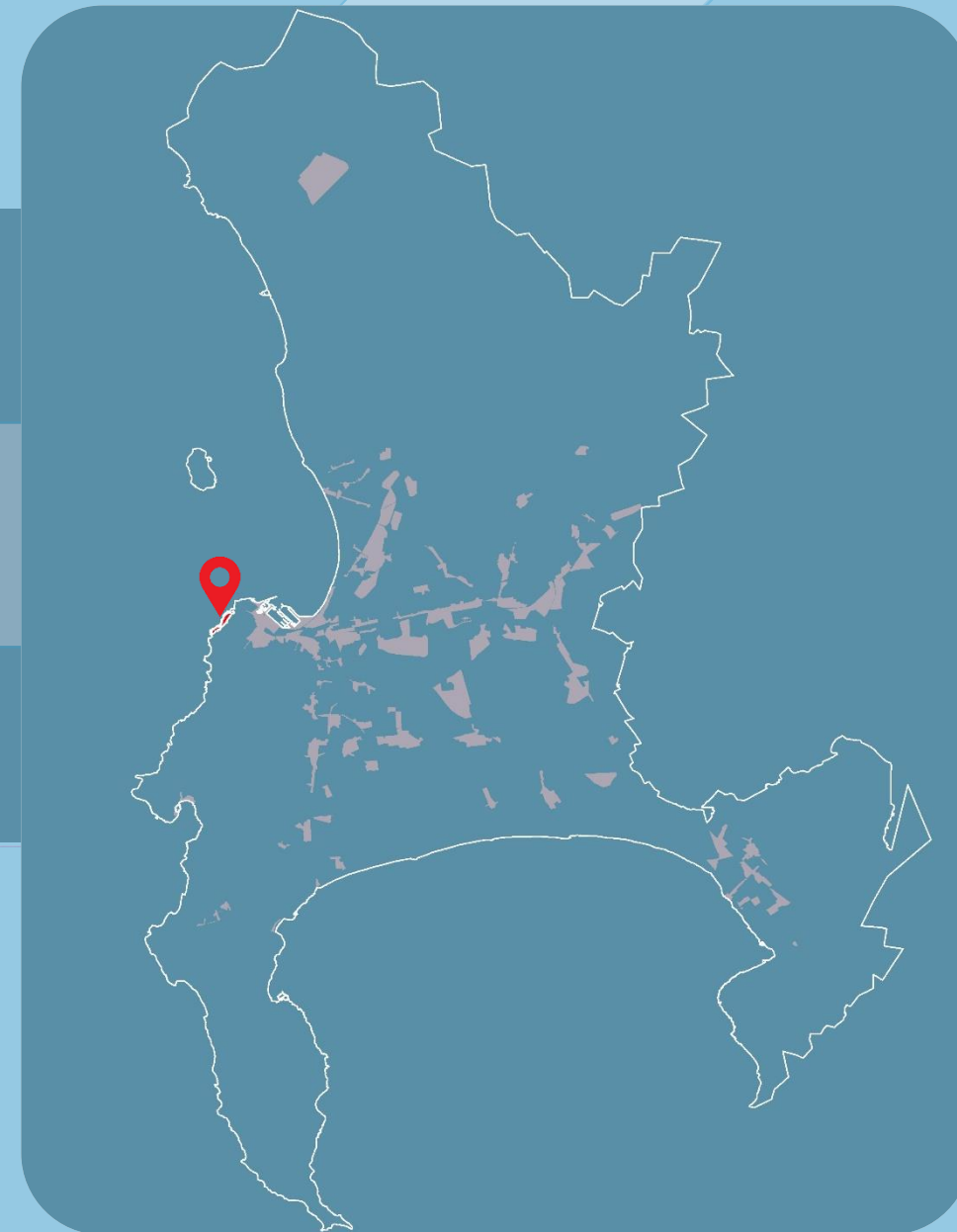


SEA POINT ECONOMIC AREA PROFILE

TREND ANALYSIS 2012-2022



Image source: Google Earth



June 2025



CITY OF CAPE TOWN
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STAD KAAPSTAD

Making progress possible. Together.

ACKNOWLEDGEMENTS

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DISCLAIMER:

The information contained herein is provided for general information only which is not intended to provide definitive answers and as such, is only intended to be used as a guide.

Whilst we strive to provide the best information at our disposal and take reasonable measures to ensure that it is up-to-date and correct, we make no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability, suitability or availability of information for any purpose. Any reliance you place on the information is at your own risk.



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POLICY & REGULATORY CONTEXT

For the past decade, the global and national economic context has required regional economies to prioritise their investment decisions in space for greater efficiency. The Economic Areas Management Programme (ECAMP), as it was introduced, has therefore been considered a valuable economic data tool that provides valuable insights into the performance of the space economy at an area-specific level.

This update of ECAMP is further aligned with the Urban Planning & Design Department's business strategy to leverage spatial intelligence to unlock value within Cape Town's space economy by:

- a) Tracking the performance and implementation of its spatial development framework policies
- b) Developing the evidence base to inform and adjust said spatial policy
- c) Supporting spatially targeted investment and decision-making
- d) Providing a spatial lens of economic data within the Cape Town context

The following strategic objectives and programmes support the update of ECAMP:



CONCEPTUAL FRAMEWORK

Intended users

This profile provides a cohesive narrative to determine key trends across several data entry points to help inform decision-making. It also aims to help guide investment in cases where data is not readily available to the public.

Conceptual Framework

The reporting of updated time series microeconomic analysis on Cape Town's economic areas is informed by a conceptual framework, which aims to create spatial intelligence on *supply & demand factors according to the 5 themes* which have been identified. The 5 themes allow for an integrated narrative across area-based economic trends. The trends being reported throughout this profile are used to classify and assess the overall performance of Cape Town's economic areas.

Data preparation, sources, assumptions and limitations

The indicators reported in this profile feed off several automated data processes to add intelligence at a land parcel level which is then aggregated into economic areas. This profile draws across various datasets between 2012 and 2022 such as the General Valuation Roll, market reports, building plans, land use applications, property sales and SARS data. While many of the respective datasets are continuously refined over time, this profile will be updated as and when new data is available.

Contact details

Should you wish to make contact, please direct your feedback to the City of Cape Town's Metropolitan Spatial Planning and Growth Management branch via Future.CapeTown@capetown.gov.za.

MICRO-ECONOMIC DEMAND & SUPPLY FACTORS

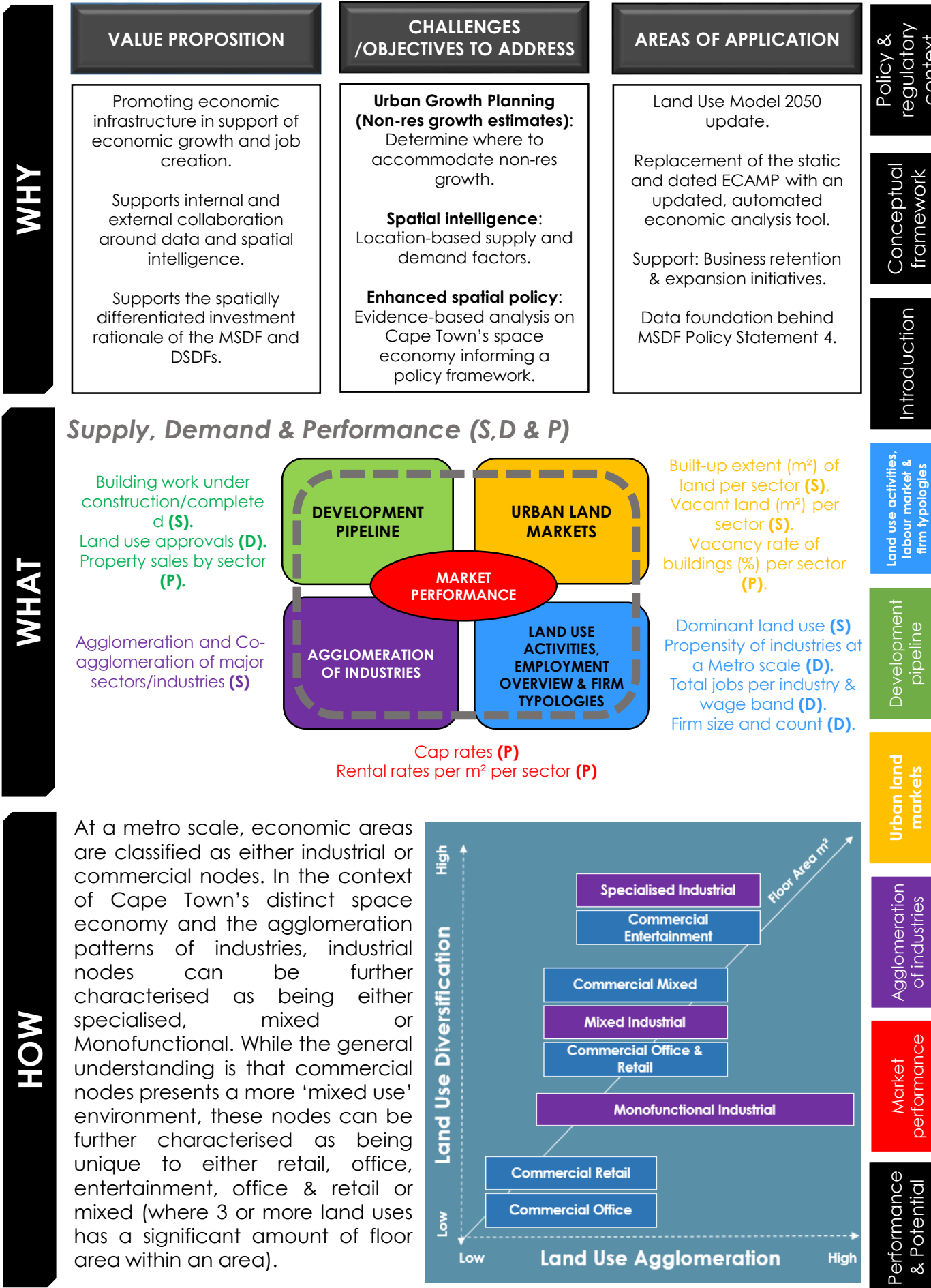
This profile examines a range of micro-economic indicators to highlight trends in supply and demand specific to the economic area. The indicators include:

- Property sales per land use sector
- Building work completed
- Types of land use applications approved
- Vacant land per land use sector
- Built-up land and take up rate per land use sector
- Dominant land uses present in an area
- Building vacancy rate overtime
- Capitalisation rate over time
- Rental rate p/m² by land use sector
- Jobs per industry

MACRO-ECONOMIC REPORTS AND INDICATORS

For additional insights into the macro-economic factors affecting the regional economic condition, refer to the following reports for more information on macro-economic indicators related to Cape Town:

- [Economic Performance Indicators for Cape Town](#)
- [Regional Market Analysis and Intelligence 2023/24](#)
- [Provincial Economic Review and Outlook \(PERO\)](#)
- [Municipal Economic Review and Outlook \(MERO\)](#)



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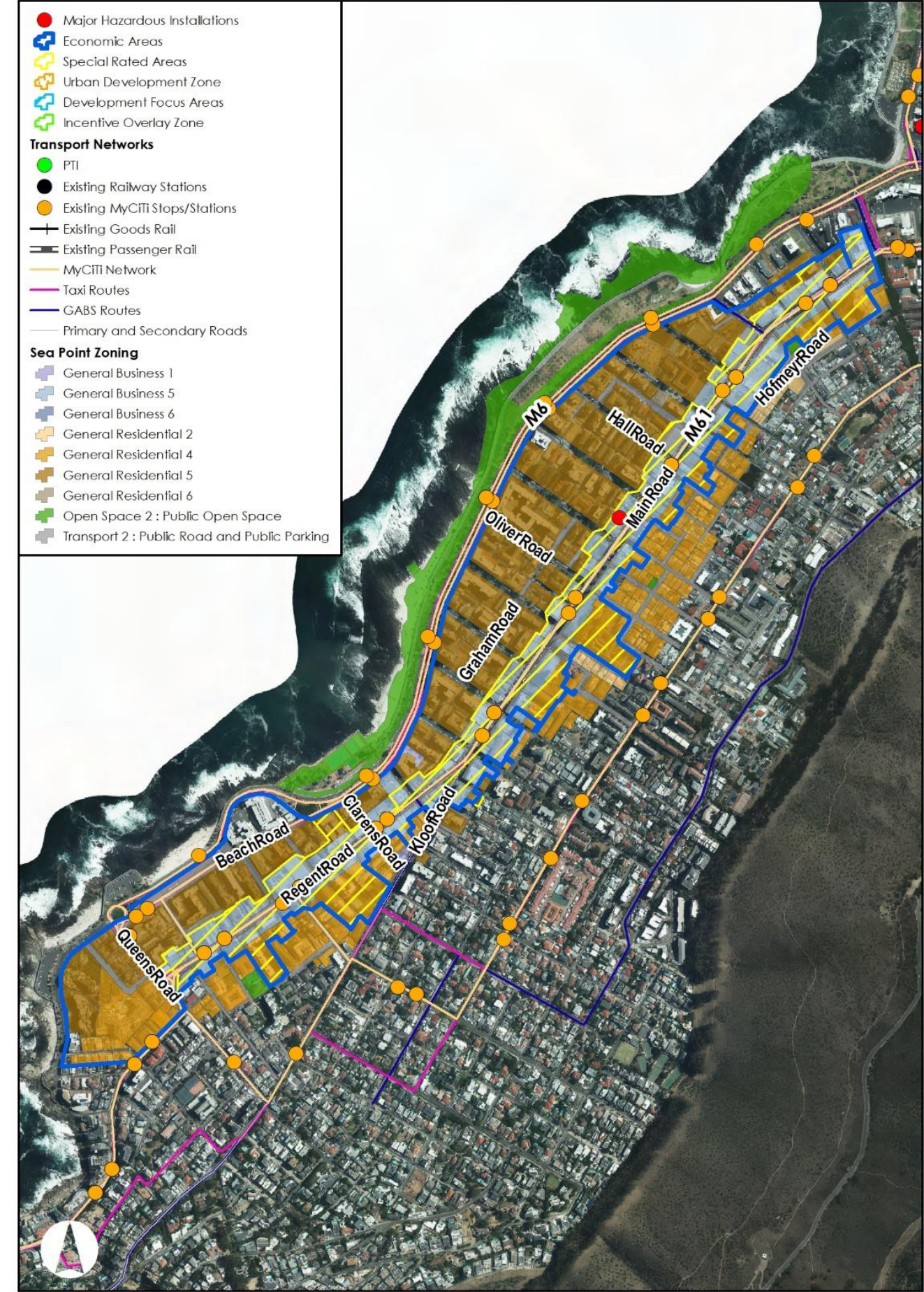
Development pipeline

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Agglomeration of industries

Market performance

Performance & Potential



SEA POINT

Location

- The area is approximately 4km west of Cape Town's Central Business District and the Port of Cape Town. Furthermore, it is located 24km from Cape Town International Airport.
- It is also situated along the Main Road, extending further south towards Hout Bay and within walking distance from the V&A Waterfront. Access can also be taken off Helen Suzman Boulevard, connecting onto the N1 and N2, allowing access to other areas across Cape Town.
- The area is mainly serviced by taxis, GABS and MyCiTi.
- Access to a skilled workforce from surrounding areas includes the broader Atlantic Seaboard, Tamboerskloof, the City Bowl and Gardens areas.
- Due to its location, the area also attracts a skilled workforce from areas across Cape Town.

Zoning, land use and form

- The area is predominantly zoned for residential and business purposes.
- The area is mainly characterised by commercial along the Main Road, which includes shops, restaurants and apartments.
- The average land parcel sizes in the area range between 500 – 1,500m², with a limited number of land parcels ranging beyond 2,000m².

Spatial planning mechanisms

- The area is serviced by a City Improvement District.

Key highlights of the area include:

- The area established itself in the 1940s as a residential area and diversified over time along the Main Road to include non-residential types of land uses.
- The [Sea Point City Improvement District](#) was established in 2002.
- The area is mostly known for its entertainment offered with various eateries and smaller shops/malls located along Main Road.

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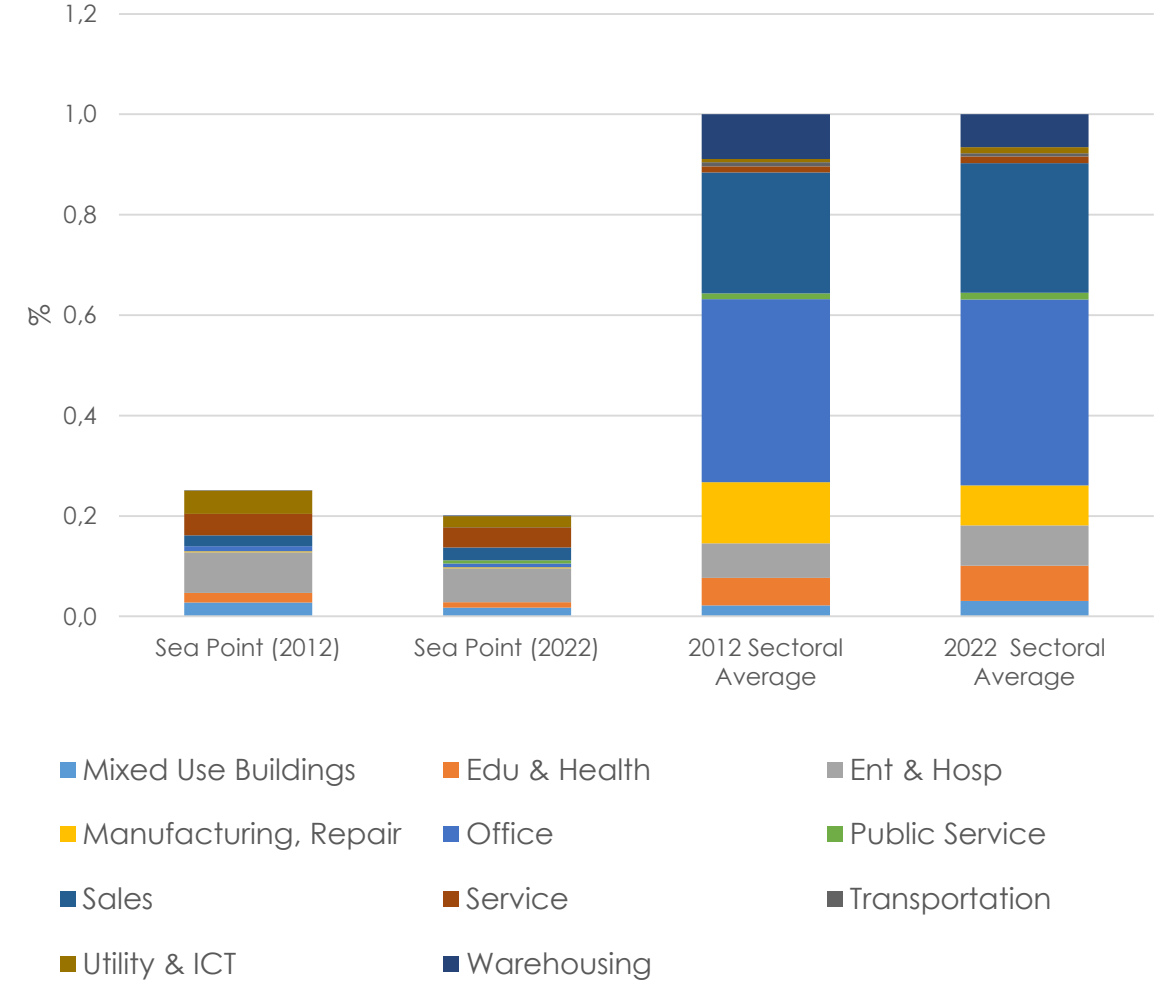
Performance & Potential

LAND USE ACTIVITIES

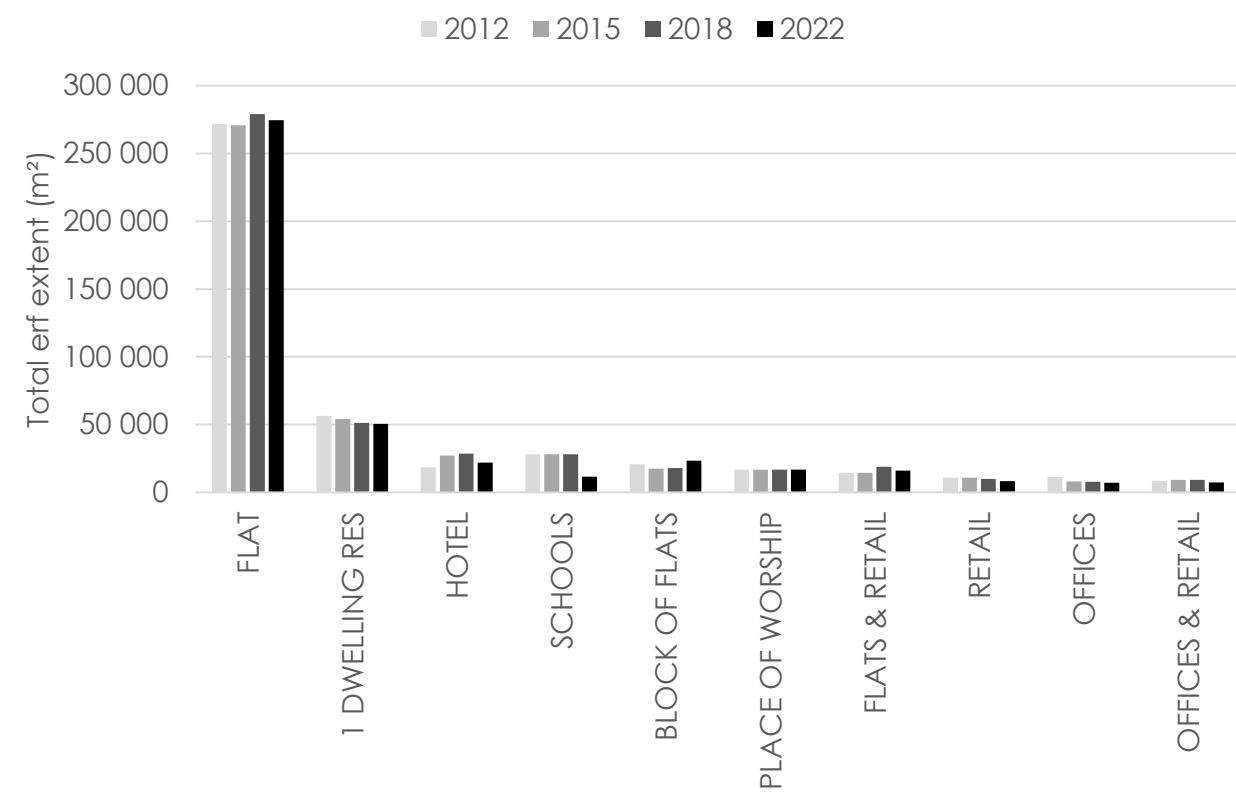
A recent analysis involved the conversion of land use codes contained in the General Valuation Roll (GV Roll) into Standard Industrial Classification (SIC) codes to determine the propensity of industries operating in areas of similar character. However, for the commercial nodes, the benchmarking and nodal typology have been drawn from the land use codes.

- Between 2012 and 2022, Sea Point was mainly characterised by a greater propensity for entertainment & hospitality, public services and utility & ICT, as reflected in the **Nodal Typology**. The nodal typology highlights industries with the most floor area (m²) operating within an economic area.
- The **Metroscale Benchmarking** positions Sea Point to being a contributor of entertainment & hospitality and public services, which performs higher than that of the sectoral average when compared to other commercial areas across Cape Town.
- Additionally, the GV Roll reflects land use data by showing the **dominant land use** over time based on the cumulative extent (m²) of floor area for flats and hotels, retail, and public services (schools, place of worship).

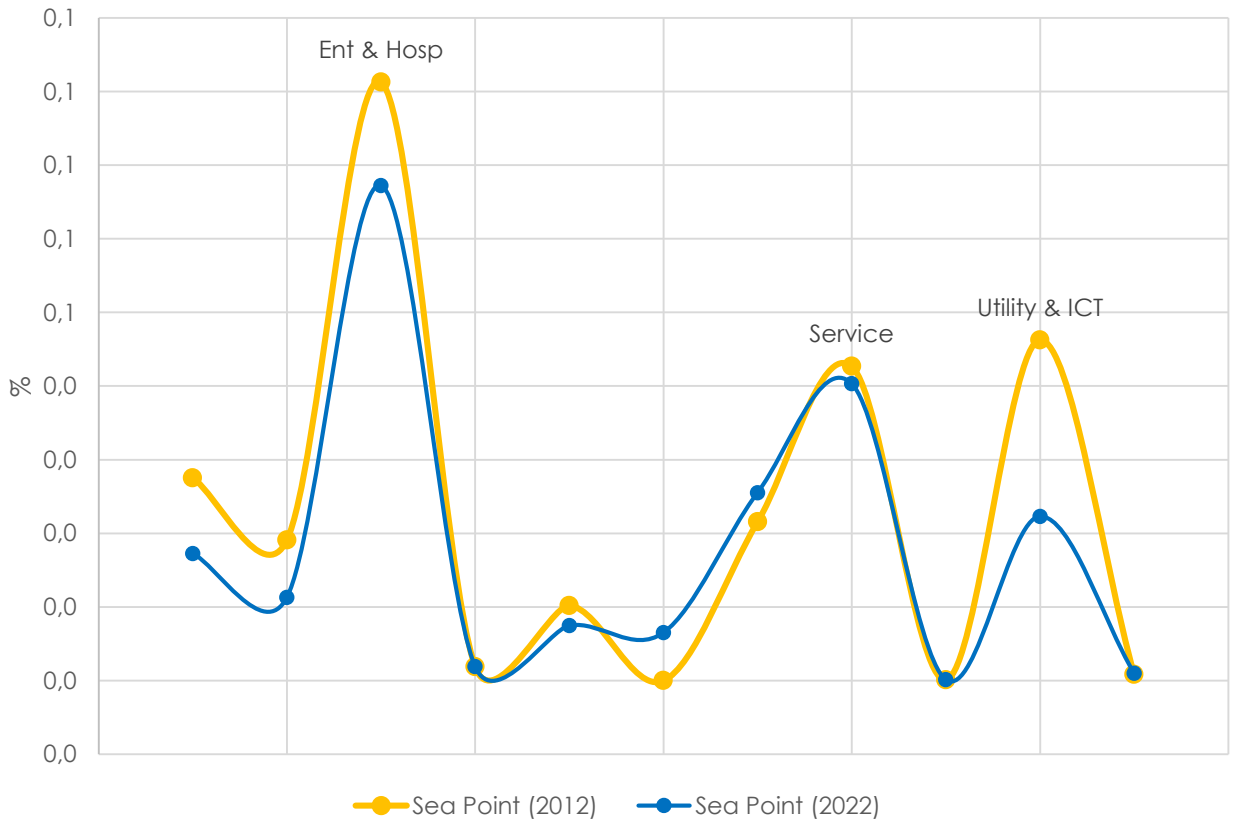
METROSCALE BENCHMARK



TOP 10 MOST DOMINANT LAND USES BETWEEN 2012 AND 2022



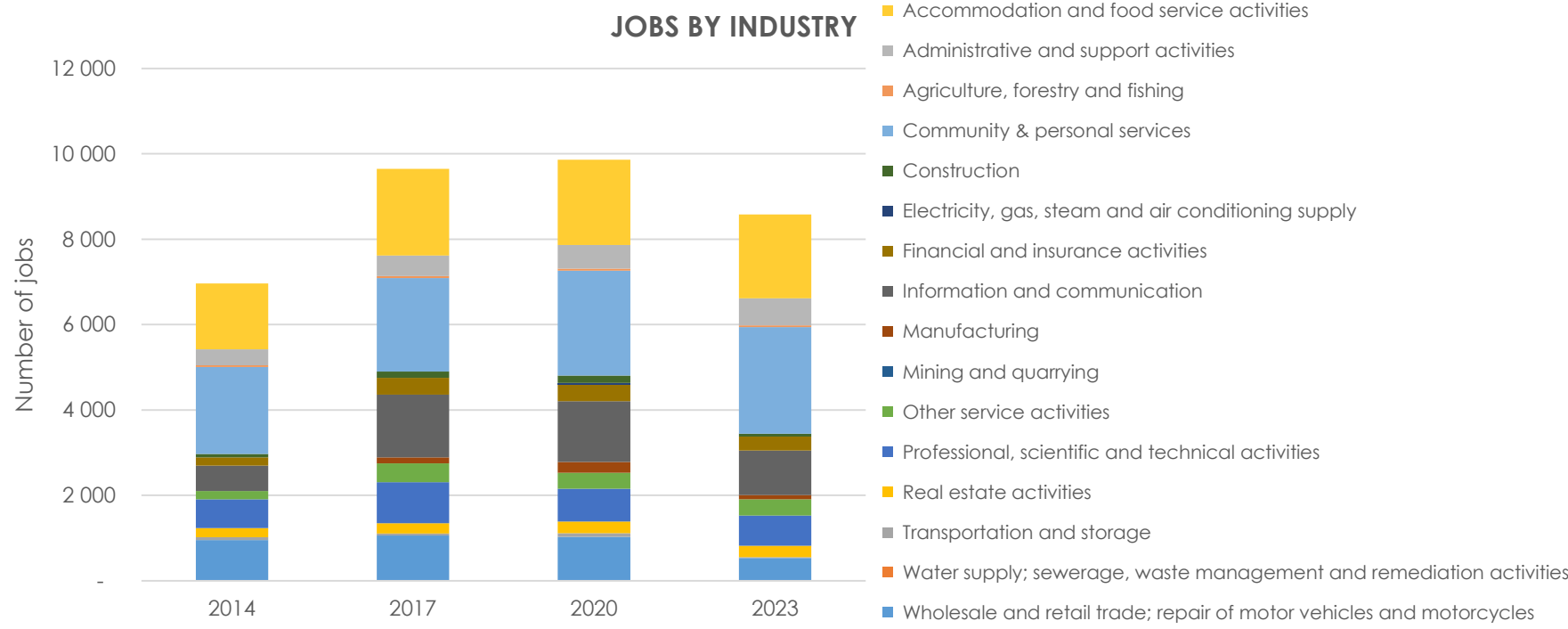
NODAL TYPOLOGY FOR 2012 AND 2022 (Entertainment)



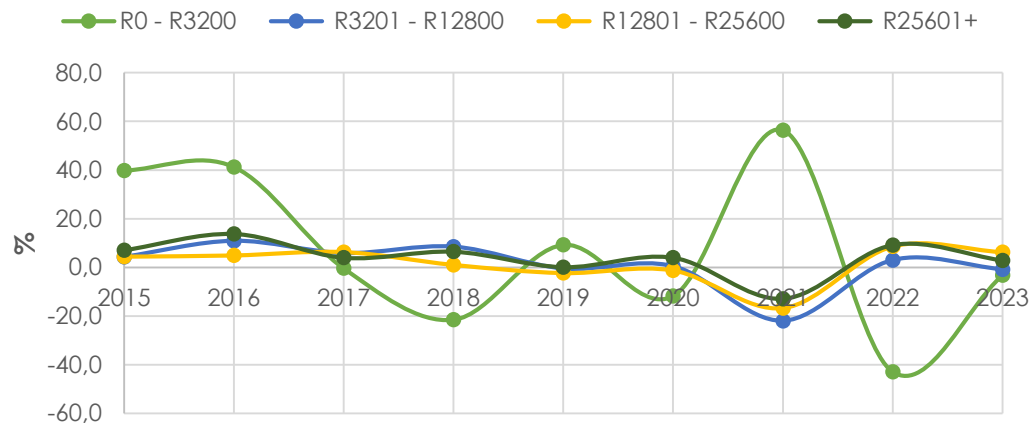
Source: 2012 – 2022 land use codes (May 2024 analysis)

EMPLOYMENT OVERVIEW & FIRM TYPOLOGIES

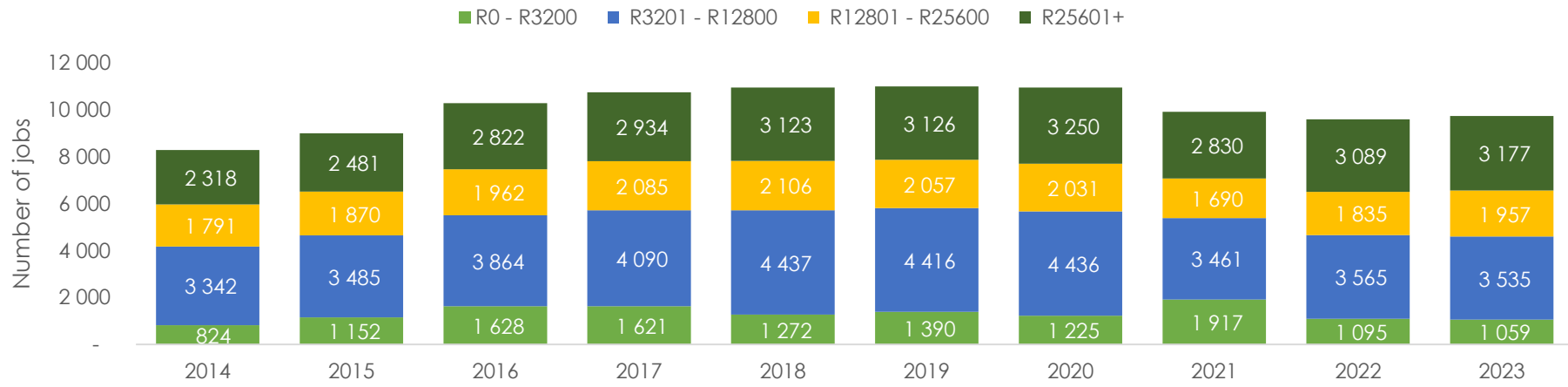
JOBS BY INDUSTRY



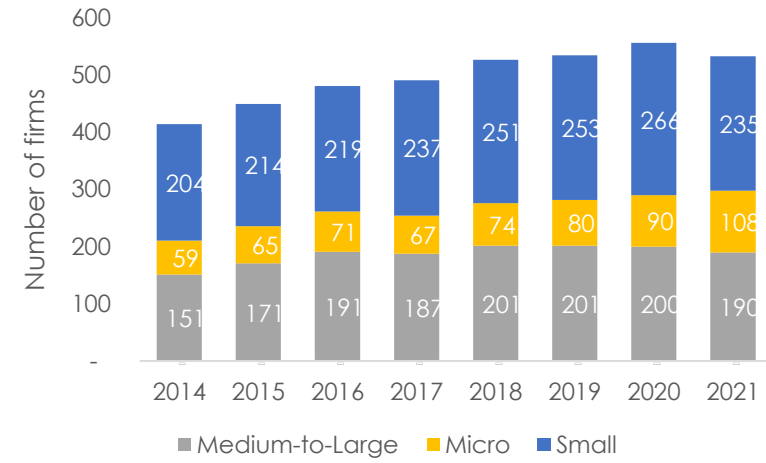
YEAR ON YEAR % CHANGE OF FULL TIME EMPLOYMENT WITHIN EACH WAGE BAND



FULL TIME EMPLOYMENT BY WAGEBAND



NUMBER OF FIRM TYPOLOGIES



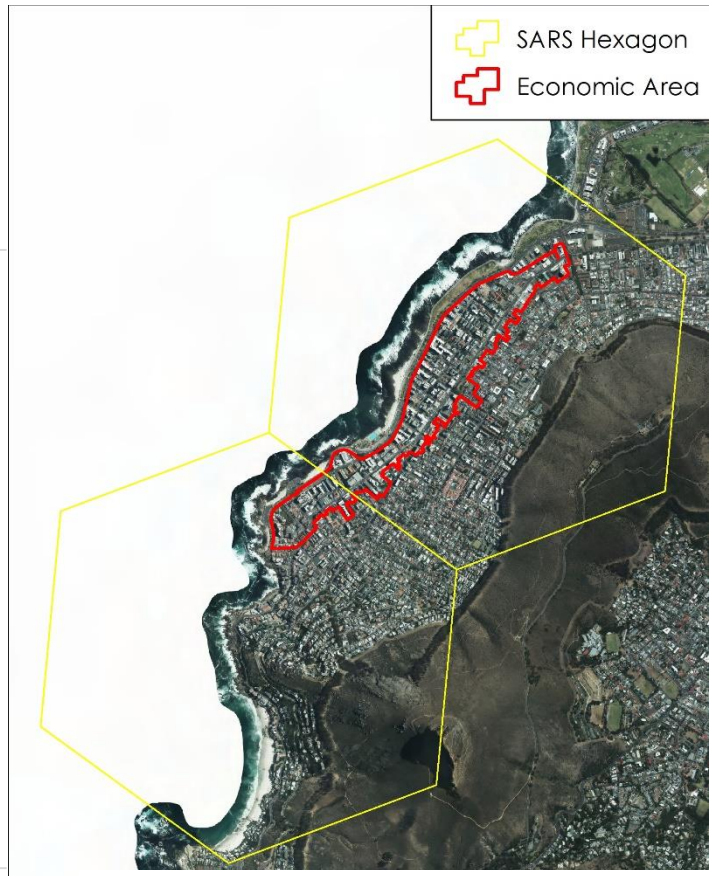
Jobs/Firms

The number of job opportunities in the Sea Point area gradually increased from 7,000 to 9,500 between 2014 and 2020. Jobs in the area have decreased to 8,500 in 2023. Over time, most jobs have been concentrated in the community & personal services, accommodation & food services and in information & communication.

The total number of firms in the area increased from 400 to 500 between 2014 and 2021. While small firms make up the majority, there is also a significant presence of medium to large firms, including micro firms.

Income bands

The income bands provide insights into the skill levels of employees in the area. The data indicates that a larger proportion of employees earn up to R12,800, with a significant number of employees earning in the upper income brackets.



Spatial hexagons in which SARS data has been captured and overlaid with Sea Point economic area.

Source: SARS data extract for period between 2014 and 2023. Firm size data only available between 2014 and 2021.

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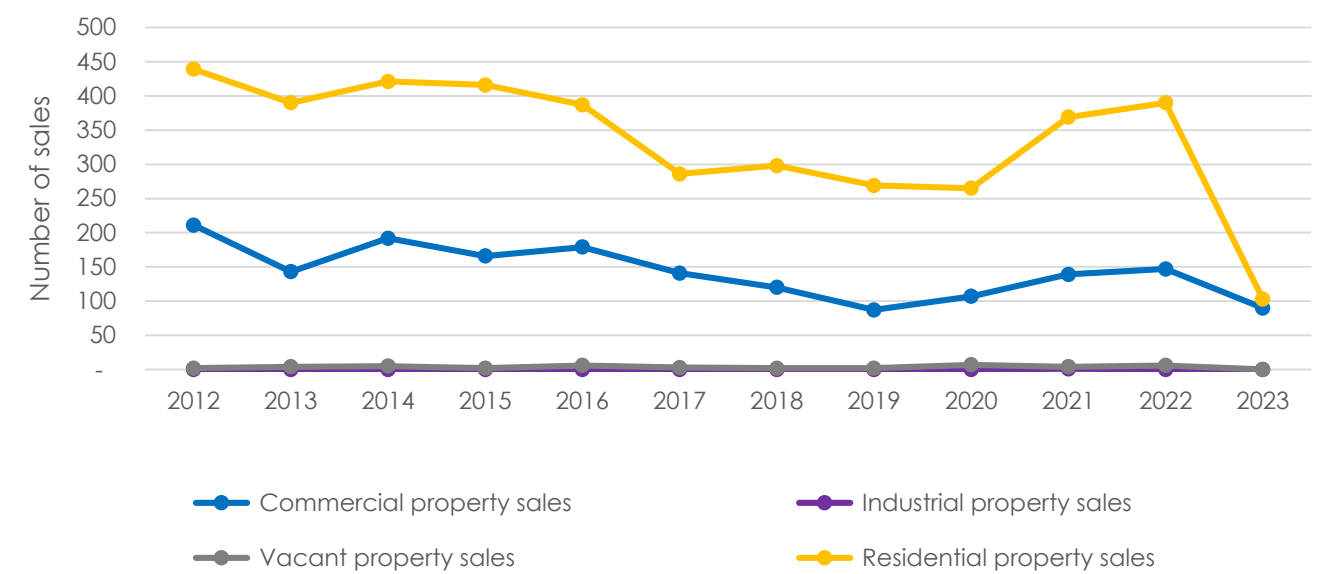
Agglomeration of industries

Market performance

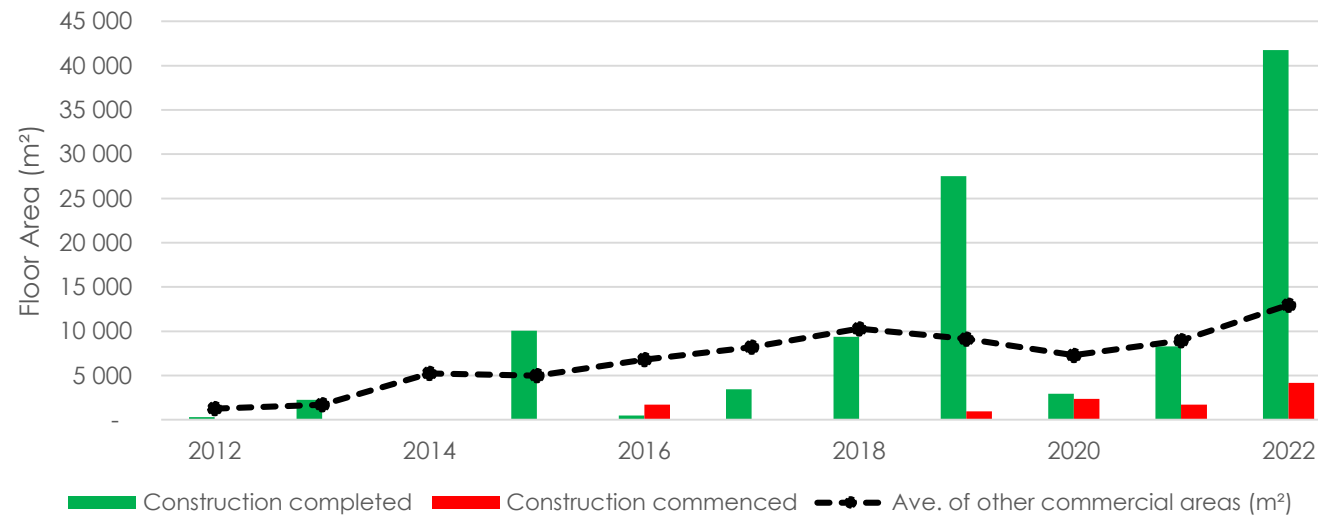
Performance & Potential

DEVELOPMENT PIPELINE

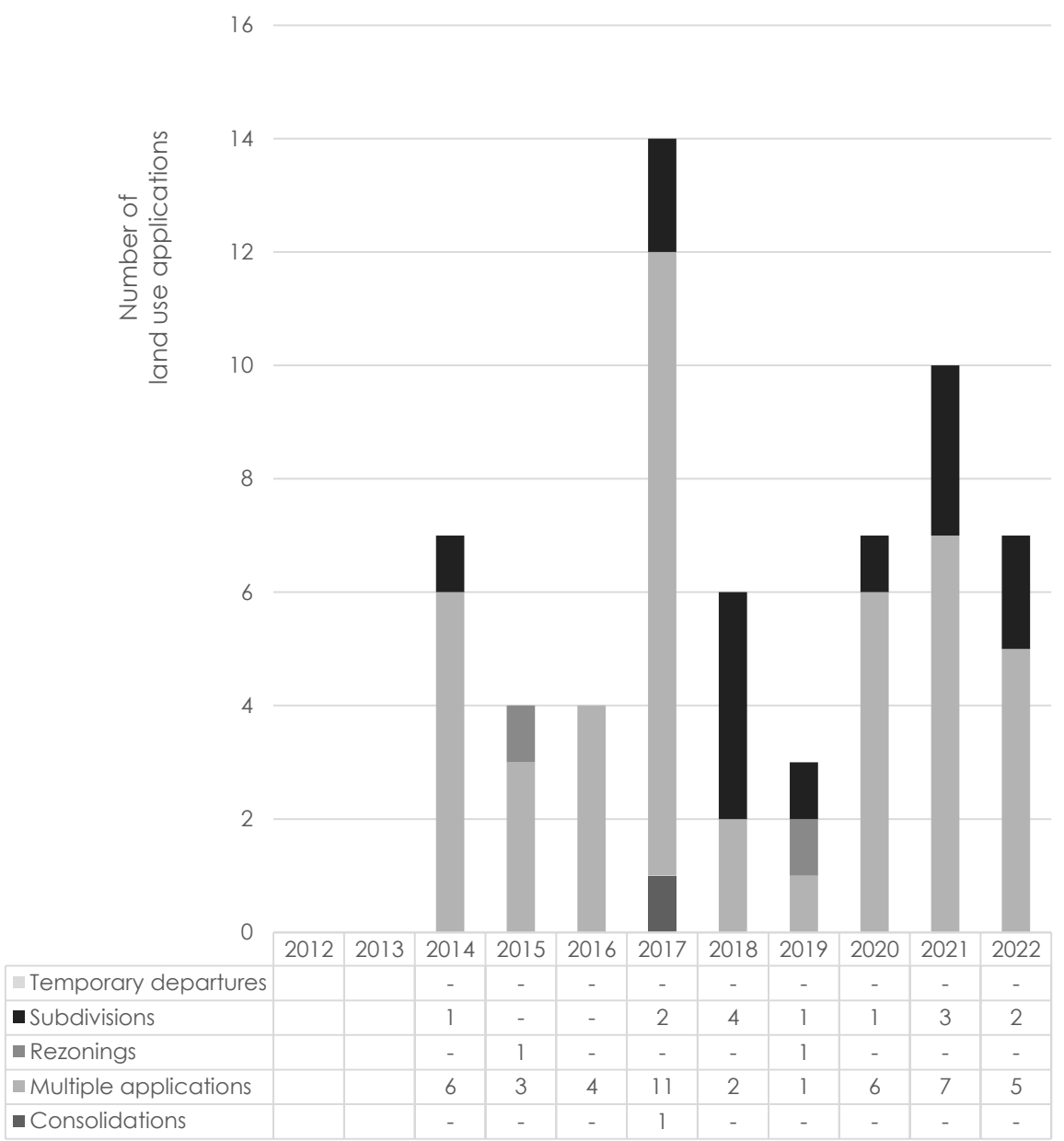
PROPERTY SALES BY SECTOR



BUILDING WORK COMPLETED/UNDER CONSTRUCTION RELATIVE TO AVERAGE OF AREAS WITH SIMILAR CHARACTER



APPROVED LAND USE APPLICATIONS



Property Sales
Between 2012 and 2022, residential property sales were the highest compared to other sectors. Commercial property sales were also high, but not close to the amount of residential sales. Both sectors fluctuated over the past 10 years and started to taper down in 2023.

Land Use Applications
Most approvals during this period were highest for multiple applications, indicating diverse land use requirements to be in place for the area. Multiple applications may include a combination of the types seen in the graph. While approvals were reasonably steady, a significant spike was observed in 2017 and 2021.

Building Plans
In light of property sales and land use approvals, building work activity varied over the past decade, with spikes above the metro's annual average in 2015, 2019 and 2022 when compared to other commercial areas.

Source: City's DAMS (building plans and land use applications extract), General Valuation Roll.

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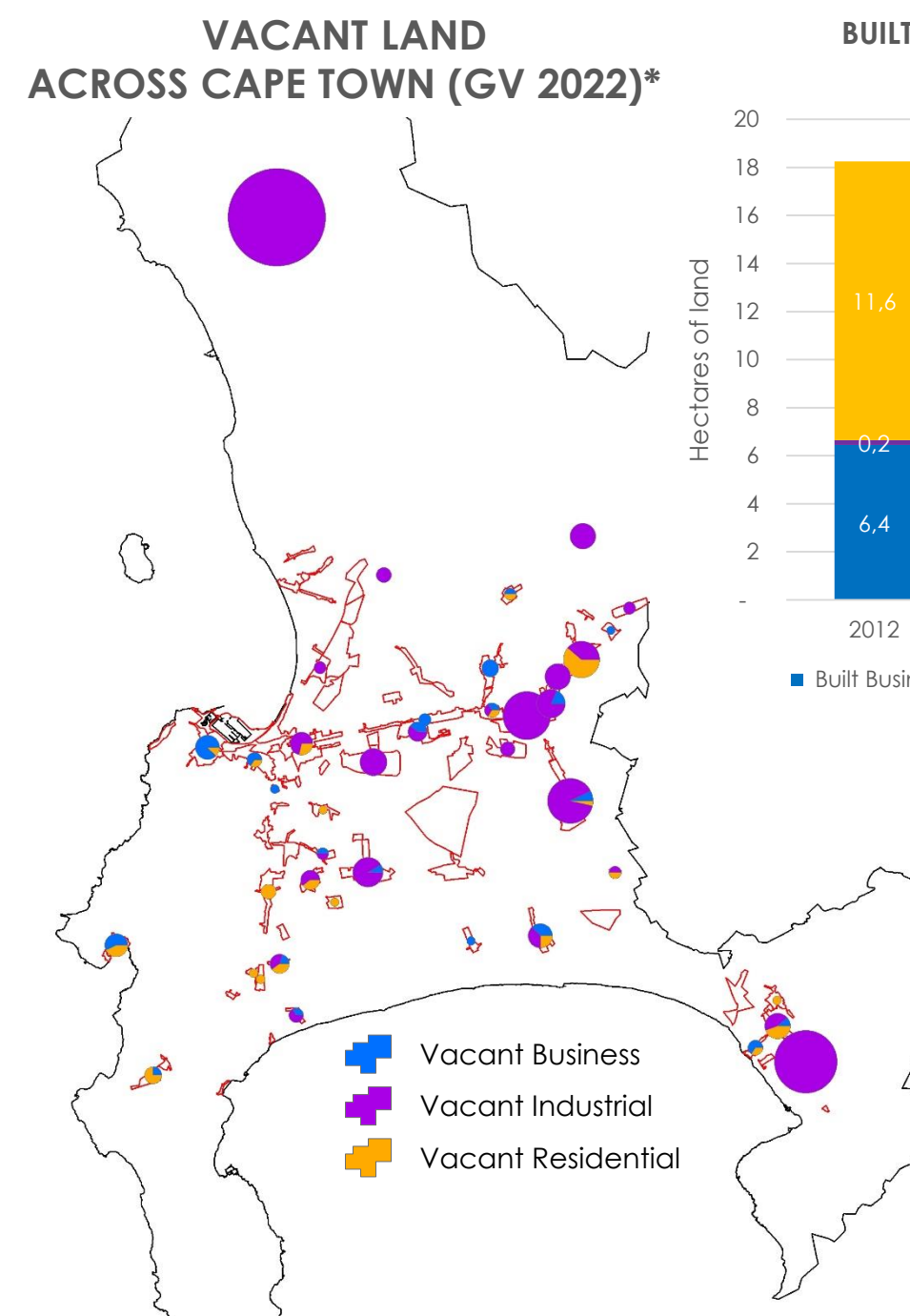
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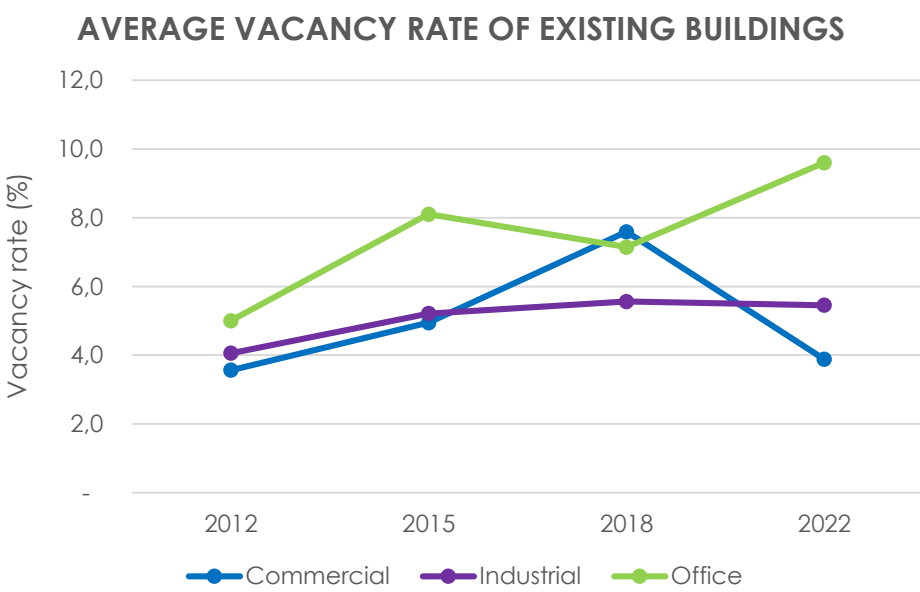
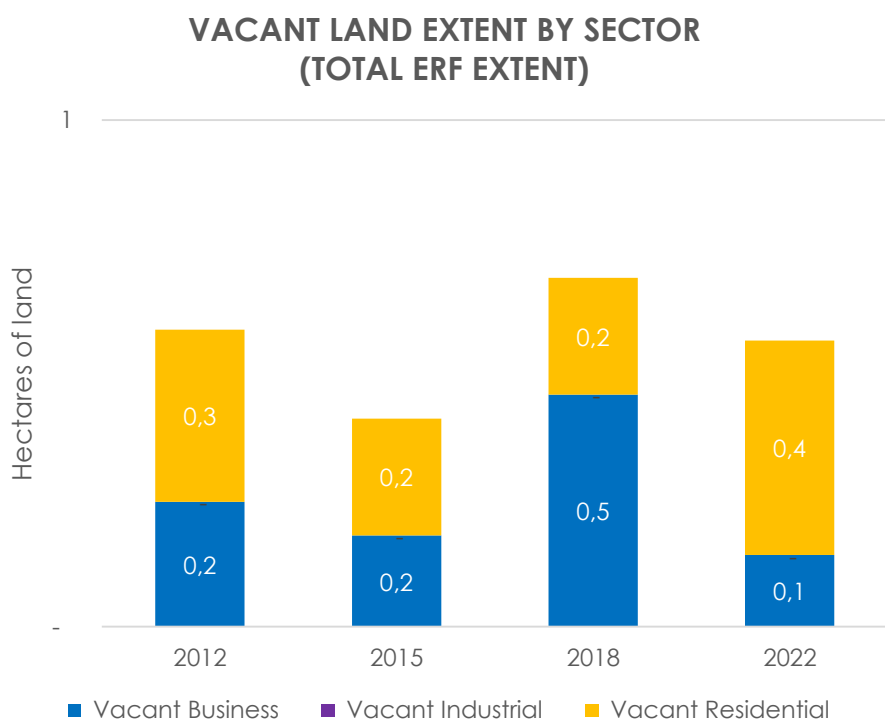
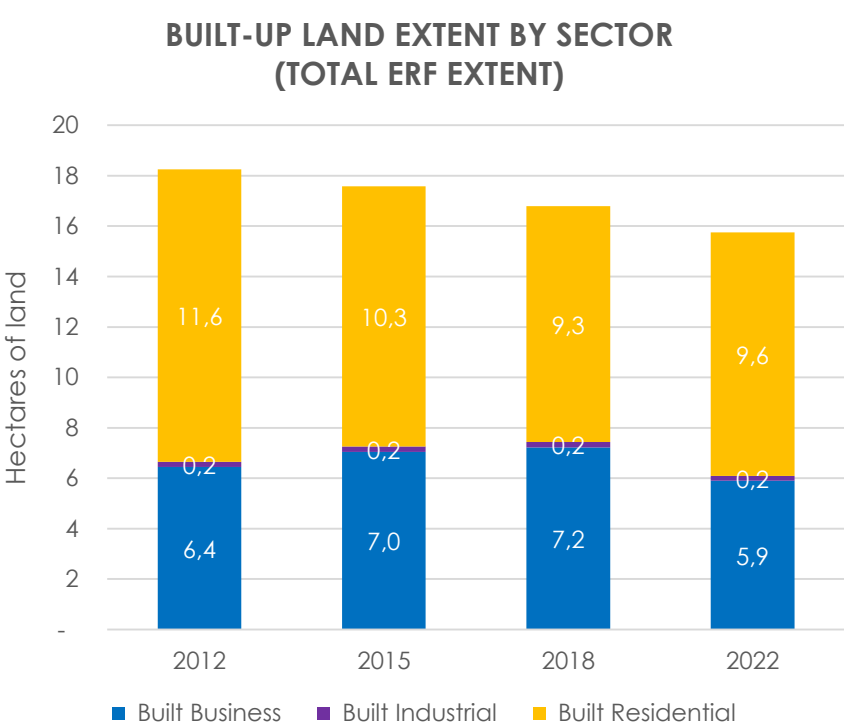
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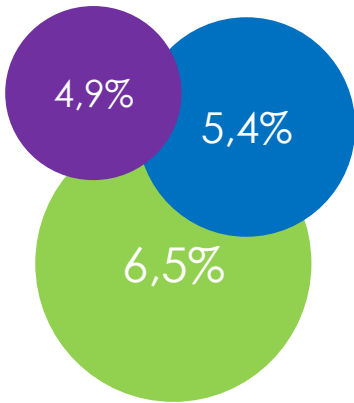


Number of land parcels that are vacant by size			
Erf Size	Commercial	Industrial	Residential
1) 1-250m²			
2) 251-500m²	1		1
3) 501-1000m²	1		2
4) 1001-2500m²			1
5) 2501-5000m²			
6) 5001-10000m²			
7) >10000m²			

Source: City's General Valuation Roll and Market Reports



METRO AVERAGE: VACANCY RATES PER SECTOR FOR 2022*



Vacant Land
The map illustrates the latest General Valuation Roll (2022) by showcasing vacant land across the metropolitan area. It complements the 2022 bar graph depicting available vacant land. The region has decreased in terms of built-up land, with very little vacant land available as of 2022, indicating a well-developed commercial area. Additionally, the remaining vacant land is categorised based on the number and size of the land parcels, as reflected in the accompanying table.

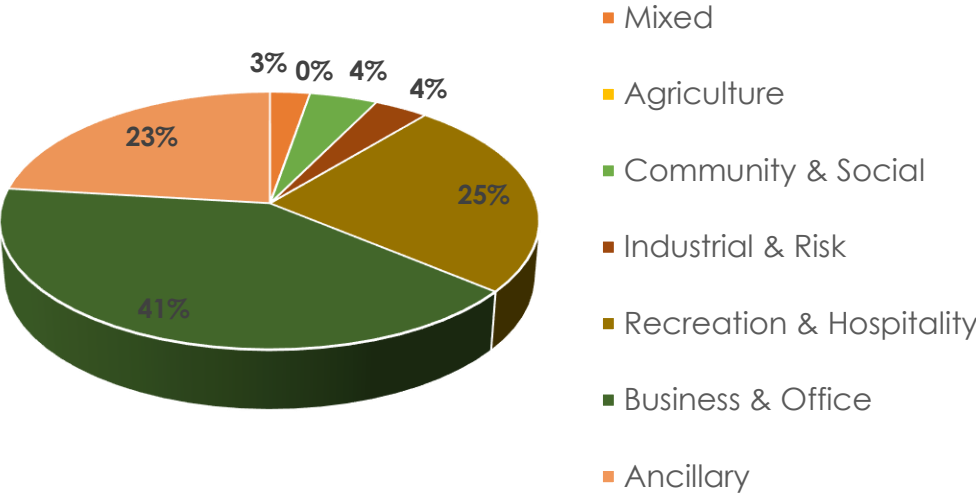
Vacancy Rates
Alongside vacant land, the vacancy rates for existing buildings in the commercial sector have remained constant for 2012 and 2022 at about 3,9%. The office sector increased from 5% in 2012 to 9.7% in 2022, while the industrial sector has also increased from 4,1% in 2012 to 5.5% in 2022.

*A metro view that provides further context relative to this economic area.

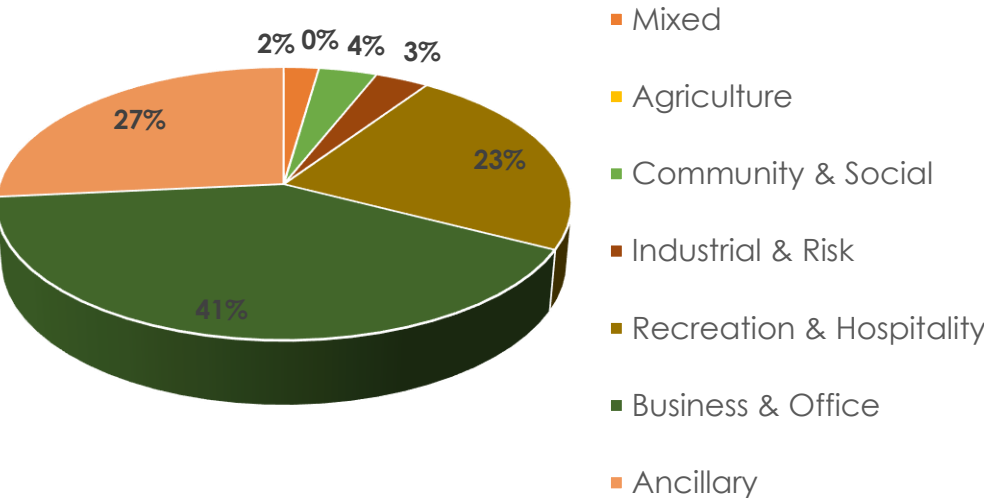
AGGLOMERATION OF INDUSTRIES

SECTORAL AGGLOMERATION AND CO-AGGLOMERATION RELATIONSHIPS

% OF LAND USE GROUPS (2012)



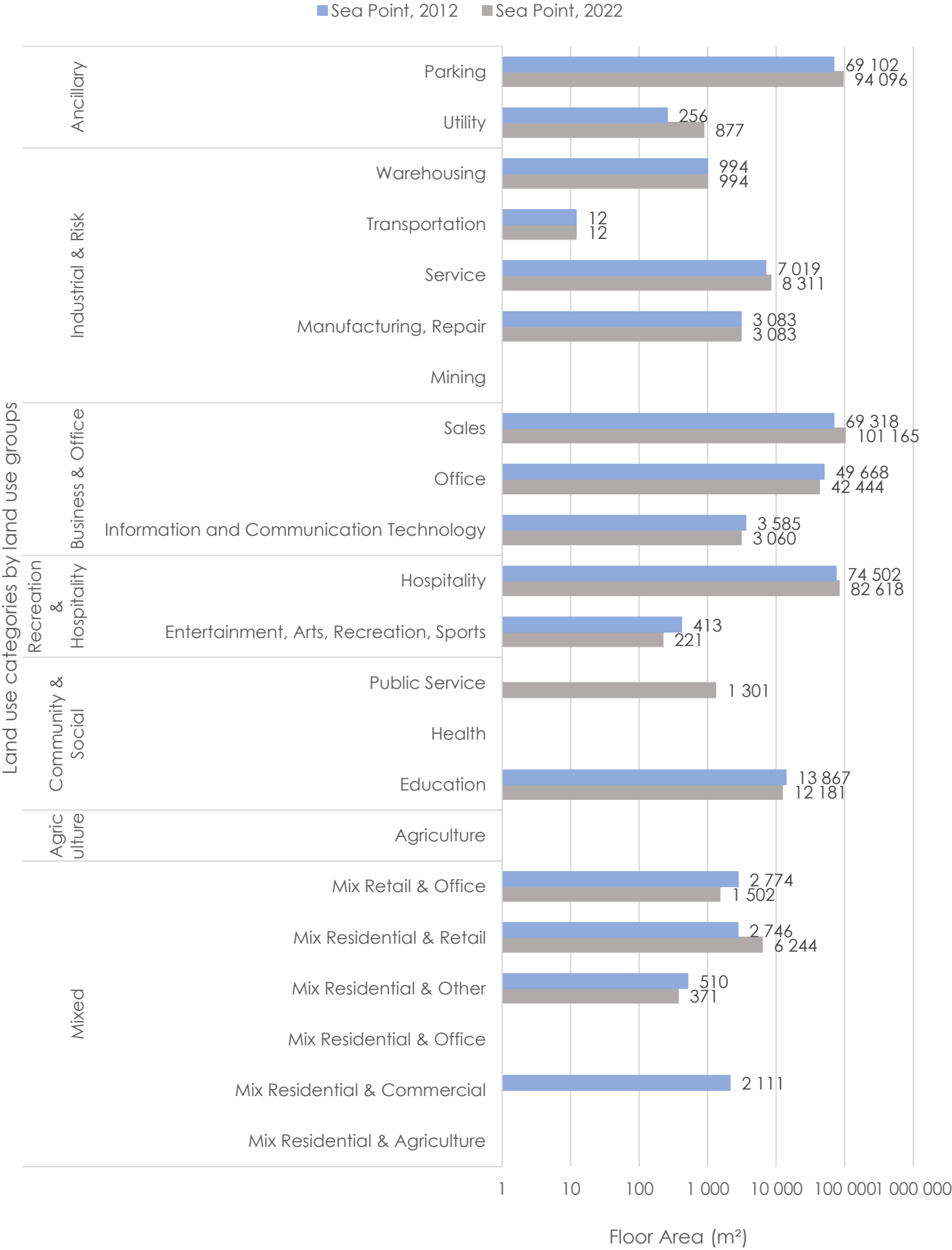
% OF LAND USE GROUPS (2022)



The pie charts illustrate the percentage distribution of land use groups in Sea Point, based on the cumulative floor area (m²) across various land uses. As shown in the charts, the Business & Office group has remained predominant in both 2012 and 2022 at 41%. However, a significant amount of Recreation & Hospitality is also present, reflecting 23% as of 2022.

Additionally, the bar graph provides a comparative view of the co-agglomeration of land use categories between 2012 and 2022 within each land use group. The data indicates that hospitality, sales and office space maintained significant dominance. There is also a presence of other land uses operating in the area that can be seen to support the most prevalent land uses in the area.

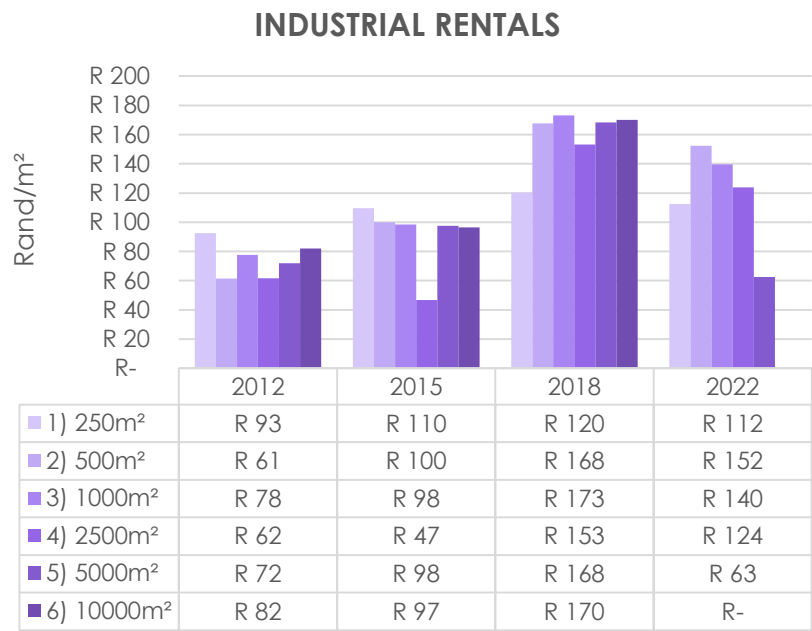
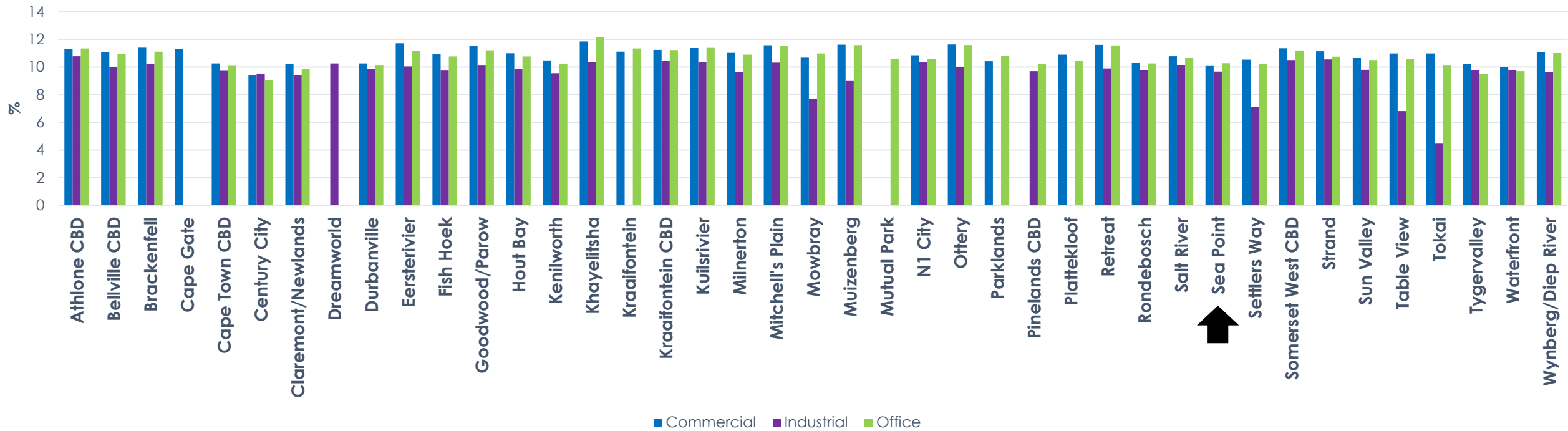
FLOOR AREA PER LAND USE CATEGORY FOR 2012 AND 2022



Source: Analysis of GV data (May 2024)

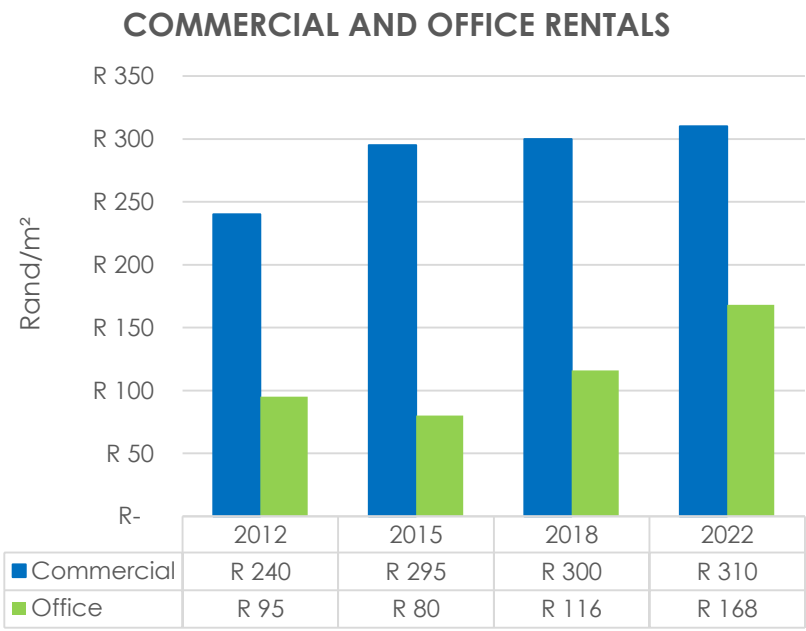
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AVERAGE CAPITALISATION RATE OF SEAPOINT IN RELATION TO OTHER COMMERCIAL AREAS FOR THE PERIOD BETWEEN 2012 AND 2022



Rental Rates
Rental rates across all industrial space gradually increased from 2012 to 2018, but decreased in 2022 for the larger industrial property sizes.

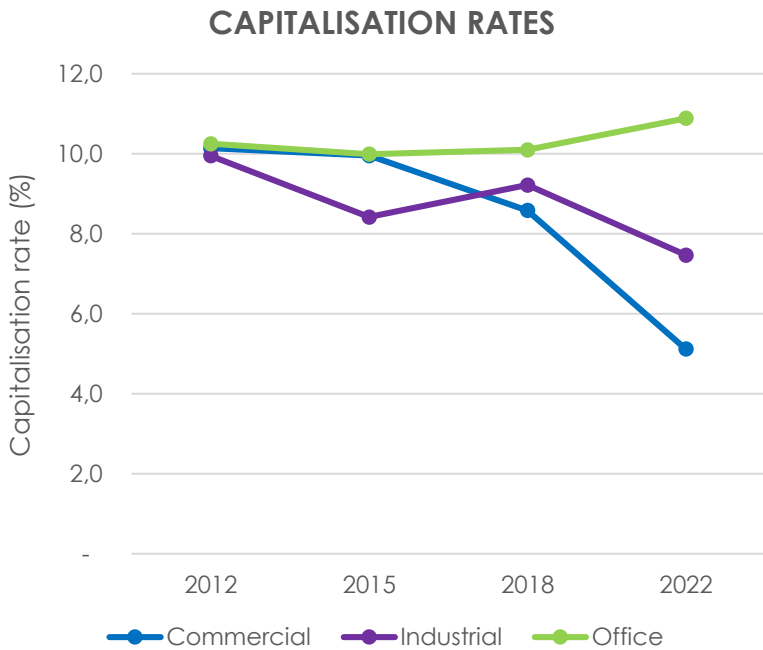
Commercial rental rates increased between 2012 and 2022. Office rentals remained consistent between 2012 and 2018, but increased slightly in 2022.



Comparative view on capitalisation rates
The average capitalisation rates from 2012 to 2022 for the commercial, industrial and office sectors were 10,07%, 9,67%, and 10,27%, respectively and further indicate its competitiveness relative to other commercial areas.

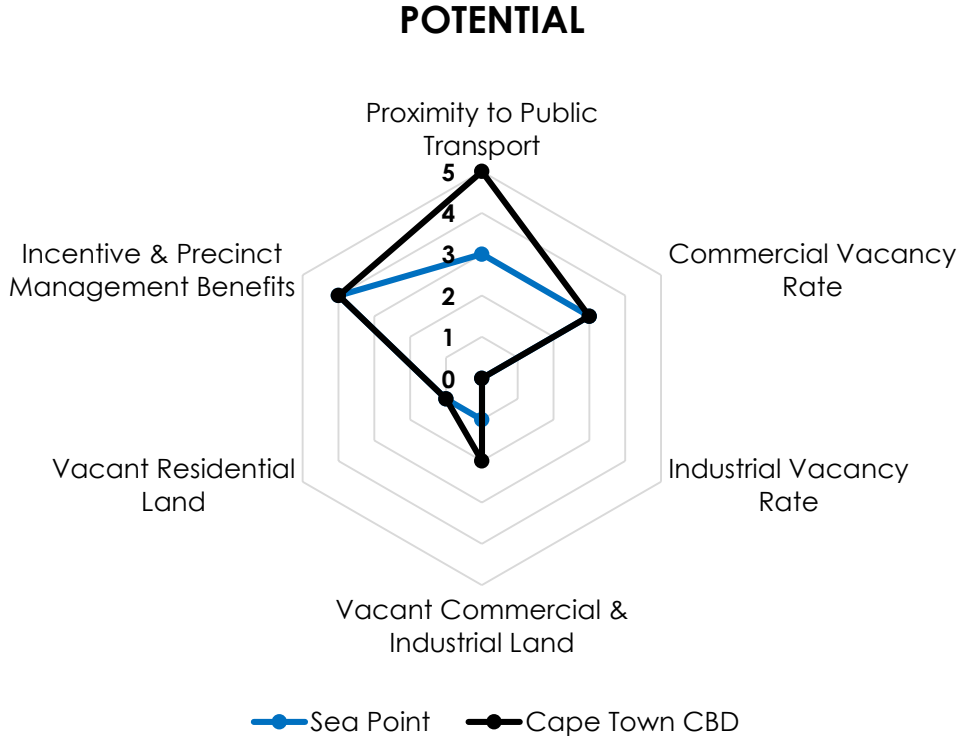
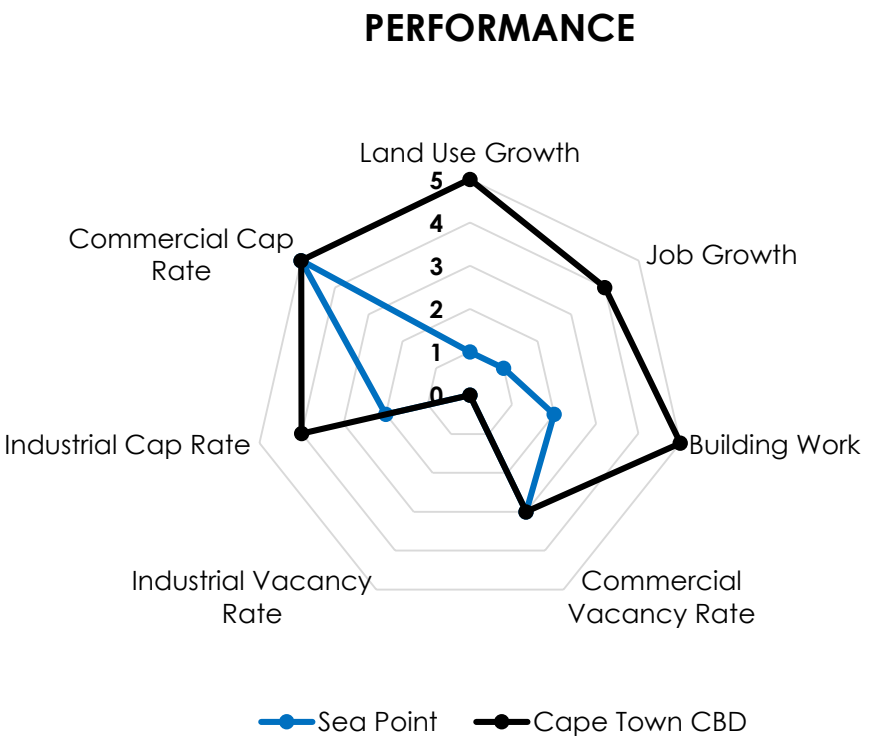
Year-over-year, capitalisation rates for the commercial sector decreased from 10,3% in 2012 to 5,1% in 2022. The industrial sector also decreased from 10,2% in 2012 to 7,5% in 2022, while the office sector increased slightly from 10,3% in 2012 to 10,9% in 2022.

- Higher cap rates = higher investment risk.
- Lower cap rates = lower investment risk.



PERFORMANCE & POTENTIAL

The scores provided below summarise the detailed information presented throughout this profile. The method used to calculate Performance and Potential is based on several measurable individual indicators. The **scoring system ranges from 0 to 5, where 0 indicates low performance or potential and 5 indicates high performance or potential**. This profile compares either to Cape Town CBD (Commercial) or Montague Gardens (Industrial), depending on the classification of the economic area, as these two areas have attracted the most new floor area between 2012 and 2022 within their respective classifications.



Indicator		Description
Performance	Land Use Growth	Measures the growth of new floor area (m²) from 2012 to 2022 within an economic area, compared to other economic areas of similar classification. More growth indicates better performance. Source: General Valuation Roll.
	Job Growth	Measures the percentage change in jobs within an economic area from 2014 to 2023, comparing this data against other economic areas of similar classification. A higher job prevalence indicates better performance. Source: SARS as of May 2024.
	Building Work	Measures building work activity (new and improved m²) within an economic area from 2012 to 2022, compared to other economic areas of similar classification. Increased building work activity indicates better performance. Source: City's DAMS.
	Vacancy Rate	Measures the average vacancy rates for the commercial and industrial sectors as of 2022, compared to other economic areas of similar classification. Lower vacancy rates indicate better performance. Source: City's Market Reports.
	Capitalisation Rate	Measures the percentage change in capitalisation rates for the commercial and industrial sectors during the years 2012, 2015, 2018, and 2022, comparing them to other economic areas of similar classification. A lower average percentage change between these periods indicates greater maturity and consequently, higher performance. Source: City's Market Reports.
Potential	Proximity to Public Transport	Assess the accessibility of various public transport modes near an economic area. Greater access to multiple transport modes indicates higher potential. Source: City's UPD, spatial analysis.
	Vacant Land	Assess the availability of vacant land in the commercial, industrial and residential sectors. A higher amount of vacant land across these three sectors as of 2022 indicates greater potential. Source: General Valuation Roll.
	Vacancy Rate	Measures the average vacancy rates for the commercial and industrial sectors as of 2022, compared to other economic areas of similar classification. Higher vacancy rates indicate greater potential. Source: City's Market Reports.
	Incentive & Precinct Management Benefits	Evaluate the spatial overlap, whether partial or complete, of incentive areas and established precinct management tools within each economic area. A greater degree of overlap suggests increased potential. Source: City's UPD, spatial analysis.

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