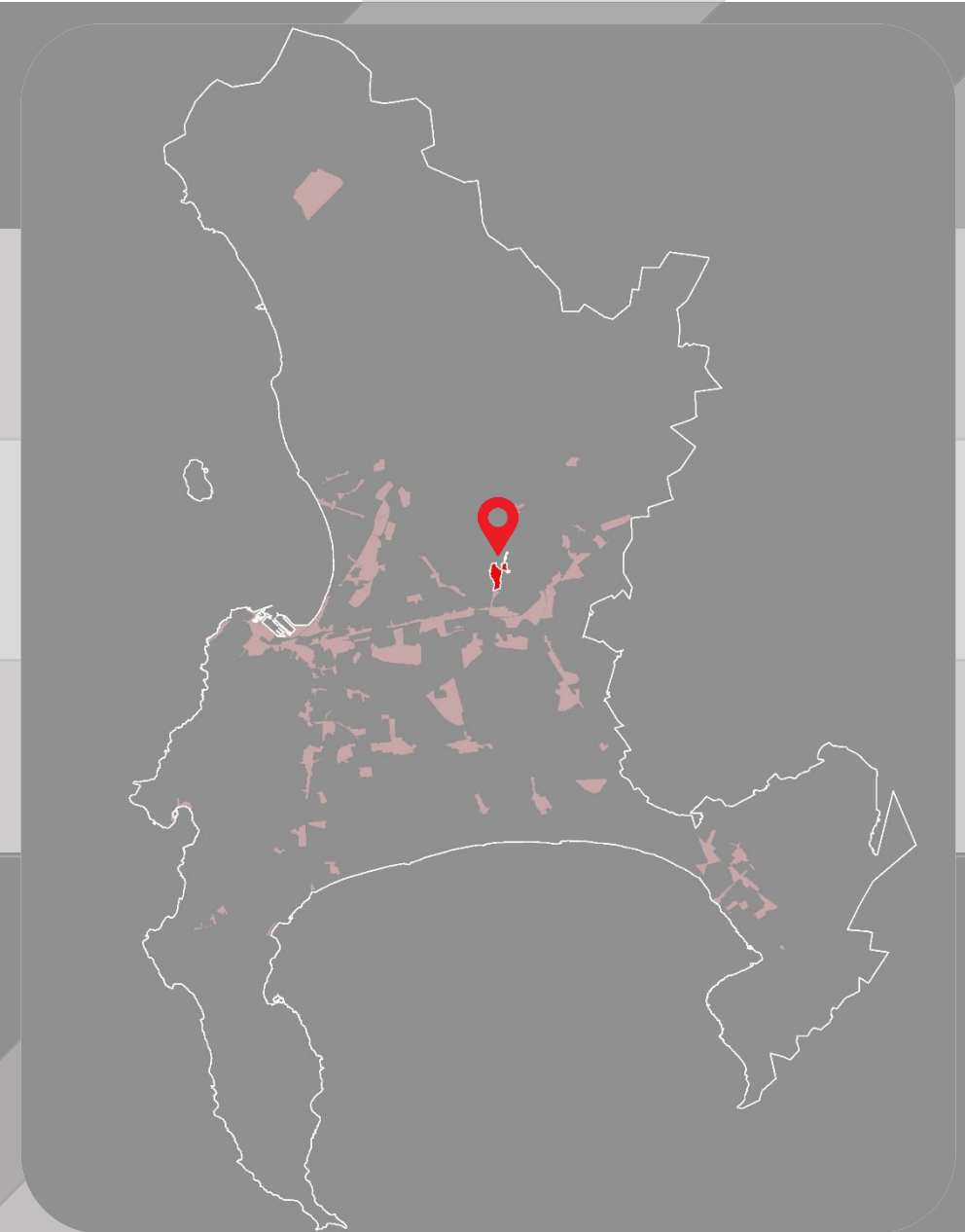# TYGERVALLEY

ECONOMIC AREA PROFILE

TREND ANALYSIS 2012-2022

Image source: Google Earth

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

June 2025

Making progress possible. Together.

ACKNOWLEDGEMENTS

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

- Northern DSDF - Subdistrict 1: Tyger Valley node and Durban Road corridor :
  - District Development Guidelines (page 62)
  - Subdistrict Development Guidelines (page 89)
  - Consolidated Subdistrict SDF (Figure 17: Subdistrict 1: Tyger Valley node and Durban 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)

WHY

VALUE PROPOSITION
Promoting economic infrastructure in support of economic growth and job creation.

Supports internal and external collaboration around data and spatial intelligence.

Supports the spatially differentiated investment rationale of the MSDF and DSDFs.

CHALLENGES /OBJECTIVES TO ADDRESS
Urban Growth Planning (Non-res growth estimates): Determine where to accommodate non-res growth.

Spatial intelligence: Location-based supply and demand factors.

Enhanced spatial policy: Evidence-based analysis on Cape Town's space economy informing a policy framework.

AREAS OF APPLICATION
Land Use Model 2050 update.

Replacement of the static and dated ECAMP with an updated, automated economic analysis tool.

Support: Business retention & expansion initiatives.

Data foundation behind MSDF Policy Statement 4.

WHAT

Supply, Demand & Performance (S,D & P)

Building work under construction/completed **(S)**.
Land use approvals **(D)**.
Property sales by sector **(P)**.

Agglomeration and Co-agglomeration of major sectors/industries **(S)**

DEVELOPMENT PIPELINE

URBAN LAND MARKETS

MARKET PERFORMANCE

AGGLOMERATION OF INDUSTRIES

LAND USE ACTIVITIES, EMPLOYMENT OVERVIEW & FIRM TYPOLOGIES

Built-up extent (m²) of land per sector **(S)**.
Vacant land (m²) per sector **(S)**.
Vacancy rate of buildings (%) per sector **(P)**.

Dominant land use **(S)**
Propensity of industries at a Metro scale **(D)**.
Total jobs per industry & wage band **(D)**.
Firm size and count **(D)**.

Cap rates **(P)**
Rental rates per m² per sector **(P)**

HOW

At a metro scale, economic areas are classified as either industrial or commercial nodes. In the context of Cape Town's distinct space economy and the agglomeration patterns of industries, industrial nodes can be further characterised as being either specialised, mixed or Monofunctional. While the general understanding is that commercial nodes presents a more 'mixed use' environment, these nodes can be further characterised as being unique to either retail, office, entertainment, office & retail or mixed (where 3 or more land uses has a significant amount of floor area within an area).
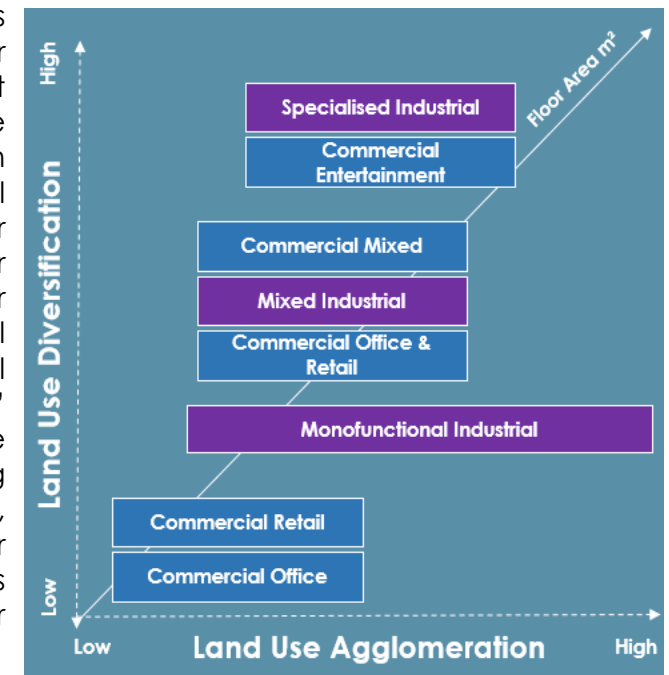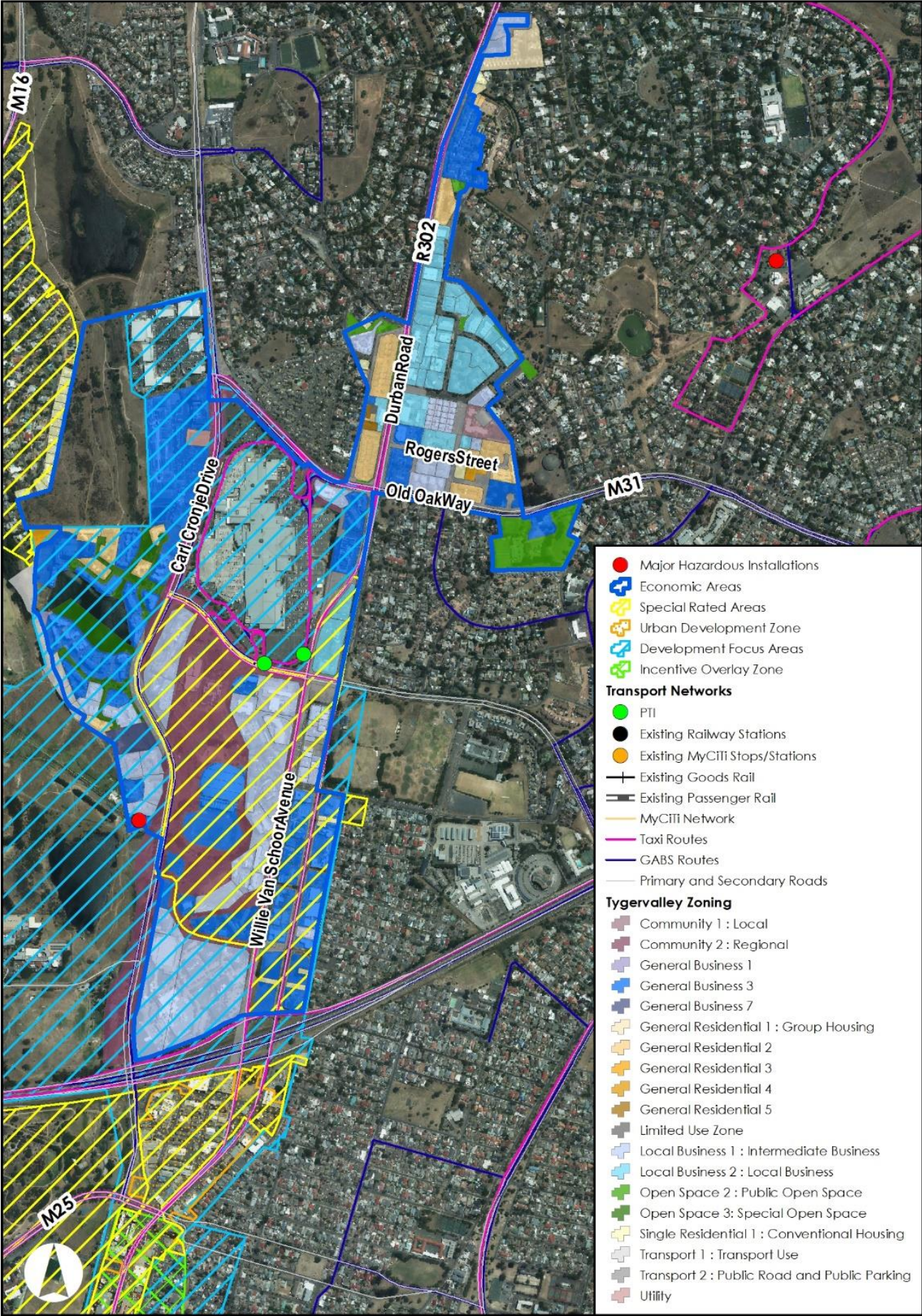
TYGERVALLEY

Location

- The area is approximately 25km east of Cape Town's Central Business District and the Port of Cape Town. Furthermore, it is located 16km from Cape Town International Airport.
- It is also situated near the N1 highway, including other major roads, providing easy access to areas across Cape Town.
- The area includes a Public Transport Interchange and is serviced by taxis and GABS.
- Access to a skilled workforce from surrounding areas includes the broader Durbanville and Bellville 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 business, residential and community purposes.
- The area is mainly characterised by office and retail, which include malls, recreation, education and health facilities.
- The average land parcel sizes in the area range between 1,000 – 2,000m², with a significant amount of bigger blocks ranging between 5,000 and 10,000m².

Spatial planning mechanisms

- Part of the area is serviced by a City Improvement District.
- The area has been identified as a Development Focus Area as part of the Tygerberg District Spatial Development Framework.

Key highlights of the area include:

- The area began to establish itself in the 1980s, developing into a commercial hub.
- Tygervalley Improvement District was established in 2016.
- The areas have significantly developed into a mixed-use commercial precinct, attracting various franchises and key anchor tenants.
- The area has developed to be an attraction of various recreation facilities and leisure.
- Over time, Tygervalley has become home to many businesses migrating from Bellville CBD and parts along Voortrekker Road.

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, Tygervalley was mainly characterised by a greater propensity for mixed-use buildings and offices, 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 Tygervalley to being a contributor of mixed-use buildings and office where mixed-use buildings, which performs higher 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 shopping centres, offices and retail.
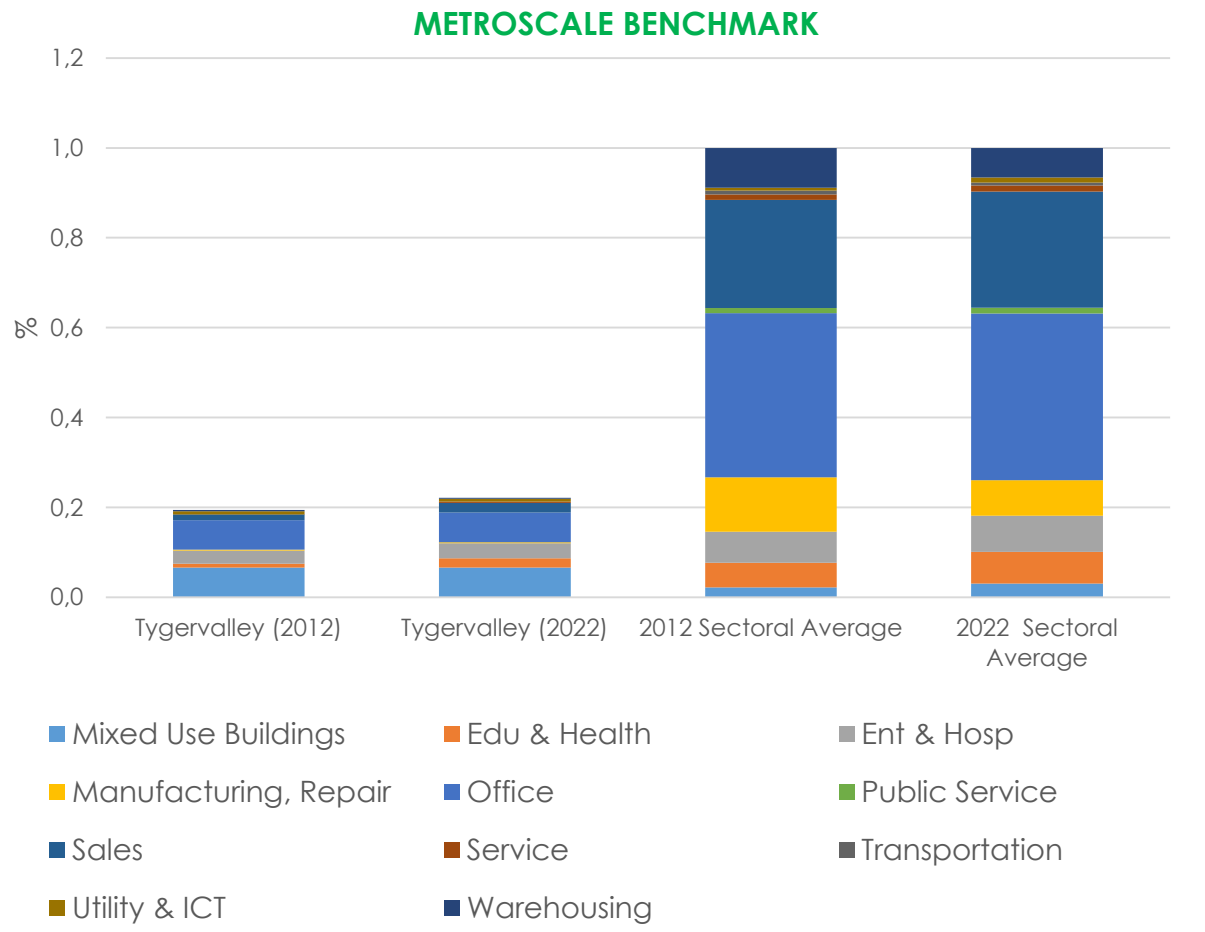
TOP 10 MOST DOMINANT LAND USES BETWEEN 2012 AND 2022

METROSCALE BENCHMARK
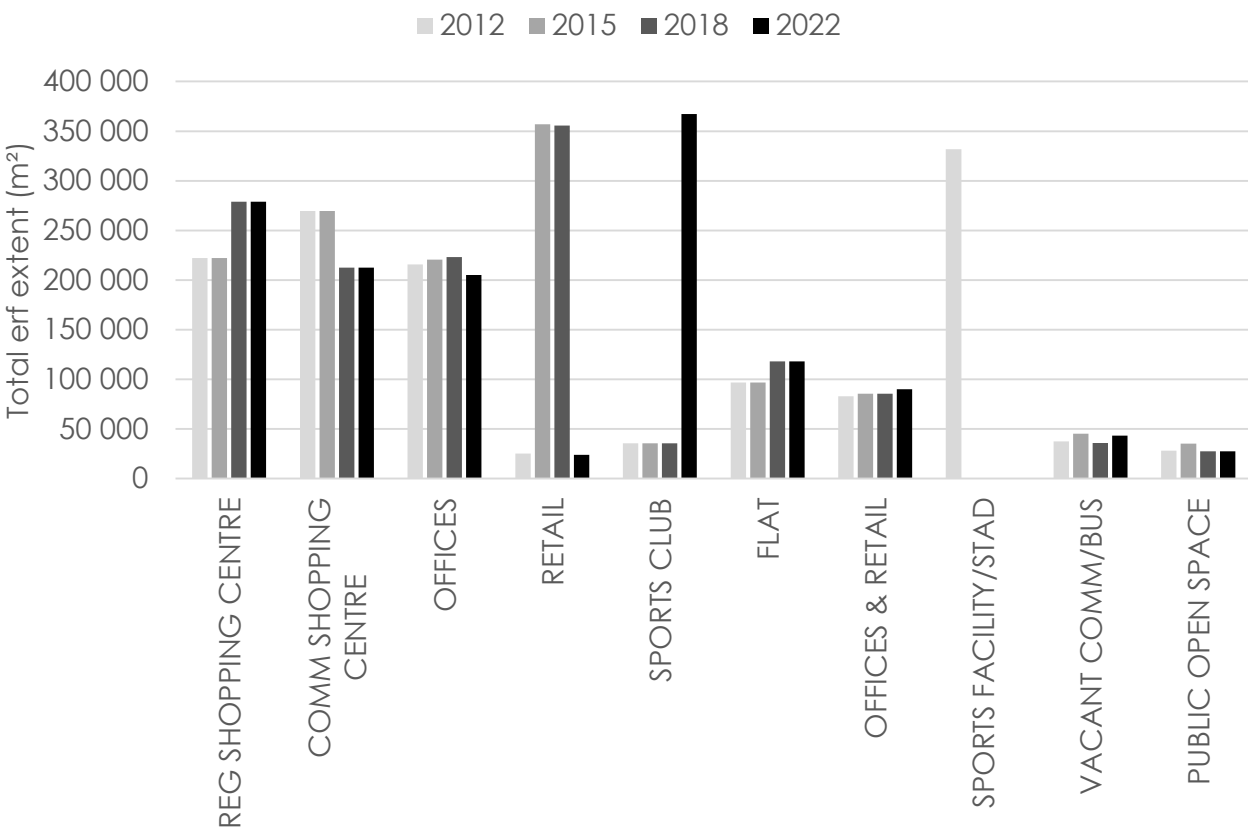
NODAL TYPOLOGY FOR 2012 AND 2022
(*Office & Retail*)

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

Legend:
- Accommodation and food service activities
- Administrative and support activities
- Agriculture, forestry and fishing
- Community & personal services
- Construction
- Electricity, gas, steam and air conditioning supply
- Financial and insurance activities
- Information and communication
- Manufacturing
- Mining and quarrying
- Other service activities
- Professional, scientific and technical activities
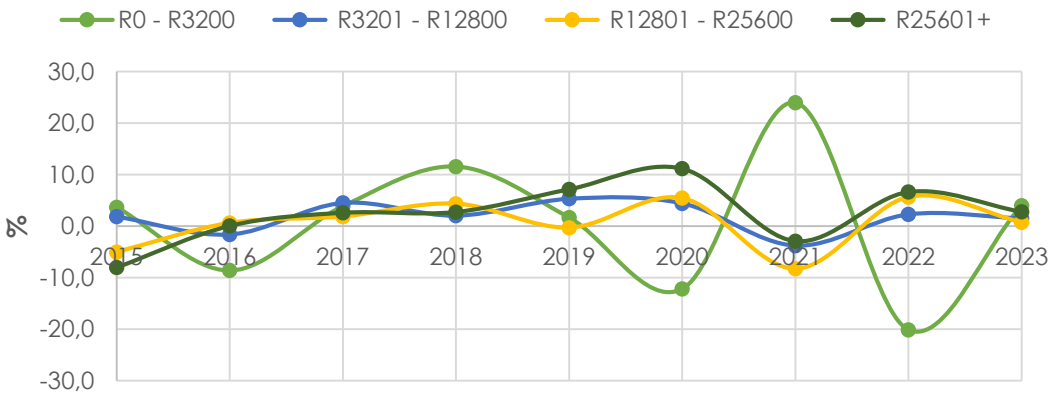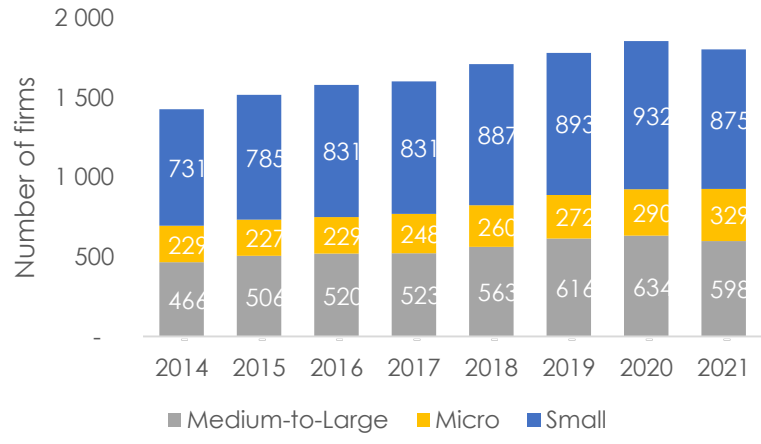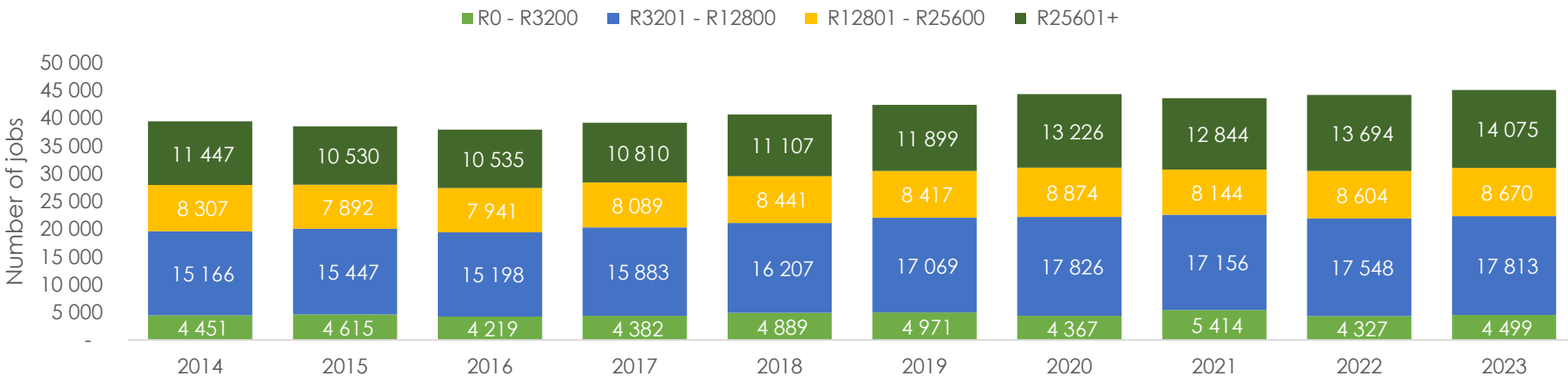- Real estate activities
- Transportation and storage
- Water supply; sewerage, waste management and remediation activities
- Wholesale and retail trade; repair of motor vehicles and motorcycles

Chart: Number of jobs (y-axis 0 to 45 000) for years 2014, 2017, 2020, 2023.

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

Legend: R0 - R3200 | R3201 - R12800 | R12801 - R25600 | R25601+

Chart: % (y-axis -30.0 to 30.0) for years 2015–2023.

NUMBER OF FIRM TYPOLOGIES

Chart: Number of firms (y-axis 0 to 2 000)

Year	Small	Micro	Medium-to-Large
2014	731	229	466
2015	785	227	506
2016	831	229	520
2017	831	248	523
2018	887	260	563
2019	893	272	616
2020	932	290	634
2021	875	329	598

Legend: Medium-to-Large | Micro | Small

FULL TIME EMPLOYMENT BY WAGEBAND

Legend: R0 - R3200 | R3201 - R12800 | R12801 - R25600 | R25601+

Chart: Number of jobs (y-axis 0 to 50 000)

Year	R25601+	R12801 - R25600	R3201 - R12800	R0 - R3200
2014	11 447	8 307	15 166	4 451
2015	10 530	7 892	15 447	4 615
2016	10 535	7 941	15 198	4 219
2017	10 810	8 089	15 883	4 382
2018	11 107	8 441	16 207	4 889
2019	11 899	8 417	17 069	4 971
2020	13 226	8 874	17 826	4 367
2021	12 844	8 144	17 156	5 414
2022	13 694	8 604	17 548	4 327
2023	14 075	8 670	17 813	4 499

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

Jobs/Firms
The number of job opportunities surrounding the Tygervalley area increased from 35,000 to 42,000 between 2014 and 2023. An overall growth in jobs has been experienced, with the majority of jobs concentrated in community & personal services, financial & insurance services, administrative services and wholesale & retail industries.

The total number of firms increased from 1,400 to 1,600 between 2014 and 2021. While small firms have been the most dominant, there has also been a significant presence of medium-to-large and micro firms.

Income bands
The income bands indicate the skill levels of the employed workforce. The data suggests that a larger proportion of employees earn up to R12,800 per month. However, there is a significant number of employees earning in the upper income bracket.

Legend:
- SARS Hexagon
- Economic Area

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

DEVELOPMENT PIPELINE

PROPERTY SALES BY SECTOR

- Commercial property sales
- Industrial property sales
- Vacant property sales
- Residential property sales
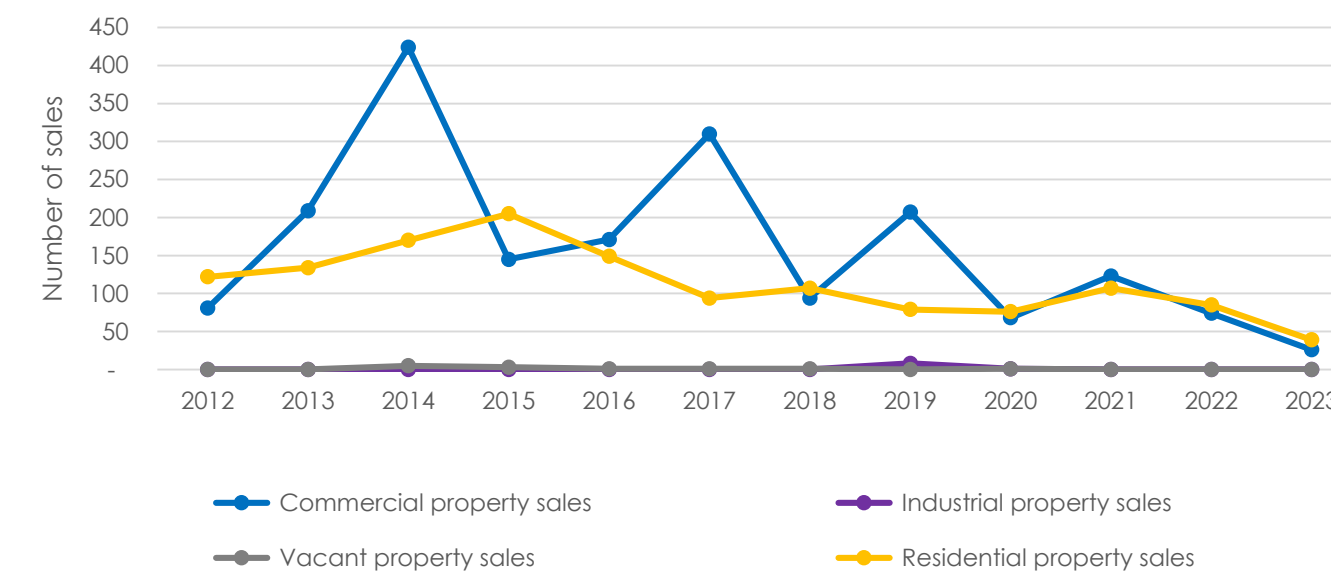
BUILDING WORK COMPLETED/UNDER CONSTRUCTION RELATIVE TO AVERAGE OF AREAS WITH SIMILAR CHARACTER

- Construction completed
- Construction commenced
- Ave. of other commercial areas (m²)
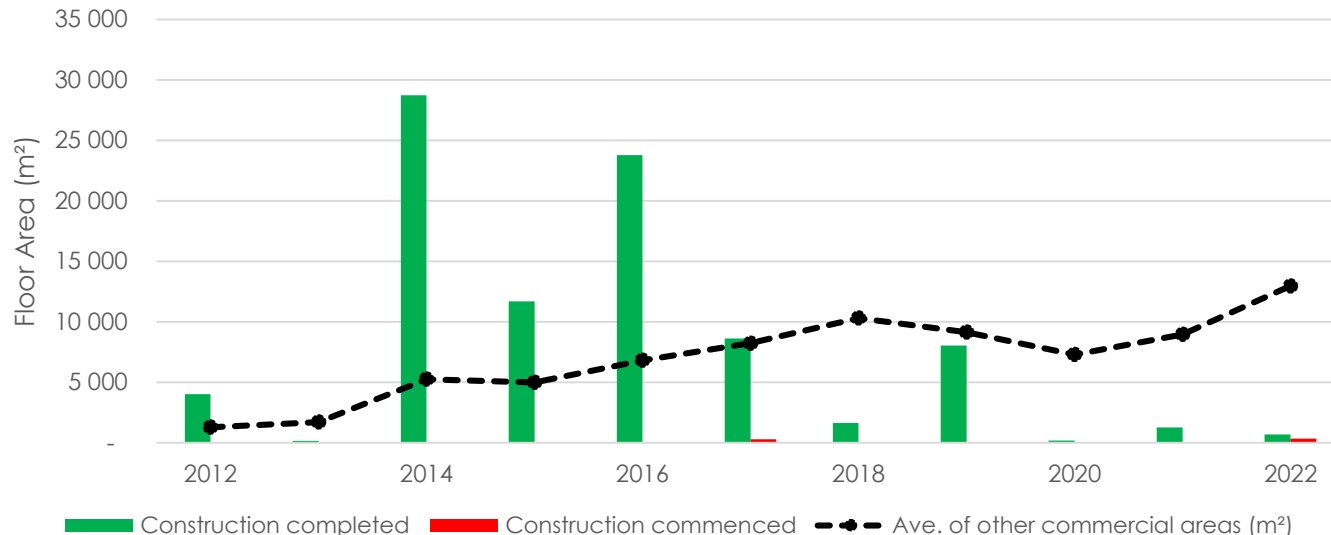
APPROVED LAND USE APPLICATIONS

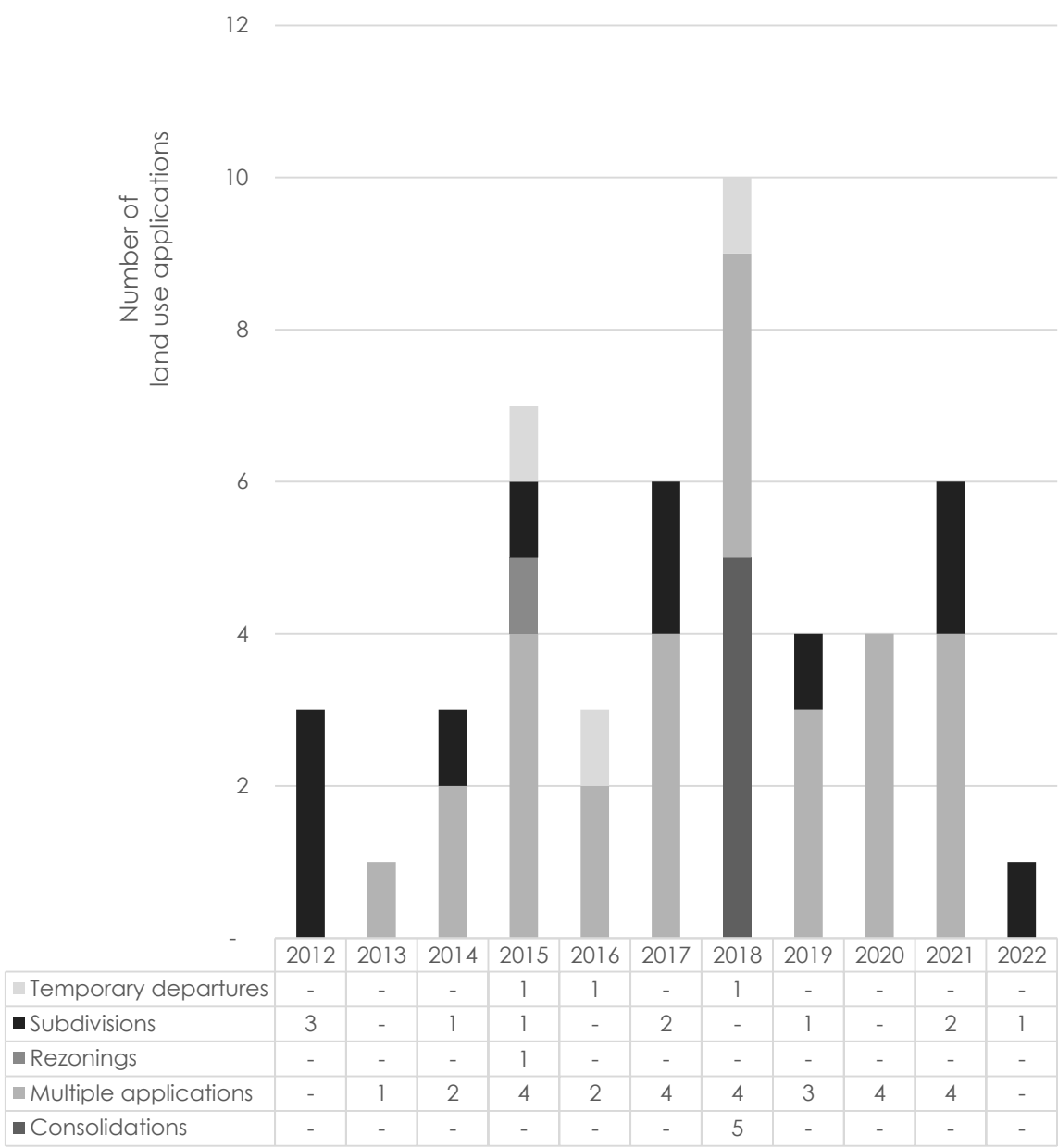|	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Temporary departures	-	-	-	1	1	-	1	-	-	-	-
Subdivisions	3	-	1	1	-	2	-	1	-	2	1
Rezonings	-	-	-	1	-	-	-	-	-	-	-
Multiple applications	-	1	2	4	2	4	4	3	4	4	-
Consolidations	-	-	-	-	-	-	5	-	-	-	-

Property Sales

Between 2012 and 2022, property sales in the commercial sector were more prominent than in the other sectors, with the residential sector recording a significant amount of property sales as well. The commercial sector experienced spikes in 2014, 2017 and 2019, while the residential sector experienced a spike in 2015. Both the commercial and residential sectors mostly fluctuated from high to low numbers of sales and tapered down in 2023.

Land Use Applications

Most approvals during this period were for multiple applications, indicating a diverse set of land use requirements to be in place for the area. Multiple applications may include a combination of the types seen in the graph.

Building Plans

In light of property sales and land use approvals, building work activity has been most significant in the first 5 years and has exceeded the metro's annual average when compared to other commercial areas, while the latter 5 years underwent minimal building activity.

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

URBAN LAND MARKETS

VACANT LAND ACROSS CAPE TOWN (GV 2022)*

Legend:
- Vacant Business
- Vacant Industrial
- Vacant Residential

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

Hectares of land

	2012	2015	2018	2022
Built Business	85	119	119	122
Built Residential	3	3	3	3

Legend: Built Business, Built Industrial, Built Residential

VACANT LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)

Hectares of land

	2012	2015	2018	2022
Vacant Business	3,8	4,5	3,6	4,3
Vacant Residential	1,0	0,9	0,5	0,5

Legend: Vacant Business, Vacant Industrial, Vacant Residential

AVERAGE VACANCY RATE OF EXISTING BUILDINGS

Vacancy rate (%)

Legend: Commercial, Industrial, Office
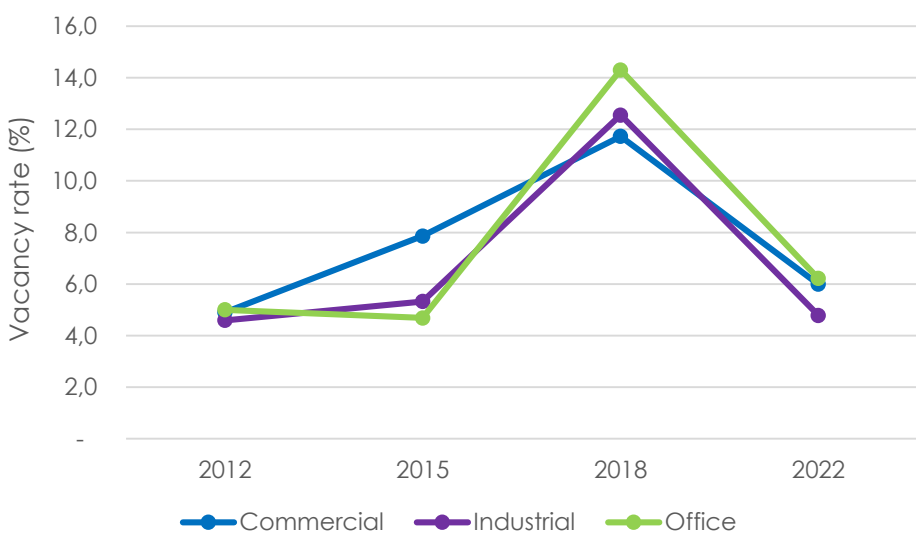
METRO AVERAGE: VACANCY RATES PER SECTOR FOR 2022*

- 4,9%
- 5,4%
- 6,5%

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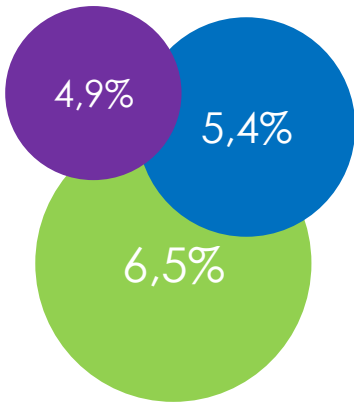
Vacant Land

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 increased steadily in terms of the built-up land, with limited vacant land available, as of 2022, further 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 both the commercial and office sectors have increased from 5% in 2012 to 6% in 2022. While the industrial sector has remained fairly similar between 2012 and 2022.

Source: City's General Valuation Roll and Market Reports

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

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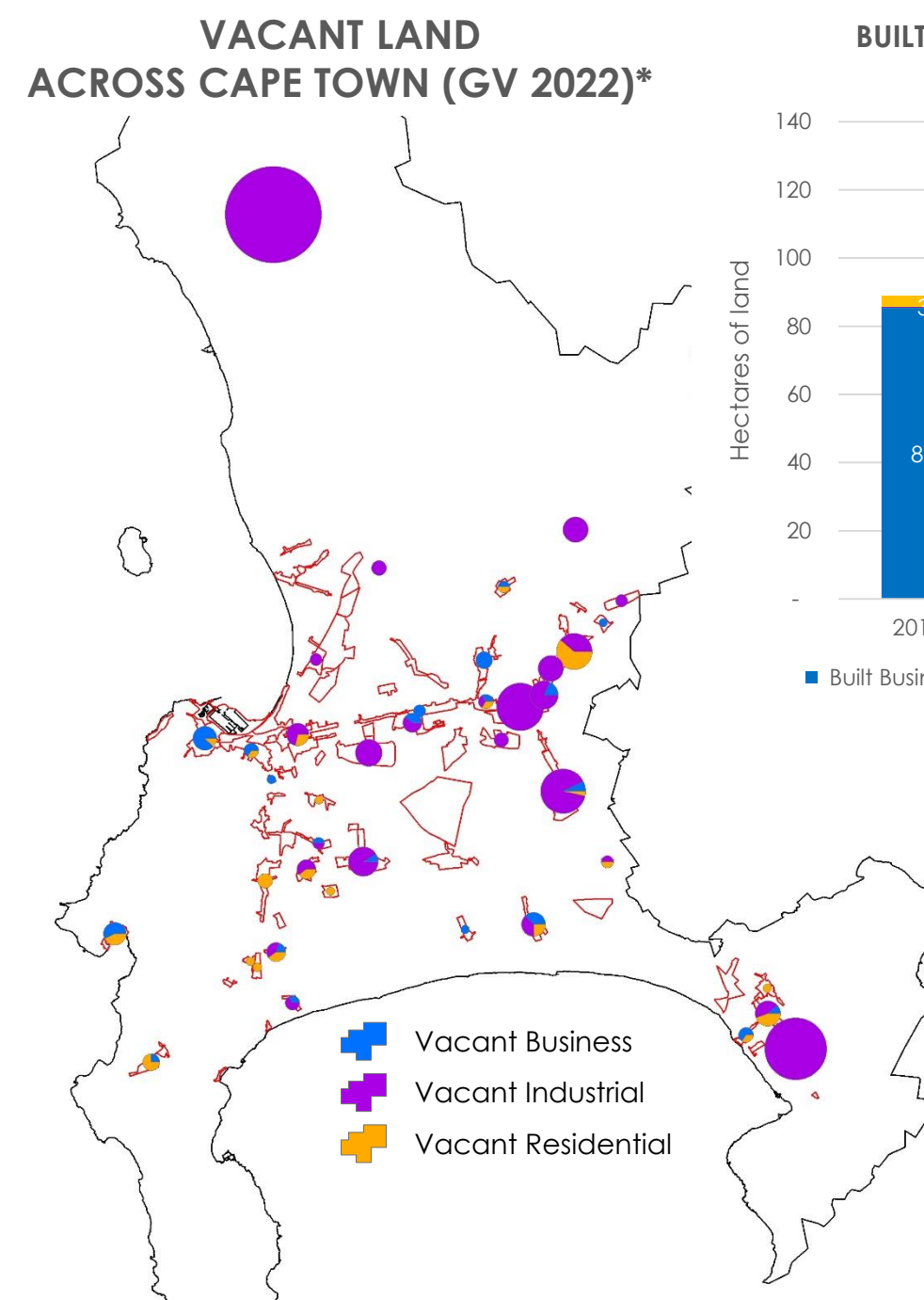- Development pipeline
- Urban land markets
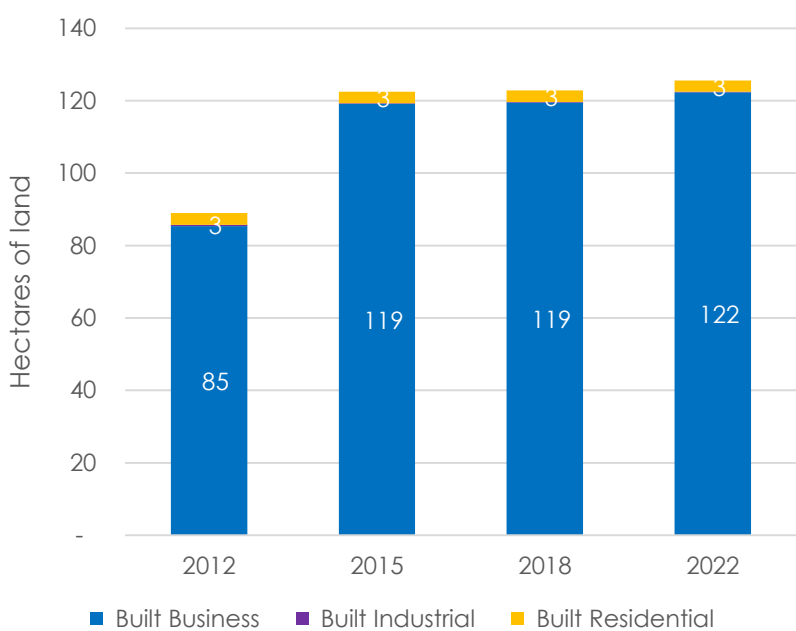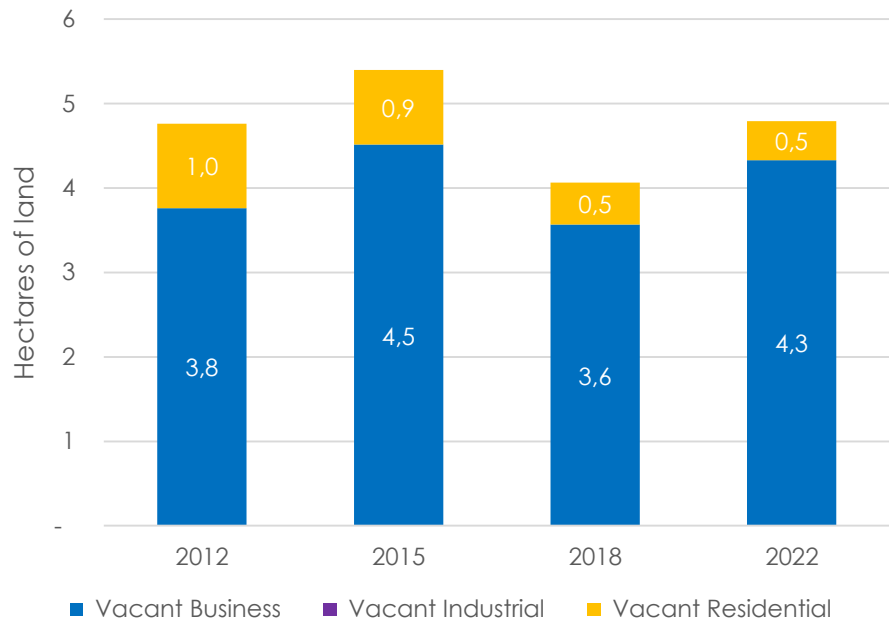- Agglomeration of industries
- Market performance
- Performance & Potential

AGGLOMERATION OF INDUSTRIES

% OF LAND USE GROUPS (2012)

- Mixed
- Agriculture
- Community & Social
- Industrial & Risk
- Recreation & Hospitality
- Business & Office
- Ancillary

0% 1%
4% 1% 5%
22%
67%

% OF LAND USE GROUPS (2022)

- Mixed
- Agriculture
- Community & Social
- Industrial & Risk
- Recreation & Hospitality
- Business & Office
- Ancillary

0% 3% 1% 5%
4%
27%
60%

FLOOR AREA PER LAND USE CATEGORY FOR 2012 AND 2022

■ Tygervalley, 2012   ■ Tygervalley, 2022

The pie charts illustrate the percentage distribution of land use groups in Tygervalley, 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 gradual increases experienced across the other groups by 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 office and sales have maintained significant dominance. There is also a significant presence of parking, considering the various types of land uses present in the area, which attracts people to the area.

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
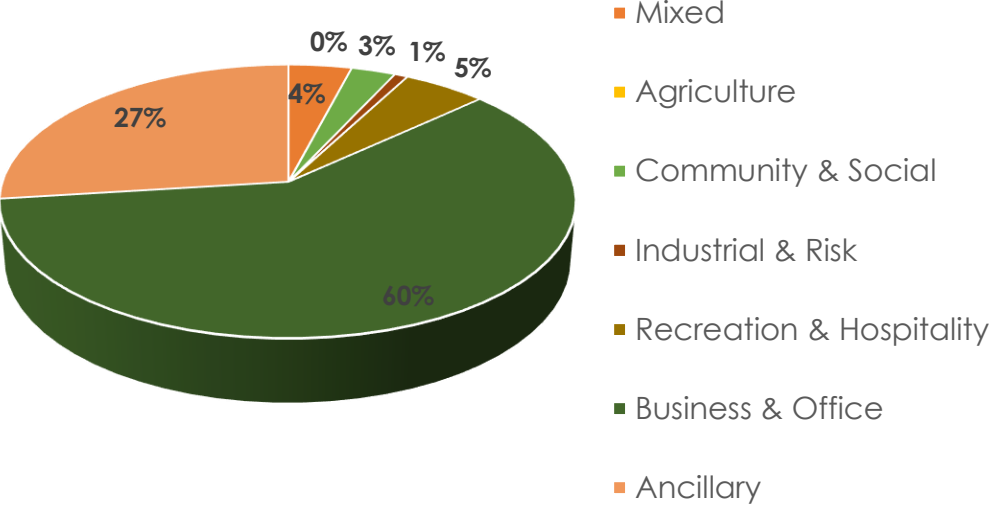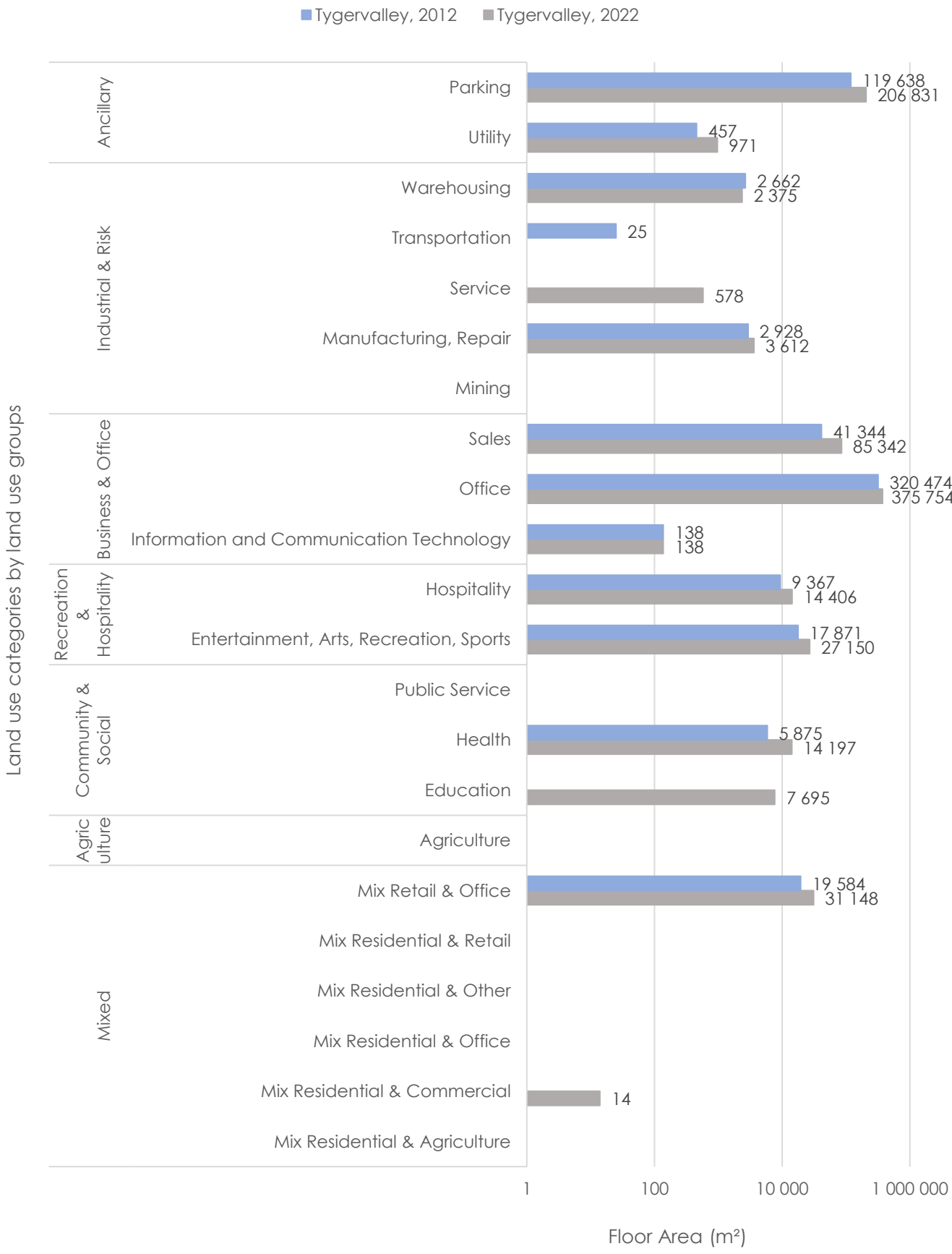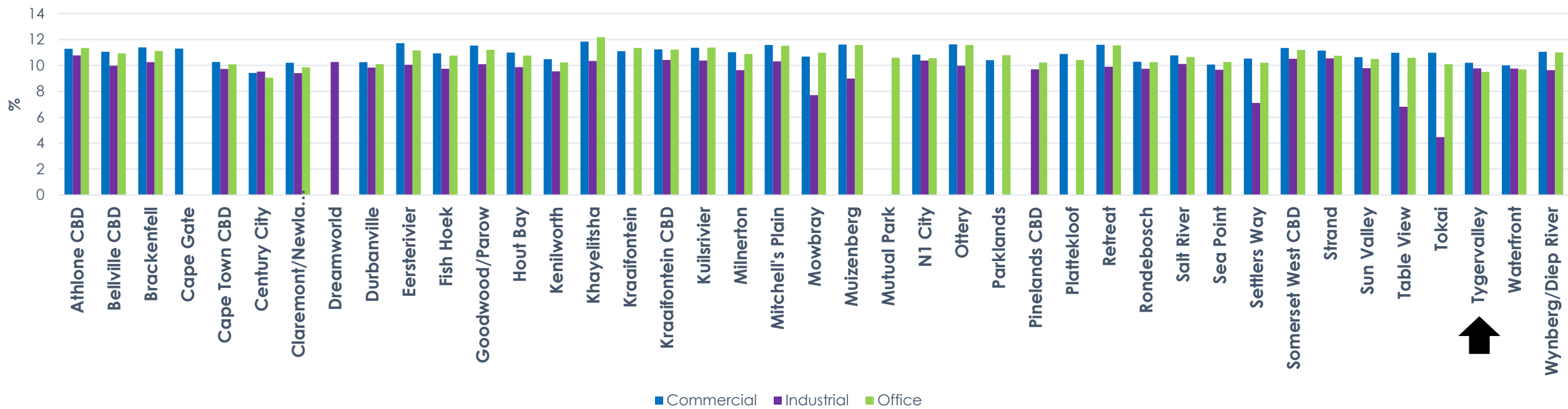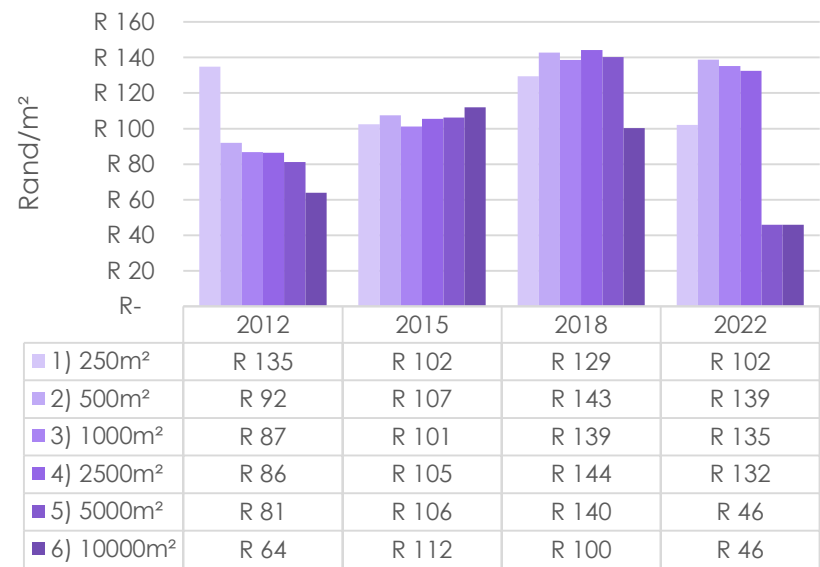Market performance
Performance & Potential

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

Legend: Commercial, Industrial, Office

INDUSTRIAL RENTALS

	2012	2015	2018	2022
1) 250m²	R 135	R 102	R 129	R 102
2) 500m²	R 92	R 107	R 143	R 139
3) 1000m²	R 87	R 101	R 139	R 135
4) 2500m²	R 86	R 105	R 144	R 132
5) 5000m²	R 81	R 106	R 140	R 46
6) 10000m²	R 64	R 112	R 100	R 46

COMMERCIAL AND OFFICE RENTALS

	2012	2015	2018	2022
Commercial	R 143	R 170	R 175	R 180
Office	R 108	R 112	R 171	R 199

CAPITALISATION RATES
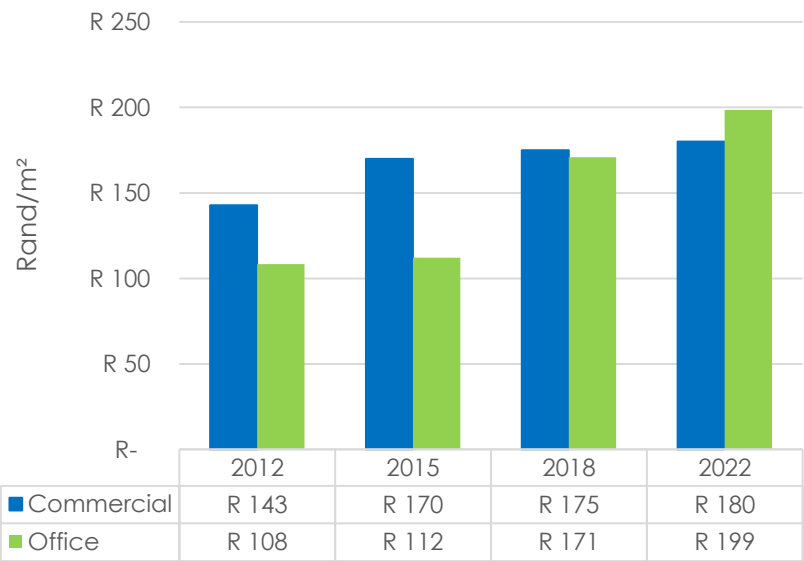

Legend: Commercial, Industrial, Office

Rental rates

Rental rates for various industrial property sizes have mostly increased between 2012 to 2022, with a decline experienced in rentals across the larger property sizes by 2022.

Both commercial and office rentals have steadily increased between 2012 and 2022, with commercial reflecting higher rentals between 2012 and 2018.
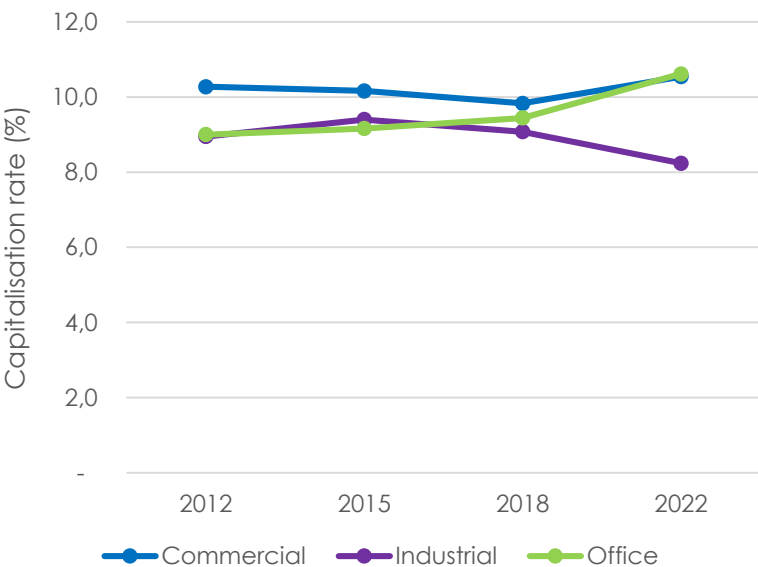
Comparative view on cap rates

The average capitalisation rate between 2012 and 2022 for commercial, industrial and office sectors has been 10,2%, 9,78% and 9,5%, respectively and further indicates its competitiveness relative to other commercial areas.

Year on year capitalisation rates for the commercial sector have remained consistent at the 10,3% mark while the office sector increased from 9% in 2012 to 10,6% in 2022. The industrial sector decreased from 9% in 2012 to 8,2% in 2022.

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

Source: 2012 – 2022 market reports

Side navigation tabs: 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

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.

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

PERFORMANCE

Radar chart — Tygervalley vs Cape Town CBD. Axes: Land Use Growth, Job Growth, Building Work, Commercial Vacancy Rate, Industrial Vacancy Rate, Industrial Cap Rate, Commercial Cap Rate. Scale 0 to 5.

Legend: Tygervalley, Cape Town CBD

POTENTIAL

Radar chart — Tygervalley vs Cape Town CBD. Axes: Proximity to Public Transport, Commercial Vacancy Rate, Industrial Vacancy Rate, Vacant Commercial & Industrial Land, Vacant Residential Land, Incentive & Precinct Management Benefits. Scale 0 to 5.

Legend: Tygervalley, Cape Town CBD

	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.***