Cape Station, South Africa

Africa | May, 2026

Africa Student Housing Report

This report examines Africa's purpose-built student accommodation (PBSA) sector across four key markets: Nigeria, South Africa, Kenya, and Ghana. It covers demand and supply dynamics, market performance including occupancy rates and rents, and profiles of active operators in each market. The findings are intended for operators and investors assessing opportunities in African student housing.

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SUMMARY

African Student Population	Total PBSA Stock	Average Occupancy	Average Annual PBSA Rent Per Bed
25m	**250,000**	**95%**	**$322**

Sources: Africa Development Bank Group, Fortren & Company

Data from Africa's Development Bank puts Africa's student population at 25 million, and is projected to reach 34 million and 75 million by 2034 and 2065 respectively. Fortren & Company estimates total purpose-built student accommodation (PBSA) stock across the continent at 250,000 beds, equivalent to 10% of the student population. Of that stock, we are currently tracking 119,660 beds across Nigeria, Ghana, Kenya, and South Africa, that formed the primary dataset for this report. The gap between student population and bed supply reflects systemic failures in capital formation, policy, and collaboration that will continue to compound if unaddressed.

Key findings

- Nigeria PBSA stock accommodates less than 9% of its tertiary student population. Over 90% of the country's student population rely on fragmented, informal off-campus hostels characterised by security risks and price distortions.
- South Africa controls approximately 91.8% of Africa's formal PBSA supply, driven by its deep capital markets, NSFAS government-backed rental demand, and a deliberate regulatory framework.
- Kenya's Acorn Holdings has demonstrated that a REIT structure, anchored by DFI equity and a green bond listed, can mobilise institutional capital in student housing at scale. Acorn's portfolio has grown to in excess of KSh27bn with approximately 20,000 beds under management.
- The primary barrier to institutional capital in Africa's student housing sector is a development risk profile and return expectations that current underwriting models struggle to accommodate. Bridging this gap requires structures that de-risk construction and lease-up phases, with development finance institutions (DFIs) and blended finance vehicles serving as critical first-movers.

Additionally, it will also require coordinated action across government, DFIs, local pension funds, universities, and private operators.

MARKET OVERVIEW

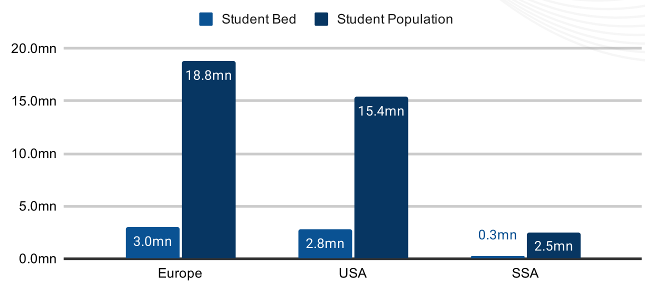
Africa's purpose-built student accommodation (PBSA) sector has historically attracted limited institutional attention, despite a compelling demand profile. Tertiary enrolment has grown at an average rate of 7.4% per year since 2000, according to the World Bank, driving demand that has significantly outpaced supply, producing a supply deficit exceeding one million student beds. Our current estimates place total PBSA stock across the continent at approximately 250,000 beds. Data we are tracking across 119,660 student beds in Africa shows an average occupancy rate of 95%, which far outpaces the main stream asset classes like office, retail and hospitality.

South Africa accounts for 91.8% of the stock, reflecting the relative maturity of its market. PBSA has evolved into a fully institutionalised asset class in South Africa, comparable to established markets in Europe and the United States. The rest of the continent remains at a considerably earlier stage of development.

Compared to the US and Europe, Africa's tertiary student enrolment and purpose-built student housing stock falls considerably short.

Comparison of PBSA Stock across Europe, USA & Africa

Africa's student student enrolment and housing market is undersupplied falls short of



Source: Fortren & Company; JLL; Cytonn, Africa Development Bank Group

Private sector activity is increasingly bridging the student accommodation supply gap, with a growing pipeline of purpose-built projects expected to reach the market over the next few years. Based on data that we are tacking, South Africa, Kenya, Ghana, and Nigeria collectively have over 79,565 beds in the development pipeline. This pipeline is largely private-sector driven including new development by Eris Property Group, Acorn Holdings, Campus Key, Respublica Group, and Student Accomod8 who have historically dominated their respective regions.

Government-led initiatives are also emerging as a complementary supply boosters, combining direct development with Public-Private Partnerships (PPPs). For instance, South Africa's well-established PPP environment supported by subsidised student funding mechanisms like the National Student Financial Aid Scheme (NSFAS), continues to enhance affordability and underpins its market dominance. In Kenya, allocations to student financing through the Higher Education Loans Board (HELB) increased by 59.5% in 2025, supporting expanded access and sector sustainability. In Nigeria, the Federal Government recently approved ₦250 billion for student hostel upgrades nationwide.

Despite this momentum, PPP implementation in the PBSA sector especially outside South Africa and Kenya remains underdeveloped. Structural constraints including regulatory uncertainty, limited institutional appetite, high development risk, misunderstood leasing and return dynamics, and the absence of affordability support mechanisms continues to limit supply. For cities like Lagos, the difficulty with securing suitably sized plots within or adjacent to campuses makes it more difficult for private sector developers to break participate.

Hatfield-square, South Africa

DEMAND

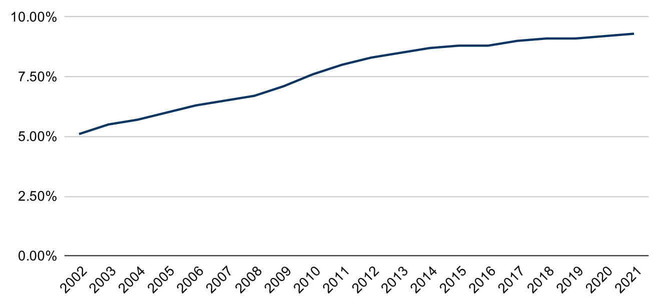
Demand for student housing across Sub-Saharan Africa has grown steadily over the past two decades, driven by rising tertiary enrolment. The region averaged 7.5% annual enrolment growth between 2000 and 2021, according to the World Bank.

At the country level, Kenya illustrates this trajectory clearly. Data from the Kenya National Bureau of Statistics shows that enrolment in Teacher Training

In Nigeria, tertiary institutions accommodate less than 9% of the student population on-campus, exposing the remainder to security risks and predatory housing conditions in the informal market. In South Africa, the student housing deficit is estimated at 500,000 beds. In Ghana, the shortfall stands at approximately 350,000 beds, with only 30% of students able to secure institution-affiliated accommodation. Sustained occupancy

Tertiary Enrollment Growth in Sub Saharan Africa Between 2002 and 2021

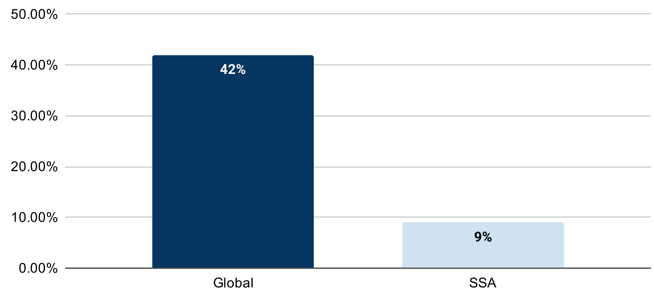
Tertiary Education Enrollment in SSA Has Grown By 7.4% on Average



Source: World Bank

Global Tertiary Enrollment Vis a Vis Africa

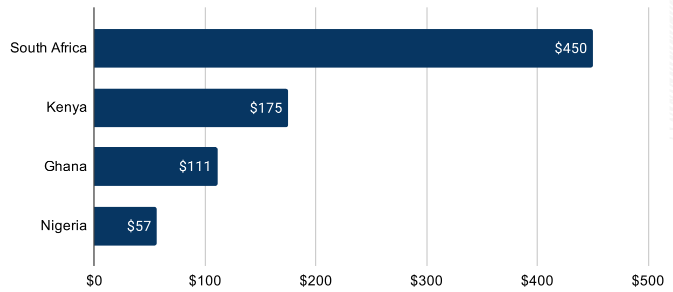
Tertiary Enrollment in Sub Saharan Africa Stands At 9%, Compared To The World's 42%



Source: UNESCO

Average Monthly Rents Per Bed/Room In Sub Saharan Africa

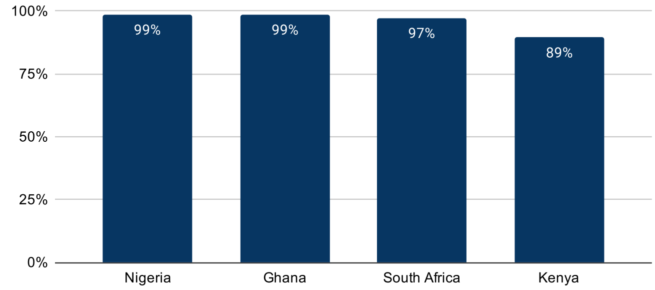
Average Monthly Rents in SSA Stand At USD 322



Source: Fortren & Company

Average Occupancy Rates of PBSA's in Sub Saharan Africa

The Average Occupancies of PBSA's in SSA Currently Stand At 95%, Indicating High Demand



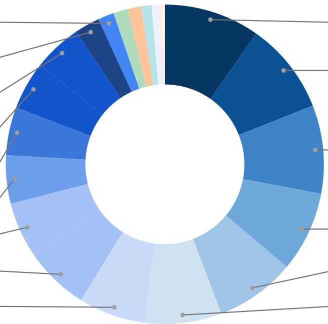
Source: Fortren & Company

Institutions grew by 23% in 2025, while Technical and Vocational Education and Training (TVET) institutions and universities recorded growth of 10.4% and 9.0% respectively. The growth that we are seeing in student enrolment numbers is also widening the supply gap in institution-provided accommodation and accelerating demand for off-campus purpose-built student accommodation (PBSA) across the four markets that we are tracking.

rates averaging 95% across tracked markets reflect structural demand that is unlikely to ease without a significant increase in private sector participation and capital deployment.

Africa's PBSA Key Demand Anchor's

Kenyatta University, University of Lagos, and University of Pretoria Among The Key



Source: Fortren & Company

Country	Largest Demand Driver	Student Population
Kenya	Kenyatta University, Kiambu	60,000
Nigeria	University of Lagos, Lagos	57,000
South Africa	The University of Pretoria, Pretoria	55,000
Ghana	The University of Ghana, Legon	40,000

Source: Fortren & Company

Further, urbanization has also played a key role in driving the demand for PBSAs. Given Africa's large and growing youthful population, more students migrate from rural areas and smaller towns to major cities in search of higher education opportunities. The rapid urban growth in cities like Nairobi, Johannesburg, Accra and Lagos is also exacerbating the pressure on universities and existing housing infrastructure.

Across these key markets, there is also a growing demand for quality accommodation with reliable amenities, including high-speed internet connectivity, fitness facilities, and security infrastructure. Students in these markets have demonstrated a willingness to pay a premium for accommodation that meets these standards, making quality a material demand driver alongside affordability.

SUPPLY

Stock	Total Completed Stock	Total Pipeline
South Africa	230,000	2,082
Kenya	12,378	14,845
Nigeria	2,839	45,138
Ghana	4,843	17,500

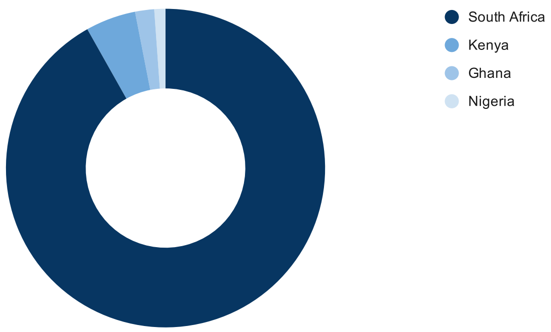
Source: Fortren & Company

Historically, student housing development in Africa was largely driven by tertiary institutions themselves. As demand began to outpace supply, fragmented private developers began to explore student housing, often operating within loosely regulated frameworks and relying on traditional residential building models rather than purpose-designed student accommodation.

This has, however, been shifting over the past decade, with key players emerging in the market to solely focus on quality PBSA's including Acorn and Student Factory in Kenya, Eris Property Group and Respublica Group in

PBSA Market Share In Sub Saharan Africa By Country

South Africa Controls Approx. 90% of Sub Saharan's PBSA Developments



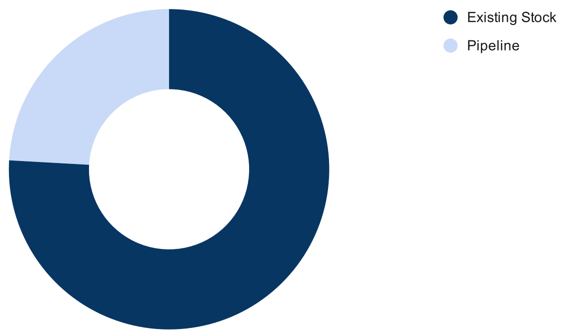
Source: Acorn; World Bank; Eris Property Group; Respublica Group; SLE

South Africa, Accomod8 in Nigeria, and SLE Global in Ghana. We estimate c.250,000 operational beds in Africa's PBSA market with an average occupancy rate of 95%. Based on the data we are tracking, South Africa controls 91.8% of the stock, with rents averaging USD 450 per month and an occupancy rate of 97%. This dominance is largely underpinned by its fully institutionalized real estate market, similar to mature European and US markets. Its strong public-private partnership (PPP) framework, supported by national student funding mechanisms such as NSFAS—which covers tuition, registration, accommodation, meals, and learning materials, has also been a major driver of market growth.

Kenya, an emerging market in the PBSA sector, has also made significant strides in this sector, mainly through Acorn Holdings, the biggest player in the country with a current portfolio worth over KEs 27bn

Status Of PBSA's in Sub Saharan Africa

24.1% of SSA's PBSA Developments Are In The Pipeline



Source: Acorn; World Bank; Eris Property Group; Respublica Group; SLE

billion. Since its strategy shift in 2015 and listing as a REIT in the NSE, Acorn has developed over 12,000 student beds and currently has 6,300 beds in the pipeline under its Qwetu and Qejani brands. Its portfolio's average monthly rent currently stands at approximately USD 175, with occupancy levels of approximately 89%, reflecting strong underlying demand for purpose-built student accommodation in key urban centres. Notably, it was the first organization to raise Kenya's first certified green bond in 2019, worth KEs 4.3 bn, aimed at constructing sustainable and eco-friendly student accommodation in Nairobi. Acorn's ability to pay the bond ahead of schedule further strengthened investor confidence.

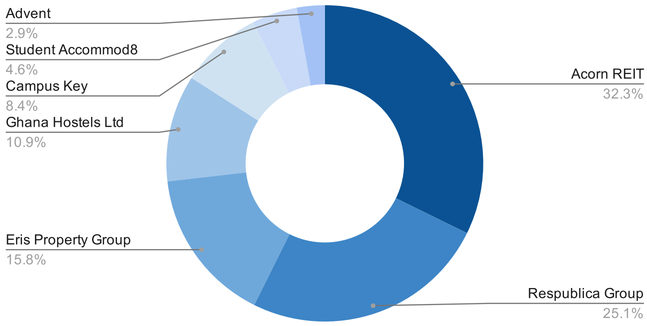
Other key players in this market include Student Factory, with plans underway to deliver a 4,000-bed student housing project in Karen, further contributing to the gradual expansion and institutionalisation of Kenya's PBSA sector.

In Nigeria, developers like Student Accommod8 and Advent Limited have been at the forefront of delivering private sector Purpose-Built Student Accommodation (PBSA) to meet the country's rapidly rising demand. Nigeria represents one of the most undersupplied student housing markets in Sub-Saharan Africa, with an estimated deficit exceeding 1 million beds.

Existing PBSA assets that we are tracking, are consistently reporting occupancy levels at or near full capacity, underscoring strong and resilient demand fundamentals. In the past few years, the public and private sector have increasingly accelerated development activity, with government support and private capital flowing into new hostel and PBSA projects. Nigeria currently leads the region in development pipeline, with over 40,000 beds under construction or at conceptual stages, reflecting its position as a key growth frontier for the sector. In Ghana, the PBSA market is also gaining traction, with Ghana Hostels Limited a key

PBSA Developer Market Share In SSA By Completed Developments

Acorn, Respublica Group and Eris Property Group Are Among The Key PBSA



Source: Fortren & Company

player having a 4,303-bed portfolio. Another notable example is SLE's initiative in Accra, where the developer is on track to deliver a 3,000-bed student accommodation project branded "Student SLE Accra," aimed at addressing the growing demand for modern, purpose-built housing within the capital.

Key Developers

South Africa	Nigeria	Kenya	Ghana
CampusKey Student Living	Student Accommod8 Home of Campus Living	acorn	
Eris Property Group	Advent Lagos Hostel SPC Limited	PPP Kenya	GHL

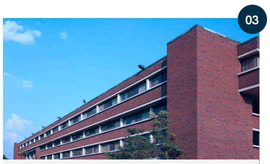
INTERACTIVE MAP

01


STUDENT FACTORY KAREN
4,500
Student Factory

02


NASARAWA STATE UNIVERSITY, KEFFI PBSA PROJECT
4,000
Advent Limited

03


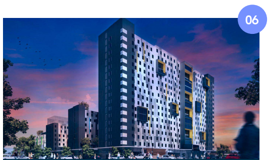
UNIVERSITY OF NAIROBI PBSA PROJECT
4,000
University of Nairobi & GOK (PPP Project)

04


CAPE STATION
3,071
Eris Property Group
$422 93%

05


SLE STUDENT ACCRA
3,500
SLE Global

06


HARTFIELD SQUARE
2,331
Respublica Group
$330 95%

07

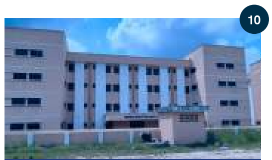

PRINCETON VILLAGE
1,768
Respublica Group
$315 TBC

08

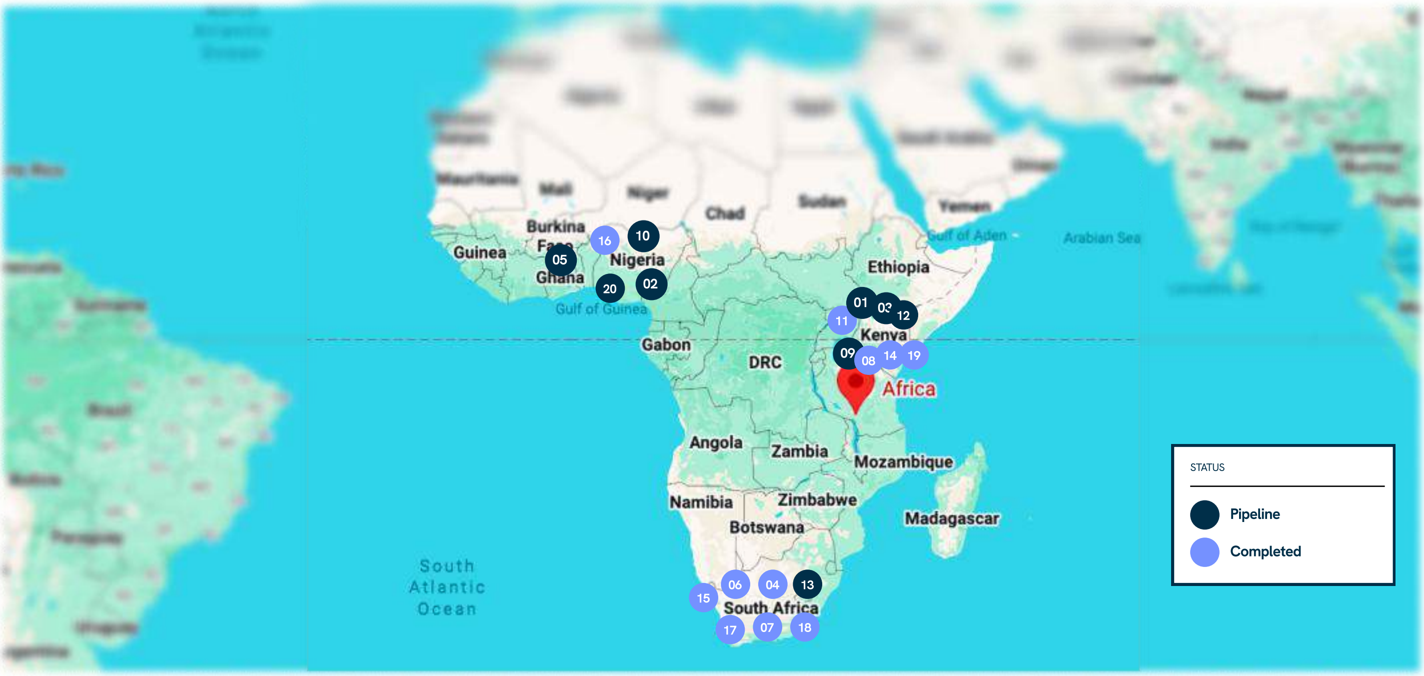

QEJANI CHIROMO
1,699
Acorn Holdings
$112 93%

09


QWETU LITE CBD, KENYA
1,680
Acorn Holdings

10


LAGOS STATE UNIVERSITY PBSA
1,500
TETFund and Integrated Project Ltd (IPL)



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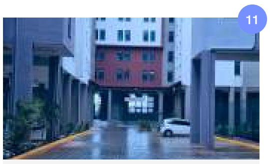


QEJANI KASKAZINI
1,425
Acorn Holdings
$112 TBC

12


QWETU LITE ELDORET
1,372
Acorn Holdings

13


NALA PBSA
1,191
Eris Property Group

14


QEJANI HURLINGHAM
1,181
Acorn Holdings
$112 TBC

15


WEST CITY
1,134
Respublica Group
$308 100%

16

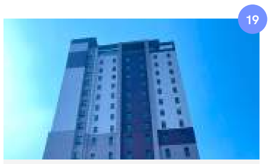

LASUCOM HOSTEL
1,128
Advent Limited
$18 TBC

17


SARATOGA VILLAGE
1,077
Respublica Group
$330 97%

18


JORISSEN STREET PBSA
1,071
Eris Property Group
$353 100%

19


QEJANI JUJA
1,060
Acorn Holdings
$112 84%

20


(FUTO) HOSTEL
1,000
Aliko Dangote

MARKET OUTLOOK

Supply-demand imbalance to support sustained occupancy levels, rental growth, and the gradual institutionalisation of the PBSA across the continent.

Overall, PBSA in Africa remains highly compelling, underpinned by strong structural and demographic fundamentals that are expected to sustain long-term demand growth. Africa is projected to reach approximately 64 million annual student population by 2034, reflecting continued expansion in access to tertiary education and ongoing reforms in education systems across multiple countries. For investors, this translates into a long-term, structurally supported investment opportunity in PBSA, characterised by persistent undersupply and resilient demand. As enrolment levels continue to rise faster than the development of formal student housing, the supply-demand gap is expected to widen further, particularly in fast-growing urban education hubs. This imbalance is expected to support sustained occupancy levels, rental growth, and the gradual institutionalisation of the asset class.

Short-term outlook by market

South Africa is in a period of recalibration. The decline in NSFAS payment reliability since 2023 has created revenue pressure on accreditation-dependent portfolios and is accelerating a structural shift toward private-pay products. This transition improves long-term sector resilience by reducing single-channel revenue dependence.

Kenya is positioned for continued expansion. Acorn's established institutional capital relationships and first-mover brand equity support portfolio growth. The TVET sector and the broader East African region represent the most immediate growth vectors.

Nigeria and Ghana require enabling conditions before institutional capital can deploy at the scale the supply deficit demands. The priorities over the next two to three years are government tax incentives for PBSA, university head lease or guarantee frameworks, and the emergence of a credible multi-site operator platform capable of anchoring DFI capital.

Medium-term: Africa's demographic dividend

Africa's student population is projected to more than triple by 2050. The operators and capital structures established in the next decade will define who captures that growth.

Local pension funds are the most structurally important untapped capital source. They hold patient, local-currency capital that is duration-matched to student residential investment and immune to FX risk. Regulatory reform increasing permissible allocations to alternative real assets is a policy priority across all four markets. Kenya's retail investment product, VUKA, demonstrates that broader investor participation is achievable; uptake has been constrained by product sophistication rather than underlying appetite.

West City, South Africa

RECOMMENDATIONS

- Institutional investors should prioritise markets with demonstrated operator track records and structural risk mitigation. Acorn's product in Kenya is the most immediately investable African PBSA opportunity outside South Africa.

- In South Africa, target operators with diversified revenue streams that reduce NSFAS dependence. Nigeria and Ghana's market require blended finance structures that absorb first-loss development risk.

- Developers and operators should treat speed to market as a primary competitive variable. A missed intake means twelve months of vacant revenue. Prioritise operational cost efficiency from design stage.

- Development finance institutions should continue providing development-stage equity and guarantee structures. The GuarantCo green bond guarantee model in Kenya is directly replicable. Nigeria and Ghana are the priority markets for DFI intervention given the absence of similar capital frameworks at scale.

- Governments should focus on three interventions: tax incentives for PBSA development; a minimum norms and standards framework that mirrors South Africa's model, with flexibility for local innovation; and university head lease or occupancy guarantee programmes that anchor demands for investors. Any national financial aid scheme should be structured as a loan rather than a grant, with inflation-linked and predictable annual rates.

- Universities should formalise endorsement of credible PBSA operators as preferred accommodation partners. Head lease commitments, even partial ones, reduce the investor risk premium and lower the cost of capital, which ultimately reduces the price students pay.

- Local pension funds should engage existing PBSA operators to build asset class understanding ahead of regulatory reform. The 60% year-one student retention rate, equivalent to a three-year effective lease, directly addresses duration and credit quality concerns.

Princeton Village, South Africa

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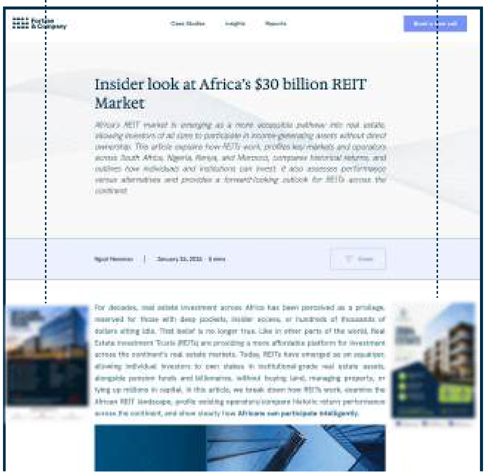

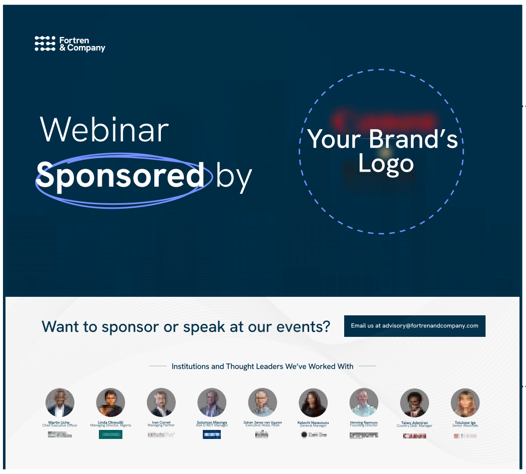

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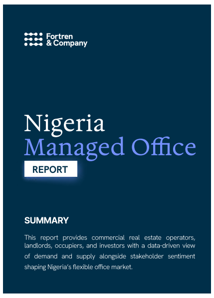
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Nigeria
Managed Office
REPORT

SUMMARY

This report provides commercial real estate operators, landlords, occupiers, and investors with a data-driven view of demand and supply alongside stakeholder sentiment shaping Nigeria’s flexible office market.

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