its failure to provide such information (as provided in subsection (b) 3 of this Section 2), then the terms of Section 2(c) 4 hereof shall apply.

(c) Information Provided by Disclosure Agent to the Public:

1. Notwithstanding anything to the contrary contained in this Agreement, in order to expedite the transmission to the MSRB, the Obligated Party shall have the option, but shall not be obligated, to submit the information set forth in subsection (b) of this Section 2 directly to the MSRB. Subject to the foregoing sentence, the Obligated Party hereby directs the Disclosure Agent on its behalf to make public in accordance with subsection (d) of this Section 2 and within the time frame set forth in clause 2 of this subsection 2(c) below, and the Disclosure Agent agrees to act as the Obligated Party's agent in so making public, the information set forth in subsection (b) of this Section 2 which is provided to the Disclosure Agent by the Obligated Party, along with such other information as the Obligated Party shall determine to make public through the Disclosure Agent and shall provide to the Disclosure Agent, in each case in the form required by subsection (c)3 of this Section 2. If the Obligated Party chooses to include any information in any Annual Financial Information and Operating Data report, or any notice of occurrence of an Event, in addition to that which is specifically required by this Agreement, the Obligated Party shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Information and Operating Data report, or notice of occurrence of an Event. For purposes of the foregoing, the Obligated Party shall make and provide to the Disclosure Agent the disclosures, materials, information and notices called for by Section 1 on a timely basis and in accordance with the terms thereof.

2. The Disclosure Agent shall make public the Annual Financial Information, unaudited annual financial information, as applicable, Operating Data, and Event occurrences, in each case as and to the extent provided to it by the Obligated Party, within the following time periods:

(a) with respect to Annual Financial Information, unaudited annual financial information, as applicable, and Operating Data, five (5) business days upon receipt by the Disclosure Agent of the disclosure from the Obligated Party,

(b) with respect to Event occurrences, two (2) business days upon receipt by the Disclosure Agent of the Event disclosure from the Obligated Party.

If, on any such date, information required to be provided by the Obligated Party to the Disclosure Agent has not been provided as required per this Agreement, the Disclosure Agent shall make such information public as soon thereafter as it is provided to the Disclosure Agent.

3. The information which the Obligated Party has agreed to make public shall be in the following form:

(a) as to all notices, reports and financial information to be provided to the Disclosure Agent by the Obligated Party, as referenced in Exhibit A, in a word searchable portable document format (PDF) as required by the Rule.

(b) as to all other notices or reports, in such form as the Disclosure Agent shall deem suitable for the purpose of which such notice or report is given.

4. If by the date required in subsection (b) 1 of this Section 2 the Disclosure Agent does not receive the audited or unaudited Annual Financial Information and Operating Data, accompanied by a written certification from the Obligated Party substantially in the form of Exhibit C or Exhibit D, and does not receive within such period a written notice from the Obligated Party of that it has made public or caused to be made public notice of such failure as provided in subsection (b)3 of this Section 2, then the Disclosure Agent shall send a notice to the MSRB in substantially the form attached hereto as Exhibit B.

(d) Means of Making Information Public:

1. Information shall be deemed to be made public by the Obligated Party or the Disclosure Agent under this Agreement if it is transmitted as provided in subsection (d)(2) of this Section 2 by the following means:

(a) to the Bondholders of outstanding Bonds, by the method prescribed by the Rule;

(b) to the MSRB in a word searchable portable document format (PDF) as required by the Rule, or other applicable document or agreement, accompanied by identifying information as prescribed by the MSRB (a description of such format and information is included in Exhibit A hereto) and/or;

(c) to the SEC by (i) electronic facsimile transmissions confirmed by first class mail, postage prepaid, or (ii) first class mail, postage prepaid; provided that the Obligated Party or the Disclosure Agent is authorized to transmit information to the SEC by whatever means are mutually acceptable to the Disclosure Agent or the Obligated Party, as applicable, and the SEC.

2. Information shall be transmitted to the following:

(a) information to be provided to the public in accordance with subsection (b) of this Section 2 shall be transmitted to the MSRB;

(b) all information described in clause (a) of this subsection shall be made available to any Bondholder upon request, but need not be transmitted to the Bondholders who do not so request;

(c) to the extent the Obligated Party is obligated to file any Annual Financial Information and Operating Data with the MSRB pursuant to this Agreement, such Annual Financial Information and Operating Data may be set forth in the document or set of documents transmitted to the MSRB, or may be included by specific reference to documents available to the public on the MSRB's website or filed with the SEC.

3. Nothing in this Agreement shall be construed to require the Disclosure Agent to interpret or provide an opinion concerning any information made public. If the Disclosure Agent receives a request for an interpretation or opinion, the Disclosure Agent may refer such request to the Obligated Party for response.

(e) Disclosure Agent Compensation: The Obligated Party shall pay or reimburse the Disclosure Agent (if other than the Obligated Party) for its fees and expenses for the Disclosure Agent's services rendered in accordance with this Agreement.

(f) Indemnification of Disclosure Agent: In addition to any and all rights of the Disclosure Agent for reimbursement, indemnification and other rights pursuant to the Rule or under law or equity, the Obligated Party shall indemnify and hold harmless the Disclosure Agent and its respective officers, directors, employees and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorney fees) which such indemnified party may incur by reason of or in connection with the Disclosure Agent's performance under this Agreement; provided that the Obligated Party shall not be required to indemnify the Disclosure Agent for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the gross negligence or willful misconduct of the Disclosure Agent. The obligations of the Obligated Party under this Section shall survive resignation or removal of the Disclosure Agent and payment of the Bonds.

The Disclosure Agent shall have no duty or obligation to review or verify any information provided to it hereunder, or to determine its sufficiency under the Rule, and shall not be deemed to be acting in any fiduciary capacity for the Obligated Party, the Bondholder or any other party. The Disclosure Agent shall have no duties under this Agreement other than those expressly set forth herein as duties on its part to be performed.

SECTION 3. Amendment or Waiver. Notwithstanding any other provision of this Agreement, the Obligated Party and the Disclosure Agent may amend this Agreement and the Disclosure Agent shall agree to any reasonable amendment requested by the Obligated Party and any provision of this Agreement may be waived, if such amendment or waiver is supported by an opinion of a nationally recognized bond counsel or counsel expert in federal securities laws acceptable to both the Obligated Party and the Disclosure Agent to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule as well as any change in circumstance.

Subject to the provisions of this Section 3, the parties hereto may enter into any amendment, change or modification of this Agreement in connection with curing any ambiguity or formal defect or omission, in order to comply with the requirements of federal or state securities laws. In making a determination above, the Disclosure Agent may rely on the advice of counsel.

SECTION 4. Miscellaneous.

(a) Representations: Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Agreement by the officer of such party whose signature appears on the execution pages hereto, (ii) that it has all requisite power and authority to execute, deliver, and perform this Agreement under its organizational documents and any corporate resolutions now in effect, (iii) that the execution and delivery of this Agreement and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party is bound, and (iv) such party is not aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Agreement, or its due authorization, execution and delivery of this Agreement, or otherwise contesting or questioning the issuance of the Bonds.

(b) Governing Law: This Agreement shall be governed by and interpreted in accordance with the laws of the State; provided that, to the extent that the SEC, the MSRB or any other federal or state agency or regulatory body with jurisdiction over the Bonds shall have promulgated any rule or regulation governing the subject matter hereof, this Agreement shall be interpreted and construed in a manner consistent therewith.

(c) Severability: If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(d) Counterparts: This Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

(e) Termination: This Agreement may be terminated by any party to this Agreement upon thirty days' written notice of termination delivered to the other party or parties to this Agreement; provided the termination of this Agreement is not effective until (i) the Obligated Party, or its successor, enters into a new continuing disclosure agreement with a disclosure agent who agrees to continue to provide, to the MSRB and the Bondholders of the Bonds, all information required to be communicated pursuant to the rules promulgated by the SEC or the MSRB, (ii) a nationally recognized bond counsel or counsel expert in federal securities laws provides an opinion that the new continuing disclosure agreement is in compliance with all applicable state and federal securities laws, and (iii) notice of the termination of this Agreement is provided to the MSRB.

The Disclosure Agent shall be fully discharged at the time any such termination is effective. Also, this Agreement shall terminate automatically upon payment or provisions for payment of the Bonds, or when all of the Bonds are or are deemed to be no longer outstanding by reason of redemption or legal defeasance or at final maturity.

(f) Disclosure Agent: The Obligated Party may, from time to time, with notice to the Trustee and the Issuer, appoint or engage a Disclosure Agent to assist it in carrying out its obligations under this Agreement, and may, with notice to the Trustee and the Issuer, discharge any Disclosure Agent, with or without appointing a successor Disclosure Agent. The Disclosure Agent (if other than the Obligated Party) may resign upon 30 days' written notice to the Obligated Party, the Trustee, and the Issuer. In the absence of a third-party Disclosure Agent, the Obligated Party shall serve as the Disclosure Agent.

(g) Default: In the event of failure of the Obligated Party to comply with any provision of this Agreement, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Obligated Party to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Loan and Trust Agreement or the Bonds and the sole remedy under this Agreement in the event of any failure of the Obligated Party to comply with this Agreement shall be an action to compel performance.

(h) Beneficiaries: This Agreement is entered into by the parties hereof and shall inure solely to the benefit of the Obligated Party, the Disclosure Agent, the Participating Underwriters and Bondholders and shall create no rights in any other person or entity.

Any notices or communications to or among any of the parties to this Agreement may be given as follows:

To the Obligated Party:

Lesley University
29 Everett Street
Cambridge, MA 02138
Tel: (617) 349-8685
Attention: Bernice Bradin

To the Disclosure Agent:

U.S. Bank National Association
One Federal Street, 3rd Floor
Boston, MA 02110
Tel: (617) 603-6562
Attention: David Doucette, Vice President, Global Corporate Trust Services

To the Issuer:

Massachusetts Development Finance Agency
99 High Street, 11th Floor
Boston, MA 02110
Tel: (617) 330-2000
Fax: (617) 330-2001
Attention: Senior Vice President for Investment Banking,
with a copy to the General Counsel

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

IN WITNESS WHEREOF, the Disclosure Agent and the Obligated Party have each caused their duly authorized officers to execute this Agreement, as of the day and year first above written.

Date: December 28, 2017

LESLEY UNIVERSITY

By: __________________________________
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION,
as Disclosure Agent

By: __________________________________
Title: Authorized Officer

EXHIBIT A

MSRB Procedures for Submission of Continuing Disclosure Documents and Related Information

Securities and Exchange Commission Release No. 34-59061 (the "Release") approves an MSRB rule change establishing a continuing disclosure service of the MSRB's Electronic Municipal Market Access system ("EMMA"). The rule change establishes, as a component of EMMA, the continuing disclosure service for the receipt of, and for making available to the public, continuing disclosure documents and related information to be submitted by issuers, obligated persons and their agents pursuant to continuing disclosure undertakings entered into consistent with Rule 15c2-12 ("Rule 15c2-12") under the Securities Exchange Act of 1934. The following discussion summarizes procedures for filing continuing disclosure documents and related information with the MSRB as described in the Release.

All continuing disclosure documents and related information is to be submitted to the MSRB, free of charge, through an Internet-based electronic submitter interface or electronic computer-to-computer data connection, at the election of the submitter. The submitter is to provide, at the time of submission, information necessary to accurately identify: (i) the category of information being provided; (ii) the period covered by any annual financial information, financial statements or other financial information and operating data; (iii) the issues or specific securities to which such document is related or otherwise material (including CUSIP number, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); (iv) the name of any obligated person other than the issuer; (v) the name and date of the document; and (vi) contact information for the submitter.

Submissions to the MSRB are to be made in a portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. If the submitted file is a reproduction of the original document, the submitted file must maintain the graphical and textual integrity of the original document. In addition, such PDF files must be word-searchable (that is, allowing the user to search for specific terms used within the document through a search or find function), provided that diagrams, images and other non-textual elements will not be required to be word-searchable.

All submissions to the MSRB's continuing disclosure service are to be made through password protected accounts on EMMA by (i) issuers, which may submit any documents with respect to their municipal securities; (ii) obligated persons, which may submit any documents with respect to any municipal securities for which they are obligated; and (iii) agents, designated by issuers and obligated persons to submit documents and information on their behalf. Such designated agents are required to register to obtain password-protected accounts on EMMA in order to make submissions on behalf of the designating issuers or obligating persons. Any party identified in a continuing disclosure undertaking as a dissemination agent or other party responsible for disseminating continuing disclosure documents on behalf of an issuer or obligated person will be permitted to act as a designated agent for such issuer or obligated person, without a designation being made by the issuer or obligated person as described above, if such party certifies through the EMMA on-line account management utility that it is authorized to disseminate continuing disclosure documents on behalf of the issuer or obligated person under the continuing disclosure undertaking. The issuer or obligated person, through the EMMA on-line account management utility, is able to revoke the authority of such party to act as a designated agent.

The MSRB's Internet-based electronic submitter interface (EMMA Dataport) is at www.emma.msrb.org.

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION AND OPERATING DATA

Name (*Obligated Party*):

Bond Issue Long Name:

CUSIP Number(s):

Date of Issuance:

NOTICE IS HEREBY GIVEN that ________________ (the "*Obligated Party*") has not provided its Annual Financial Information and Operating Data with respect to the above named Bond issue as required by Section 2 of the Continuing Disclosure Agreement dated as of ________________ between the Obligated Party and the Disclosure Agent. [TO BE INCLUDED IF THE DISCLOSURE AGENT HAS BEEN ADVISED OF THE EXPECTED FILING DATE – The Obligated Party has informed the Disclosure Agent that it anticipates that the specified Annual Financial Information and Operating Data will be filed by _____________.]

DATED___________, 20__

U.S. Bank National Association,
as Disclosure Agent

cc: (*Obligated Party*)

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE
[insert NAME OF ISSUE]

[Date]

[U.S. Bank National Association, as Disclosure Agent]
[Attention]
[Address]

Re: Compliance Certificate for Annual Financial Information and Operating Data

Dear _______________:

Pursuant to the Continuing Disclosure Agreement dated _______________ (the "*Continuing Disclosure Agreement*") by and between _______________ (the "*Obligated Party*") and U.S. Bank National Association, as disclosure agent (the "*Disclosure Agent*"), the undersigned as a representative of the Obligated Party, does hereby certify that the enclosed Annual Financial Information and Operating Data for the fiscal year-end _______________, of the Obligated Party, complies with the requirements of the Continuing Disclosure Agreement.

[*Obligated Party*]

By: ________________________________
Name:
Title:

Enclosure

EXHIBIT D

FORM OF COMPLIANCE CERTIFICATE
[insert NAME OF ISSUE]

[Date]

[U.S. Bank National Association, as Disclosure Agent]
[Attention]
[Address]

Re: Compliance Certificate for Filing of Annual Financial Information and Operating Data with MSRB

Dear _______________:

Pursuant to the Continuing Disclosure Agreement dated ________________ (the "*Continuing Disclosure Agreement*") by and between _______________ (the "*Obligated Party*") and U.S. Bank National Association, as disclosure agent (the "Disclosure Agent"), the undersigned as a representative of the Obligated Party, does hereby certify that the enclosed Annual Financial Information and Operating Data of the Obligated Party complies with the requirements of the Continuing Disclosure Agreement and was submitted directly to the MSRB on _____________ (date).

[*Obligated Party*]

By: ________________________________
Name:
Title:

Enclosure

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY • Revenue Bonds, Lesley University Issue, Series 2017A and Series 2017B (Federally Taxable)

Lesley
UNIVERSITY

Mixed Sources
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