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RESEARCH ARTICLE

Financing and Delivery of High-Quality Student Housing in Nigeria's Federal Universities: Evidence from Southwestern Nigeria

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ABSTRACT

This study focused on students' housing financing in Nigeria. Historically, student housing in Nigerian tertiary institutions has been supported mainly by government funding. However, increasing student enrolment has placed significant pressure on this system as enrolment rate now exceeds the existing student housing capacity. This study aims to examine the available student housing stock, its deficit and the existing financial plan. Information was obtained through secondary sources and literature review, with narrative review used to interpret the collected information. Three universities: University of Ibadan (UI), Obafemi Awolowo University (OAU) and University of Lagos (UNILAG) – were selected for the review. Findings show that only 30.5% of undergraduates were accommodated at the sampled universities, while 69.5% were not accommodated in the universities' on-campus hostels. In addition, the universities lacked a detailed and structured financial plan to increase student housing capacity. Factors contributing to these results include limited funding, overcrowding, managerial bureaucracy and students' actions. The paper concluded that the government and university management should create an enable environment for private investors to construct more on-campus accommodations to end students' housing deficit.

Keywords: Housing, Student housing, Student housing deficit, Student housing maintenance, Student housing finance, Federal universities

1.0 Introduction

Housing is essential to human health, dignity, safety, and well-being. It is viewed as an important component of human settlement that offers a crucial service to humanity. Despite being a basic necessity, housing has been largely deficient for the population, which continues to grow. Over time, the housing deficit has worsened. According to a Central Bank of Nigeria (CBN) report, Nigeria's housing deficit increased from 7 million units in 1991 to 12 million units in 2007, 14 million units in 2010, 20 million units in 2019, and 28 million units as of January 2023. This means that approximately 12% of the present Nigerian population is inadequately housed. The CBN further stated that about ₦21 trillion would be needed to finance the housing deficit, even as the country's population continues to grow, estimated at 237.5 million in 2025 (Emmason, 2025). After six decades of the nation's independence, the housing shortage continues to negatively affect standards of living and general development (Evans et al., 2000; John et al., 2025; Maimunah & Leilani, 2020).

This deficiency and/or inadequacy in student housing is already a growing concern among undergraduates of tertiary institutions, where a larger percentage of enrolled students struggle with housing (Agbola et al., 2001). This is one of the reasons why governments pay close attention to formal student accommodations. Today, the student population has outnumbered the housing stock (Kolawole & Boluwatife, 2016; Owolabi, 2015; Tidimalo et al., 2017; UN-Habitat, 2014). In 1948, following the matriculation of 104 foundational students of both genders at the University College, Ibadan (now University of Ibadan), Nigeria joined the few nations of the world then running university education. Over the years, the number of Nigerian university students has increased to 1.961 million from that initial figure of 104, while the student accommodation capacity has barely increased (Adedigba, 2018; Ajetomobi & Olanrewaju, 2018).

According to the National Universities Commission (NUC), least one third of its student population must be housed by their institutions; in reality, however, institutions can only meet 10% to 25% of their students' housing needs (Agbola et al., 2001; Wahab, 2025). The result of this gross inadequacy manifests in the pressure on utilities, frequent sewage disposal breakdowns, and the unsanitary state of many halls of residence, which reduce students' housing satisfaction and ultimately affect their learning experience (Akinpelu, 2015). Consequently, many undergraduates opt for alternative accommodations on (within) and off (outside) the university campus (Adegoke et al., 2021; Akinpelu, 2015; Owolabi, 2015; Oyetunji & Abidoye, 2016). Presently, the delivery of university housing for Nigerian students is in limbo, although various university management teams have been trying to devise alternative financing strategies for student housing delivery.

The 100-level students and final-year students used to receive automatic housing in Nigeria's first- and second-generation institutions, whereas the regular 200-level and 300-level students had to ballot for accommodation. This seemed like a good arrangement because the new students, viewed as young and naive, needed the space to settle in and start their studies in their new setting. Likewise, it was thought desirable to make accommodations available for final-year students in order to help them prepare well for their final examinations and concentrate on their projects. Unfortunately, year-one and final-year students no longer receive automatic or readily available accommodations at most federal universities. The young, inexperienced students are therefore put in danger and harm's way since they must travel daily over long distances for their lectures. Additionally, final-year students are denied housing through the balloting process and must hurry to lecture halls daily. These students eventually struggle with problems that hamper their capacity to learn effectively.

With the present increased intake of students, it is apparent that the government cannot continue to bear the burden of student housing alone, hence the need for a plan that can facilitate the expansion of student housing capacity. Therefore, this study examines the available student housing stock and its deficit amidst the existing financial plan. The design of the plan is also one of the objectives of the present study. The study population falls under the dependent category. As a result, the issue of non-institutional or informal sources of housing finance does not arise, just as the students are not eligible for mortgage system. The financing plan that would be suitable for student housing must be formal, determined through a policy-driven and/or market-oriented approach.

2.0 Literature Review

Housing profoundly impacts human life. Eldredge (1967) sees housing as a bundle of commodities and services that facilitate and promote pleasant living, and it is essential to the quality and preservation of neighbourhoods. For Agbola (1998), housing encompasses a range of economic, social, and psychological aspects that come together to create a unique living environment within any neighbourhood. According to the National Housing Policy (2012), housing is the process of providing individuals, families in a community with a safe, comfortable, aesthetically pleasing, functional, affordable, and easily identifiable place to live in a proper neighbourhood setting. This is backed by consistent upkeep of the built environment and reflects their socio-economic, cultural, and personal preferences. The World Health Organization (1961) described housing as a residential environment that includes the physical structure used for shelter and all necessary services, facilities, equipment, and devices needed or desired for the family's and individual's social and physical well-being.

Nigeria's university education system commenced in the southwestern part of the country in 1948 at the University of Ibadan, Ibadan (UI), followed by the University of Nigeria, Nsukka (UNN) in 1960, and by Ahmadu Bello University, Zaria (ABU), University of Ife, Ile-Ife (now Obafemi Awolowo University, OAU), and the University of Lagos, Lagos (UNILAG) in 1962. Some state governments also deemed it necessary to establish universities (Timothy, 2016), hence, the categorisation of Nigerian universities into first-, second-, third-, and fourth-generation universities based on their year of founding (Etuk, 2015; Harnett, 2000). Among the federal universities in the southwest are the University of Ibadan, University of Lagos and Obafemi Awolowo University in Ile-Ife. Second-generation universities include the Federal University of Technology, Akure; the Federal University of Agriculture, Abeokuta; the Lagos State University; Olabisi Onabanjo University; and Ekiti State University. Among the third-generation universities are Ondo State University of Science and Technology, Okitipupa; Tai Solarin University of Education, Ijebu-Ode; Ladoke Akintola University of Technology, Ogbomoso; Federal University, Oye-Ekiti; National Open University; Adekunle Ajasin University, Akungba; and Osun State University, Oshogbo.

In 1993, the Nigerian Federal Government issued a decree permitting private investors to establish universities. As of the time of writing, Nigeria has 79 private universities (Mogaji, 2019; NUC, 2020). In all, there are 297 universities in the country, comprised of federal, state, and private universities, with 45% of them being located in southwestern Nigeria (Intelpoint, 2025; Punch Editorial Board, 2025). Their main goals were to create fundamental requirements for university education and to address Nigeria's shortage of trained professionals.

2.1 Housing and Students' Housing

The increasing number of universities has not led to a commensurate increase in affordable student housing. Factors such as the high cost of building materials, land scarcity, unregulated off-campus hostel rents, high daily transportation costs, and traffic stress have led university administrators to recommend on-campus hostels (McCarthy & Tiong, 1991). The increasing number of students' admission into Nigeria's tertiary educational institutions has attracted significant housing challenges. On-campus housing is no longer able to meet the corresponding students' housing demand. According to the Executive Secretary of the National Universities Commission (NUC), about 15% of Nigerian students live on campus, while the remainder reside off-campus, making it difficult for many to attend lectures. He also highlighted the issue of insecurity in the students' areas (Tolu-Kolade, 2024).

These challenges led to the development of three major alternatives: government, private, and public-private partnerships (PPP). The first type is government-owned student housing, which is usually located on campus. However, in the past three decades, little effort has been made to provide additional student housing (Agbola et al., 2021). The increasing number of students in universities in Nigeria has caused serious accommodation problems, as noted earlier, and the existing government halls of residence cannot cope with the minimum baseline standard for student housing (Amole, 2009; Owolabi, 2015).

Regarding the severity of the problem, Lewu (2025) reports that the University of Lagos, the University of Ilorin, the Federal University Lafia, the University of Abuja, the Benue State University, the University of Jos, and the University of Maiduguri, among others, received a special presidential pledge for hostel complexes through the TETFund scheme. The scheme establishes the importance of living environments that are conducive to learning. The government intervention in student housing has been limited and primarily focused on indirect support rather than direct funding for hostels replication and maintenance. Despite the recommendation by the United Nations Educational, Scientific and Cultural Organization (UNESCO) to allocate 15% to 20% of the national budget to education, the Nigerian federal government has persistently committed less than 15% since 1999, even as suggestions have been made for raising this to 26% (Mathew, 2016). Given this funding gap, federal campuses face the serious problem of inadequate hostel infrastructure. At the University of Ibadan and the Obafemi Awolowo University, for example, there are issues of bad toilets, bedbug disturbance, inadequate water supply, and poorly lit interiors (Adelowokan & Adejumo, 2025; Adetunji et al., 2025; Wahab, 2025).

In a case of intervention by the National Universities Commission, medical students of the Obafemi Awolowo University received housing support in the early years of the university's transition, which officially opened in 1968. According to the Tertiary Education Trust Fund (TETFund), the sum of one billion naira was allocated for hostel construction at 12 institutions during its 2024 intervention cycle. The selected institutions consisted of six universities, three polytechnics, and three colleges of education across the country's six geopolitical zones (National Universities Commission, 2025). Funding for such housing comes from bonds, international organisations, non-governmental societies, and alumni associations (Abdulhafeez, 2015).

It has been reported, however, that the private sector has produced a higher percentage of housing units (Momodu, 2016). In 2004, the Federal Government of Nigeria encouraged private investors to construct student residences and instructed the nation's tertiary educational institution heads to ensure an enabling environment for private developers. But the policy was not fully implemented (Abdulhafeez, 2015). For instance, the non-residential universities, which have the highest percentage of the universities in Nigeria that are expected to embrace the policy by entering into official arrangements and bilateral agreements with the private sector, were inactive in employing the policy. The outcome of such negligence contributes to the present students' housing crises, which the organised and unorganised private investors are feasting on for profits (Olarewaju et al., 2022).

The private investors make use of institutionalised and/or non-institutionalised methods to provide student housing. Research shows that private investors obtained bank loans to build students' hostels (Alabi, 2019), with the money coming from internal funds, loans from thrift and credit societies, commercial banks, merchant banks, mortgage banks, insurance and pension funds, government bonds, Foreign Direct Investment (FDI), and shares (Abdulhafeez, 2015). Apparently, these private investors are motivated by the huge return from investments in student housing. Clearly, then, private hostels have accommodated university students more than public ones.

Although the number of private off-campus hostels is increasing, there is the challenge of exorbitant rent and location cum distance to lecture halls (Adelowokan & Ipingbemi, 2025). In another study on the phenomenon, Wahab (2025) highlights the experiences of students and parents with regard to accommodations around the University of Lagos, the Lagos State University, and the University of Ibadan. The study found that while a significant volume of the off-campus student housing stock was well equipped with adequate spacing and facilities, the rent was out of the reach of the majority of Nigerian students (Federal Republic of Nigeria, 2008; Wahab, 2025). Private hostel providers tend to be creative in their design, upkeep, and management methods in meeting students' basic needs while also offering extra amenities and services such as laundry, Internet access, relatively steady electricity, water supply, shuttle services, environmental sanity, etc.

The third alternative is the Public-Private Partnership (PPP). According to a 2006 federal government policy decision, new hostels can only be constructed through PPP on a Build-Operate-Transfer (BOT) basis due to the exponential increase in student enrolment in Nigerian institutions and the meagre education allocation. The Chairman of Board of Trustees of the National Parent Teacher Association of Nigeria (NAPTAN) further noted that it is only the public private partnership that can solved the student housing crisis (Wahab, 2025). Since this realisation, more housing has been made available through public-private partnerships. In 2006, the federal government approved a PPP agreement as a key tactic to increase the student housing stock and lower its cost for students. Okebukola et al. (2004) noted that since universities own the land, the policy's goal is to encourage the private sector to contribute to the construction of hostel facilities on campus as academic institutions channel their funds towards research and teaching.

According to McCarthy and Tiong (1991), the models of PPP arrangements include Build-Operate-Transfer (BOT), Build-Operate-Own-

Transfer (BOOT), Build-Operate-Own (BOO), Build-Transfer-Operate (BTO), Build-Lease-Transfer (BLT), Design-Build-Finance-Operate (DBFO), Design-Construct-Manage-Finance (DCMF), Rehabilitate-Operate-Transfer (ROT), Joint Development Agreement (JDA), Operation and Maintenance (OM), Management Contract, and Design-Build-Operate-Transfer (DBOT) schemes. In all cases, and especially in student housing, the typical strategy is the Build-Operate-Transfer (BOT), where the government provides the enabling environment, the private party builds and operates for some period as stated in the Memorandum of Understanding (MoU), and then transfers.

However, serious challenges hinder project success in Public-Private Partnerships, especially BOT. The following factors have been identified by Abdulhafeez (2014), Hauwa (2016), & Waziri (2025) as barriers to the use of the BOT procurement process in Nigerian infrastructure development: corruption, tariff regulation policies, high finance costs, high duties and taxes, insufficient regulation of the BOT concession agreement, insufficient investment security on the BOT concession, poor management of the BOT transaction, insufficient procurement process, lack of BOT expertise, ambiguous or unrealistic government projects, high development costs, and the absence of a formalised procurement procedure.

Tiong (1990) designed five phases for a BOT project by adding pre-investment and implementation phases to the BOT term. For a BOT project, Qiao et al. (2001) distinguished six distinct phases. According to Abdulhafeez (2014), the stages of a BOT project in Nigeria are as follows: project identification, Infrastructure Concession Regulatory Commission (ICRC) bid preparation, sponsors' bid preparation, bidder selection, Federal Executive Council ratification, approval and award, project development, project implementation, project operation, and project transfer to the government.

However, this study identified four critical phases from the literature, viz: initiating phase, build phase, operate phase, and transfer phase. According to Mueller (1986), a significantly wider variety of operations, including project funding, land acquisition, design, purchasing of building materials and equipment, installation of construction work equipment, operational testing, and training of operating staff are included in the construction phase. All of these affect how long the post-transfer operation period will last. The government can then run the facility internally or employ a third party.

On the whole, it can be argued that the replicability of student hostels is slow, even as government-financed universities have not received significant attention in the past two decades, particularly at federal universities. The reason may be linked to a lack of budgeted funds for student housing and the high costs of construction and maintenance. It involves both initial and periodic expenses, which is one reason why most student hostel providers increase rent at the start of most sessions (Ayodele & Ojo, 2024). The rent increase of student hostels at the University of Ibadan, the University of Lagos, and Obafemi Awolowo University is between ₦25,000 and ₦60,000 (₦45,000 for regular students). Meanwhile, private hostels around these universities charge double the initial rents. This has led to increased squatting, student homelessness, sharing, and a resort to distance learning. Today, alongside the strictly private initiative, the government is allowing more room for the PPP/BOT system for a range of infrastructure projects from power generation to highways, tourist facilities, and hostel buildings (McCarthy & Tiong, 1991). Student housing development may benefit from this strategy.

2.2 Housing Deficit Theory

The housing deficit is the discrepancy between actual conditions and the required housing standards. The actual is deducted from the required to determine the value of a deficit. Positive numbers denote abundance, while negative numbers denote shortage. Morris and Winter (1978) identify three distinct categories of deficit: Type I, Type II, and Type III. Two instances of Type I deficit are tenure and structure type. The basis for the expenditure imbalance is the annual housing cost, which includes rent or mortgage payments, utilities, insurance, and taxes. When a household's expenditure exceeds their planned percentage of income, because paying too much for housing is undesirable, the expenditure imbalance is a Type II deficit. The most common rule of thumb on the percentage of income for housing is 30%, and anything short of this can be considered an expenditure deficit. Space is measured in terms of room size ratio to occupants, which is classified as having a Type III deficit, where overcrowding or crowding is undesirable. An index of the total number of deficits in each household can be determined by adding up the deficits. Any departure from the preferred course, whether favourable or undesired, is factored into the definition of a deficit (Quercier, 1990).

Deficits are only applied to differences below the preferences, and surpluses are differences that are greater than the preference. Maslow's Theory of Needs can be used as a guide to understand how living without a housing shortage may affect motivation and the degree of satisfaction, resulting in higher productivity. In the case of a Type III deficit, when a significant deviation from the standard is noticed in terms of shortage, it will be necessary to adjust the student accommodation to meet the minimum requirement. As an extension of the housing deficit theory, the housing adjustment can serve as a remedy for the deficiencies noticed in student accommodation.

2.2.1 Application of the Housing Deficit Theory

A housing deficit occurs when some shelters do not have enough space and adequate facilities to be habitable (Carols, 2012). Over a billion people reside in inadequate shelters that are unhealthy, and more than 100 million people are homeless (Agbola, 2007). Measuring the housing shortfall objectively might also involve calculating the ratio of households to available dwelling units. A shortage of housing units in a nation is known as a housing deficit, which may be assessed as an actual amount or as an estimate for a specific time frame, such as an annual deficit.

According to estimates, families making less than three times the minimum wage account for 75.0% of Nigeria's housing shortfall (World Bank, 2013). Similarly, Anya et al. (2023) stated that about 75% of students in public universities are from low-income backgrounds and 5% are from high-income backgrounds, while close to 95% of students at private universities are from high-income backgrounds. The Nigerian population has been growing by 2.1% annually, just as enrolment of students into Nigerian tertiary institutions has been growing by 11.8%. The Nigerian population is presently estimated at 242 million, and the housing deficit is 28 million. Similarly, 15% of the 2.1 million enrolled undergraduates in tertiary institutions are formally accommodated (Fabunmi, 2026; Statista, 2024). The Nigerian situation showed a 300% increase in housing deficit from 1991 to 2023 (Figure 1). The simple way to express the figure is the inability of the citizens/students to convert their housing needs into housing demands. The needs are real, but there is no financial will or capacity to acquire housing.

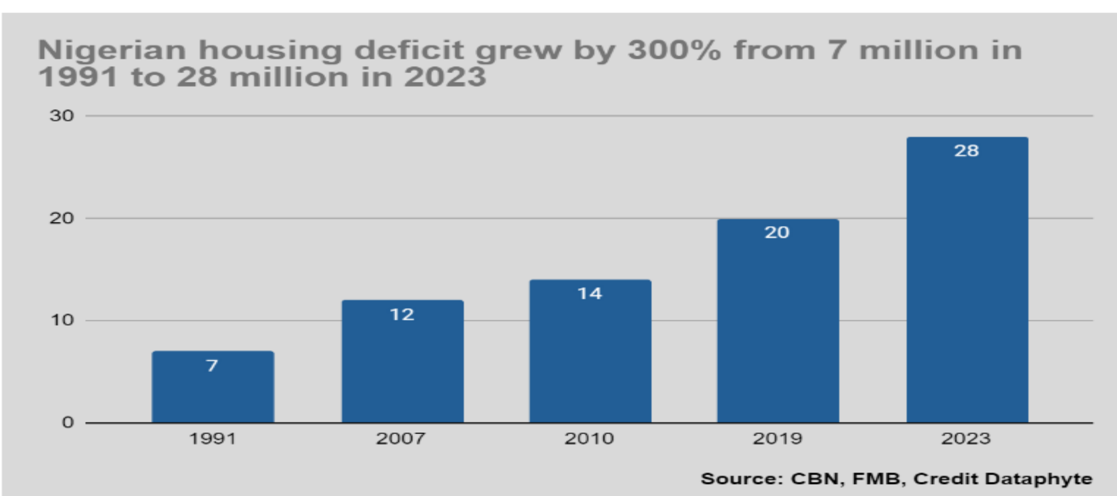

Figure 1: Nigerian Housing Deficit

Without an efficient housing finance system, it will be quite challenging to close this gap (Alabi, 2019). The lack of enabling government policies, the high cost of building materials, and the difficulty for prospective homeowners to obtain financing are some of the factors contributing to the housing shortage. These issues are also being faced in the student housing delivery sector. Housing deficit theory explains the concept of housing poverty, which significantly impacts different facets of students' lives, creating a cascade of negative effects that hinder their present development and prospects (Adelowokan & Ipingbemi, 2025). Okedare and Olarewaju (2021) noted that the problems that characterised housing poverty are difficulties are traffic jams, badly kept hostels, stress and frequent facility malfunctions (Figure 2). Students in this situation are vulnerable to social vices and unwelcome distractions from their studies.

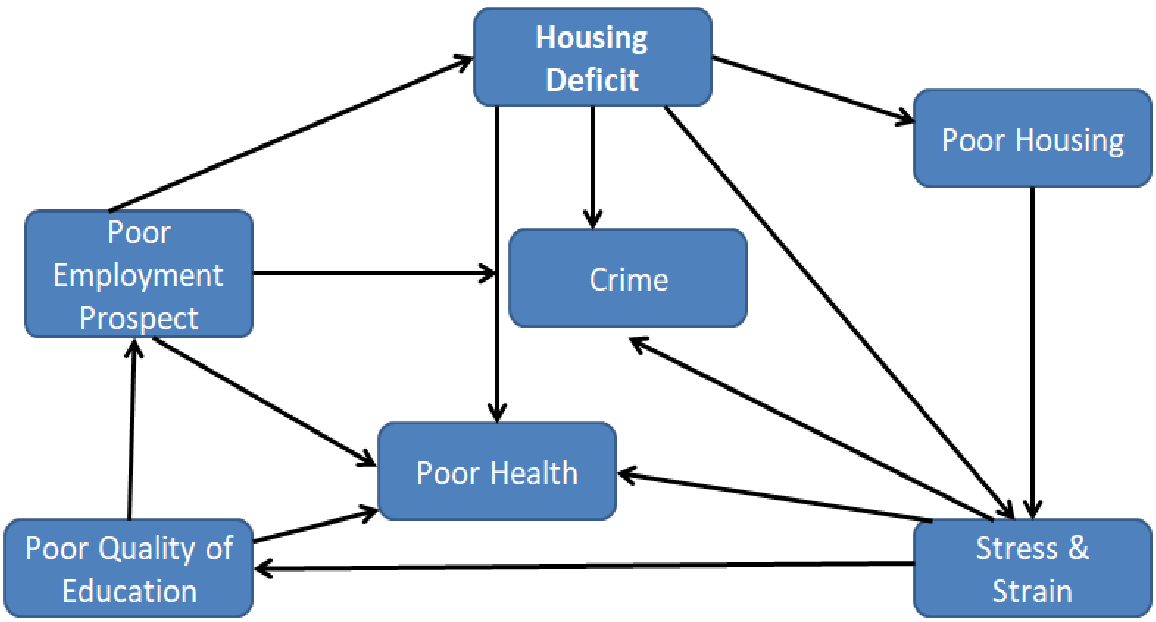

Figure 2: The effect of housing deficit on Education

Sources: Adapted from Gupta, R., & Kumar, P. (2007); Okedare & Olarewaju (2021), Adelowokan & Ipingbemi (2025)

Abdulazeez et al. (2015) noted that only a few Nigerian universities can admit up to 10% of their students into the on-campus hostels, leaving a 90% shortage. According to Alaka et al. (2012), the congestion in Nigerian university residence halls has put more pressure on shared facilities.

3.0 Review Method

Given the breadth and heterogeneity of the literature available on student housing, the authors opted for a narrative review for more comprehensive coverage. A narrative review is a comprehensive analysis of the state of knowledge on a given topic (Mousa, 2025). This method allowed us to search for literature and records on housing finance and deficits in relation to student housing at the University of Ibadan (UI), the University of Lagos (UNILAG), and the Obafemi Awolowo University (OAU) in Nigeria. Also, secondary information on alternative student accommodations and their population was sourced to determine the extent of the deficit in the three selected universities. Table 1 reveals the total student population in the sampled universities. Following the approach specified for narrative reviews by Berrang-Ford et al. (2015), we applied a systematic procedure for our document selection and inclusion. This enabled reconciliation of the number of available habitable rooms, the challenges faced, and the university's records.

Table 1: Selected universities and their total student population

S/No	Sampled Federal Universities	Student population	Postgraduate	Undergraduate	Total
1	University of Ibadan (UI), Ibadan, Oyo State	34,670	10,173	24,497	24,497
2	University of Lagos (UNILAG), Akoka, Lagos State	58,133	12,581	45,552	45,552
3	Obafemi Awolowo University (OAU), Ile-Ife, Osun State	36,240	3,839	32,401	32,401
	Total	**129,043**	**26,593**	**102,450**	**102,450**

Source: Statista (2021) and Author's Compilation (2021)

The narrative review method was useful in the identification of the student housing deficit and the analysis of some of the causes, which led to a data-driven recommendations.

4.0 Results

The on-campus student housing stock can be categorised into two, although there are other unauthorised alternatives such as squatting, staff boys' quarters, etc. For instance, during the key informant interviews, the wardens and supervisors asserted there was officially zero tolerance for squatting in halls of residence despite the existence of student squatters. On aggregate, students using formal bed spaces (FBS) (accommodations provided by the university management) were 90.4%, while those using Public-Private Partnership (PPP) (accommodations provided by private investors built on university land) made up 9.6%.

All the sampled universities were found to be experiencing a housing deficit, with many students settling for off-campus residences owing to the inadequate quality and quantity of school hostels. The housing deficit value for each university is shown by the percentage of students accommodated. UI accommodated the highest at 39.4%, followed by OAU at 34.5% and UNILAG at 22%. Clearly, there is a wide margin between the percentage accommodated and the percentage not accommodated. The study found a total of 71,213 student housing units as the deficit in the sampled universities (Table 2).

The current student housing financing basically derives from student rent and other forms of Internally Generated Revenue (IGR), which is mainly for maintenance. As of the time of this study, there was no plan by the universities to solely increase the housing stock, but there were indications that private investors were being encouraged to render support. The porters reported that the hostels only provide sanitation while that the hostels renovation had been neglected for decades until 2018. Such situation widens housing quality deficit.

Table 2: University Students Population, Housing Stock and Deficit

S/No	Universities	Undergraduates Population	FBS	PPP	TOTAL	Accom. %	Deficit
1	UI	24,497	9,859	790	9649	39.4	-14,848
2	UNILAG	45,552	9,485	912	10,397	22.8	-35,155
3	OAU	32,401	9,882	1,309	11,191	34.5	-21,210
	TOTAL	**102,450**	**28,22 (90.4%)**	**3,011 (9.6%)**	**31,237**	**30.489**	**-71,213**

Key - FBS: Formal Bed Space; PPP: Public-Private Partnership

5.0 Discussion

5.1 Implications and Sources of Student Housing Financing and Delivery

The data reveals significant systemic gaps and severe socio-economic consequences for the student population. Findings from the University of Ibadan (UI), the Obafemi Awolowo University (OAU), and the University of Lagos (UNILAG) reveal gross deterioration of the student housing space. As already noted, across the universities, there is a total housing deficit of 71,213 units, which is worsened by enrolment rates increasing by 11.8% annually and outpacing the limited increase in housing stock. The insufficiency of formal bed spaces forces students into precarious living conditions that may affect their well-being. Regarding reform efforts, however, it must be noted that the growing population of indigent students in Nigerian federal universities may not support the student housing privatization strategy. Although this study strongly recommends PPP initiative as solution to students housing deficits in Nigerian universities.

The PPP deals are financed by a mix of developer equity, bank loan financing, special infrastructure development fund financing, and some foreign direct investment, in addition to the land that the university provides. Apart from the University College Ibadan, it was observed that federal university hostels were constructed from the proceeds of Nigeria’s oil boom era (1960–1973), when the government's oil revenues increased geometrically between 1970 and 1980. Since then, however, student hostels have been mostly neglected, causing student housing demand to outstrip supply.

Procedurally, the construction of student housing in federal universities has undergone several transformations, with initial direct construction by the government through the Federal Ministry of Works, while the Department of Works and Maintenance of every federal university plays the supervisory role. The construction is usually done by a contractor who, in most cases, is appointed under a competitive procurement bidding process. The successful contractor is mobilised by the federal government to build such a hostel under the close supervision of the beneficiary university's Works and Maintenance Department and by a periodic inspection of the university management team led by the Vice-Chancellor (VC). This construction management style continues to date.

According to the NUC, the federal government underfunds university education, and the funding responsibility for student hostels is sometimes shifted to the alumni of institutions. An example of this can be seen in the federal universities in southwestern Nigeria, where alumni have constructed hostels for male and female students at the undergraduate and postgraduate levels. At the University of Ibadan, the alumni association recently built a hostel to ease the burden of the student housing shortage.

Generally, the housing sector in Nigeria is broad and disjointed. With about 241,369,579 of the country’s population, Nigeria has the highest housing demand and deficit in West Africa (Anya et al., 2023). The deficit of over 1 million bed spaces in Nigerian tertiary institutions has attracted several private market players (Fabunmi, 2026). Unlike in general housing, where informality of housing finance, savings, salaries, cooperatives, traditional money lenders, social club contributions, and thrift are prevalent, private student housing providers largely depend on commercial institutions. According to Bardhan and Edelstein (2008), the provision of housing depends mostly upon a well-functioning housing finance system. Very few developers can survive in the business without taking loans from commercial banks at rather exorbitant interest rates, given the capital-intensive nature of student housing.

PPPs are a predominant model for student housing development in Nigeria (Anya et al., 2023). Because universities own or have access to land, the market is responsive and comfortable, proving that the model is workable. Concession periods for PPP transactions are typically around 20 - 30 years. The concession that universities grant to private developers is to transfer the financial responsibility of building the hostels to the private individual, under strict regulations.

Existing studies identify two major sources of PPP financing: corporate finance and project finance (Medya & Pramen, 2021; Visconti, 2013; Weber & Alfen, 2010). Developers employ the project finance framework for projects exceeding twenty years and the corporate finance framework for ventures of less than twenty years (Visconti, 2013). Project financing, as defined by Weber & Alfen (2010), is the funding of a specific, clearly identifiable economic unit (project), the primary source of which is the project's cash flow. The financial instruments are distinct private sector investment resources, bank loans, PPP funds, asset-based securities (ABS), bonds from the capital market, etc.

The peak benefit of housing can be achieved if there is a well-structured maintenance plan in place. The student housing maintenance in the three sampled universities is done by the private sector, either as a corporate entity or as an individual. Universities finance the maintenance of student housing from internally generated revenue, with the Physical Planning Unit or a related sector of the university monitoring the services of the private investor to meet university standards. Private contractors are engaged to weed the hostels and sweep the outdoor spaces, while repairs are handled by the Works and Maintenance department of the university or artisans may be invited from outside the campus. The financial responsibility is on the university, except in situations where students unofficially invite an artisan from outside the university for quick repairs. The latter situation may occur in cases of a delayed response from the university management. Hostel maintenance is similar in both the public-private partnership and private hostel set-ups, whereby proprietors engage the services of private individuals.

5.2 Challenges of Student Housing Financing

No doubt, finance is the engine of the housing delivery process; as such, poor financial management in university student housing may affect the smoothness of academic activities. To be sure, the socio-economic status of most students at federal universities is directly related to their poor housing conditions. As the study found, the government has been overwhelmed with regard to student housing, hence the resort to private involvement. However, the lending conditions from commercial banks tend to be too stringent for most private developers, given the nature of the university academic calendar and the frequent industrial actions that disrupt activities. Administrative bottlenecks and the misappropriation of funds for student housing maintenance are also problems that delay the repair of hostel facilities.

Lastly is the lack of comprehensive physical and financial plan towards students housing development and management. Most of the times investors are attended to one-by-one. Many universities do not woo private investors, let alone articulate a systematic plan for student housing. The study found that some universities are only concerned about the state of lecture theatres, libraries, laboratories, and studios, while student hostels is not a priority. But there is also the problem of low purchasing power on the part of many students, most of whom would prefer on-campus accommodations but are unable to secure them and cannot afford the PPP hostels on-campus.

6.0 Conclusion

The findings unequivocally demonstrate that the sampled universities (UI, UNILAG, and OAU) collectively face a critical deficit of over 71,000 bed spaces. Further enquiries show that one out of every three students' rooms is overcrowded, a situation that contravenes NUC guidelines and negatively impacts students' academic and social well-being. The three principal delivery frameworks identified were government-led funding, fully private-sector funding, and the PPP model. The PPP is about the most feasible solution, although steps in this direction have been inconsistent.

7.0 Recommendations

After exploring the challenges of student housing financing in the universities, the authors make the following recommendations:

(i) Property management plans are frequently needed by financiers or investors as a risk-reduction strategy for upcoming activities. The university should go the extra mile to prepare a property management plan for investors.

(ii) Physical planning and public-private partnership departments should be established at each university. These departments should be in charge of overseeing infrastructure development projects and monitoring student housing. They should deal with concession agreements, hiring private developers, designing and carrying out projects, and facility administration.

(iii) The NUC should not stop at a policy statement (of 33.3% being accommodated) but should, through the federal government, empower the universities to increase their student housing stock. Recently, TETFund has shown interest in student housing construction, which was not the case before; the fund should continue in this and include it in their 5-point agenda. The same can apply to the State Economic Empowerment and Development Strategy (SEEDS).

(iv) A rolling and long-term plan may be designed to meet the student housing needs, which should be shared among the three major housing providers.

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