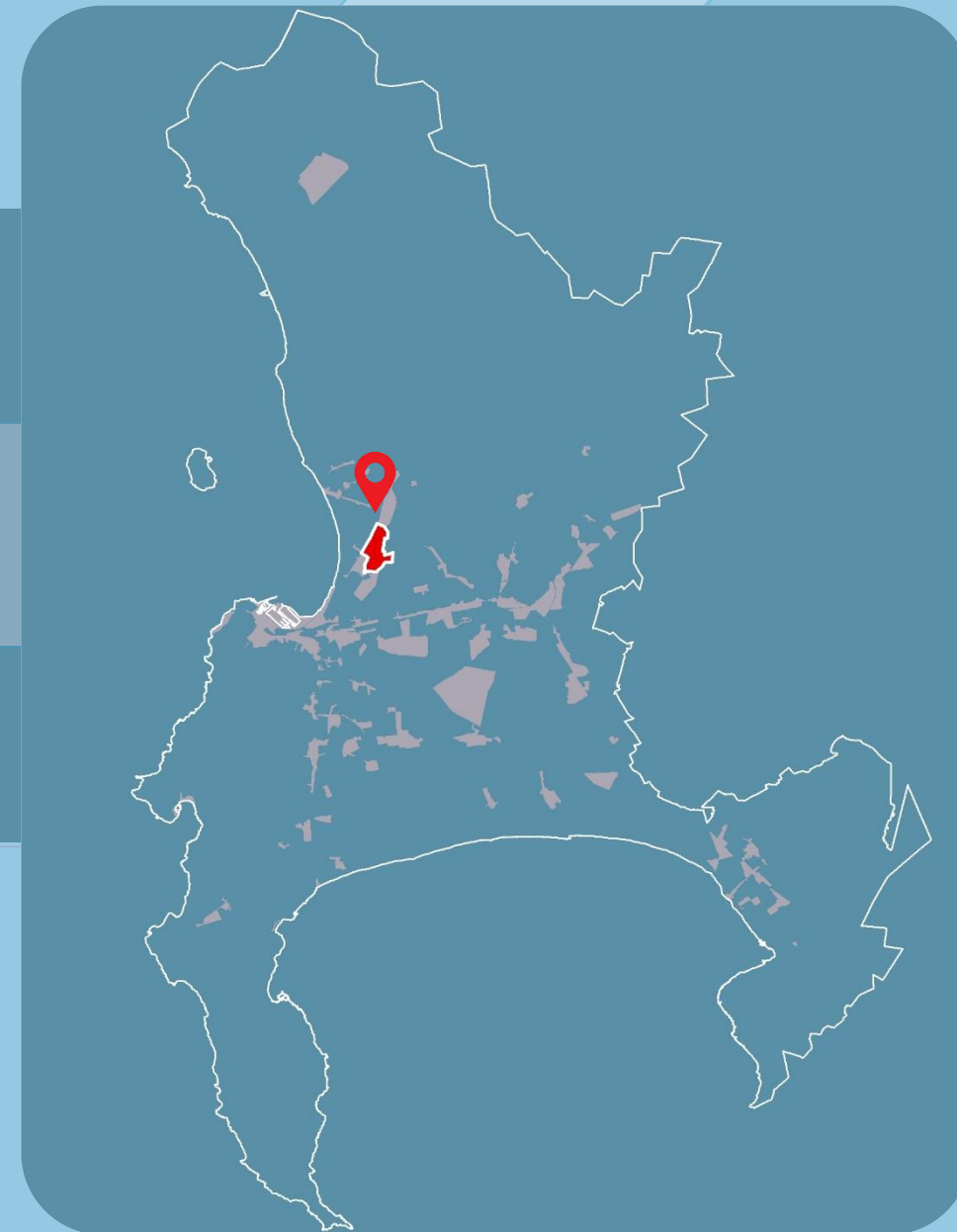


MONTAGUE GARDENS ECONOMIC AREA PROFILE

TREND ANALYSIS 2012-2022



Image source: City of Cape Town



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

June 2025

Making progress possible. Together.

ACKNOWLEDGEMENTS

SPATIAL PLANNING & ENVIRONMENT DIRECTORATE

Executive Director: Spatial Planning & Environment Directorate
Rob McGaffin

Director: Urban Planning & Design Department
Erika Naude

AUTHORS

Metropolitan Spatial Planning and Growth Management
Annelise de Bruin (Manager)
Ashleigh Manyara, Haleem Tambay, Lance Boyd & Obey Vhuma

SUPPORTED BY

Policy and Strategy: Economic Analysis
Paul Court, Kristoff Potgieter & Jodie Posen

Enterprise & Investment
Faith Kolala, Pauline Van der Spuy & Gerschwin Williams

District Planning and Mechanisms
Nigel Titus & team across the 8 Districts

DATA CUSTODIANS

Valuations, Development Management & Policy and Strategy

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.



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

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:



INTEGRATED DEVELOPMENT PLAN 2022-2027

- [Objective 1](#) (Increased jobs and investment in the Cape Town Economy): Targeted urban development programme
- [Objective 15](#) (A more spatially integrated and inclusive city): Spatial strategy monitoring and evaluation project

INCLUSIVE ECONOMIC GROWTH STRATEGY (2021)

- [Applying an economic lens to policy-making by integrating sustainable analysis into City Decision Making in alignment with the MSDF.](#)
- The primary and most immediate scope of work must centre around economic recovery. To this end, implementation of this Strategy will be in the form of a [three-phase recovery approach](#).

MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (MSDF, 2023) POLICY & STRATEGY IMPLEMENTATION

- Table 5.1: Spatial strategy 1: Substrategies and policy guidelines ([Policy 2, 4 and 5](#))
- Table A2: Spatial strategy 1: Policy guidelines, strategic and implementation intent ([Policy 4,2 and 4,3](#))

DISTRICT SPATIAL DEVELOPMENT FRAMEWORK (DSDF, 2023): SUB DISTRICT GUIDANCE

- Blaauwberg DSDF - Subdistrict 2: Montague Gardens and Koeberg Road Corridor:
 - District Development Guidelines ([page 64](#))
 - Subdistrict Development Guidelines ([page 98](#))
 - Consolidated subdistrict SDF ([Figure 18: subdistrict 2: Montague Gardens and Koeberg Road corridor](#))

Policy & regulatory context

Conceptual framework

Introduction

Land use activities, employment overview & firm typologies

Development pipeline

Urban land markets

Agglomeration of industries

Market performance

Performance & Potential

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

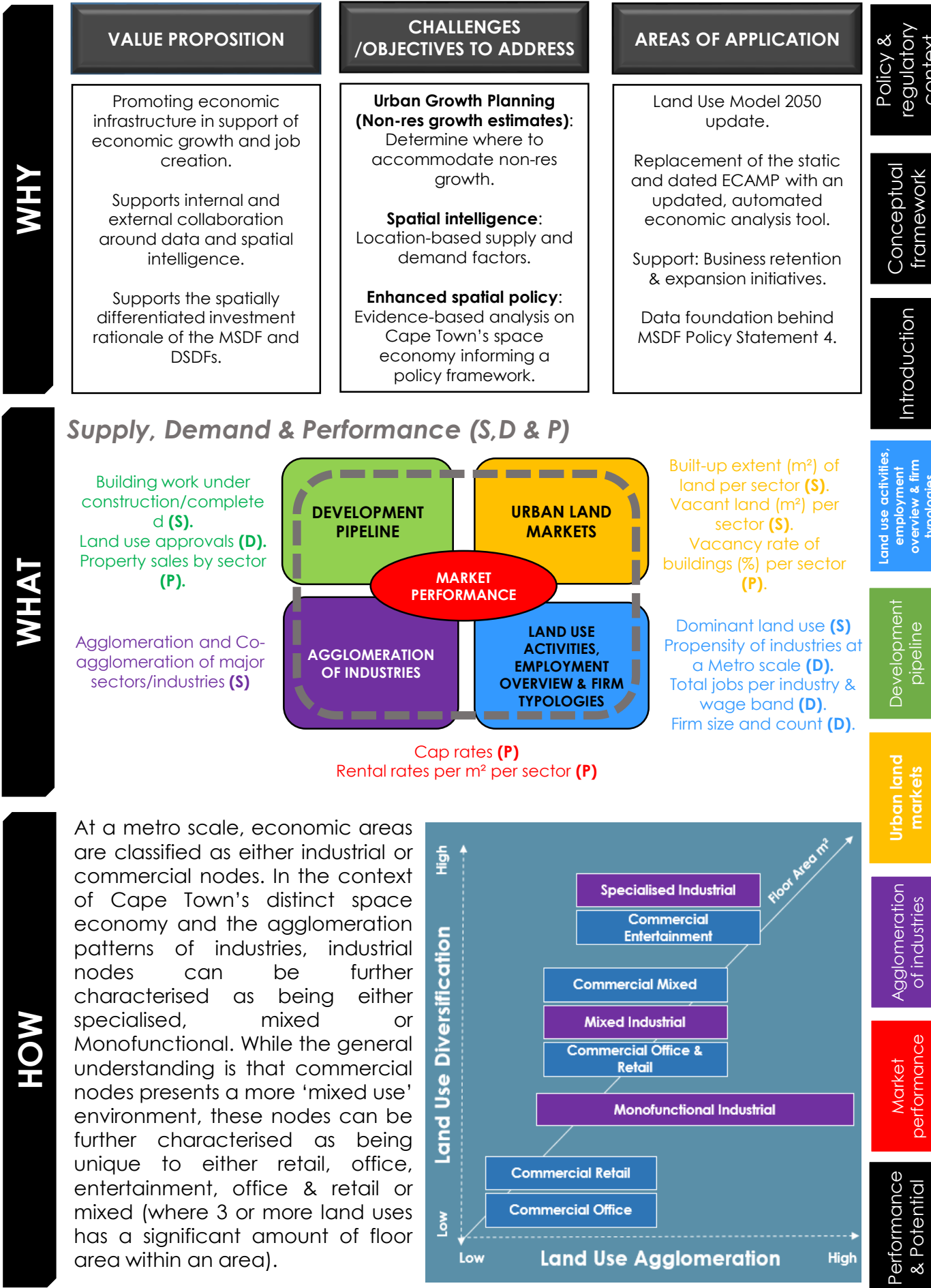
This profile examines a range of micro-economic indicators to highlight trends in supply and demand specific to the economic area. The indicators include:

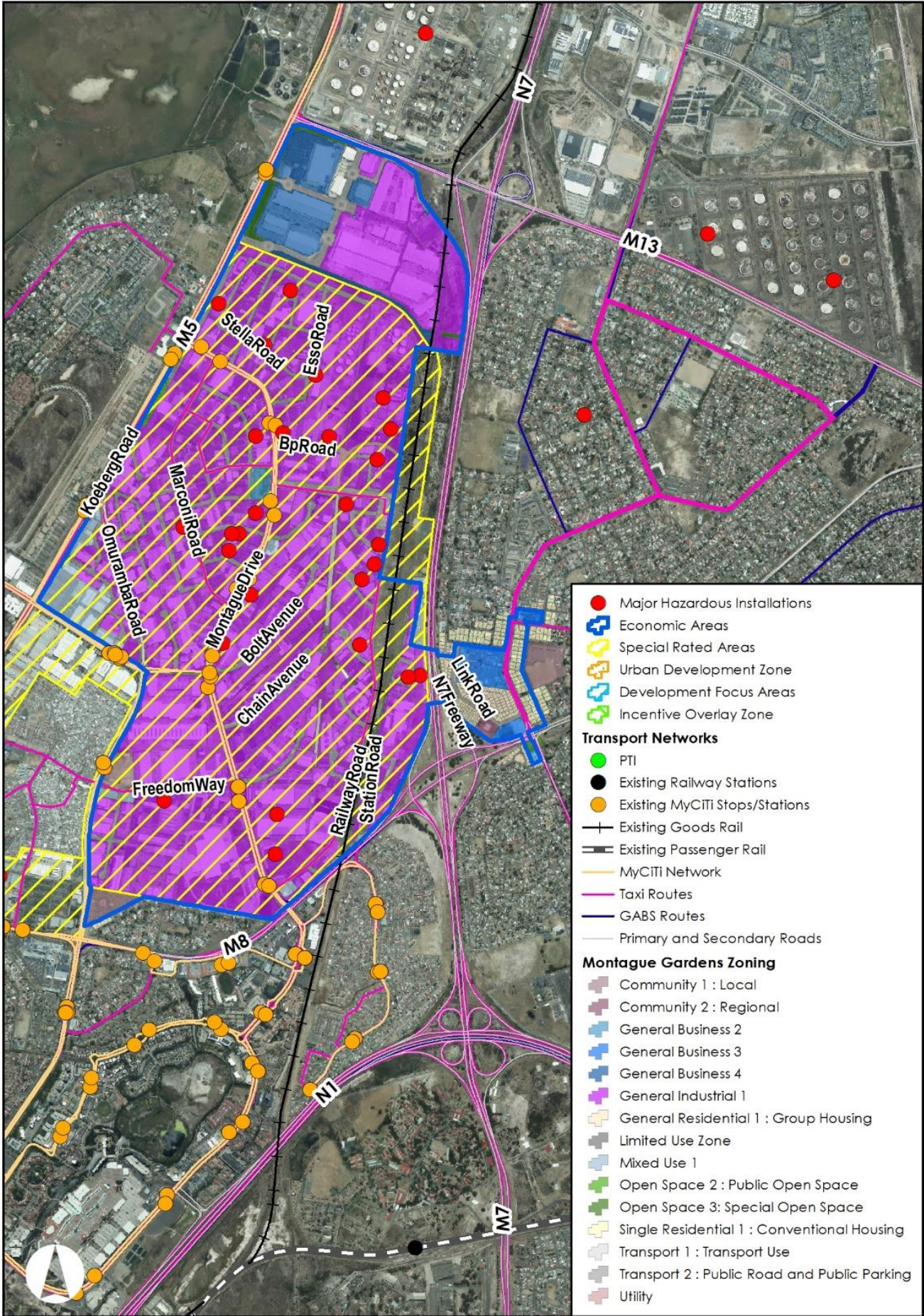
- Property sales per land use sector
- Building work completed
- Types of land use applications approved
- Vacant land per land use sector
- Built-up land and take up rate per land use sector
- Dominant land uses present in an area
- Building vacancy rate overtime
- Capitalisation rate over time
- Rental 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 \(MERO\)](#)





MONTAGUE GARDENS

Location

- The area is approximately 15km north of Cape Town's Central Business District and the Port of Cape Town. Furthermore, it is located 20km from Cape Town International Airport.
- It is conveniently situated close to major roadways, including the N1 and N7 highways, for easy overall transportation.
- The area is primarily serviced by GABS, MyCiti and taxis.
- Access to a skilled workforce from surrounding areas, includes the broader Bothasig, Sanddrift and Milnerton areas.

Zoning, land use and form

- The area is predominantly zoned for industrial purposes.
- The area is mainly characterised by light and heavy industrial uses, which include warehousing, storage, sales, manufacturing, repairs, office and retail.
- The average land parcel sizes in the area range between 2,000 – 4,500m², with a limited number of land parcels ranging between 5,000 – 20,000m².

Spatial planning mechanisms

- Most of the area is serviced by a Central Improvement District.

Key highlights of the area include:

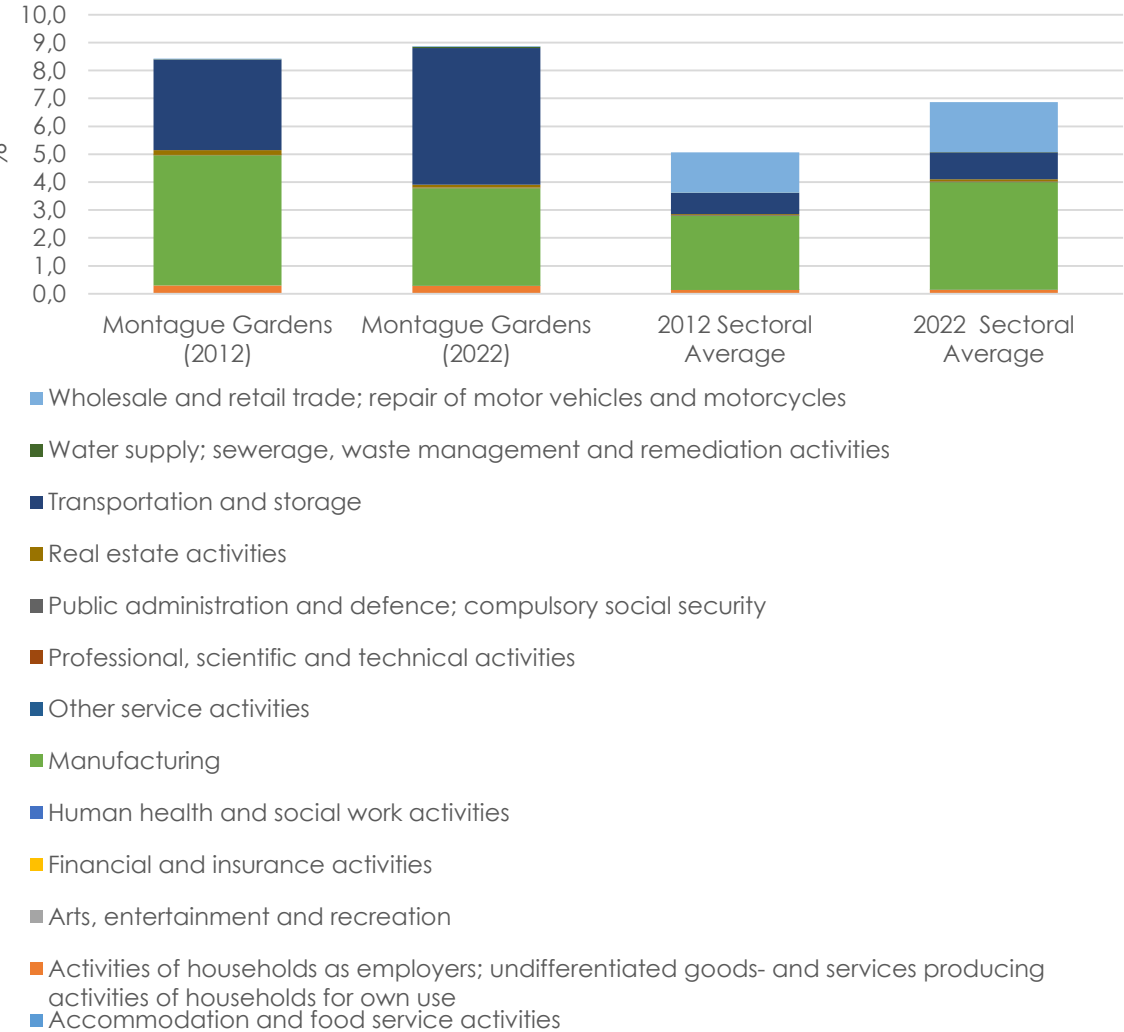
- The area began to establish itself in the 1980s and has developed into an attractive industrial economic area.
- Across all other industrial economic areas, Montague Gardens has experienced the most new floor area constructed between 2012 and 2022.
- [Montague Gardens & Marconi Beam Improvement District](#) was established in 2005.

LAND USE ACTIVITIES

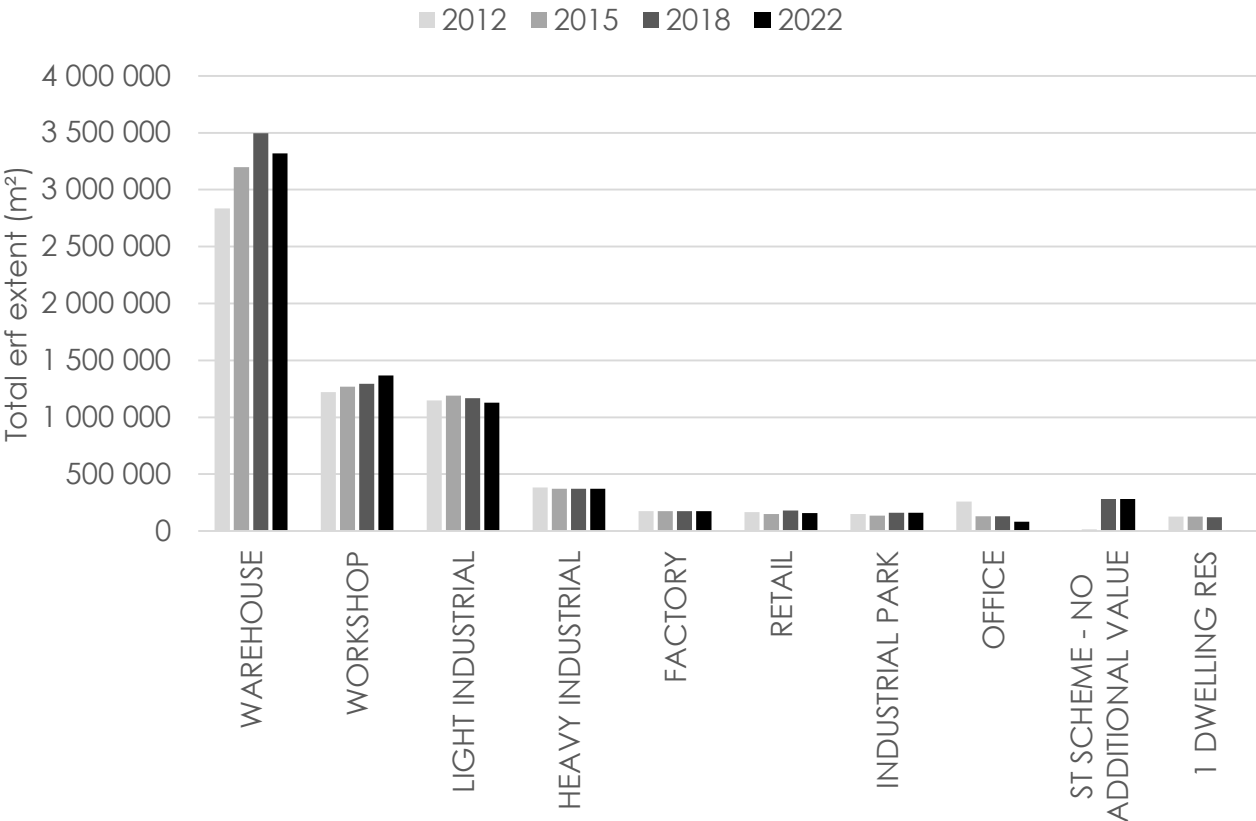
A recent analysis involved converting land use codes from the General Valuation Roll (GV Roll) into Standard Industrial Classification (SIC) codes. This was done to determine the prevalence of industries operating in areas with similar characteristics.

- Between 2012 and 2022, Montague Gardens was mainly characterised by a greater propensity for manufacturing and transport & storage, as reflected in the **Nodal Typology**. This typology highlights the industries with the largest floor area (m²) operating in a specific economic area.
- The **MetroScale Benchmarking** positions Montague Gardens as a contributor to manufacturing, transport & storage, which performs higher than the sectoral average when compared to other industrial areas across Cape Town.
- Additionally, the GV Roll supports the findings from the SIC data by showing the **dominant land use** over time. It details the cumulative floor area (m²) for warehousing, light industrial, workshops with limited amount of other competing land uses.

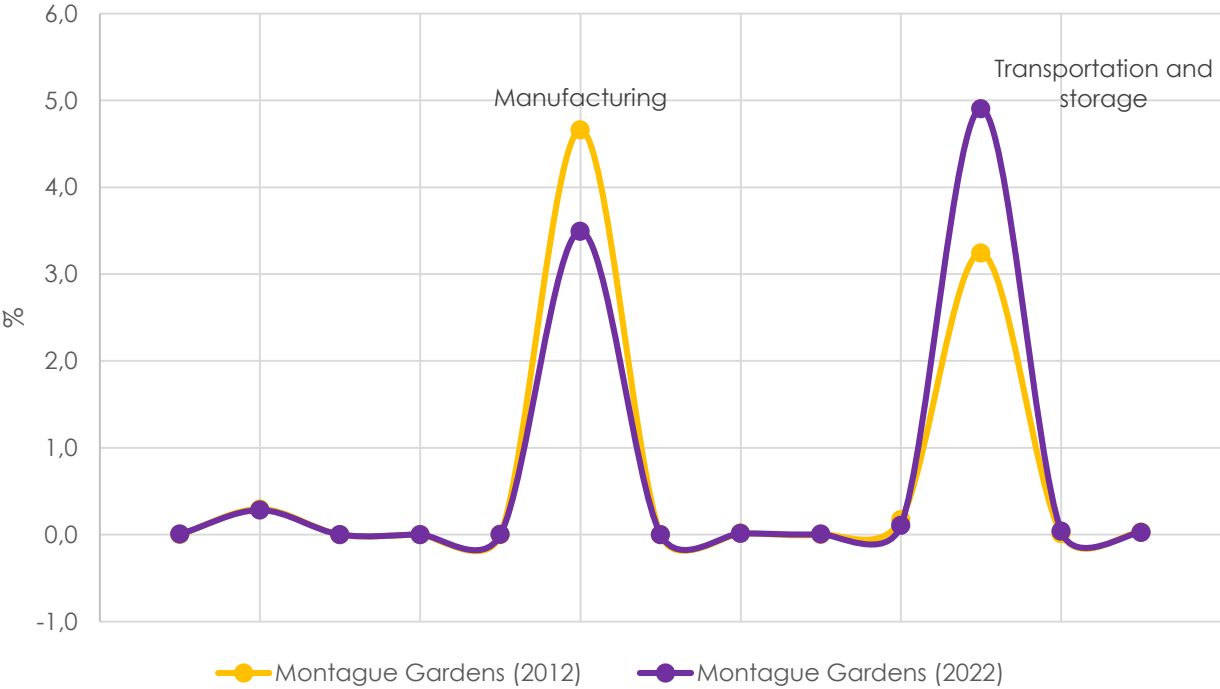
METROSCALE BENCHMARK



TOP 10 MOST DOMINANT LAND USES BETWEEN 2012 AND 2022



NODAL TYPOLOGY FOR 2012 AND 2022 (Mixed Industrial)

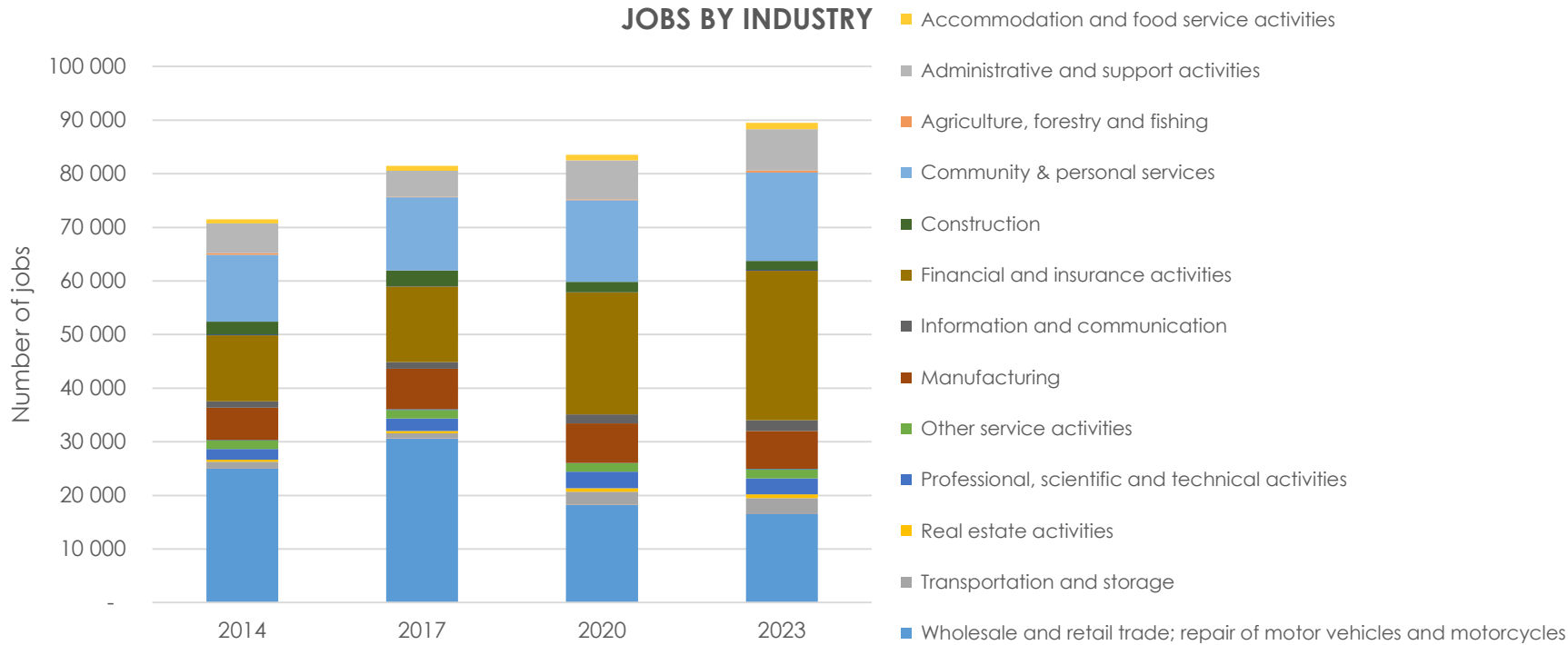


Source: 2012 – 2022 land use codes converted to SIC codes (May 2024 analysis)

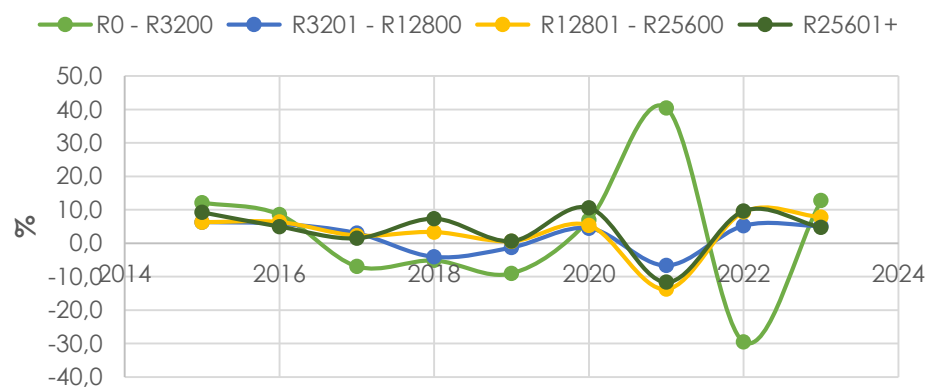
Policy & regulatory context
Conceptual framework
Introduction
Land use activities, employment overview & firm typologies
Development pipeline
Urban land markets
Agglomeration of industries
Market performance
Performance & Potential

EMPLOYMENT OVERVIEW & FIRM TYPOLOGIES

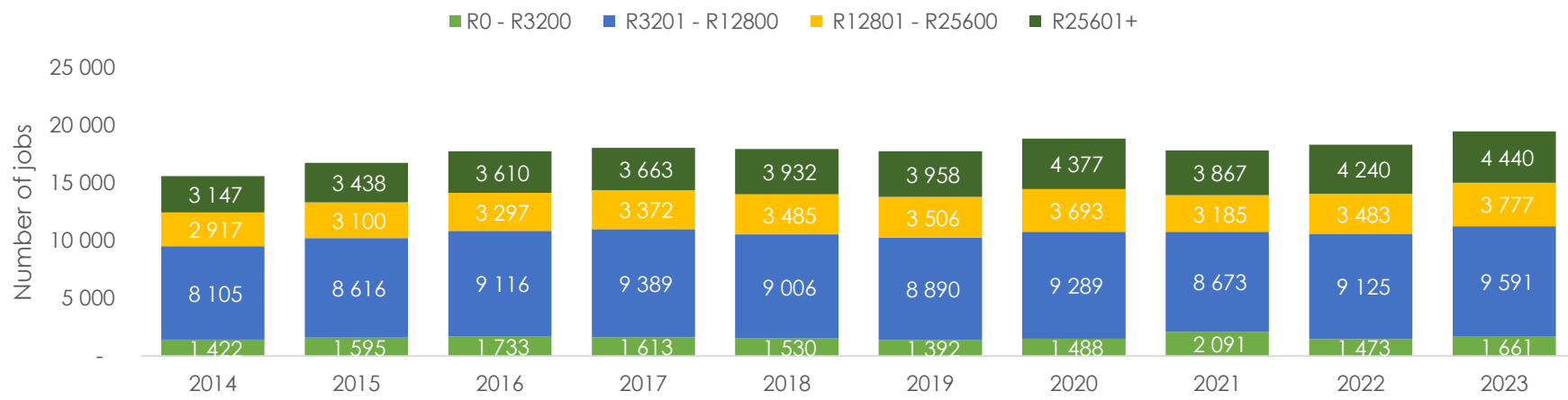
JOBS BY INDUSTRY



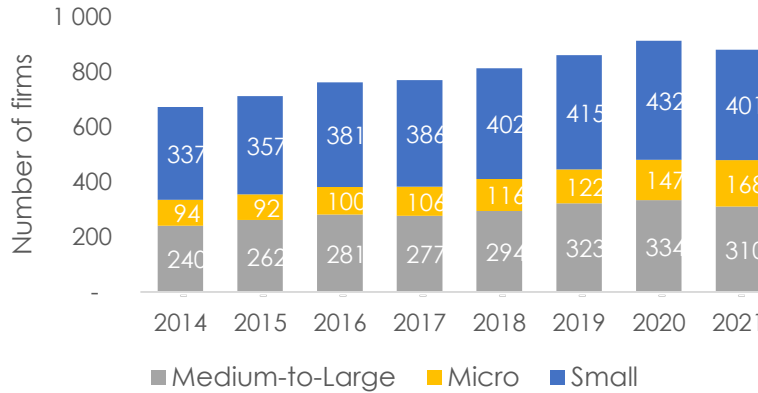
YEAR ON YEAR % CHANGE OF FULL TIME EMPLOYMENT WITHIN EACH WAGE BAND



FULL TIME EMPLOYMENT BY WAGEBAND



NUMBER OF FIRM TYPOLOGIES



Jobs/Firms

The number of job opportunities in the Montague Gardens area gradually increased from 13,000 to 17,000 between 2014 and 2023. Over time, most jobs have been concentrated in wholesale & retail, administrative activities and manufacturing.

The total number of firms in the area increased from 700 to 800 between 2014 and 2021. While small firms make up the majority, there is also a significant presence of medium to large firms, as well as 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, however, there is also a considerable number of employees earning above R12,800.



Spatial hexagons in which SARS data has been captured and overlaid with Montague Gardens economic area.

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

Policy & regulatory context

Conceptual framework

Introduction

Land use activities, employment overview & firm typologies

Development pipeline

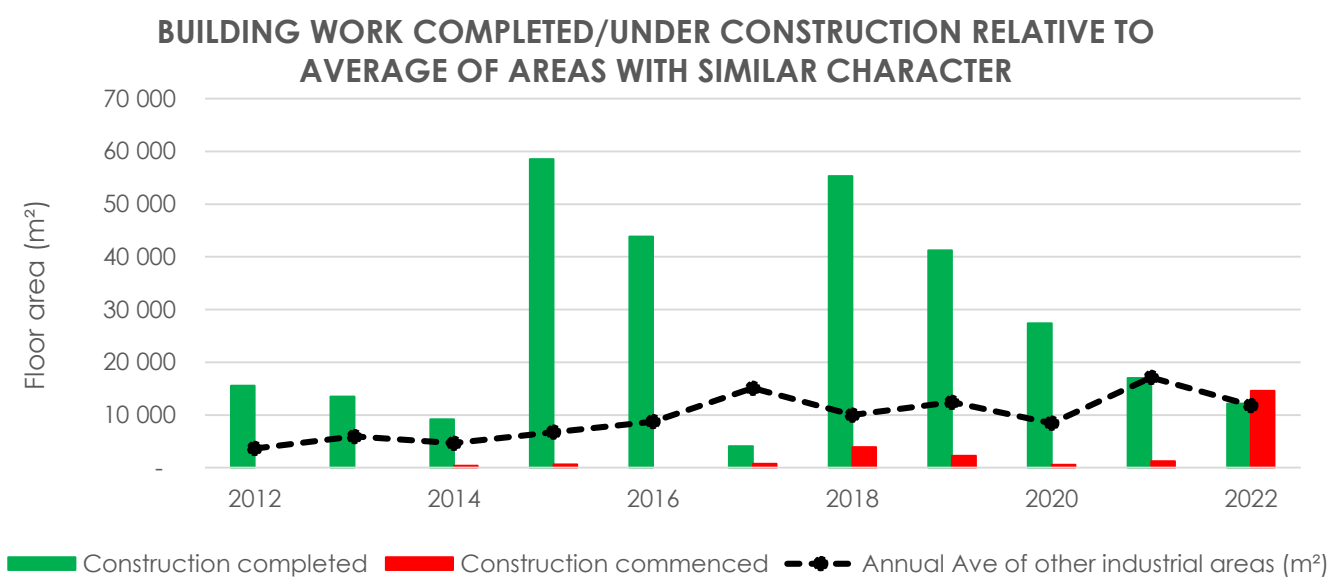
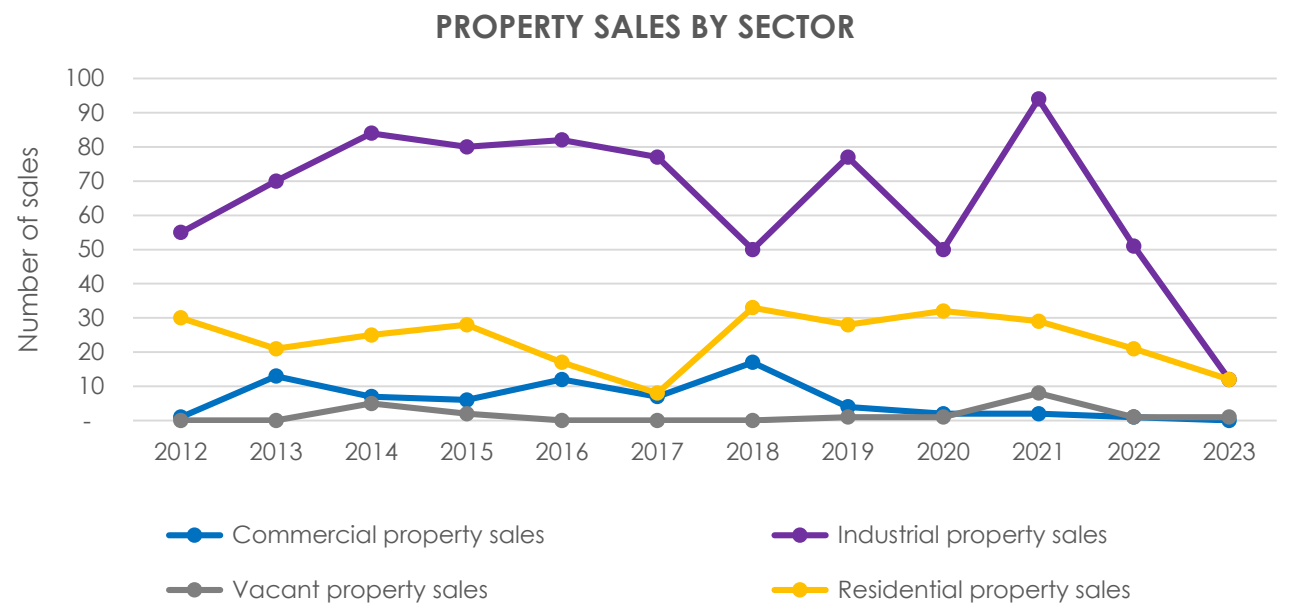
Urban land markets

Agglomeration of industries

Market performance

Performance & Potential

DEVELOPMENT PIPELINE



Property sales

From 2012 to 2022, property sales have been higher in the industrial sector compared to other sectors. This trend indicates a growing interest in acquiring industrial properties. While residential and commercial property sales also took place, it has not reached the same levels as those for industrial properties.

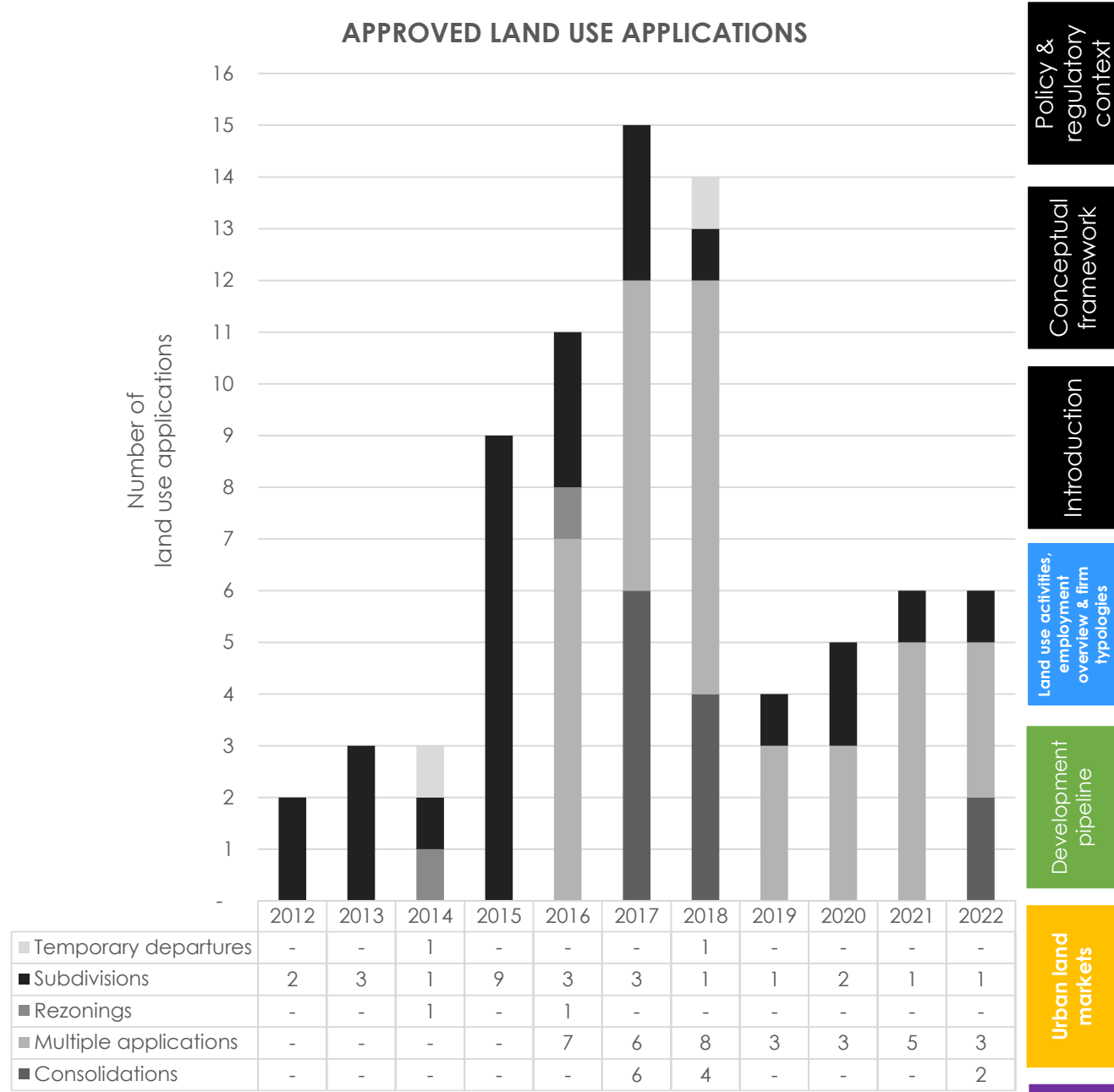
Land use applications

Montague Gardens is predominantly zoned for industrial purposes. Between 2012 and 2022, most land use approvals were for subdivisions and multiple applications, suggesting a demand for specific property sizes. The approval of land use rights increased significantly starting in 2012, leading to completed building projects and ongoing building work in the area, highlighting the area's attractiveness for investment.

Building plans

In light of property sales and land use approvals, building work activity commenced after the first land use approvals were granted in 2012. A significant amount of building work commenced from 2015 onwards, exceeding the metro's annual average when compared across other industrial areas over the past decade.

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



Policy & regulatory context

Conceptual framework

Introduction

Land use activities, employment overview & firm typologies

Development pipeline

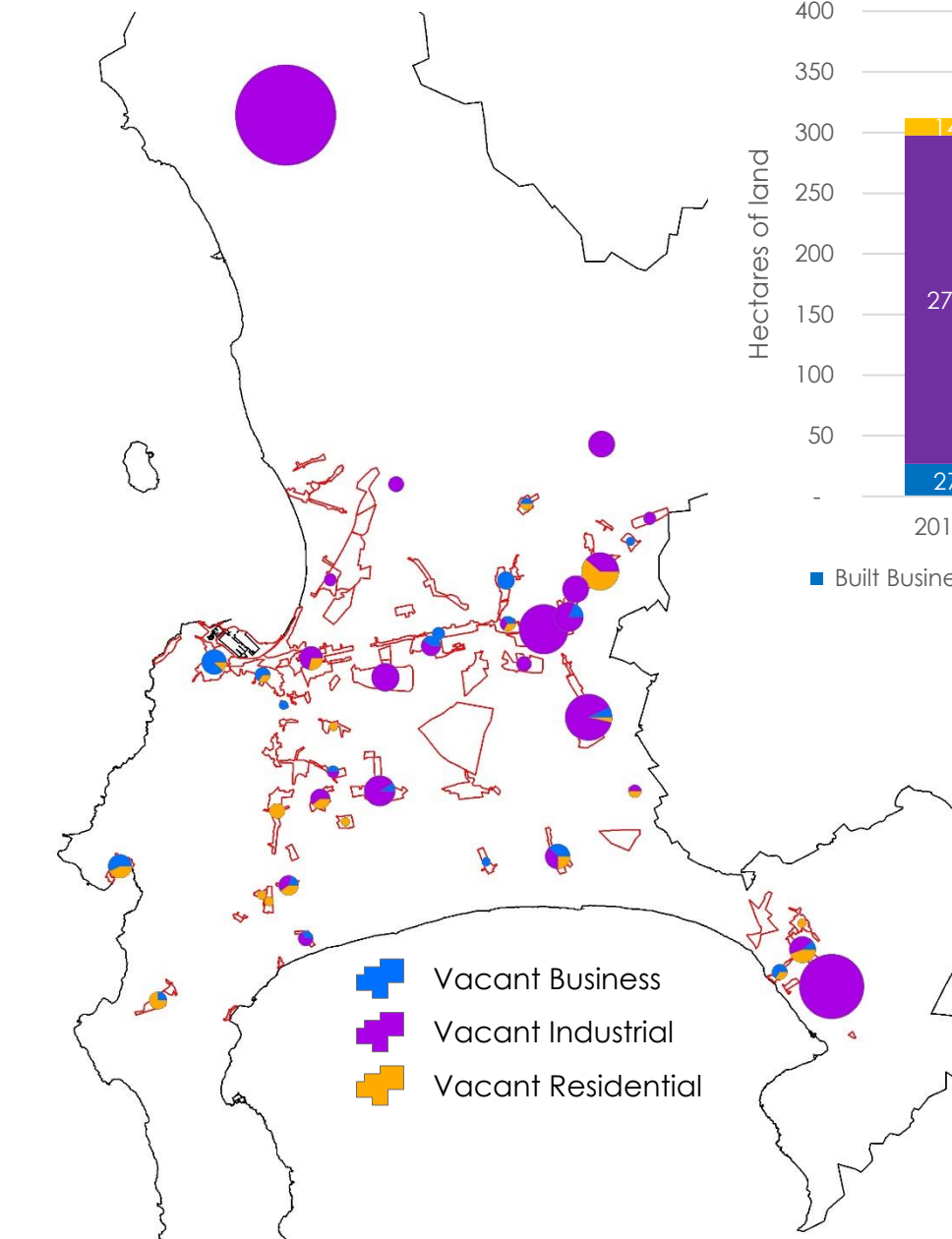
Urban land markets

Agglomeration of industries

Market performance

Performance & Potential

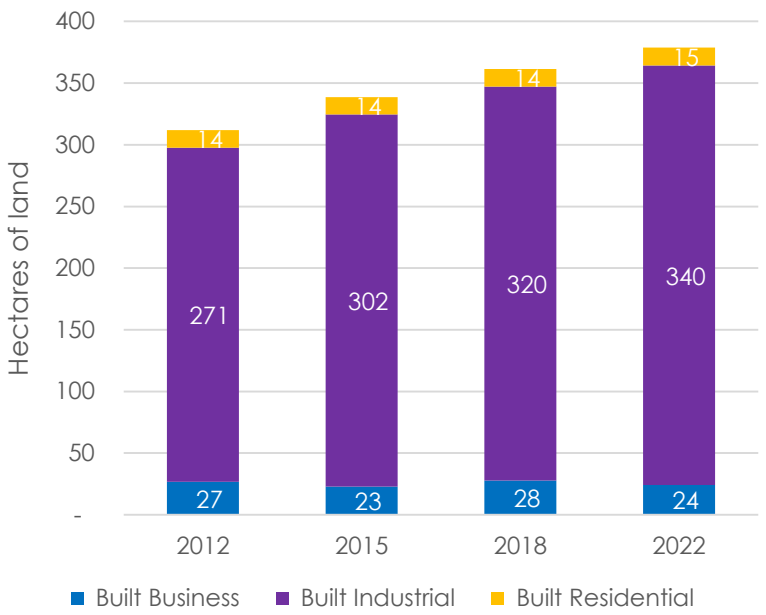
VACANT LAND ACROSS CAPE TOWN (GV 2022)*



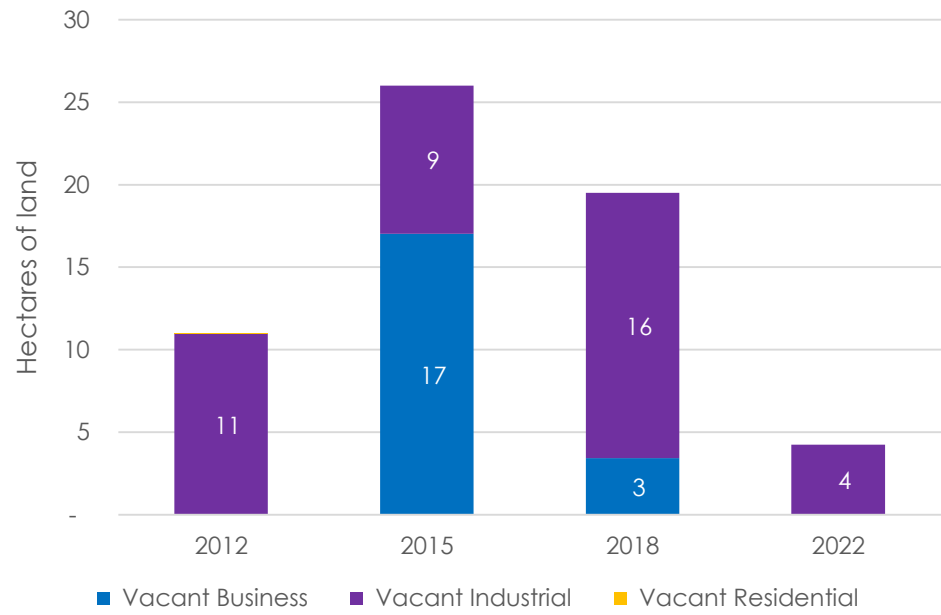
Number of land parcels that are vacant by size			
Erf Size	Commercial	Industrial	Residential
1) 1-250m²		1	
2) 251-500m²		2	
3) 501-1000m²		1	
4) 1001-2500m²		3	
5) 2501-5000m²			
6) 5001-10000m²		2	
7) >10000m²		1	

Source: City's General Valuation Roll and Market Reports

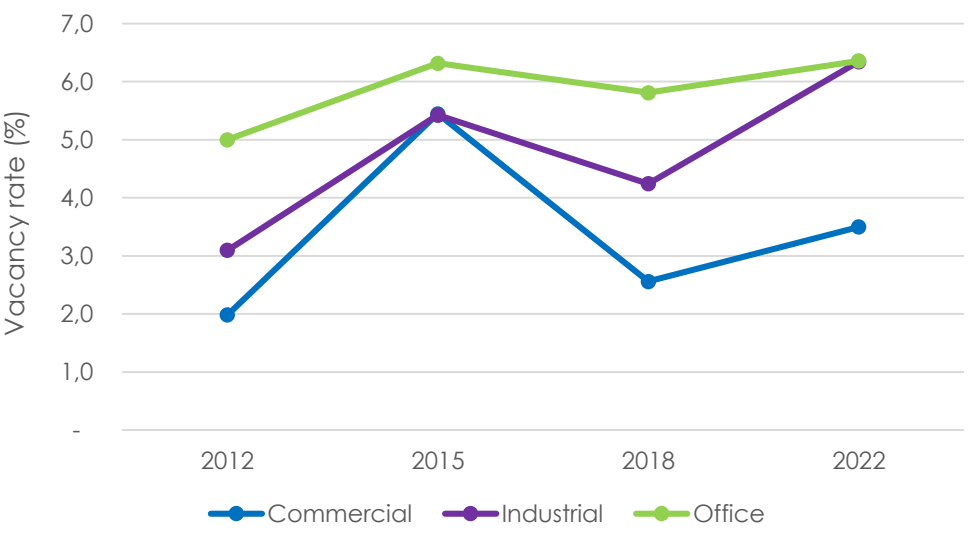
BUILT-UP LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



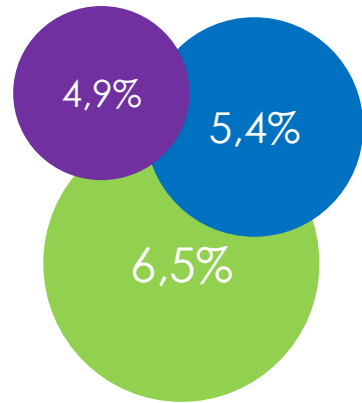
VACANT LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



AVERAGE VACANCY RATE OF EXISTING BUILDINGS



METRO AVERAGE: VACANCY RATES PER SECTOR FOR 2022*



Vacant land

The map provides a representation of the latest GV Roll (2022) by illustrating cumulative vacant land across the metropolitan area, which supplements the graph on vacant land for the 2022 GV year. While the area has experienced a gradual growth in terms of the built-up land, there is minimal vacant land, as of 2022. Furthermore, the available vacant land is categorised based on the number and size of land parcels, as reflected in the accompanying table.

Vacancy rates

In addition to vacant land, the vacancy rates of existing buildings in the industrial sector increased from 3.1% in 2012 to 6.3% in 2022. The commercial sector increased from 2% in 2012 to 3.5% in 2022, while the office sector increased from 5% to 6.4%.

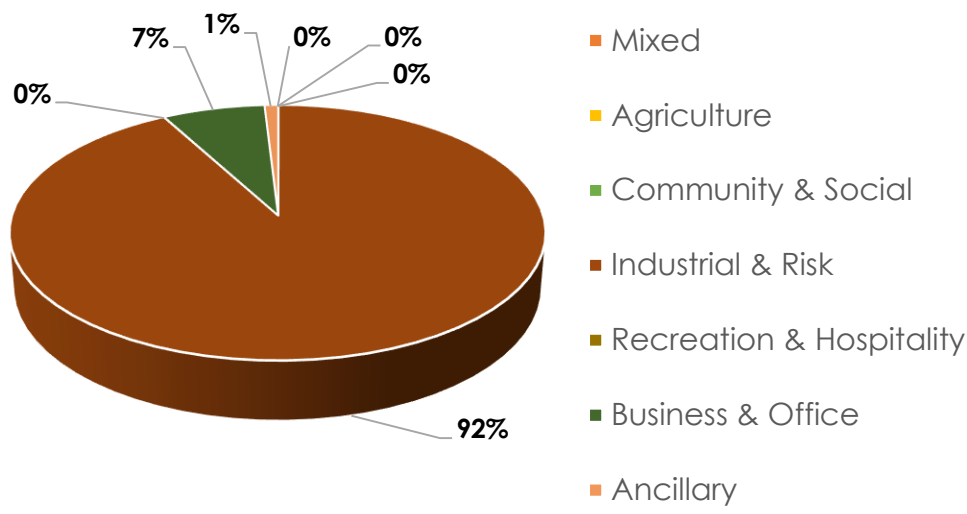
*A metro view that provides further context relative to this economic area.

Policy & regulatory context
Conceptual framework
Introduction
Land use activities, employment overview & firm typologies
Development pipeline
Urban land markets
Agglomeration of industries
Market performance
Performance & Potential

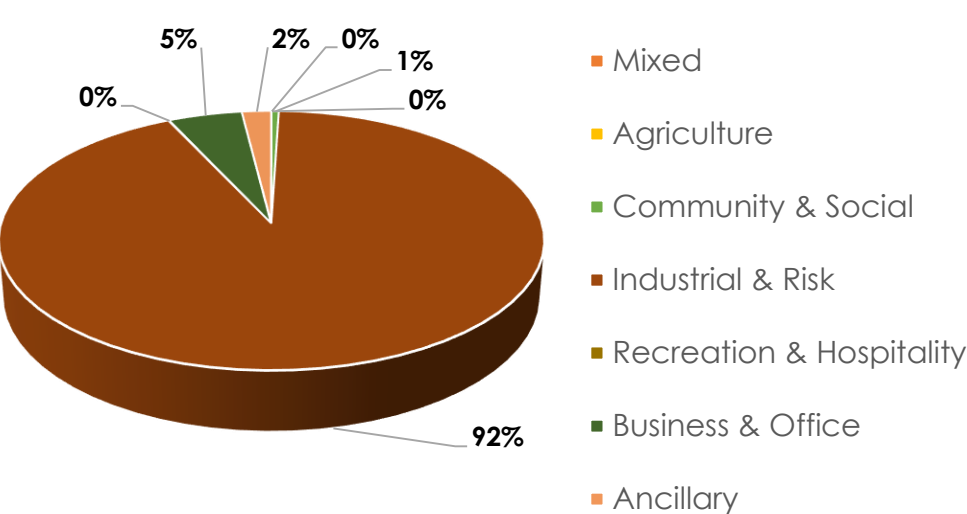
AGGLOMERATION OF INDUSTRIES

SECTORAL AGGLOMERATION AND CO-AGGLOMERATION RELATIONSHIPS

% OF LAND USE GROUPS (2012)



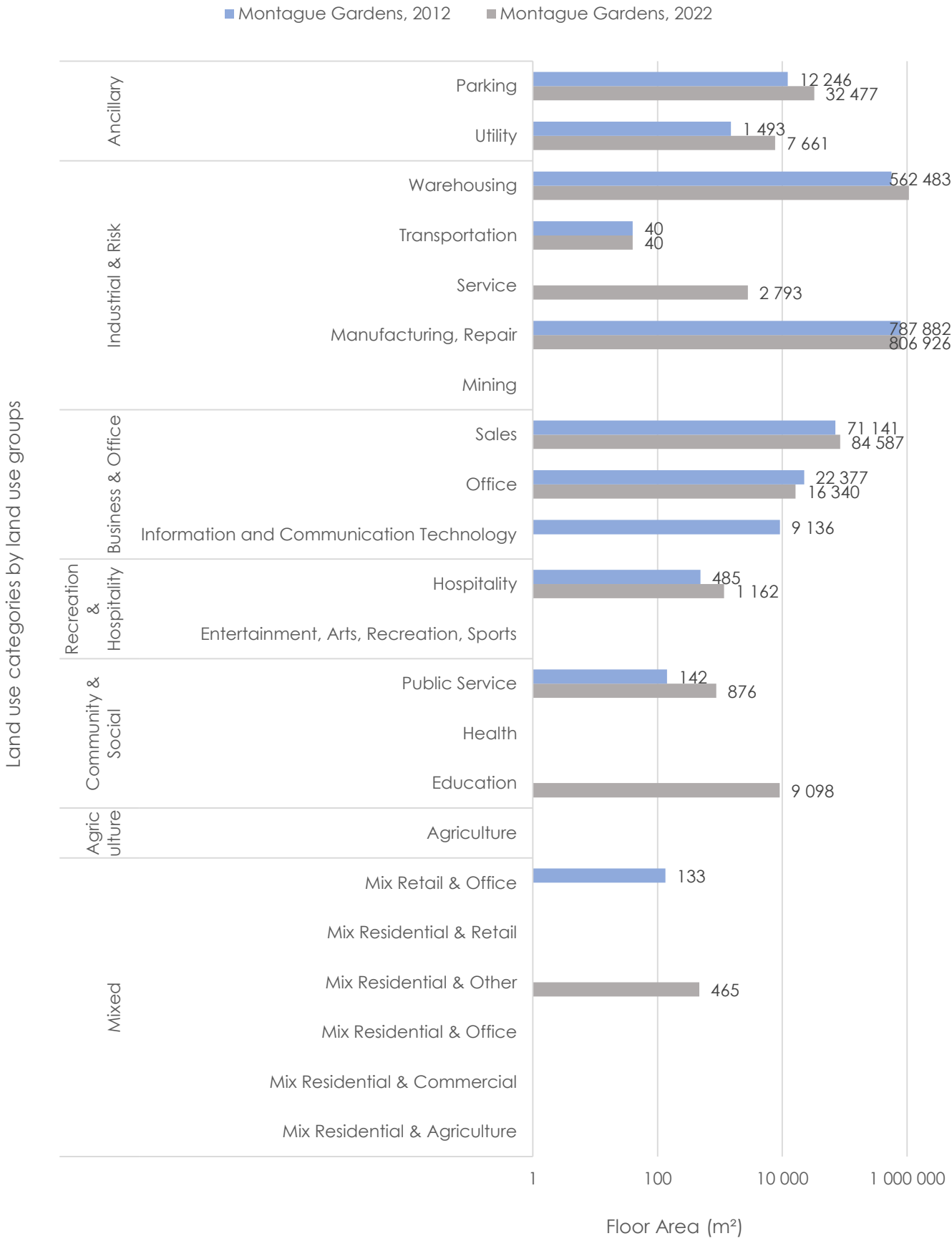
% OF LAND USE GROUPS (2022)



The pie charts illustrate the percentage distribution of land use groups in Montague Gardens, based on the cumulative floor area (m²) across various land uses. As shown in the charts, the Industrial & Risks group has consistently been the dominant category in both 2012 and 2022, with other groups primarily supporting this leading land use.

Additionally, the bar graph provides a comparative analysis of land use categories between 2012 and 2022, highlighting the co-agglomeration of these categories within each land use group. In particular, the manufacturing, repairs, and warehousing land uses have shown significant growth over this period. Notably, the warehousing sector has doubled in size, exceeding a floor area of 1 million m² by 2022. There is also a presence of other land uses, which can be seen to be in support of the most dominant land uses.

FLOOR AREA PER LAND USE CATEGORY FOR 2012 AND 2022



Source: Analysis of GV data (May 2024)

Policy & regulatory context

Conceptual framework

Introduction

Land use activities, employment overview & firm typologies

Development pipeline

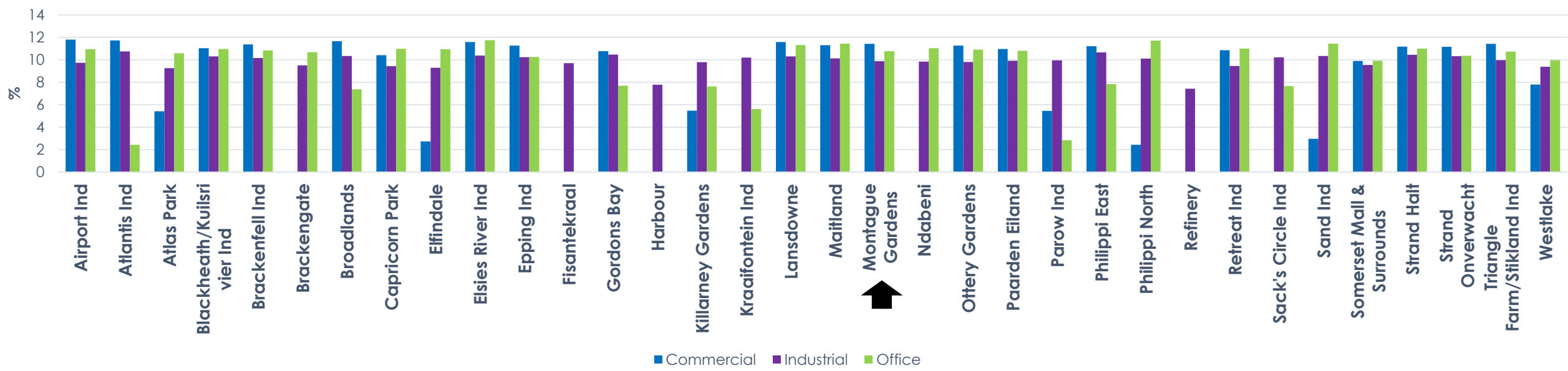
Urban land markets

Agglomeration of industries

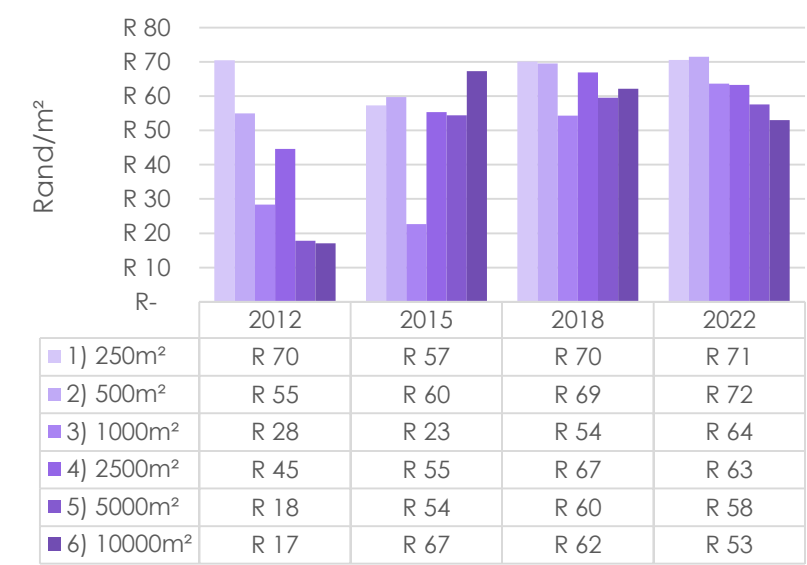
Market performance

Performance & Potential

AVERAGE CAPITALISATION RATE OF MONTAGUE GARDENS IN RELATION TO OTHER INDUSTRIAL AREAS FOR THE PERIOD BETWEEN 2012 AND 2022



INDUSTRIAL RENTALS

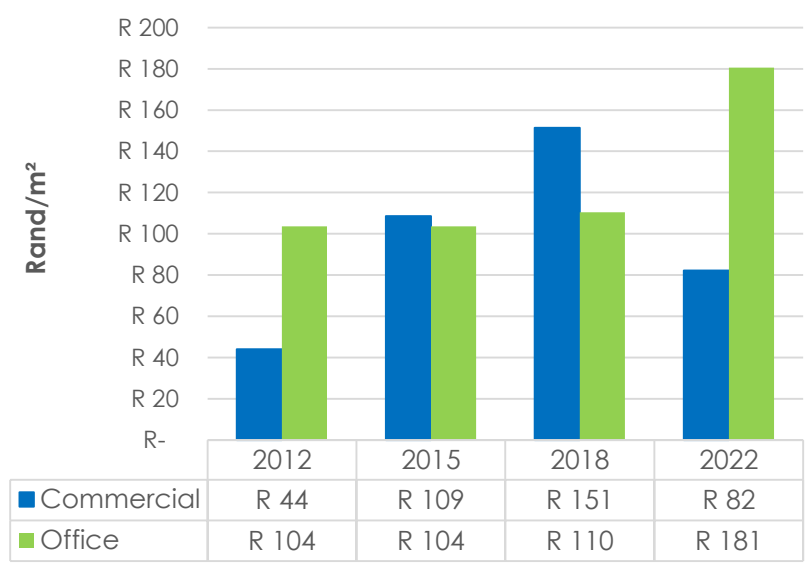


Rental Rates

Rental rates across all industrial space mostly fluctuated between 2012 and 2022, with smaller property sizes increasing, whereas the larger property sizes have decreased over time.

Office rentals remained constant between 2012 and 2018 but increased significantly by 2022, while commercial rentals gradually increased between 2012 and 2018, but decreased in 2022.

COMMERCIAL AND OFFICE RENTALS



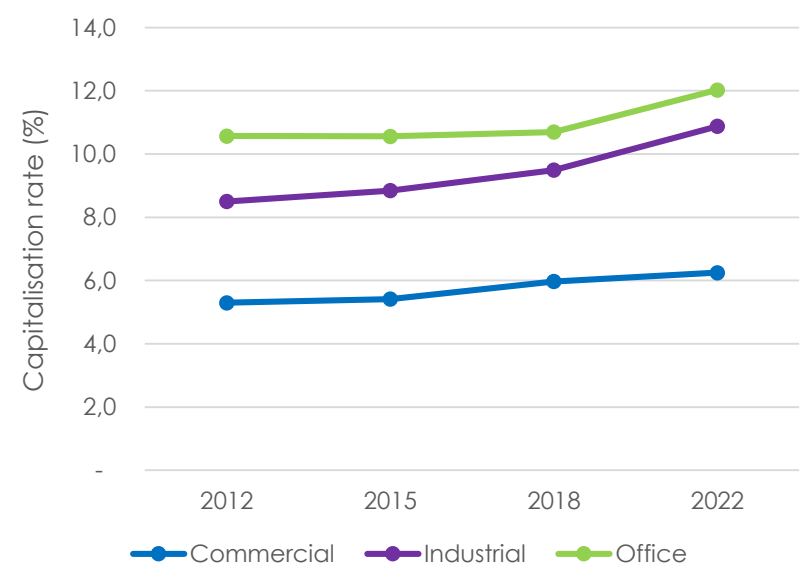
Comparative view on capitalisation rates

The average capitalisation rate between 2012 and 2022 for industrial, office and commercial sectors was 9,43%, 11% and 5,75%, respectively and further indicates its competitiveness relative to other industrial areas.

Year-over-year capitalisation rates for the industrial sector increased from 8.5% to 11%, while the office sector also experienced an increase from 10.6% to 12%. The commercial sector experienced a rise in rates from 5.3% to 6.3%.

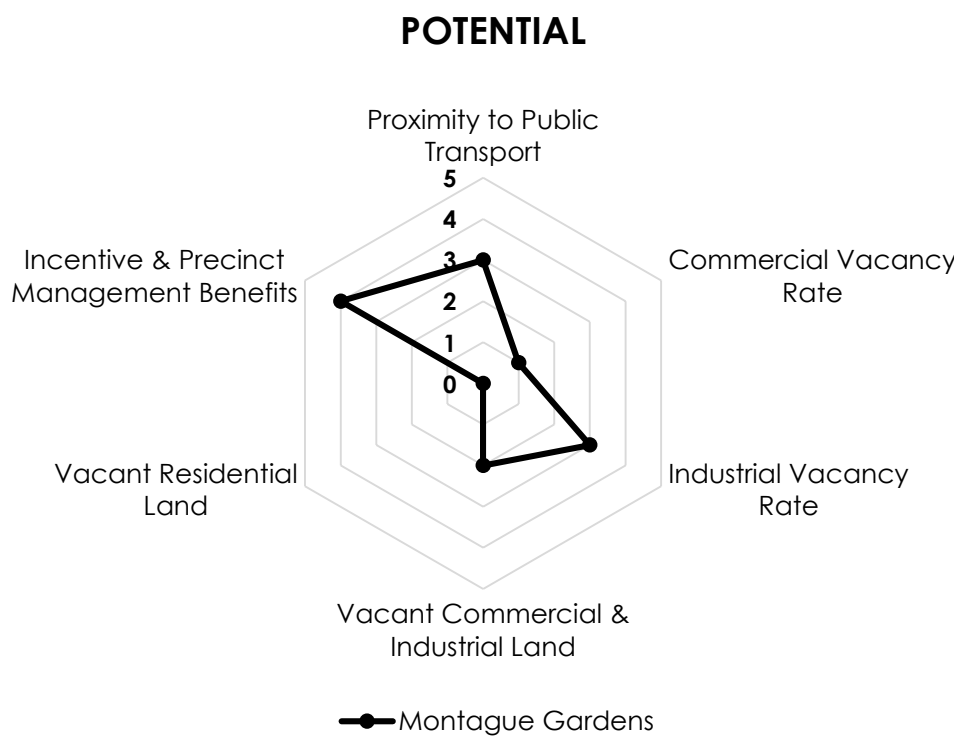
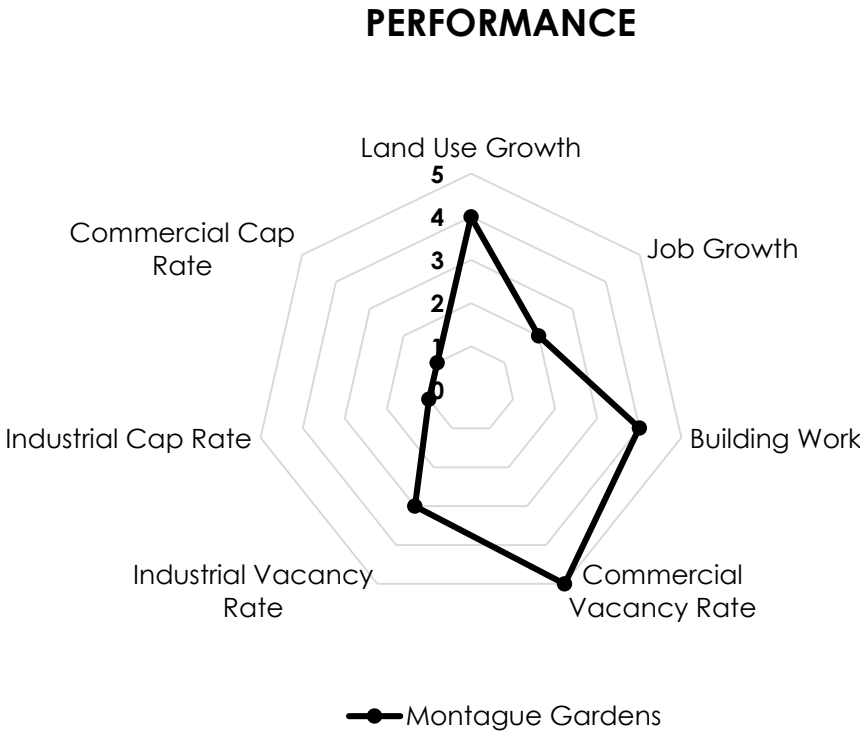
- Higher cap rates = higher investment risk.
- Lower cap rates = lower investment risk.

CAPITALISATION RATES



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.

Policy & regulatory context
Conceptual framework
Introduction
Land use activities, employment overview & firm typologies
Development pipeline
Urban land markets
Agglomeration of industries
Market performance
Performance & Potential