

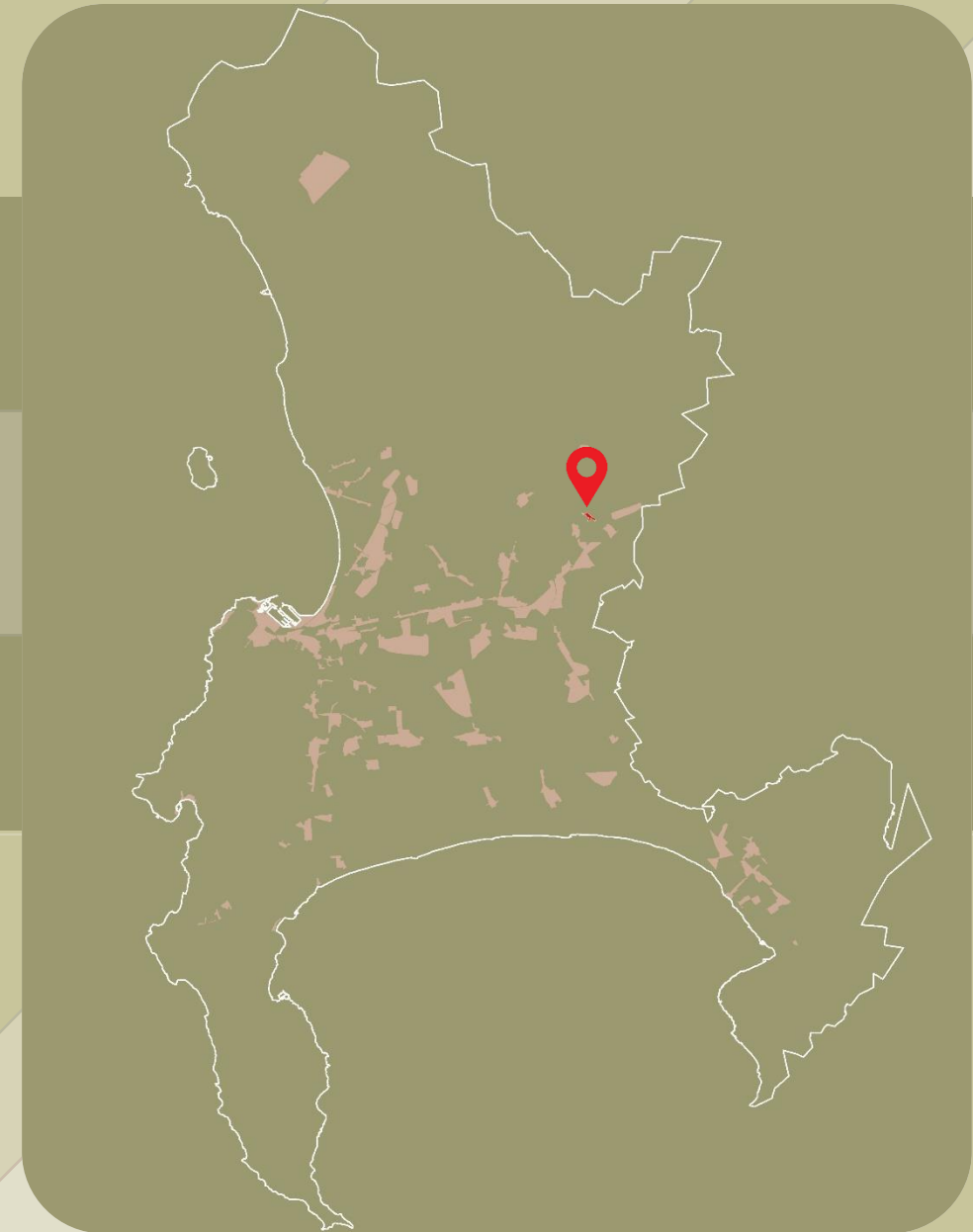
# KRAAIFONTEIN

## ECONOMIC AREA PROFILE

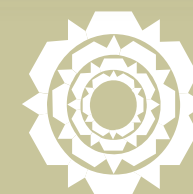
TREND ANALYSIS 2012-2022



*Image source: Google Earth*



June 2025



CITY OF CAPE TOWN  
ISIXEKO SASEKAPA  
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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:



## 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

- Northern DSDF - Subdistrict 2: Cape Gate and Okavango Road Corridor:
  - District Development Guidelines ([page 62](#))
  - Subdistrict Development Guidelines ([page 89](#))
  - Consolidated Subdistrict SDF ([Figure 18: Subdistrict 2: Cape Gate and Okavango 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](mailto:Future.CapeTown@capetown.gov.za).

## MICRO-ECONOMIC DEMAND & SUPPLY FACTORS

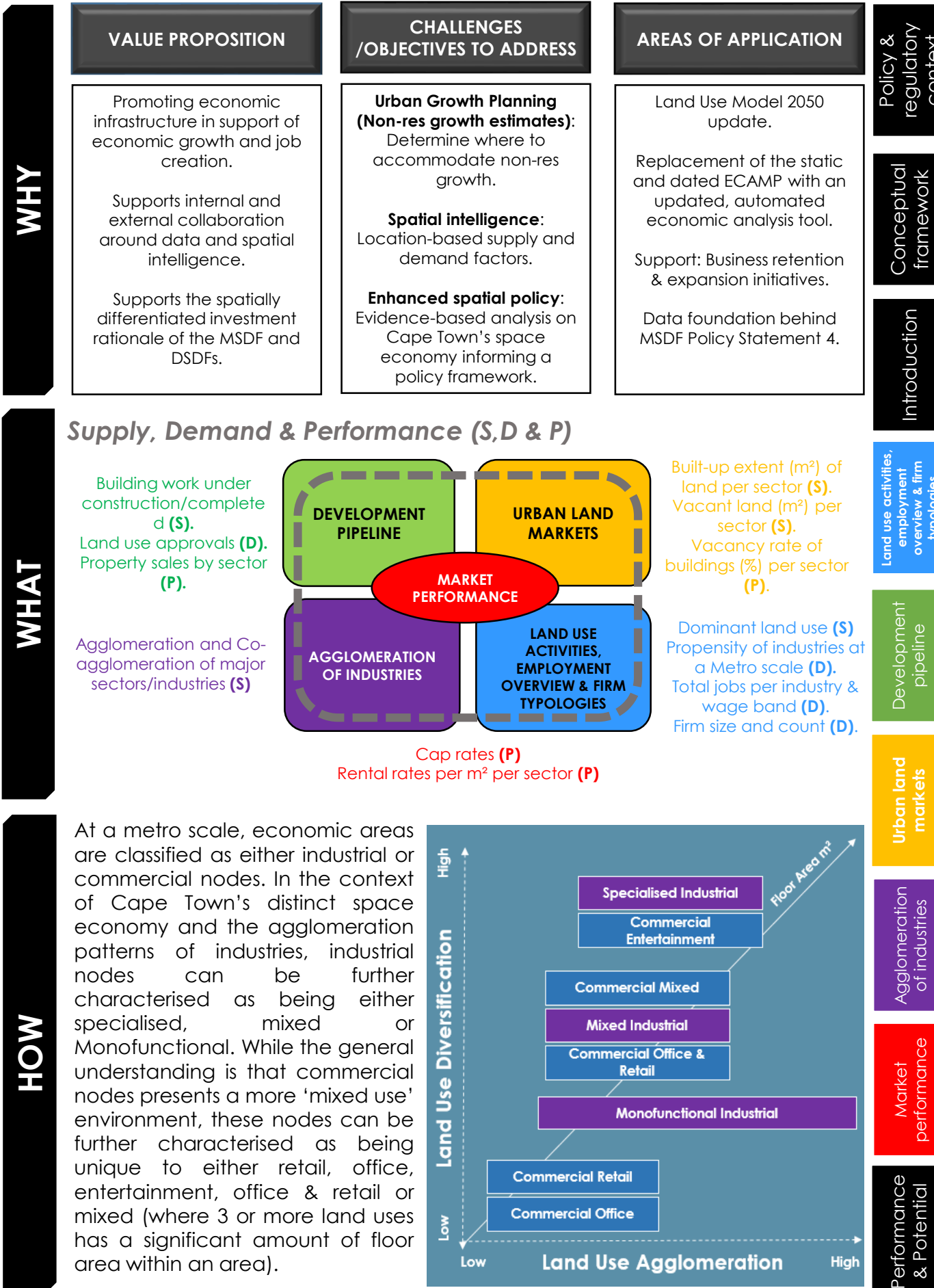
This profile examines a range of micro-economic indicators to highlight trends in supply and demand specific to the economic area. The indicators include:

- 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/m<sup>2</sup> 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 \(MERO\)](#)







KRAAIFONTEIN

Location

- The area is approximately 35km east of Cape Town's Central Business District and the Port of Cape Town. Furthermore, it is located 25km from Cape Town International Airport.
- It is also situated near the N1 highway and Brighton/Darwin Road, providing easy access to and from the broader area.
- The area is mainly serviced by taxis and GABS.
- Access to a skilled workforce from surrounding areas includes the broader Kraaifontein and Durbanville areas.

Zoning, land use and form

- The area is predominantly zoned for business and residential purposes.
- The area is mainly characterised by retail, residential, which include offices, shops, general services and health/education facilities.
- The average land parcel sizes in the area range between 550 – 1,000m², with a limited number of land parcels ranging beyond 1,000m².

Spatial planning mechanisms

- None

Key highlights of the area include:

- The area started to establish itself from the 1970s, which started with residential and a school and diversified over time by introducing non-residential land uses.
- This economic area is anchored by the Darwin and Brighton Road intersection, which provides east-to-west and north-to-south linkages.

Policy & regulatory context

Conceptual framework

Introduction

Land use activities, employment overview & firm typologies

Development pipeline

Urban land markets

Agglomeration of industries

Market performance

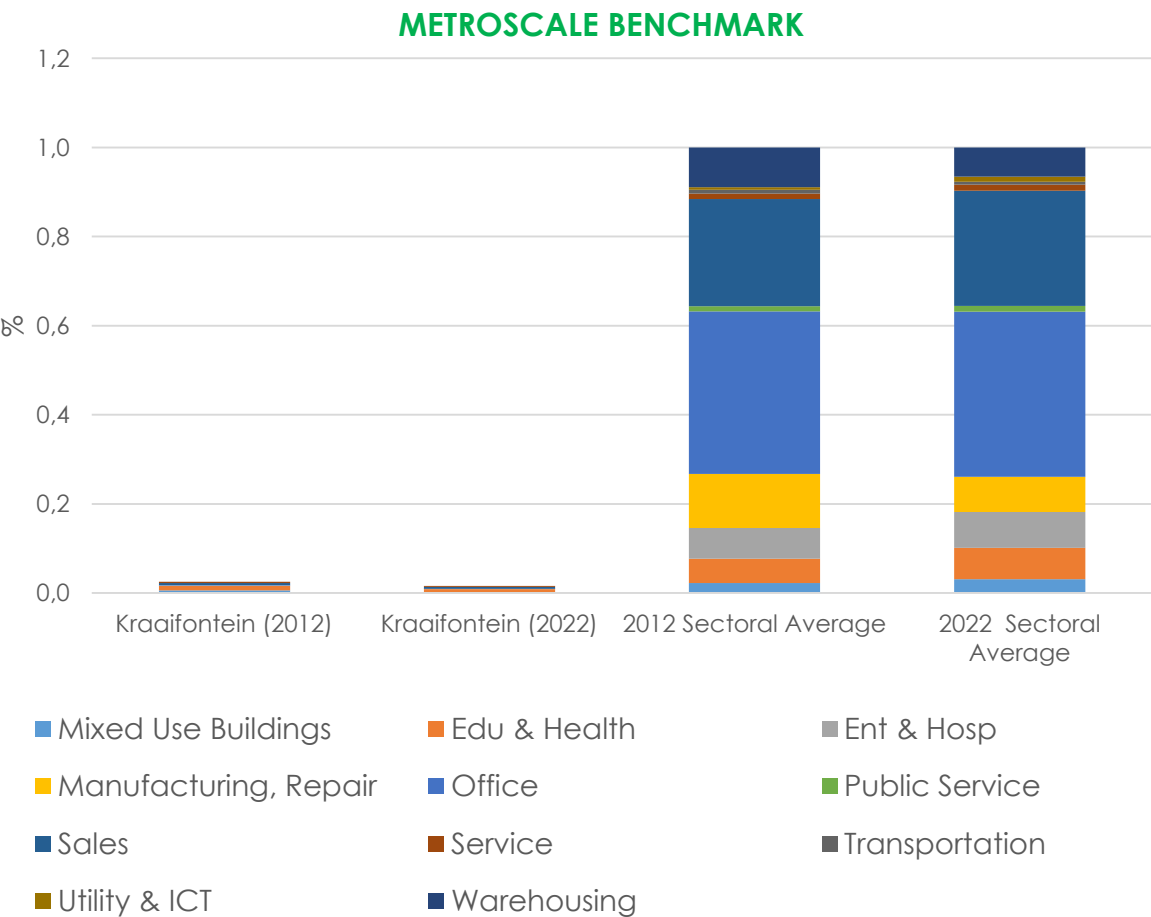
Performance & Potential



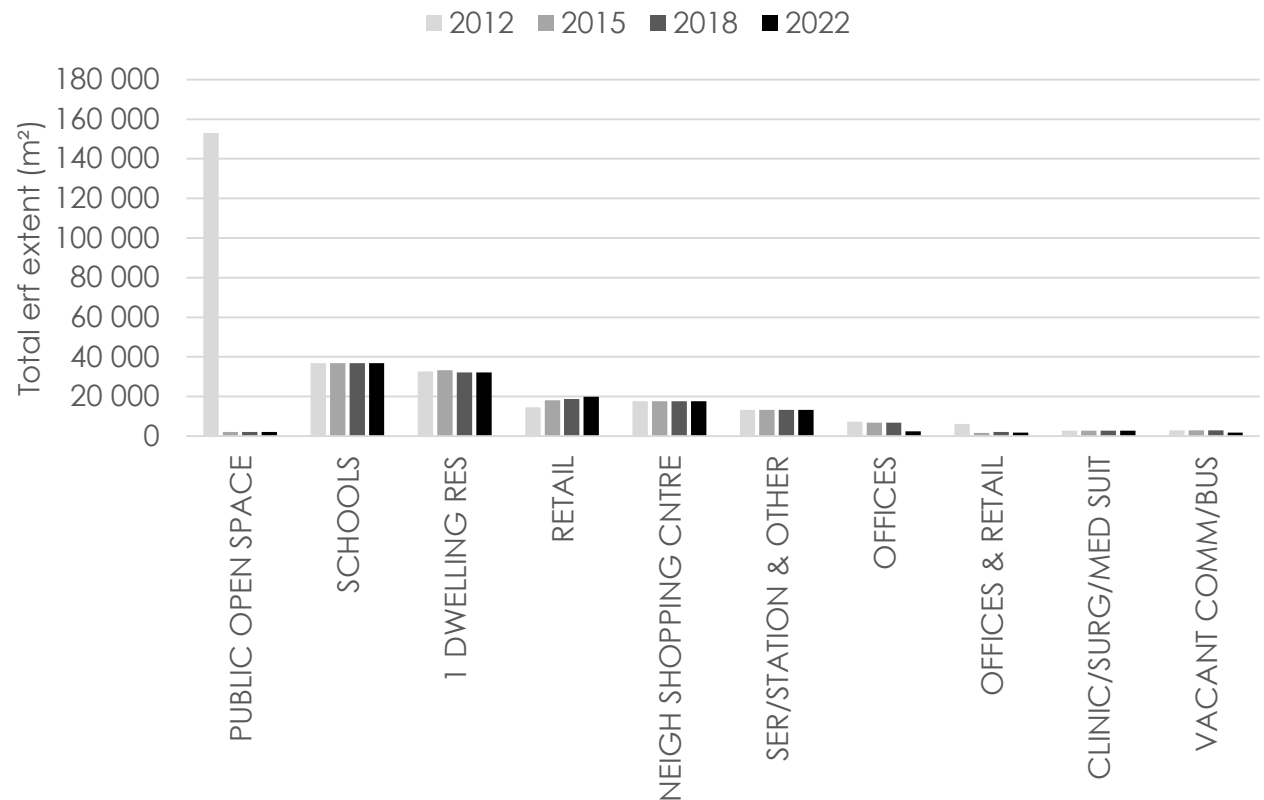
# LAND USE ACTIVITIES

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.

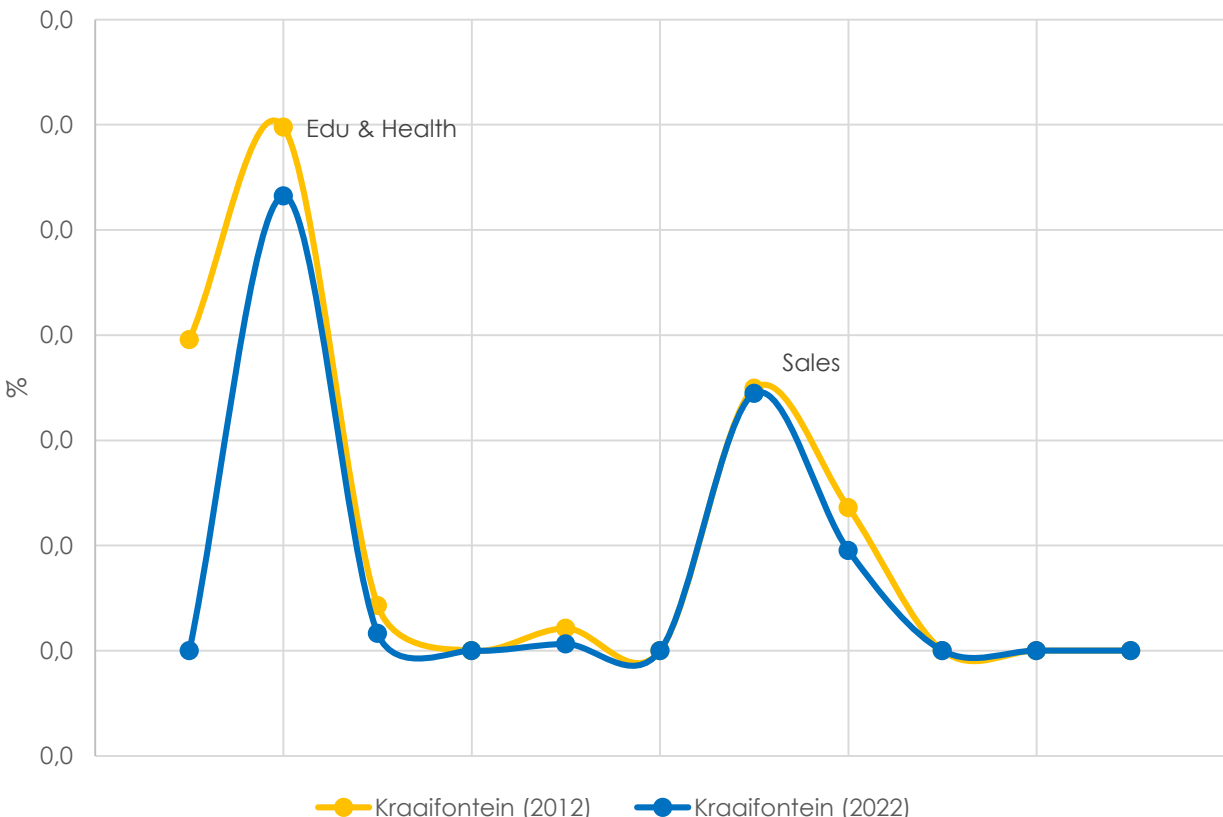
- Between 2012 and 2022, Kraaifontein was mainly characterised by a greater propensity for education & health, as reflected in the **Nodal Typology**. The nodal typology highlights industries with the most floor area (m²) operating within an economic area.
- The **MetroScale Benchmarking** positions Kraaifontein to being a contributor of education & health and sales, which performs lower than that of the sectoral average when measured against other commercial areas across Cape Town.
- Additionally, the GV Roll reflects land use data by showing the **dominant land use** over time. It details the cumulative floor area (m²) for schools, residential and retail.



## TOP 10 MOST DOMINANT LAND USES BETWEEN 2012 AND 2022



## NODAL TYPOLOGY FOR 2012 AND 2022 (Retail)

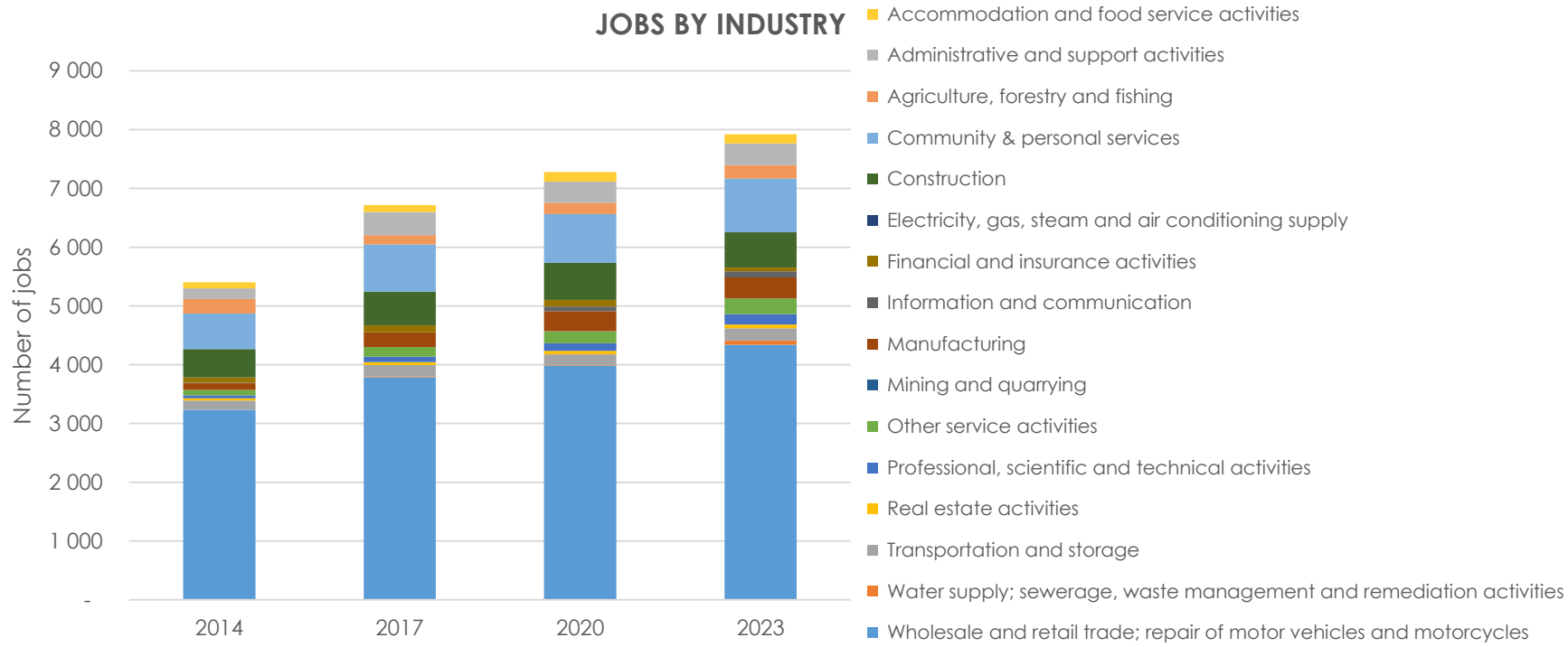


Source: 2012 – 2022 land use codes (May 2024 analysis)

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



Jobs/Firms

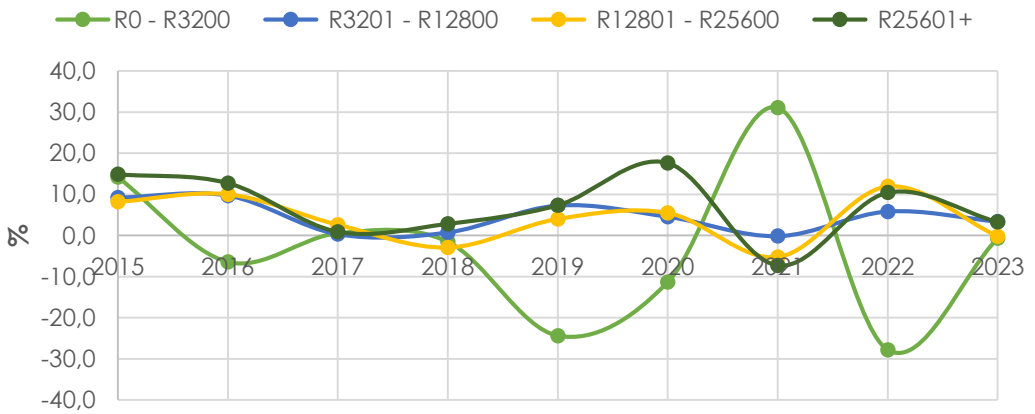
Between 2014 and 2023, the number of job opportunities in the Kraaifontein area increased from 5,200 to 8,000. Over time, most jobs have been concentrated in wholesale & retail and community & personal services.

The total number of firms increased overall from 275 to 400. While small firms dominate the landscape, there is also a significant presence of medium-to-large firms, as well as micro firms.

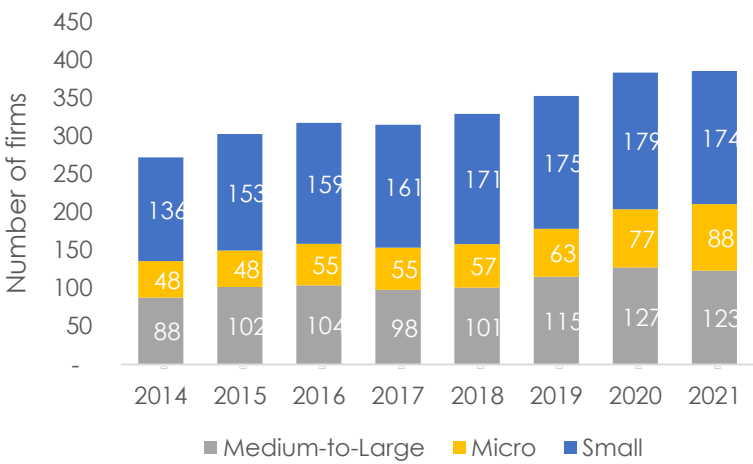
Income bands

The income bands reflect the skill levels of employed individuals. The data indicates that most employees earn up to R12,800, with a limited number of employees earning in the upper-income brackets.

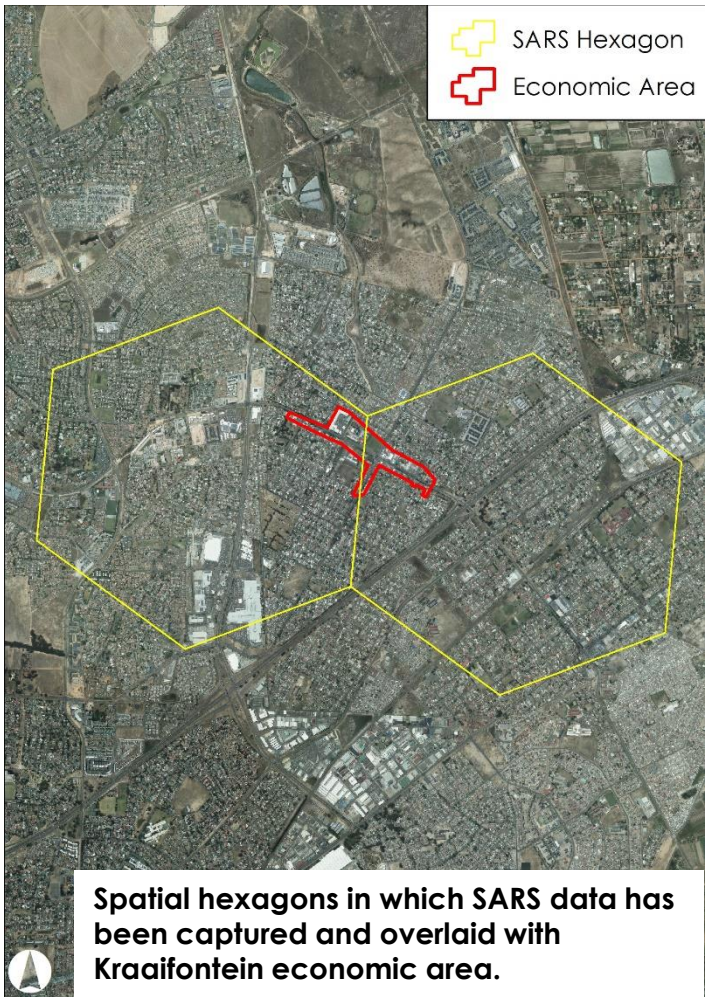
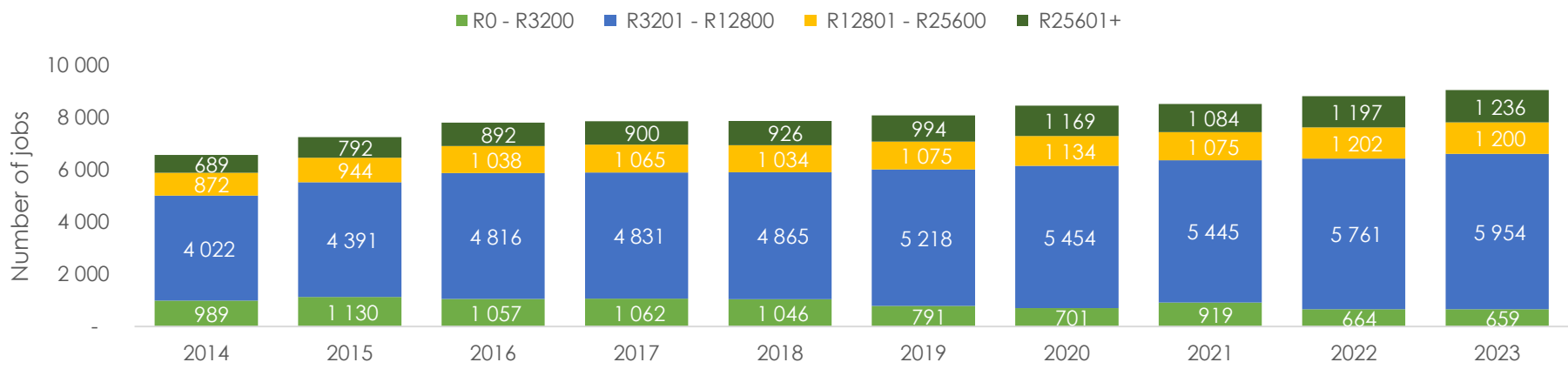
YEAR ON YEAR % CHANGE OF FULL TIME EMPLOYMENT WITHIN EACH WAGE BAND



NUMBER OF FIRM TYPOLOGIES



FULL TIME EMPLOYMENT BY WAGEBAND



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

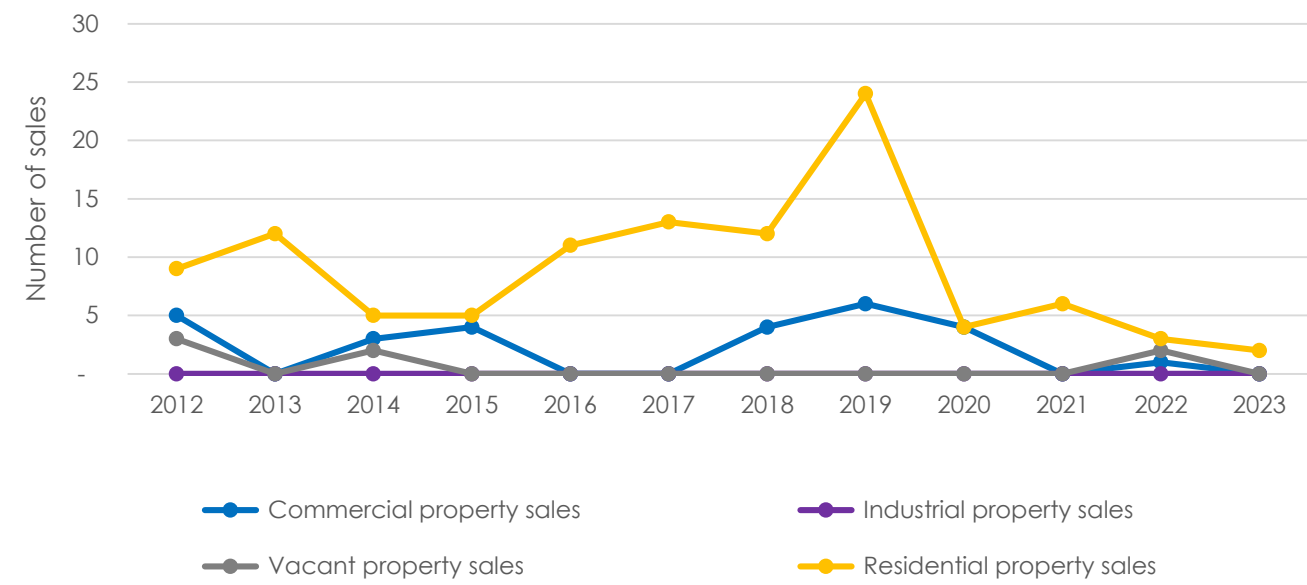
Agglomeration of industries

Market performance

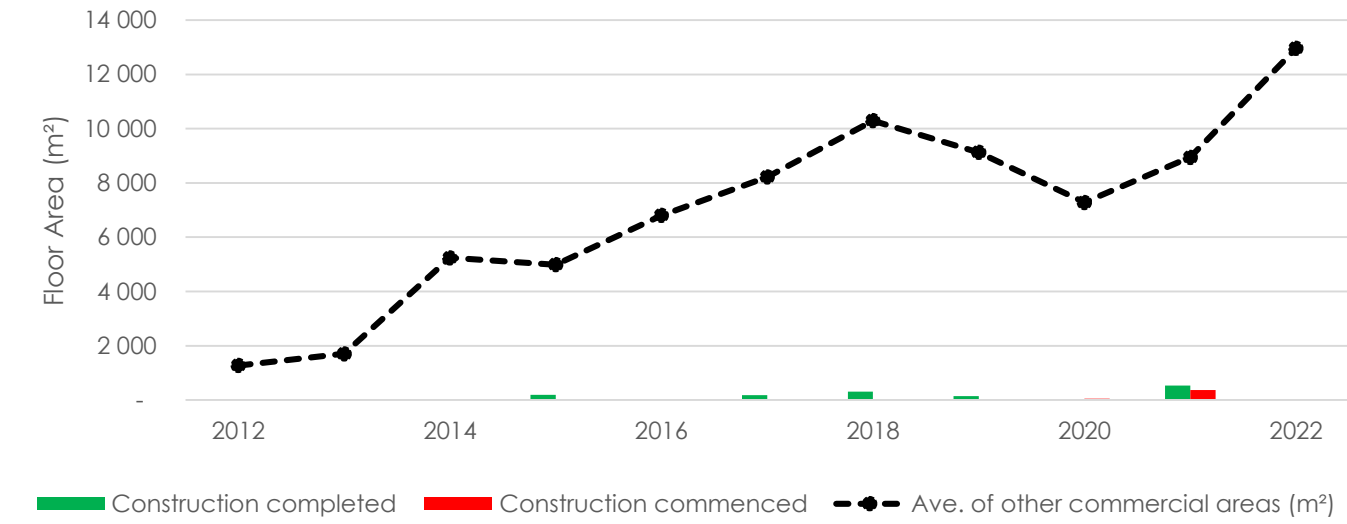
Performance & Potential

# DEVELOPMENT PIPELINE

PROPERTY SALES BY SECTOR



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



Property Sales

Between 2012 and 2022, residential property sales were notably higher compared to other sectors. The residential sector experienced a spike in sales in 2019 but tapered down in 2023. There has also been a limited number of sales for commercial properties, but mostly between 2013 and 2016 and again between 2017 and 2021.

Land Use Applications

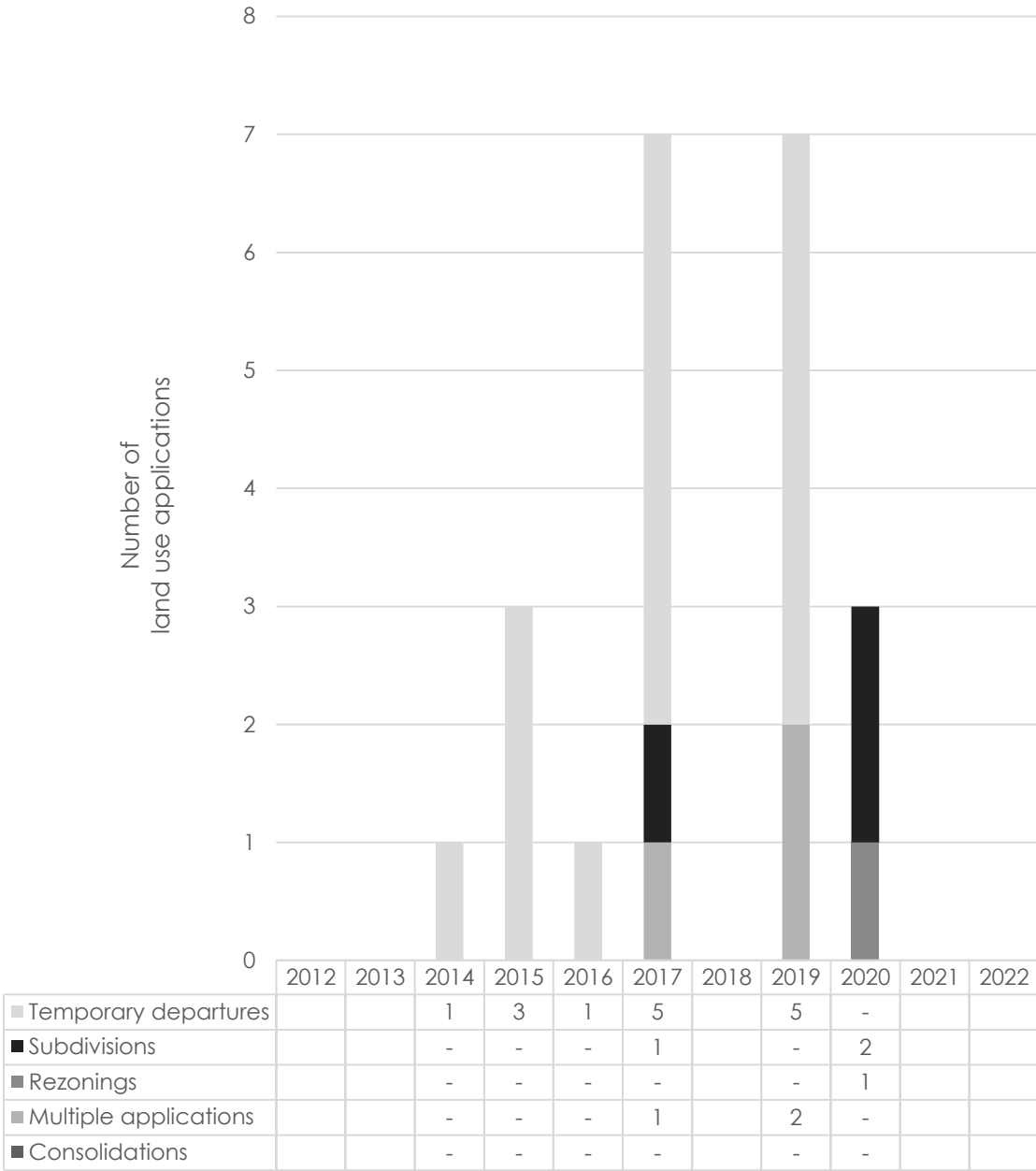
Most approvals during this period were for temporary departures, allowing a property owner to operate a land use for 5 years with the option of submitting a new application to extend the period for an additional 5 years. This indicates a demand for specific land uses to be operated on current zoning, which is not permitted as a primary right or consent use in terms of the zoning regulations.

Building Plans

In light of property sales and land use approvals, building activity has been minimal over the past decade, remaining below the metro's annual average when compared to other commercial areas.

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

APPROVED LAND USE APPLICATIONS



Policy & regulatory context

Conceptual framework

Introduction

Land use activities, employment overview & firm typologies

Development pipeline

Urban land markets

Agglomeration of industries

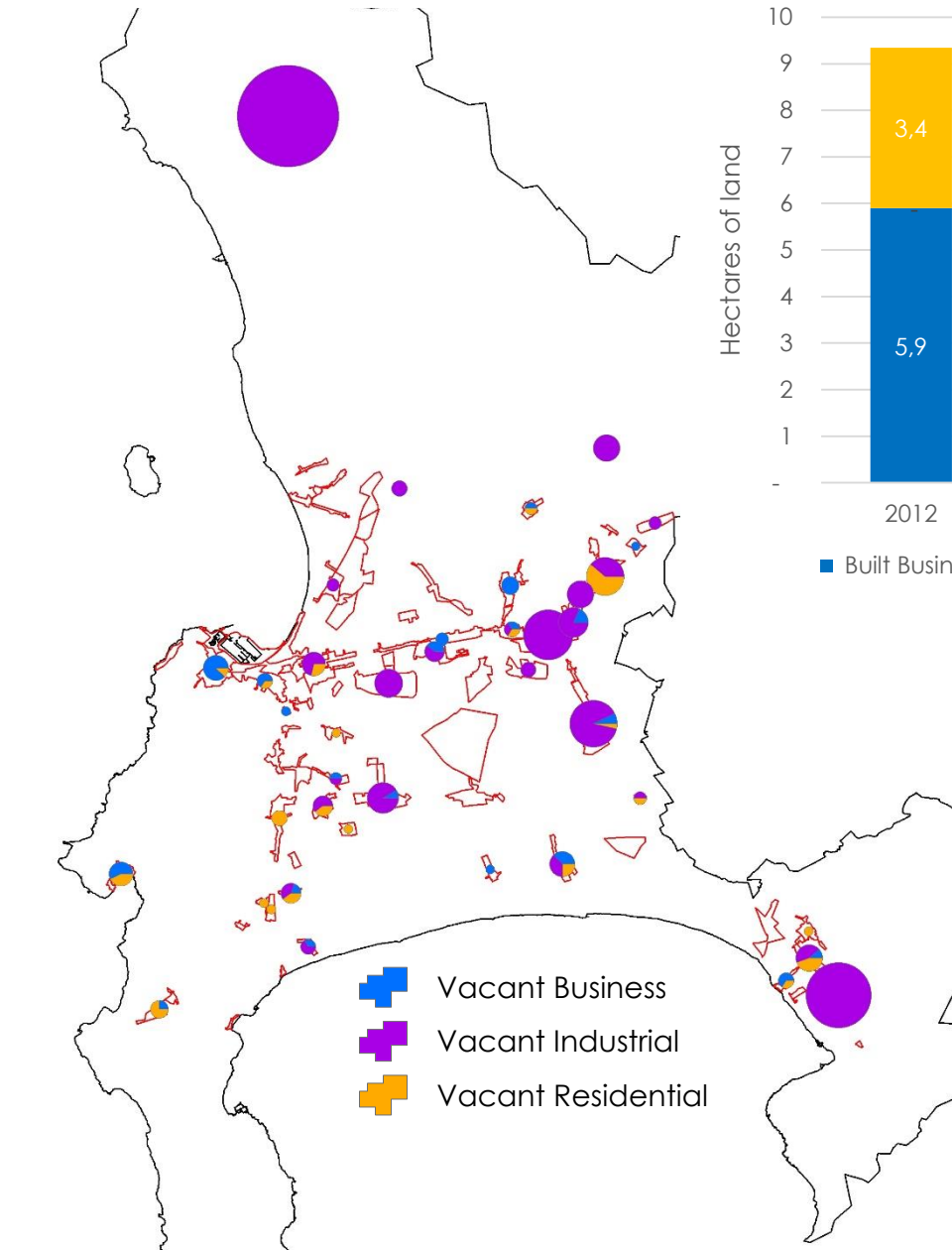
Market performance

Performance & Potential



LAND USE CHANGE & VACANCY RATES

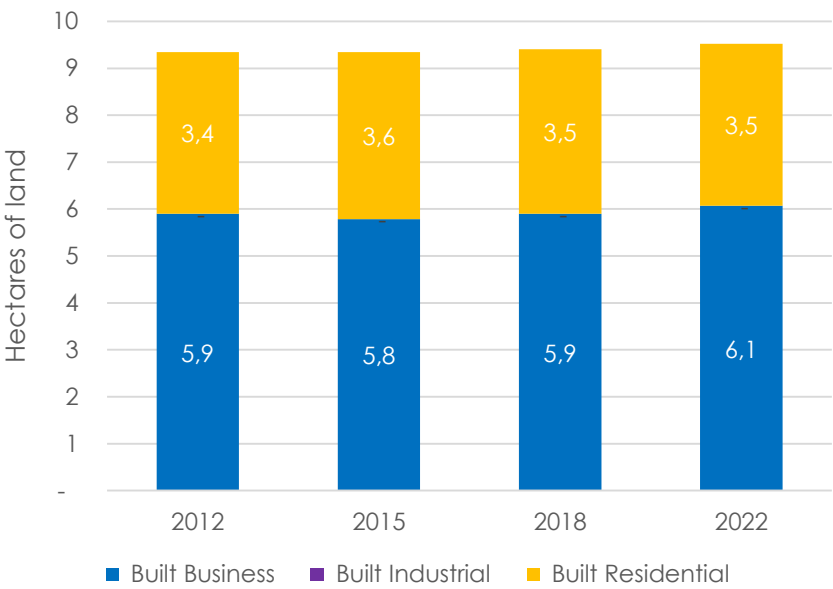
VACANT LAND ACROSS CAPE TOWN (GV 2022)\*



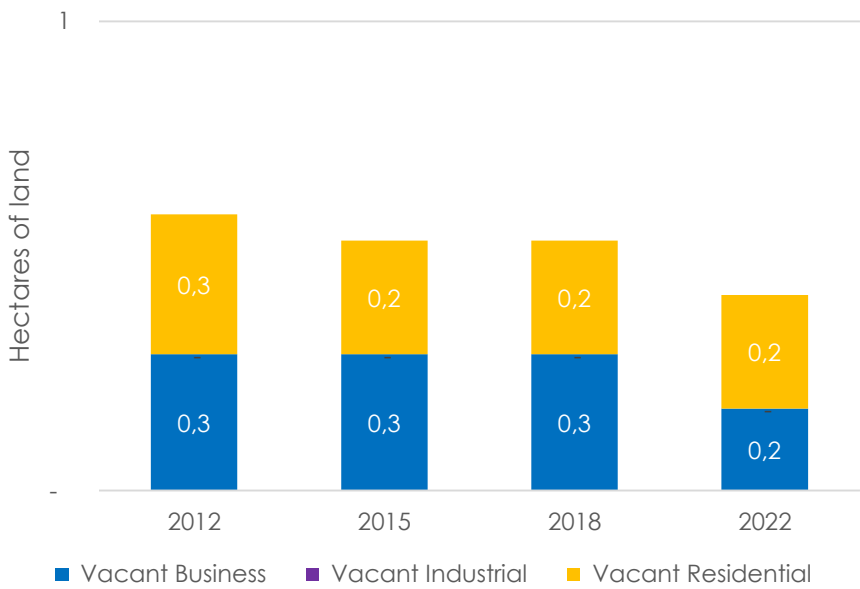
Number of land parcels that are vacant by size			
Erf Size	Commercial	Industrial	Residential
1) 1-250m²			
2) 251-500m²			
3) 501-1000m²	1		4
4) 1001-2500m²	1		
5) 2501-5000m²			
6) 5001-10000m²			
7) >10000m²			

Source: City's General Valuation Roll and Market Reports

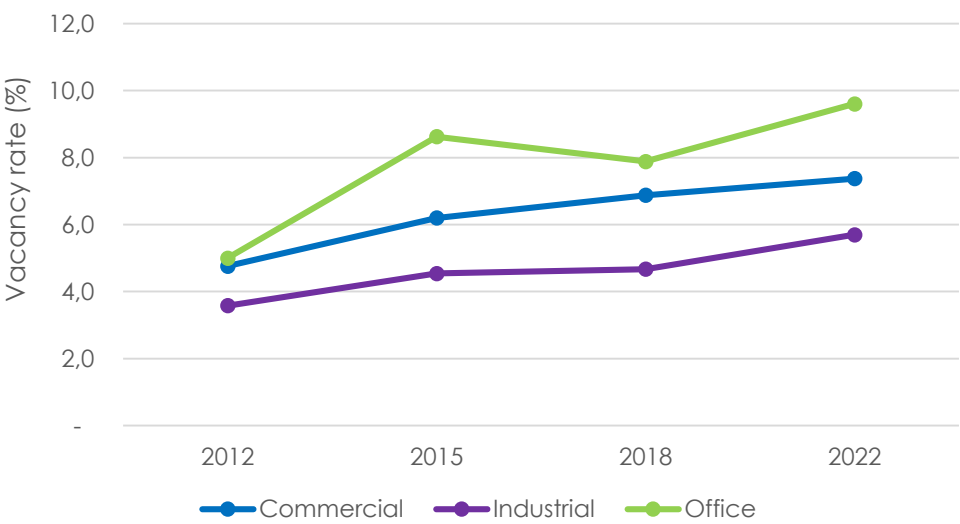
BUILT-UP LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



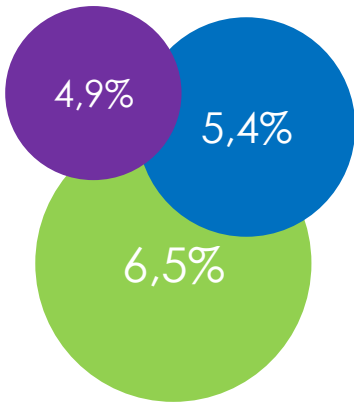
VACANT LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



AVERAGE VACANCY RATE OF EXISTING BUILDINGS



METRO AVERAGE: VACANCY RATES PER SECTOR FOR 2022\*



Vacant Land

The map 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 remained stable in terms of the built-up land, with minimal vacant land available as of 2022, indicating a well-developed 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 increased from 5% in 2012 to 7,4% in 2022. The office sector has also seen an increase from 5% in 2012 to 9,6% in 2022, while the industrial sector has risen from 3,6% in 2012 to 5,7% in 2022.

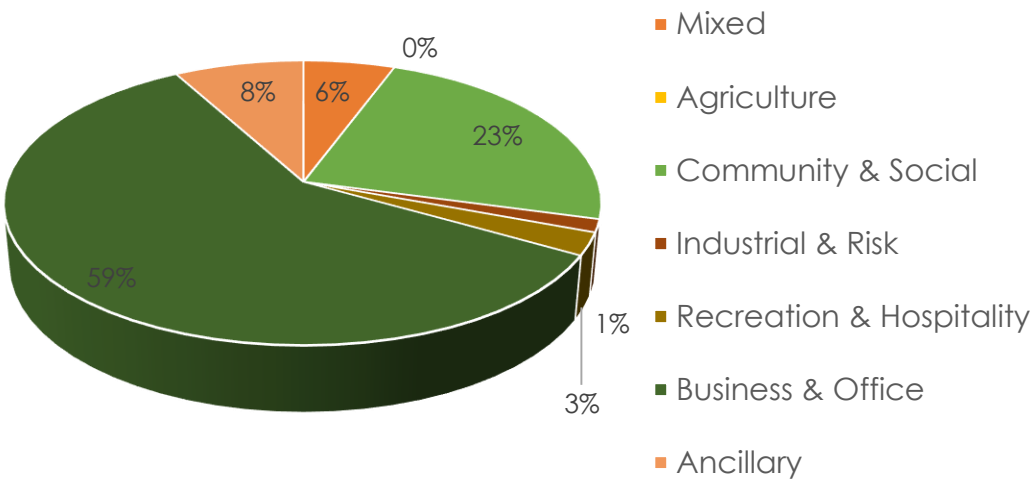
\*A metro view that provides further context relative to this economic area.

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

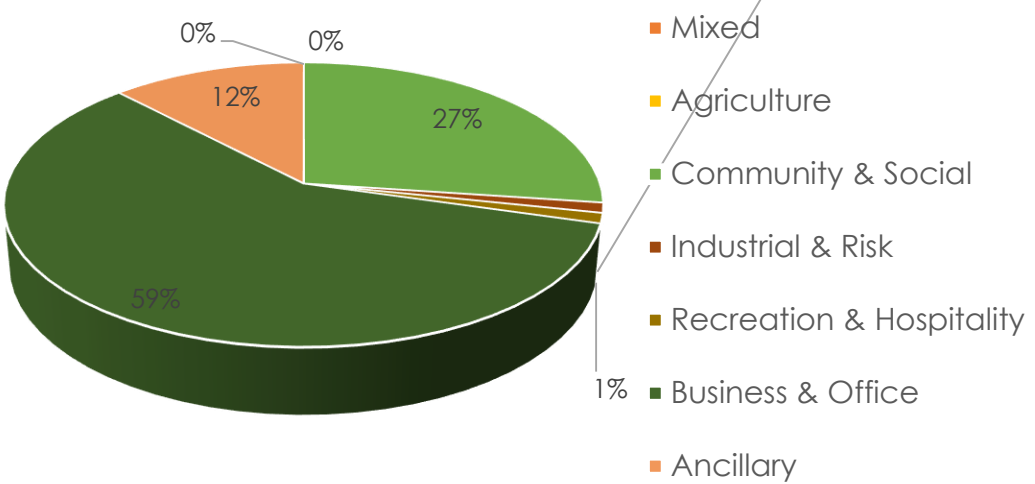
# AGGLOMERATION OF INDUSTRIES

SECTORAL AGGLOMERATION AND CO-AGGLOMERATION RELATIONSHIPS

% OF LAND USE GROUPS (2012)



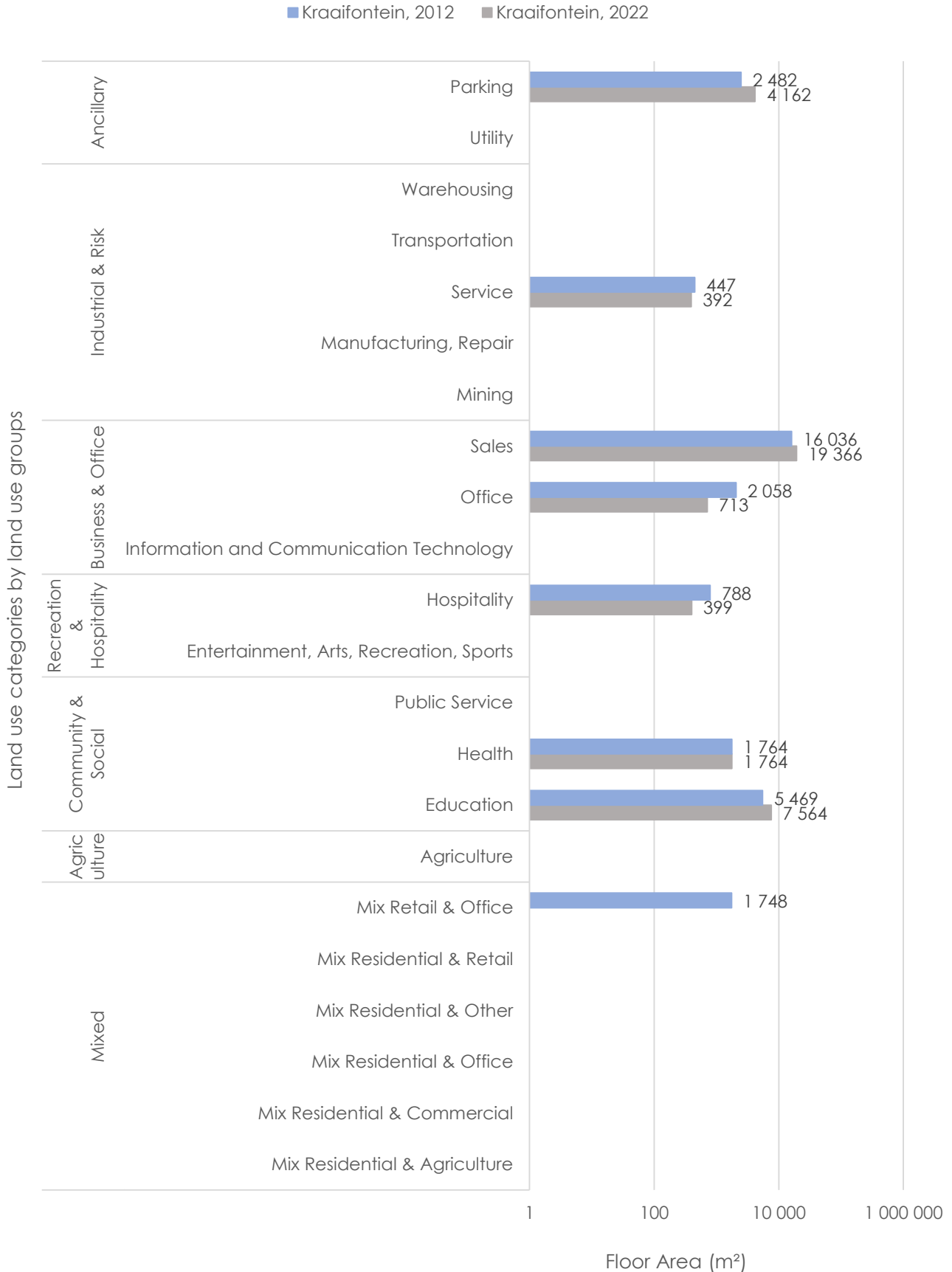
% OF LAND USE GROUPS (2022)



The pie charts illustrate the percentage distribution of land use groups in Kraaifontein, 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 with a significant presence from the Community & Social land use group.

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 sales has been the most dominant, with a noteworthy presence of education spaces. 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

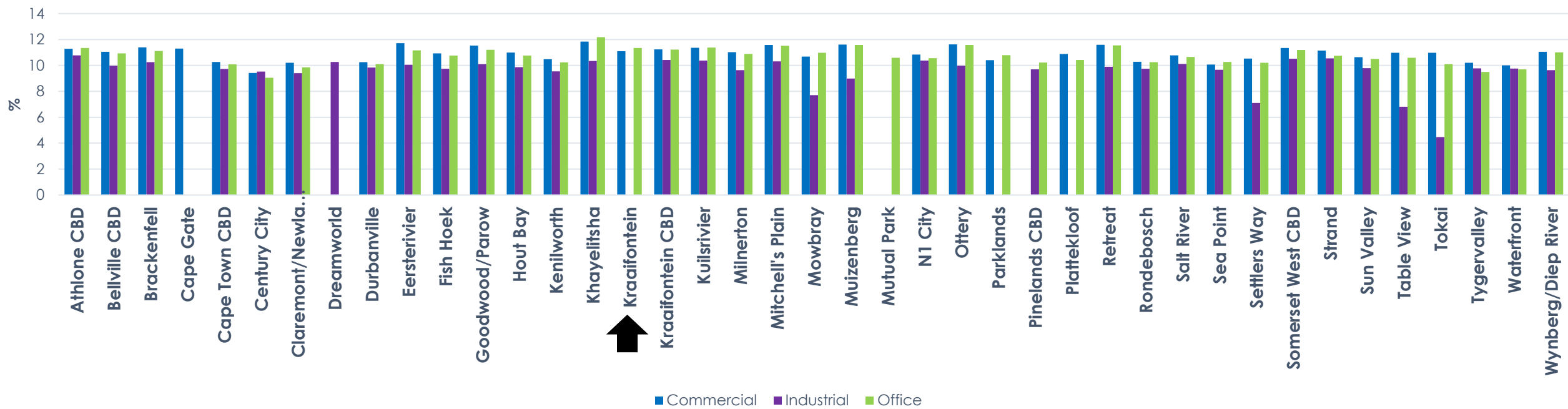


Source: Analysis of GV data (May 2024)

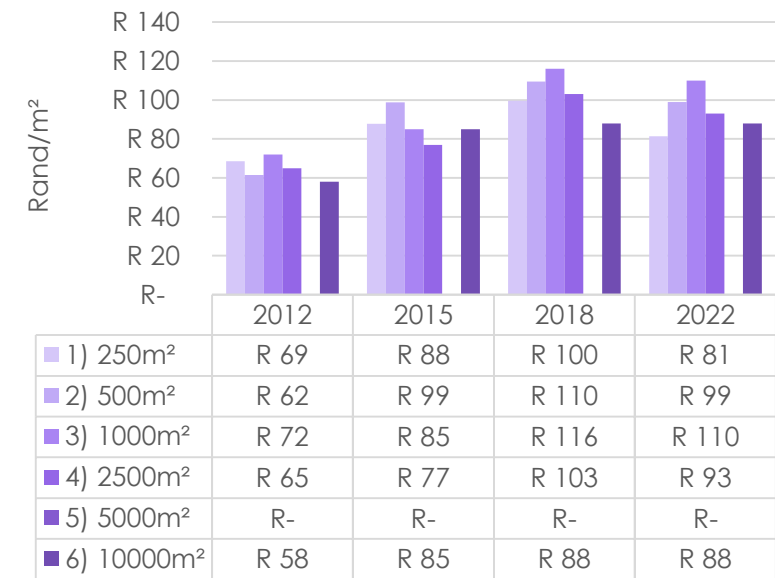
Policy & regulatory context
Conceptual framework
Introduction
Land use activities, employment overview & firm typologies
Development pipeline
Urban land markets
Agglomeration of industries
Market performance
Performance & Potential



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



INDUSTRIAL RENTALS

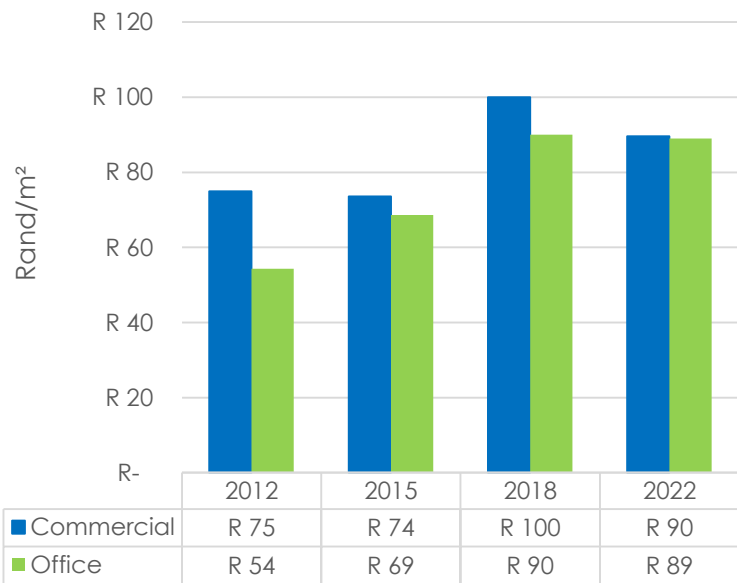


Rental rates

Rental rates across all industrial space gradually increased between 2012 and 2018 but started to decrease in 2022.

Both commercial and office rentals have increased from 2012 to 2018, with rental prices being higher for commercial space. Both sectors experienced a decrease in rental rates in 2022.

COMMERCIAL AND OFFICE RENTALS



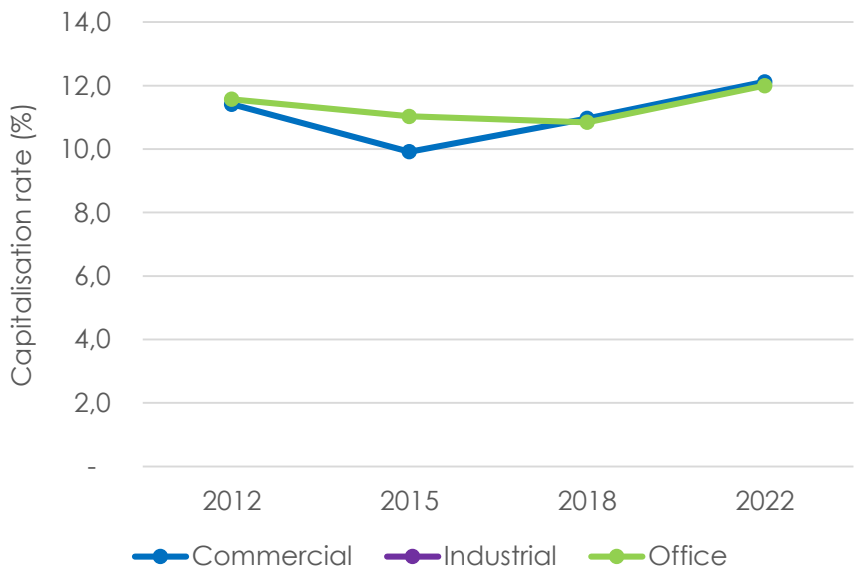
Comparative view on capitalisation rates

The average capitalisation rate between 2012 and 2022 for the commercial and office sectors were 11,11% and 11,34%, respectively and further indicating its competitiveness relative to other commercial areas.

Year on year capitalisation rates for both the commercial and office sectors have increased from 11,6% to 12%.

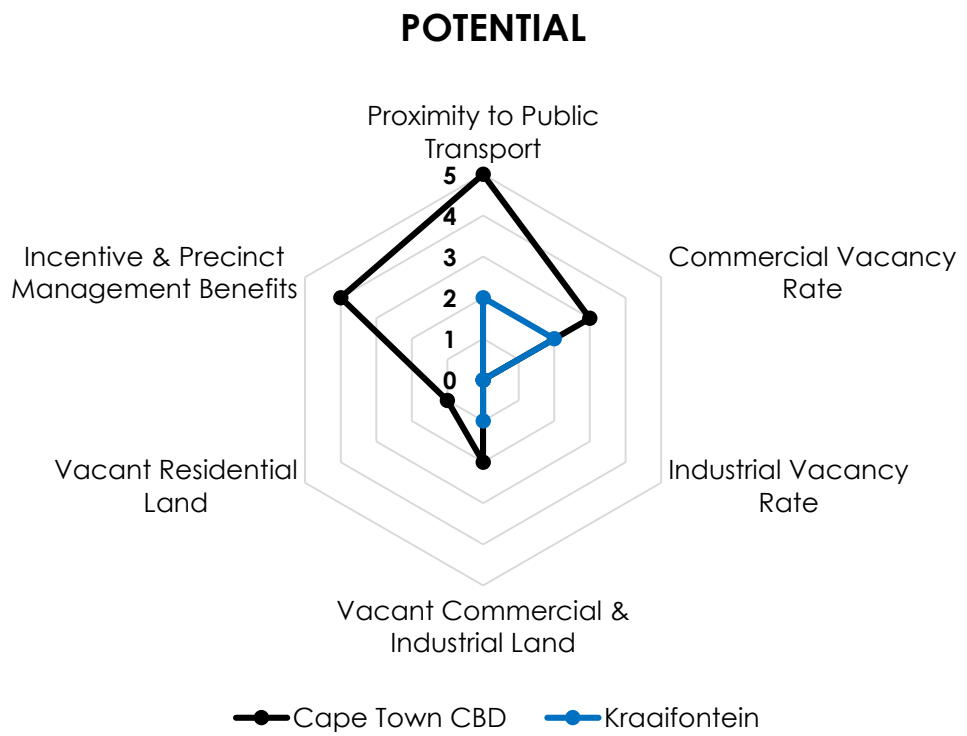
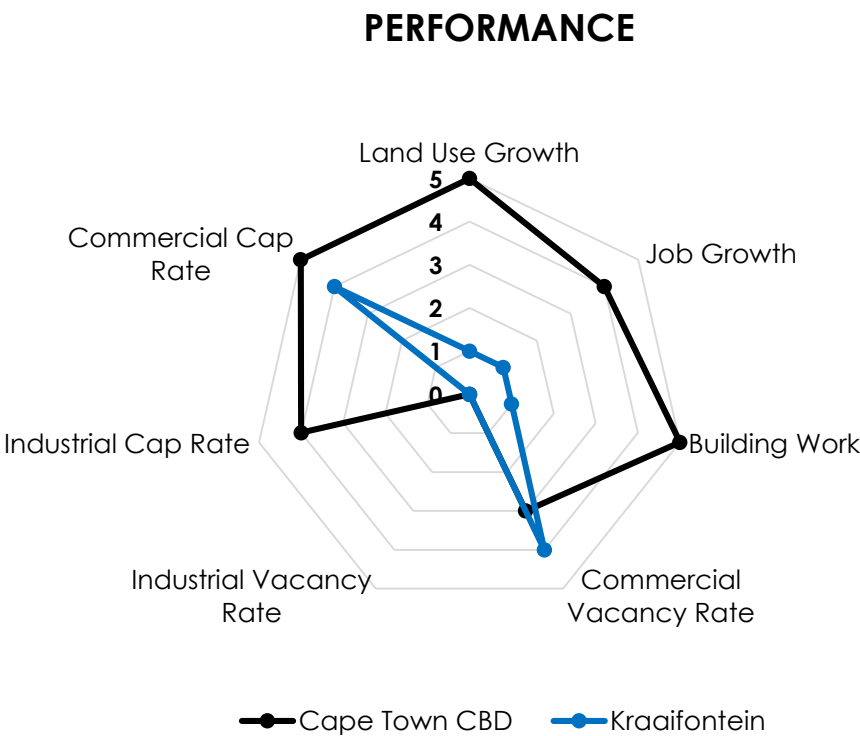
- Higher cap rates = higher investment risk.
- Lower cap rates = lower investment risk.

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. <b>Source: General Valuation Roll.</b>
	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. <b>Source: SARS as of May 2024.</b>
	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. <b>Source: City’s DAMS.</b>
	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. <b>Source: City’s Market Reports.</b>
	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. <b>Source: City’s Market Reports.</b>
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. <b>Source: City’s UPD, spatial analysis.</b>
	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. <b>Source: General Valuation Roll.</b>
	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. <b>Source: City’s Market Reports.</b>
	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. <b>Source: City’s UPD, spatial analysis.</b>

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