

STATE OF CAPE TOWN CENTRAL CITY REPORT **2022**

A YEAR IN REVIEW



ABOUT THE CAPE TOWN CENTRAL CITY

The Cape Town Central City is the traditional Central Business District (CBD) of the Cape Town metropole. For the purposes of this report, its geographical footprint is identical to that of the Cape Town Central City Improvement District (CCID), a not-for-profit private-public company that is mandated by property owners to provide services and promote this 1.6 km² Special Rates Area.

This footprint is marked out by the broken yellow line on the map that appears on the inside front cover of this report, which is published by the CCID. All the information contained in this report is therefore *only pertinent to this area*.

The area is bordered to the northeast by Table Bay Harbour (the Port of Cape Town), including the V&A Waterfront, and by the largely residential suburbs around the rest of the perimeter known as the Atlantic Seaboard (to the northwest), the City Bowl (to the west and south) and District Six and Woodstock (to the southeast).

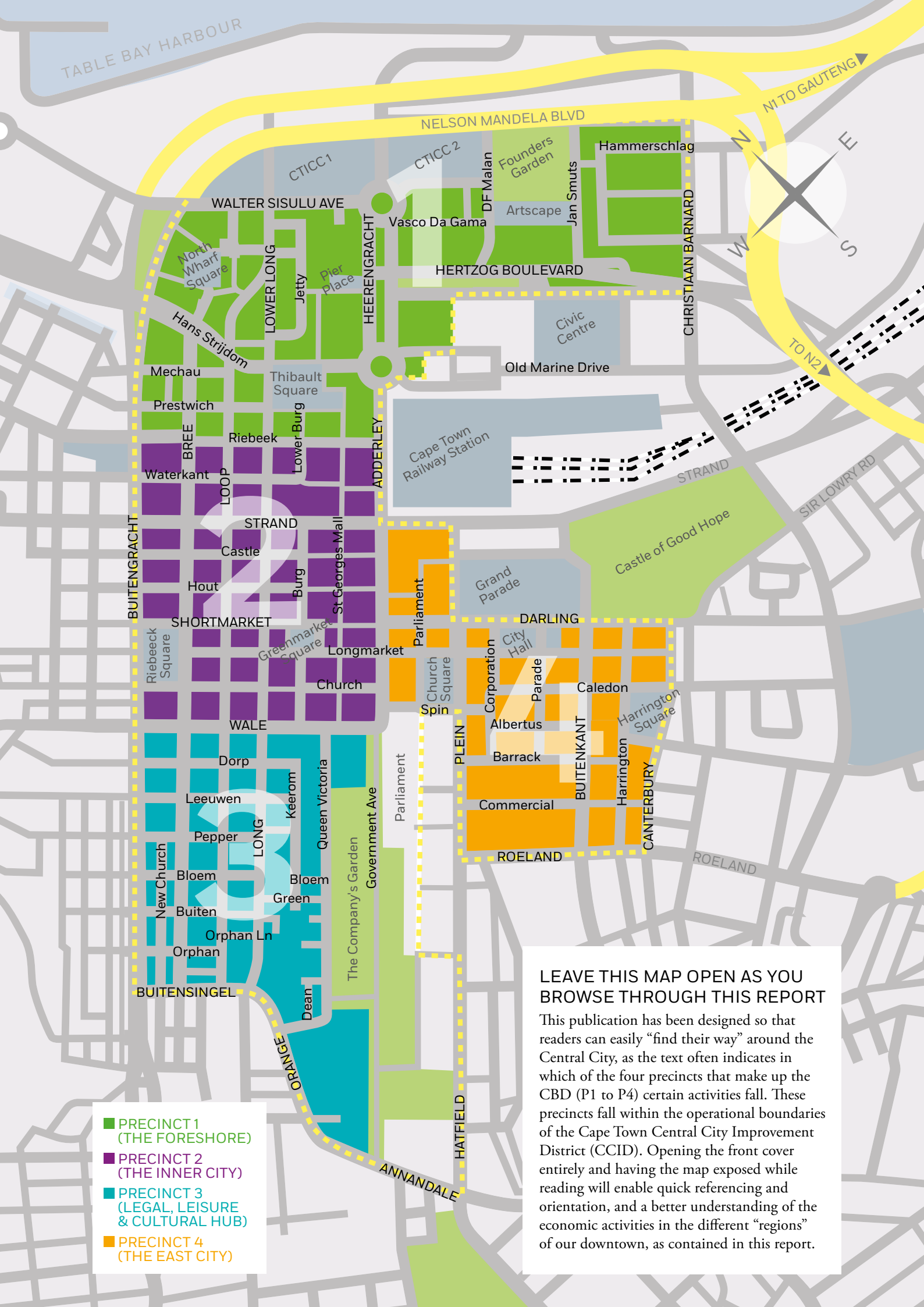
For operational purposes, and for the purposes of this report, the area is divided into four precincts: Precinct 1 (known as the Foreshore, this is the medical, conferencing and financial precinct); Precinct 2 (known as the Inner City, this is the retail hub and heart of the CBD); Precinct 3 (the legal, leisure and cultural hub); and Precinct 4, referred to as the East City.

All main road and rail transportation links in the Western Cape Province begin in the Cape Town CBD, including the N1 highway to the Gauteng province, and the N2 highway which travels along the southern coast of South Africa to the KwaZulu-Natal province and beyond. Cape Town International Airport lies on the N2, 19 km from the Central City.

The CCID works closely with its partners, the City of Cape Town and the SA Police Service (SAPS), to maintain and ensure the Central City retains its reputation as the most economically successful and vibrant CBD in South Africa.

COVER IMAGE: ROBERT ANDERSON





- **PRECINCT 1**
(THE FORESHORE)
- **PRECINCT 2**
(THE INNER CITY)
- **PRECINCT 3**
(LEGAL, LEISURE
& CULTURAL HUB)
- **PRECINCT 4**
(THE EAST CITY)

LEAVE THIS MAP OPEN AS YOU BROWSE THROUGH THIS REPORT

This publication has been designed so that readers can easily “find their way” around the Central City, as the text often indicates in which of the four precincts that make up the CBD (P1 to P4) certain activities fall. These precincts fall within the operational boundaries of the Cape Town Central City Improvement District (CCID). Opening the front cover entirely and having the map exposed while reading will enable quick referencing and orientation, and a better understanding of the economic activities in the different “regions” of our downtown, as contained in this report.



ALAN WINDE

Premier of the Western Cape

The Western Cape and Cape Town are back! After a gruelling couple of years under the spectre of Covid-19, our economy has clawed its way back, and this is in large part thanks to our citizens and the private sector. Their grit, tenacity, resourcefulness, and resilience shone through this difficult time, ensuring our province and the Mother City endured.

But we are now faced with an even bigger challenge. The energy crisis has emerged as the most significant threat to our recovery and potential. But as the Western Cape Government, we cannot simply look elsewhere to others for solutions while the situation worsens, leaving livelihoods and development in the dark, dragging down all we have achieved since the pandemic.

We have stepped up and stepped in to intervene, ploughing vast resources into mitigating the impact of ceaseless power cuts to

keep crucial services running. As a government, we have allocated more than R1 billion to short-, medium- and long-term solutions.

If you add what municipalities in our province are also budgeting to battle the power crisis, it amounts to nearly R7 billion over the next couple of years to protect water, sanitation, healthcare, and telecommunication services, among other services, as much as we can.

Through these efforts – together with our mission to keep the Western Cape moving in the right direction through our encouraging track record of creating more jobs and enabling businesses, and of offering dignity and hope to our citizens when they need it the most – we will continue to work closely with our partners like the CCID, which is doing a phenomenal job in promoting Cape Town, and its Central City, as *the* investment destination of choice in Africa and the world.



GEORDIN HILL-LEWIS

Executive Mayor
of Cape Town

I welcome the publication of this, the 11th annual edition of the CCID's *State of Cape Town Central City Report 2022 – A year in review*. For the past decade, this report has offered a wonderfully detailed review of the trends in the Cape Town CBD and has become vital reading for anyone with an interest in Cape Town's business and property space.

Fortunately, there is much good news and progress to report. While our country is facing a range of serious challenges – from the energy crisis and widespread infrastructure collapse to a stalled economy and dangerously high unemployment – Cape Town is increasingly bucking all those trends.

There are several reasons for this, but one of the most significant is the fact that we have a vibrant, attractive and safe city centre, and we're the only metro in South Africa that can honestly make that claim.

Much of the credit for this must go to the tireless work done by the CCID in its undertaking to manage and position Cape Town's Central City as a premier investment destination and business hub.

Since taking office in 2021, I have really come to appreciate the power of partnerships. In Cape Town, we welcome and embrace the massive contributions that NGOs, the business sector and community organisations make to critical government functions such as crime fighting, housing delivery and social assistance. In the CCID, we have one of our most valuable partners, and the speed at which our city centre managed to bounce back after two years of Covid-19 disruptions is testament to the contribution this organisation makes to Cape Town's economic health.

I look forward to reading this highly regarded report from cover to cover.



CONTENTS

SECTION 1: CAPE TOWN POST-COVID

- 2 Letter from the CEO
& chairperson of the
CCID Board
- 4 Year in review
- 6 The future of the
Central Business
District

SECTION 3: PROPERTY FILE

- 20 Property investment
map
- 22 Aerial view of property
investments 2022
- 24 Commercial property
trends
- 28 Office vacancy rates
- 30 Parking in the Central
City
- 32 Residential property
trends
- 34 Residential values
& rentals
- 38 Residential property
map
- 40 10 years of living in
town

SECTION 2: OPEN FOR BUSINESS

- 8 Cape Town in context
- 10 A business-friendly
city
- 12 Investing in the
Mother City
- 14 Investment partners
- 16 The Central City in
numbers
- 18 Doing business in
the Central City
- 19 Breakdown of
businesses in
the Central City



SECTION 5: CENTRAL CITY PRECINCTS

- 56 Precinct 1:
The Foreshore
- 62 Precinct 2:
The inner city
- 68 Precinct 3:
Legal, leisure
& cultural hub
- 74 Precinct 4:
The East City



SECTION 4: CENTRAL CITY ECONOMIES

- 42 Overview
- 43 State of Central City
retail in 2022
- 44 Retail economy
in figures
- 46 Retail confidence
survey
- 48 Retail occupancy rates
- 49 Retail occupancy
summary
- 50 Visitor economy
report
- 52 Ships ahoy: port
overview
- 53 Just cruising
- 54 Central City event
venues



80 IN CONCLUSION

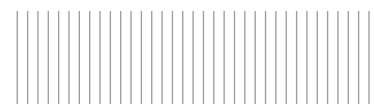




SECTION

1 CAPE TOWN POST-COVID

LETTER FROM THE CEO & CHAIRPERSON OF THE BOARD



There's no doubt that the past two years have been tough for Central Business Districts (CBDs) globally. In Cape Town, the economic challenges we faced in our CBD were real.

We are therefore very pleased to report in this 11th edition of the Cape Town Central City Improvement District's *State of Cape Town Central*

City Report 2022 – A year in review that we have turned a corner and put the pandemic behind us. Twenty twenty-two ushered in a new dawn for our Central City, and by mid-year – when all Covid-19 restrictions had been lifted – our economy stabilised and experienced growth, with the number of businesses increasing from **2 981**

in 2021 to **3 116** in 2022. The retail sector, which dominates the Central City economy, also grew from **1 163** entities in 2021 to **1 243** in 2022.

Behind these statistics are resilient, resourceful entrepreneurs who kept the faith, read the changing market, and made strategic business decisions to keep their doors open.



3 116

THE NUMBER OF
BUSINESSES IN
OUR DOWNTOWN
INCREASED FROM
2 981 IN 2021 TO
3 116 IN 2022.



North Wharf Square

The Rubik



Commercial landlords, in a successful bid to slow down and ultimately reverse the Work From Home trend (which steadily lost ground last year), continued to encourage tenants to return to the workplace by creating more tactile and interactive office environments.

With the construction sector regaining its pre-Covid-19 momentum, the CBD's skyline was punctuated by scores of yellow cranes hovering over building sites, and we are pleased to report that the total value of property developments in the CBD, conservatively estimated, stood at R3.555 billion last year. With 22 developments or redevelopments on the cards (including residential, commercial and mixed-use builds amongst others), the majority of these were residential, indicating a strong demand for inner-city living.

Three of the stand-out builds under construction were One Thibault (R500 million), The Rubik (R600 million) and 84 Harrington (R180 million), the world's tallest building to be constructed from hempcrete blocks. The stellar residential build under construction was The Fynbos (R1.200 billion) – destined to become Africa's first biophilic building.

With the overall value of all CBD property set at R42.9 billion (according to the City of Cape Town's 2022 property evaluation), these new builds added to the ongoing dynamism of our CBD in 2022 as it opened its doors to more and more digital nomads and solo travellers, and also continued to reap the rewards of the ongoing "semigration" of South Africans to the Western Cape province.

Key to our success as the country's most economically sound CBD was also our renewed collaboration with the City of Cape Town. We are grateful to Executive Mayor Geordin Hill-Lewis and his team for this partnership and for working with us to ensure that Cape Town, and its CBD, remains a business-friendly city.



ROB KANE

Chairperson:
Cape Town CCID
+ CEO: Boxwood
Property Fund



**TASSO
EVANGELINOS**

CEO: Cape Town
CCID



YEAR IN REVIEW

With the World Bank warning of a possible global recession due to the “rapid deterioration of growth prospects coupled with rising inflation and tightening of financial conditions”, 2022 presented a plethora of economic pressures. Here is a brief overview of last year.

Just as economic upheaval generated by the global pandemic began to subside and life was beginning to return to normal, the Russian invasion of Ukraine sent shockwaves through the global economy.

Initially it was thought that the price pressures triggered by the pandemic would be transitory but the renewed disruption to global supply chains from the war – particularly in the food and energy markets – further entrenched the price pressures. This prompted central banks around the world to hike interest rates aggressively, reversing the supportive environment created during the pandemic.

Locally, the prime rate rose by 325 basis points during 2022, ending the year at 10.5 % – slightly higher than the peak just prior to the onset of Covid-19.

Real GDP growth dropped to 2.0 % in 2022 from 4.9 % in 2021, mainly brought about by power cuts by State-owned Eskom, constraints in the transport sector, floods in KwaZulu-Natal and the global disruption due to the Russia-Ukraine war.

INFLATION RISES

Inflation rose to 6.9 % in 2022 from 4.5 % in 2021, driven by higher food and fuel prices. To curb rising inflation, the Reserve Bank of South Africa raised the prime rate from 7.5 % in January 2022 to 10.5 % by year-end¹.

The rand depreciated from 15.3 per USD in January 2022 to 17.3 in December 2022.

COVID BANS ARE LIFTED

After more than two years of disruption and uncertainty caused by the pandemic, one of the key milestones in 2022 was the lifting of the National State of Disaster in April 2022 – with only “transitory measures” such as the wearing of masks, limits on the size of gatherings and international travel remaining in force for a further 30 days. These transitory measures were repealed in June 2022.

The lifting of the final Covid-19 restrictions resulted in a marked improvement in confidence around the country, and among the CBD’s retailers – as measured by the CCID’s quarterly Retail Confidence Survey.

TOURISM RECOVERS

Both local and international tourism, which were both hard-hit by the pandemic, rebounded in 2022. A total of 5.8 million foreign tourists² visited South Africa last year – a massive 152.6 % increase from 2021 – although not matching the 10 million visitors recorded in 2019.

According to the Western Cape Government, Cape Town International Airport recorded a robust recovery in two-way passenger numbers during the peak season month of December compared to pre-pandemic numbers. International passenger numbers in December 2022 showed a 95 % recovery

compared to December 2019 while domestic two-way passengers recorded a 71 % recovery.

SEMI-MIGRANTS FLOCK TO THE WESTERN CAPE

The pandemic triggered a wave of relocations within South Africa, as remote working became a reality for many employees. The growing reputation of the Western Cape and Cape Town in particular for reliable municipal services encouraged a net influx of residents and businesses to the city. This contributed to the improved office vacancy rate last year and fuelled the ongoing conversion of office space to residential units within the Central City.

POWER CUTS FUEL SOLAR BOOM

During 2022, Eskom was unable to match the country’s demand for electricity, resulting in a total of 3 775 hours – or more than 200 days – of power cuts (known locally as loadshedding). While this disrupted economic activity and weighed on business and consumer confidence, it also triggered a solar investment boom. It is estimated that in 2022, the country imported solar panels worth more than R5 billion – up from R4 billion in 2021. These are expected to provide sufficient generating capacity in 2023 to reduce loadshedding by an additional stage.³

¹ <https://www.afdb.org/en/countries/southern-africa/south-africa/south-africa-economic-outlook>

² <https://www.gov.za/speeches/>

³ PWC SA Economic Outlook, January 2023

THE FUTURE

OF THE CENTRAL BUSINESS DISTRICT

As cities face an inflection point three years after the start of the pandemic, Central Business Districts – traditionally the commercial heart of a metropolitan area – will have to reinvent themselves to remain attractive and competitive urban centres.

What does a successful CBD look like in the 2030s? According to a JLL Global Research report on trends in global cities (from Hong Kong, Tokyo and Singapore to Paris, Amsterdam, Sydney, Dallas, Los Angeles and Vancouver), to survive and thrive in the years that lie ahead, CBDs need to transform “and that will only be achieved through an ecosystem of policymakers, local authorities, investors, developers and major tenants working together”.

In response to changes in how people use CBDs, how they interact with the built environment, the public and private sectors will need to implement best practices in terms of infrastructure and sustainability.

The thinking is that CBDs will move from primarily being places of work to becoming mixed-use destinations that are able to capitalise on being at the heart of transport networks “and complemented by an array of educational, cultural and government institutions”.

SHIFT IN URBAN DYNAMICS

Significant change is imminent in urban hubs throughout the world following the pandemic which prompted a shift in how people live and work. This shift in urban dynamics is being experienced in CBDs which are bearing the brunt of subdued demand for office space,

changing commuter patterns and flows due to the Work From Home trend and a desire for “experience-based” spaces.

CBDs therefore face a fundamental need to reinvent themselves to attract visitors, investors, residents and workers.

INNOVATIVE TECHNOLOGIES

Creating a CBD that works for everybody is key to its success. The process, the report says, involves discovering and implementing innovative technologies and policies that will improve the quality of life of people and the built environment’s contribution to solving environmental, demographic and economic issues.

Key to unlocking the potential of CBDs is finding other uses for existing properties. “Perhaps the most visible of these is repurposing uncompetitive offices to residential, hotel, cultural or other non-work functions.”

This is not to say that all commercial buildings which have fallen out of favour post-Covid need to be converted to non-office use. Thoughtful office refurbishments have been rewarded with 10,7 % rental growth since the onset of the pandemic in the CBDs of some international cities.

This has proved the resilience

of traditional CBD locations and indicates there is a supply gap in the market for “opportunistic and proactive investment”.

AGEING REAL ESTATE

The amount of ageing real estate in CBDs is cause for concern, presenting a major challenge for both occupancy and capital value preservation. With tenants showing a preference for newer space, buildings, especially historical buildings, that have been extensively and sensitively refurbished are in demand. This strategy will be particularly useful in cities pursuing “renovation-first” policies.

Refurbishing buildings also comes at a lower environmental cost than new developments: the carbon impact of less than 500 kg of CO₂ per m² is far below the 500-1 500 kg seen in new builds.

THREATS

A challenge for CBDs has been the growth of, and migration to, destination precincts or “submarkets” on the urban fringe which have shifted investor focus from more established locations. “Emerging districts such as Fulton Market in Chicago, Shoreditch and King’s Cross in London, MediaSpree in Berlin and Roppongi in Tokyo are providing a framework for traditional CBDs



to emulate through building upon the traits that make these neighbourhoods so successful in attracting occupiers and investors.”

Other challenges include new hybrid and remote-working arrangements, competition with other precincts, long commutes, and a lack of consistent footfall.

UNSTABLE DEMAND

Hospitality and retail are also at the mercy of changes to demand for CBD property as their revenues are sensitive to travel trends and restrictions. Asia Pacific remains most challenged by

To successfully adapt to the future, CBDs will require proactive engagement from owners, developers and authorities.

restrictive travel policies since the onset of the pandemic while the Middle East and Africa have seen a particularly strong performance.

Globally, CBDs will have to address sustained volatility and traveller preferences, including the possibility

of a much longer recovery for business travel compared with leisure travel.

LONG-TERM PROSPECTS

CBDs can be transformed over the long term if they successfully evolve into multi-purpose destinations, with mixed-use buildings and sustainability-oriented design.

Interventions, such as breaking up “superblocks” and creating pleasing pedestrian areas with attractive retail offerings and a variety of businesses, will be critical to making CBDs more attractive.

SOURCE: JLL Global Research: The Future of the Central Business District – Creating dynamic urban centers. May 2023

SECTION

2 OPEN FOR BUSINESS

CAPE TOWN IN CONTEXT

Situated in the Western Cape province of South Africa, the city of Cape Town boasts the most successful Central Business District (CBD) in the country. This CBD, also known as the Central City or “town” to locals, drives the economy of the greater Cape metropole. The information on these pages provides potential investors with economic insight into this area.



GROSS DOMESTIC PRODUCT (GDP)¹

Latest available data (EPIC Q3 2022)

South Africa: R4.6 trillion

Western Cape: R660 billion

Cape Town: typically contributes 71 % of the provincial GDP annually.

value-added (GVA) sectors in its economy were:

Finance: +35.7 %

Community services: +20.4 %

Trade: +14.9 %

Manufacturing: +13.8 %

Transport: +8.6 %

GROSS VALUE-ADDED SECTORS

Latest available data (EPIC Q3 2022)

In 2021, the city's highest gross

GDP PER CAPITA²

Latest available data (EPIC Q3 2022)

South Africa: R103 198

Western Cape: R123 709

Cape Town: R135 580

AIR TRAVEL³

During 2022, 7 876 183 people passed through Cape Town International Airport. The Western Cape Government reports that preliminary statistics from Airports Company South Africa show that Cape Town International Airport recorded 266 656 international two-way passenger numbers in December 2022 – a 95 % recovery compared to December 2019. During the same month, the domestic

CAPE TOWN ACCOLADES 2022

Africa's Leading City Destination for the 2nd consecutive year (World Travel Awards)

Most Sustainable City in Africa according to the Corporate Knights Sustainable Cities Index

Ninth Best City in the World according to *Condé Nast Traveller*

Table Mountain named **Africa's Leading Tourist Attraction** for the 4th consecutive year (World Travel Awards)

Most Promising Muslim-friendly City Destination (Halal Travel Awards)

Third Best Global City according to *The Telegraph*



7 876 183

During 2022, 7 876 183 people passed through Cape Town International Airport.

terminal recorded a 71 % rebound in two-way passenger numbers (790 514) compared to the 2019 figure.

ESTIMATED POPULATION RATES (2022)⁴

South Africa: 60 142 978

Western Cape: 7 113 776
(11.8 % of national population)

Cape Town: 4 678 900

EMPLOYMENT

The number of people employed in Cape Town increased by **80 820** individuals from year-earlier levels in Q3 2022 (latest available data), bringing the total number of people

employed to 1.54 million.

Six sectors have shown signs of sustained recovery, while four sectors continued to shed jobs compared to the same period in 2021. Trade, hotels & restaurants created the most jobs (+61 878) in Q3, followed by community, social & other personal services (+40 062) and manufacturing (+27 381). Construction registered the largest job losses during Q3 (-21 571 jobs) compared to levels recorded earlier in the year.

In Q3 2022, Cape Town had the second lowest strict unemployment rate at 26.8 % but the lowest broad unemployment rate⁵ at 29.5 % compared to other metros.

Eleventh in *Time Out's* **Best Cities in the World to Visit in 2022**

Cape Town International Airport named **Africa's Leading Airport** for the 6th consecutive year (World Travel Awards)

The Silo Hotel named **Africa's Leading Luxury Hotel** (World Travel Awards)

FYN Restaurant ranked 37 in **World's 50 Best Restaurants** and **Best in Africa**

Pepperclub Hotel voted Continent Winner in the Luxury City Hotel category of the 16th **World Luxury Hotel Awards**

¹ At constant 2015 prices, seasonally adjusted and annualised.

² At current prices

³ Airports Company South Africa

⁴ EPIC Q3 2022

⁵ Broad unemployment rate includes unemployed people not actively seeking employment.

A BUSINESS-FRIENDLY CITY

Cape Town is on a mission to become the easiest place to do business in Africa with the City introducing an Ease-of-Doing-Business Index to track its progress.

Businesses play a crucial role in Cape Town's prosperity, and their success is vital for its future growth and sustainability especially as the city's economy recovers from the impact of the pandemic.

In a bid to create conditions to allow businesses to flourish, the City of Cape Town has developed an ease-of-doing-business programme with the aim of creating not only the most business-friendly environment in the country but on the continent.

This attempt by the City to make it easier for companies and people to do business with its administration began in 2016 after a Subnational Doing Business Report, published by the World Bank and National Treasury, revealed that South African entrepreneurs faced significant regulatory challenges depending on their business's location. Cape Town was not conducive to starting and running a business. Based on these

findings, the City came up with a plan to enhance service delivery.

Now it has ramped up its efforts to improve its business processes with the vision of becoming Africa's most business-friendly city.

Some of its goals include:

- Ensuring a culture of business friendliness throughout the organisation
- Leveraging the latest technology to improve service delivery
- Establishing public and private growth partnerships in priority industries
- Ensuring the delivery of quality services that are efficient, reliable, cost-effective and timely
- Ensuring that a sustainable supply of well-positioned commercial and industrial land is available to develop a quality built environment that meets the needs of businesses
- Ensuring regulations align with business interests

EASE-OF-DOING-BUSINESS INDEX

A central part of the programme, the City's progress will be tracked by an Ease-of-Doing-Business Index. This will provide business owners and investors with a clear and concise view of the City's journey.

With a focus on Urban Mobility; Safety & Security; Film & Events; Water; Economic Growth; Finance; Energy; Property Planning, Development & Management and IS&T, the Ease-of-Doing-Business indicators are:

- Transferring public land
- Getting land-use rights
- Getting building-plan approval
- Wayleaves
- Getting electricity
- Connecting to the water network
- Getting a revenue (rates) clearance certificate
- Obtaining a business licence
- Informal trading permits
- Digitisation

In a year's time, the City hopes to show a marked improvement on its journey to becoming Africa's easiest place to do business.



SOURCE: Ease of doing business in Cape Town
(Invest Cape Town/City of Cape Town)



Puma Select



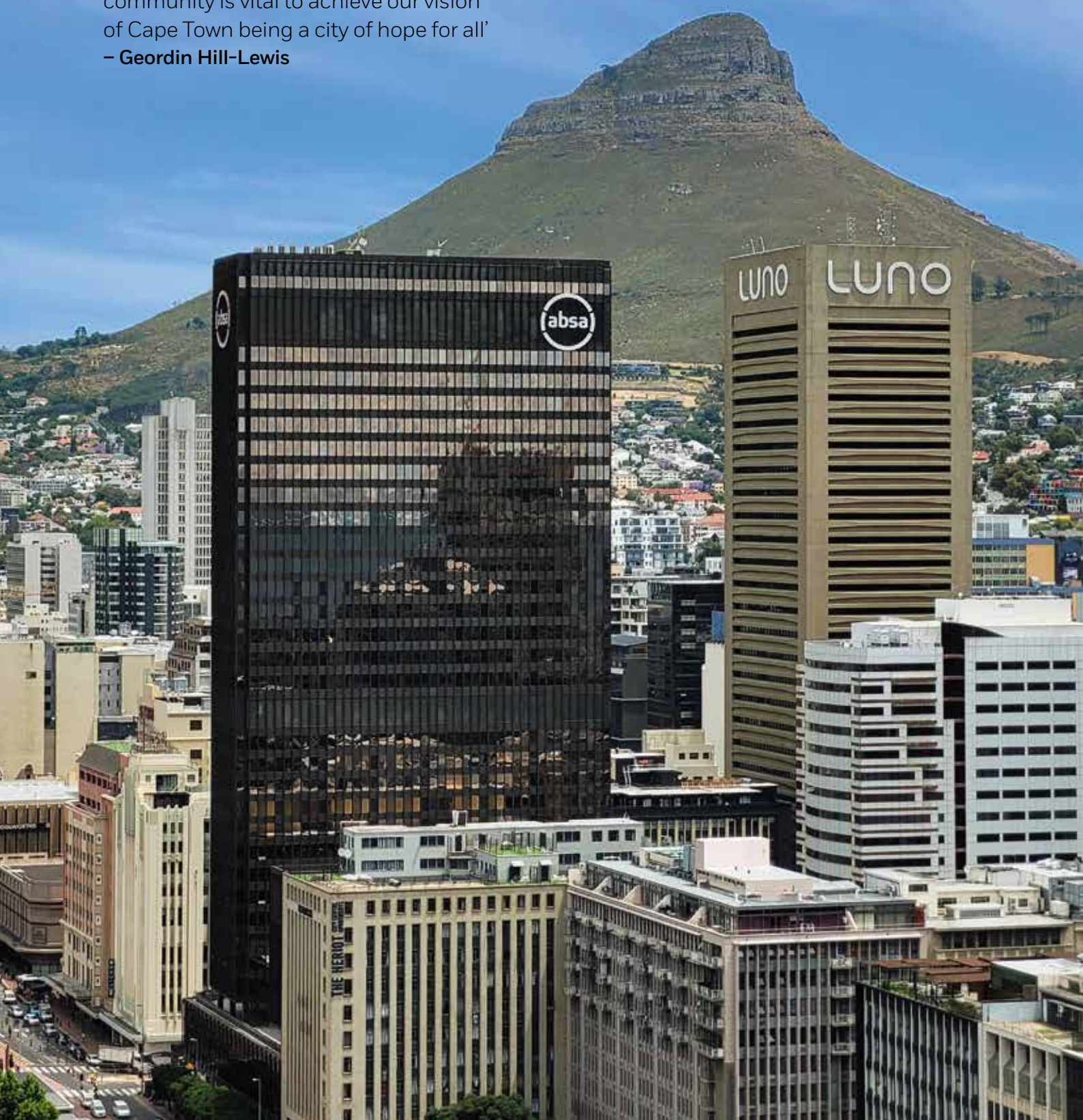
The Rockefeller



Cookie Co.



'A thriving and successful business community is vital to achieve our vision of Cape Town being a city of hope for all'
– Geordin Hill-Lewis



INVESTING IN THE MOTHER CITY

The city of Cape Town consistently ranks as South Africa's top investment destination. Here's why.

LOCATION

Cape Town is situated in the Western Cape, home to some of the country's most beautiful scenery. The Western Cape has an abundance of natural assets, including world-renowned coastlines, the iconic Table Mountain National Park and Kirstenbosch National Botanical Garden, along with an abundance of orchards and vineyards. The province is also one of the most successful in the country, with established industries including tourism and agriculture, and it has an inspiring industrial hub. This has encouraged a shift of certain economic activities to the Cape, enticing foreign firms and new investment groups to invest in the local scene, and prompted a "semigration" trend with other South Africans moving to Western Cape post-Covid. Four top universities, including the University of Cape Town and Stellenbosch University, and two globally recognised business schools in the region continue to attract innovation and talent. These institutions have boosted Cape Town's status as the digitech hub of Africa and a leader in African BPO (business process outsourcing) innovation. Fields like business process management have been leading creators of jobs in Cape Town over the past few years.

ACCESSIBILITY

Air Access

- Cape Town International Airport is Africa's third largest airport. It is considered to be the best on the continent, having won the Skytrax World Airport Awards "Best Airport



in Africa" award at least six times. Located 20 km from the Central City, the airport is integrated with other city transport infrastructures for ease of travel.

- The R7 billion upgrading and expansion of CTIA – involving the refurbishment of the domestic arrivals terminal, the expansion and upgrade of the international terminal and the construction of a new realigned runway worth R3.93 billion – will allow CTIA to accommodate larger aircraft and increase its per-hour landings and departures.
- Cape Town Air Access, a global air-route development agency within Wesgro, reports that the Western Cape aviation sector experienced

a positive recovery in 2022, with continued growth expected in 2023. During 2022, the domestic terminal processed 5.96 million two-way passengers, with domestic terminal two-way passenger recovery at 71 % compared to 2019.

- The international terminal saw a recovery of 73 % in 2022, compared with the same period in 2019, with almost 1.9 million two-way passengers passing through the terminal, Air Access reports. The terminal's average load factor reached pre-Covid levels in 2022, recording 72 %. Passenger performance at the international terminal continues to grow, with a record recovery of 97 % in January 2023, compared to 2019, with over

280 000 two-way passengers passing through the terminal.

- Two-way cargo volumes in the Western Cape reached over 47 000 metric tonnes, representing a 75 % recovery compared to the same period in 2019.

Port Access

- The Port of Cape Town, the second busiest in South Africa, is strategically positioned and serves cargoes (especially containers) moving between Europe or the Americas and the Middle East or Australia.
- Expansion is planned for the Container Terminal to allow it to accommodate larger vessels.
- The port also facilitates a growing cruise economy, which bounced back after Covid-19 with the 2022/2023 season welcoming 145 000 cruise passengers and 42 000 crew members. A total of 75 ships (including five new ships) with 41 turnaround visits sailed into the port. This is almost double the number of ship calls when compared to the last complete cruise season in 2019/2020, when there were 39 ship visits with an estimated 42 000 arriving passengers.

Road Access

- Cape Town and the Western Cape are linked to the other provinces of South Africa by two major road networks, the N1 and the N2.

HUB OF OPPORTUNITY

- Home to the leading convention centre in Africa, the Cape Town International Convention Centre, the Mother City is shifting to a service-driven economy with an established business culture and a cluster of trusted financial institutions. There is confidence in the soundness of banks in the region, rated third in the world by the World Economic Forum.

- The City of Cape Town received a clean audit award for the 2021/2022 financial year. The city was lauded by Auditor-general Tsakani Maluleke for implementing a proactive system of accountability, with a “zero-tolerance culture towards noncompliance”.

ECONOMY & INFRASTRUCTURE

- Cape Town is a sub-Saharan African business hub with a sophisticated economy, and is an ideal destination for industry and innovation.
- The city has everything in place for sustainable economic growth – from its world-class Central City to its established infrastructure across several sectors.
- Cape Town’s service-driven economy has grown at a higher rate than the national average thanks to its competitive advantage in key industries and sectors, including several manufacturing sub-sectors such as electronic and electrical products, metal, steel and beverages.
- Compared with other international cities, it offers excellent value for investors.
- The city has a steadily growing fintech sector; rapidly expanding B2B and B2C e-commerce sectors; increased exports; and an improved trade balance.
- With its expansive agricultural surroundings, Cape Town acts as a processing, trade and retail hub for a wide range of export-quality produce.
- Cape Town hosts a globally recognised film and media production industry.

ENABLING BUSINESS ENVIRONMENT

As a global mid-sized developing city, Cape Town actively facilitates the creation of an enabling business environment in which entrepreneurs

can flourish. Sectors poised for expansion are trade, manufacturing, information technology, telecommunications, medical and research equipment and other high-tech processes.

The City’s strategic and targeted approach aims to create the right conditions for growth. This includes reliable infrastructure and providing relief from Eskom power cuts (known locally as loadshedding).

Cape Town is also building a sound “green” reputation. Several new initiatives and the founding of several renewable company head offices in the city are leading the renewable energy and clean-tech industries.

LOW UNEMPLOYMENT

The city’s unemployment rate remains stable. In Q3 of 2022, the city had the second lowest strict unemployment rate at 26.8 % but the lowest broad unemployment rate at 29.5 % compared to other metros.

RESILIENCE STRATEGY

Cape Town’s Resilience Strategy, developed after the city emerged in 2018 from the worst drought in recorded history, offers a roadmap for a 21st century metropolis. Exposed to extreme weather, and subject to extreme spatial divides created during the Apartheid era, the city is vulnerable to increased heat and decreased rainfall. To enable it to survive chronic stresses and acute shocks, it has developed a resilience strategy to allow it to adapt and thrive. With respect to power cuts, the City of Cape Town is on track with plans to protect residents within three years from the first four stages of power cuts implemented by State-owned utility, Eskom. The plan involves three stages of procurement. Executive Mayor Geordin Hill-Lewis says this is vital for economic growth and investor confidence.

SOURCES: Invest Cape Town, Wesgro, City of Cape Town EPIC 2020 Quarter 3, Statistics South Africa

INVESTMENT PARTNERS

Key partnerships across the private and public sector facilitate the fostering of a stable economy and promote business and property investment in the Cape Town Central City.

CAPE TOWN CENTRAL CITY IMPROVEMENT DISTRICT (CCID)

For 22 years, the CCID has pulled out all the stops to ensure the Cape Town CBD is a safe and clean urban environment that is investment friendly. During the dark days of the pandemic, the CCID maintained a consistent presence in the Central City, ensuring it remained a welcoming destination and a working and resilient inner city. A map delineating its geographical boundaries and the four precincts that fall within it can be found inside the front cover of this publication.

The CCID, like the other 51 city improvement districts in the Cape metropole, is a non-profit company that exists in terms of the City of Cape Town's Municipal Property Rates Act, Section 22 [Special Rates Area (SRA)] and the SRA bylaw. It provides complementary top-up services within a specific geographical area, to support the primary agencies, namely the City of Cape Town and the South African Police Service (SAPS).

A public-private partnership which is overseen by a board of directors, the CCID has three operational departments – Safety & Security,

Urban Management and Social Development. Its Communications department collaborates across these three to promote the CCID's work and business and property investment into the Central City. A fifth department manages financial and HR-related administration. With a full-time staff of 20 people, the CCID oversees a total workforce of around 600 people who carry out its mandate to manage the public spaces between the buildings of Cape Town's traditional downtown area.

WHERE: One Thibault, cnr Long St & Hans Strijdom Ave (Precinct 1)
www.capetownccid.org

For 22 years, the CCID has pulled out all the stops to ensure the Cape Town CBD is a safe and clean urban environment that is investment friendly.



WESGRO

As the official tourism, investment and trade promotion agency for Cape Town and the Western Cape, Wesgro aims to attract and retain foreign direct investment, grow exports and market Cape Town and the province as a competitive business and leisure destination globally. The agency promotes economic activity in the province to facilitate job creation by landing and keeping businesses in the Western Cape and helping local businesses to export beyond South Africa's borders. It looks to align the region to national priorities for economic growth, trade and investment promotion initiatives and facilitates the link between business and government decision-makers. It is often the first port of call for foreign buyers, local exporters and investors looking to take advantage of the region's potential.

WHERE: SA Reserve Bank Building, 60 St Georges Mall (Precinct 2)
www.wesgro.co.za

THE WESTERN CAPE ECONOMIC DEVELOPMENT PARTNERSHIP (EDP)

The EDP is a non-profit company established in 2012 as a collaborative intermediary organisation to work with and between stakeholder sectors in the Western Cape economic delivery system. It aims to improve the performance of the Cape Town and Western Cape economic development system, by creating and sustaining partnerships between economic stakeholders, in support of the goals of creating a resilient, inclusive and competitive region. Funded by national, provincial and municipal government, the EDP has played a unique role in bringing together the public and private sectors, academia and civil society, to focus on specific issues identified as key drivers of economic growth. It focuses on solutions that improve the local and regional economic system.



Pier Place

WHERE: Tannery Office Park, Belmont Road, Rondebosch
www.wcedp.co.za

CAPE CHAMBER OF COMMERCE & INDUSTRY

Representing businesses of all sizes in virtually all sectors, the Cape Chamber of Commerce & Industry is mandated to serve, enable and lead business. This is achieved via a multitude of services and networking opportunities as well as robust advocacy on behalf of business. An institution in the Western Cape, it was established in 1804.

WHERE: 33 Martin Hammerschlag Way, Foreshore (Precinct 1)
www.capechamber.co.za

INVEST CAPE TOWN

Invest Cape Town promotes investment and funding, attracts talent to the city and helps companies and entrepreneurs discover new opportunities in Cape Town. It works alongside Wesgro to facilitate investment and has a business enquiry service. Launched in 2016 by the City of Cape Town, it builds the city's brand as a world-class investment destination.

The Investor Centre offices of the initiative opened in 2017, at the same time as those of InvestSA Western Cape, to function as a collaborative one-stop shop for potential investors in Cape Town and the Western Cape province.

WHERE: Media City Building, 1 Heerengracht, Foreshore (Precinct 1)
www.investcapetown.com

INVESTSA WESTERN CAPE

The national Department of Trade & Industry (DTI) established InvestSA offices in major South African centres. The Western Cape InvestSA One-Stop Shop (InvestSA OSS) opened in the Central City in 2017 to promote investment into the province by streamlining regulatory procedures and providing investors with services to fast-track projects and reduce government red tape when starting a business. InvestSA Western Cape OSS focuses on the coordination and incorporation of the special economic zones, provincial investment agencies, local authorities and the relevant government departments involved in regulatory, registration, permits and licencing matters. Wesgro is the management entity.

WHERE: 46 St Georges Mall (Precinct 2)
www.investsa.gov.za

ACCELERATE CAPE TOWN

Established in 2006, Accelerate Cape Town represents top-tier Cape Town businesses. It provides a collaborative platform to facilitate business growth in the province, in partnership with corporate Cape Town, tertiary institutions and regional government. It strives to promote business unity, advocates for policies and practices that support economic growth, and conceptualises and implements collaborative projects.

WHERE: The Ridge, 6 Marina Road, Portwood District, V&A Waterfront
www.acceleratecapetown.co.za

THE CENTRAL CITY IN NUMBERS

BUSINESSES IN THE CBD

There are **3 116** entities doing business in the Cape Town Central City. They operate in the following categories and sub-categories:

RETAIL & ENTERTAINMENT

There are a total of **1 243** retail and entertainment entities, with the number given for each CBD precinct. Please refer to the map on the inside front cover. They are broken down as follows:



- 11 Adult entertainment
- 3 Adult-themed shops
- 29 Art galleries
- 1 Auctioneer
- 3 Bakeries
- 19 Barber shops
- 18 Barrows & kiosks



- 5 Luggage & leather goods
- 72 Mobile device stores (cell phones)
- 10 Motor car dealers
- 4 Motorcycle dealers
- 16 Motor parts & repair businesses

- 147 Restaurants
- 41 Speciality stores
- 20 Sporting goods (equipment & clothing)
- 53 Superettes
- 2 Stationery & packaging stores



- 21 Electronics, photography & music
- 9 Fashion accessories
- 3 Florists
- 13 Gyms
- 57 Hair salons
- 7 Hardware
- 11 Internet cafes



- 8 Supermarkets
- 93 Takeaways
- 5 Theatres
- 7 Vintage & second-hand stores

- 3 Butcheries
- 112 Clothing & shoes
- 86 Coffee shops & cafes
- 14 Curios & markets
- 19 Chain stores
- 14 Discount stores

- 47 Jewellery design & manufacture
- 26 Laundry, dry cleaning, shoe repair & tailors
- 11 Liquor stores & wine merchants
- 2 Locksmiths & security

- 12 Opticians & eyewear
- 4 Pawn shops
- 5 Petrol stations
- 11 Pharmacies
- 1 Plumbing & sanitaryware
- 20 Printing, copying & laminating

TOTALS PER PRECINCT

P1 144

P2 528

P3 207

P4 364



NON-RETAIL ENTITIES

42 PROPERTY & REAL ESTATE
 6 Commercial & investment brokers
 11 Estate agencies
 7 Project management
 18 Property developers

72 GENERAL CORPORATES & HEAD OFFICES



78 ICT & TELECOMS
 36 Information & communication technology
 11 Telecoms
 31 Call centres

681 LEGAL SERVICES
 460 Law firms
 221 Advocates

34 FREIGHT, CUSTOMS BROKERING & SHIPPING

135 ACCOMMODATION & TRAVEL

2 Airlines
 22 Backpackers & lodges
 8 Car hire
 19 Embassies
 45 Hotels (including aparthotels)
 6 Student accommodation
 33 Travel services

70 EDUCATION & RESOURCES

63 INDUSTRIAL COUNCILS & NPOS

246 MEDICAL PRACTICES

92 ARCHITECTURE, ENGINEERING & SURVEYING
 46 Architects
 18 Engineers
 14 Energy companies
 10 Surveyors
 4 Land surveyors

77 COMMUNICATION, MEDIA & ADVERTISING

14 Advertising
 4 Communications
 17 Film & TV production
 16 Marketing & branding
 12 Media
 8 Printing & publishing
 6 Creative agencies

46 SPECIALISED SERVICES

24 ARTISTIC STUDIOS

23 EMPLOYMENT & RECRUITMENT

19 CO-WORKING SPACES

171 FINANCE, INSURANCE, INVESTMENT & BANKING

28 Accountants
 21 Insurers
 16 Investment companies
 106 Financial services



GOVERNMENT FACILITIES IN 2022

47 National government
51 Provincial government
21 Local government
8 Parastatals
26 Government agencies
5 Political parties

23 076
 Total number of government employees¹

29 335
 Number of people using government facilities daily

¹ The total number of government employees has not been updated in 2022 due to Covid-19 as many people in this sector continue to work from home.

COMMERCIAL AND RETAIL SPACE

Total commercial (office) space as at Q4 2022

1 047 979 m²

Office vacancy rate as at Q4 2022

13.3 %

Total retail space in the Central City

271 209 m²

Retail vacancy rate as at Q4 2022

4.5 %

DOING BUSINESS IN THE CENTRAL CITY

Every year trends, patterns and shifts in the way business is being conducted in the Central City emerge. Here's a succinct analysis of what went down in 2022.

Cape Town's Central City economy held its own post-Covid-19, with retail showing impressive growth in spite of consumers increasingly facing economic hardship. A total of 80 new retailers opened in the Central City in 2022. The number of restaurants increased from 145 in 2021 to 147 in 2022 (excluding coffee shops and takeaways), and included the opening of destination eateries including Ramenhead, a casual Japanese eatery from the award-winning FYN stable.

In 2022, lockdown levels eased and eventually stopped mid-year, allowing the local economy, especially the night-time economy, opportunity to recover and grow, with several sectors recording a positive output. This was also reflected in the Central City economy: 10 of the 17 economic sectors operating in the CBD grew in



Pier Place



Portside

3 116

In 2022, the number of businesses in the Central City increased from 2 981 to 3 116.



Rook Bike Shop

size, with the number of business entities overall increasing by 135 from **2 981** to **3 116**.

Retail, the largest sector, once again increased its footprint by the biggest margin, with 1 243 business operating in the CBD in 2022 as opposed to 1 163 in 2021. The second-largest sector – legal services – once again experienced the second-largest growth, with the number of entities recorded in 2021 (655) increasing to 681 in 2022. This bodes well for the return of office workers to the CBD as does the fact that nine new general corporates & head offices made the CBD their base in 2022. Eighteen new medical practices also opened their doors.

Only five of the 17 sectors experienced negative growth: these included the education and resources sector (from 76 to 70); artistic studios (from 29 to 24); and finance, investment, insurance & banking (from 175 to 171).

These figures reveal a resilient retail sector which was able to absorb the shocks of Covid-19.

BREAKDOWN OF BUSINESSES IN THE CENTRAL CITY

A total of **3 116** businesses were operating in the Central City at the end of 2022, an increase of 135 from 2021 and 205 less than 2019, just before the pandemic. For convenience, they are listed numerically in size from the largest to the smallest.

SECTOR	2021	2022	change
Retail	1163	1 243	+ 80
Legal services	655	681	+ 26
Medical practices	228	246	+ 18
Finance, investment, insurance & banking	175	171	-4
Accommodation & travel	134	135	+1
Architecture, engineering & surveying	85	92	+ 7
ICT & telecoms	80	78	-2
Communication, media & advertising	73	77	+ 4
General corporates & head offices	63	72	+ 9
Education & resources	76	70	-6
Industrial councils & NPOs	57	63	+ 6
Specialised services	43	46	+ 3
Property & real estate	41	42	+ 1
Freight, customs brokering & shipping	34	34	0
Artistic studios	29	24	-5
Employment & recruitment	26	23	-3
Co-working spaces	19	19	0
TOTAL	2 981	3 116	+ 135

SECTION

3 PROPERTY FILE

PROPERTY INVESTMENT MAP

During 2022, the total value of property investment in the Cape Town Central City, conservatively estimated, was R3.555 billion. This includes completed developments and redevelopments, as well as those under construction, in the planning phase and proposed developments. Here is the breakdown of developments, ranging from commercial properties to mixed-use and residential developments. For simplicity, the development category is determined by its primary use.



PROJECTS UNDER CONSTRUCTION IN 2022

- | | | |
|--|--|--|
| <p>R Fleetway House (Vida d'Chette)* P1
 ADDRESS 17 Martin Hammerschlag Way
 VALUE R60 000 000
 DEVELOPER HOMii</p> | <p>M The Rubik P2
 ADDRESS 17 Loop St
 VALUE R600 000 000
 DEVELOPER Abland</p> | <p>C Wale Street Chambers* P2
 ADDRESS Cnr Wale & Long Sts
 VALUE R63 000 000
 DEVELOPER Klarey Property Group</p> |
| <p>M One Thibault* P1
 ADDRESS Hans Strijdom Ave
 VALUE R500 000 000
 DEVELOPER Thibault Investments</p> | <p>M The Barracks P2
 ADDRESS 50 Bree St
 VALUE R150 000 000
 DEVELOPER Gera Investment Trust</p> | <p>R The Fynbos P3
 ADDRESS 142 Bree St
 VALUE R1 200 000 000
 DEVELOPER Lurra Capital & Gardner Property Solutions</p> |
| <p>C The Box (Atterbury House)* P2
 ADDRESS 9 Lower Burg St
 VALUE R72 000 000
 DEVELOPER Boxwood Property Fund</p> | <p>R The Tokyo P2
 ADDRESS 87 Loop St
 VALUE R150 000 000
 DEVELOPER Rawson Developers</p> | <p>RT 99 Harrington St P4
 ADDRESS 99 Harrington St
 VALUE R25 000 000
 DEVELOPER Roni Shaltiel</p> |
| <p>C 14 Long* P2
 ADDRESS 14 Long St
 VALUE R15 000 000
 DEVELOPER Boxwood Property Fund</p> | <p>R The Carrington P2
 ADDRESS 112 Loop St
 VALUE R70 000 000
 DEVELOPER Rawson Developers</p> | <p>A 84 Harrington P4
 ADDRESS 84 Harrington St
 VALUE R180 000 000
 DEVELOPER Wolf & Wolf Architects</p> |

PROJECT TYPES

A
AparthotelC
CommercialM
Mixed-useP
ParastatalR
ResidentialRT
Retail

R3.555 billion

the total value of property investment in the Cape Town CBD in 2022.

In Section 5, from pages 56 – 79, we give a detailed breakdown of these developments in four precincts of the CCID's geographical footprint in the inner city.

PROJECTS PROPOSED IN 2022

R Founders Garden **P1**
ADDRESS DF Malan St
VALUE TBC
DEVELOPER Western Cape Government

PROJECTS COMPLETED IN 2022

C 33 Waterkant St* **P2**
ADDRESS 33 Waterkant St
VALUE R20 000 000
DEVELOPER Boxwood Property Fund

C The Felix (Picbel Parkade)* **P2**
ADDRESS 58 Strand St
VALUE R40 000 000
DEVELOPER Boxwood Property Fund

RT 91 Bree St/The Bailey* **P2**
ADDRESS 91 Bree St
VALUE R35 000 000
DEVELOPER Developed by owner

R Neighbourgood Reserve* **P2**
ADDRESS 130 Adderley St
VALUE R75 000 000
DEVELOPER Neighbourgood

PROJECTS PLANNED IN 2022

P Telkom Exchange Foreshore* **P1**
ADDRESS Lower Long St
VALUE TBC
DEVELOPER Telkom

C The Mutual* **P2**
ADDRESS Strand St
VALUE R160 000 000
DEVELOPER Lurra Capital & Gardner Property Solutions

R 132 Adderley Street* **P2**
ADDRESS 132 Adderley St
VALUE R140 000 000
DEVELOPER Heriot REIT

M City Park **P2**
ADDRESS 111 Bree St
VALUE TBC
DEVELOPER Ingenuity Property Investments

Leeuloop **P3**
R **ADDRESS** 11 Dorp St
VALUE TBC
DEVELOPER Western Cape Government

*These are redevelopments or renovations not new builds.

PROPERTY INVESTMENTS 2022



1 33 Waterkant St (P2)

TYPE Commercial
ADDRESS 33 Waterkant St
VALUE R20 000 000
DEVELOPER Apollon Property Fund

2 The Felix (Picbel Parkade) (P2)

TYPE Commercial
ADDRESS 58 Strand St
VALUE R40 000 000
DEVELOPER Boxwood Property Fund

3 91 Bree St/ The Bailey (P2)

TYPE Retail
ADDRESS 91 Bree St
VALUE R35 000 000
DEVELOPER Developed by owner

4 Neighbourgood Reserve (P2)

TYPE Residential
ADDRESS 130 Adderley St
VALUE R75 000 000
DEVELOPER Neighbourgood

5 Fleetway House (Vida d'Chette) (P1)

TYPE Residential
ADDRESS 17 Martin Hammerschlag Way
VALUE R60 000 000
DEVELOPER HOMii

6 One Thibault (P1)

TYPE Mixed-use
ADDRESS Hans Strijdom Ave
VALUE R500 000 000
DEVELOPER Thibault Investments

7 The Box (Atterbury House) (P2)

TYPE Commercial
ADDRESS 9 Lower Burg St
VALUE R72 000 000
DEVELOPER Boxwood Property Fund

8 14 Long (P2)

TYPE Commercial
ADDRESS 14 Long St
VALUE R15 000 000
DEVELOPER Boxwood Property Fund

9 The Rubik (P2)

TYPE Mixed-use
ADDRESS 17 Loop St
VALUE R600 000 000
DEVELOPER Abland

10 The Barracks (P2)

TYPE Mixed-use
ADDRESS 50 Bree St
VALUE R150 000 000
DEVELOPER Gera Investment Trust

11 The Tokyo (P2)

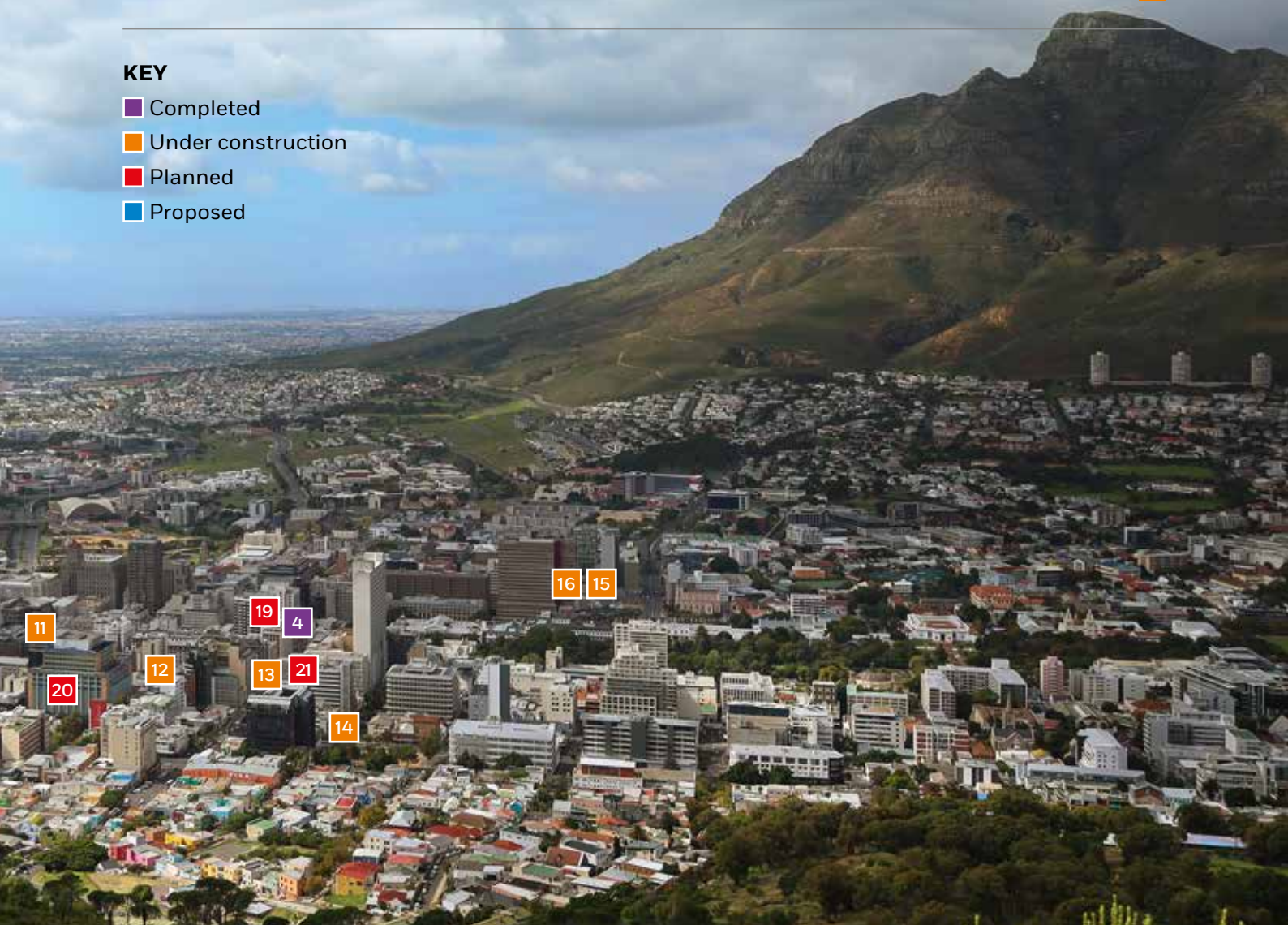
TYPE Residential
ADDRESS 87 Loop St
VALUE R150 000 000
DEVELOPER Rawson Developers

12 The Carrington (P2)

TYPE Residential
ADDRESS 112 Loop St
VALUE R70 000 000
DEVELOPER Rawson Developers

KEY

- Completed
- Under construction
- Planned
- Proposed



13 Wale Street Chambers (P2)

TYPE Commercial
ADDRESS Cnr Wale & Long Sts
VALUE R63 000 000
DEVELOPER Klarey Property Group

14 The Fynbos (P3)

TYPE Residential
ADDRESS 142 Bree St
VALUE R1 200 000 000
DEVELOPER Lurra Capital & Gardner Property Solutions

15 99 Harrington St (P4)

TYPE Retail
ADDRESS 99 Harrington St
VALUE R25 000 000
DEVELOPER Roni Shaltiel

16 84 Harrington (P4)

TYPE Aparthotel
ADDRESS 84 Harrington St
VALUE R180 000 000
DEVELOPER Wolf & Wolf Architects

17 Telkom Exchange Foreshore (P1)

TYPE Parastatal
ADDRESS Lower Long St
VALUE TBC
DEVELOPER Telkom

18 The Mutual (P2)

TYPE Commercial
ADDRESS Strand St
VALUE R160 000 000
DEVELOPER Lurra Capital & Gardner Property Solutions

19 132 Adderley Street (P2)

TYPE Residential
ADDRESS 132 Adderley St
VALUE R140 000 000
DEVELOPER Heriot REIT

20 City Park (P2)

TYPE Mixed-use
ADDRESS Cnr Bree & Longmarket Sts
VALUE TBC
DEVELOPER Ingenuity Property Investments

21 Leeuloop (P3)

TYPE Residential
ADDRESS 11 Dorp St
VALUE TBC
DEVELOPER Western Cape Government

22 Founders Garden (P1)

TYPE Residential
ADDRESS DF Malan St
VALUE TBC
DEVELOPER Western Cape Government

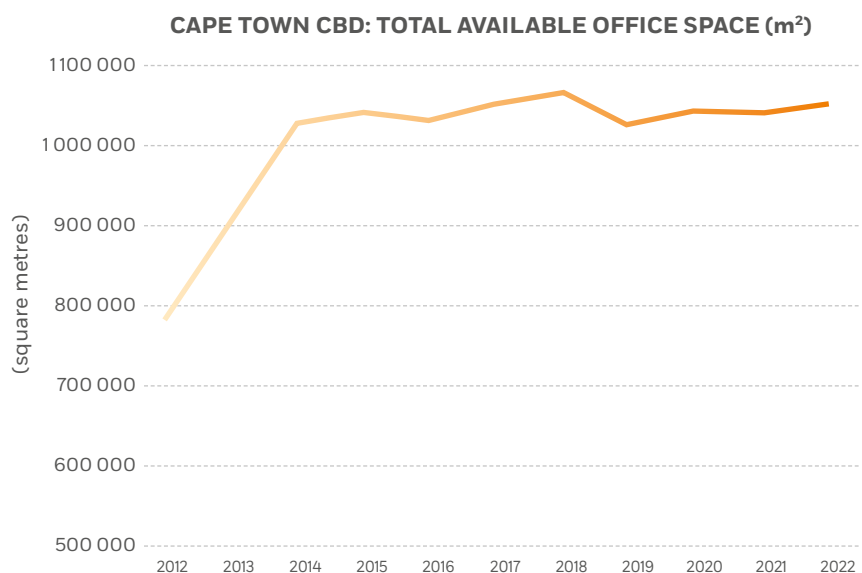
COMMERCIAL PROPERTY TRENDS

The commercial property sector held its own despite ongoing challenges in 2022. Of the 22 property developments in the Central City in 2022, six were commercial buildings while four were mixed-use, indicating developers' agility in repurposing office space. The amount of total office space increased marginally due to an increase in B-grade office space. To buck the Work From Home trend, which lost ground in 2022, commercial landlords created more tactile workplaces to lure new tenants.

Total office space in the Central City – both occupied and vacant – remained largely unchanged in 2022, rising by just +1.1 % (11 400 m²) to 1 047 979 m². The increase in total office space was due to an increase in B-grade office space, while the three other categories registered no change in total square metres in 2022.

The office space available for rent declined by 27 672 m² during 2022, due to a marked uptake of available A-grade office space. Nearly 24 000 m² of A-grade office space was occupied/rented during 2022 while vacant P-grade office space declined by just over 4 000 m² during the same period.

In contrast, there was an increase of 937 m² in vacant B-grade office space available for rental, which was just a fraction of the 11 400 m² rise in total B-grade office space stock last year. Encouragingly, this means that the bulk of additional B-grade office space released onto the market was rented last year.



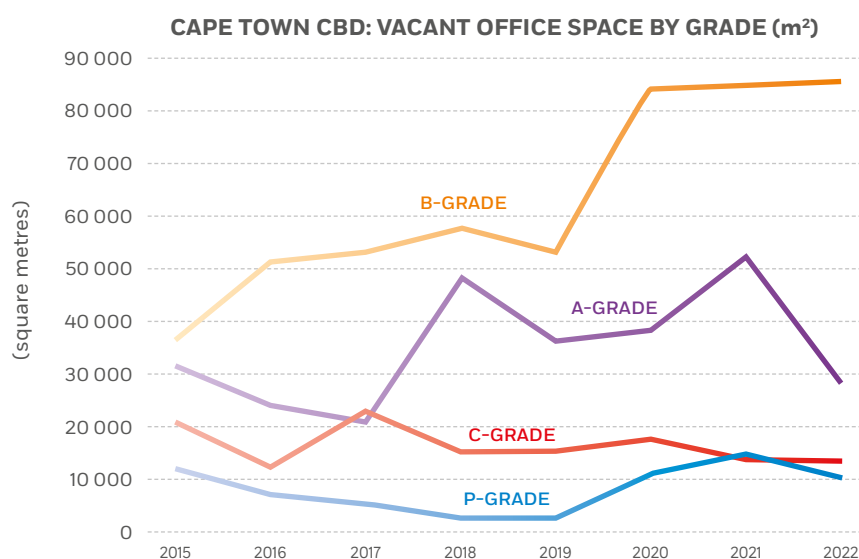
SOURCE: SAPOA Office Vacancy Report (Q4 2022)

Over the past decade, total office space in the CBD has grown from 784 920 m² in 2012 to over a million square metres in 2022 – an increase of just over a third.

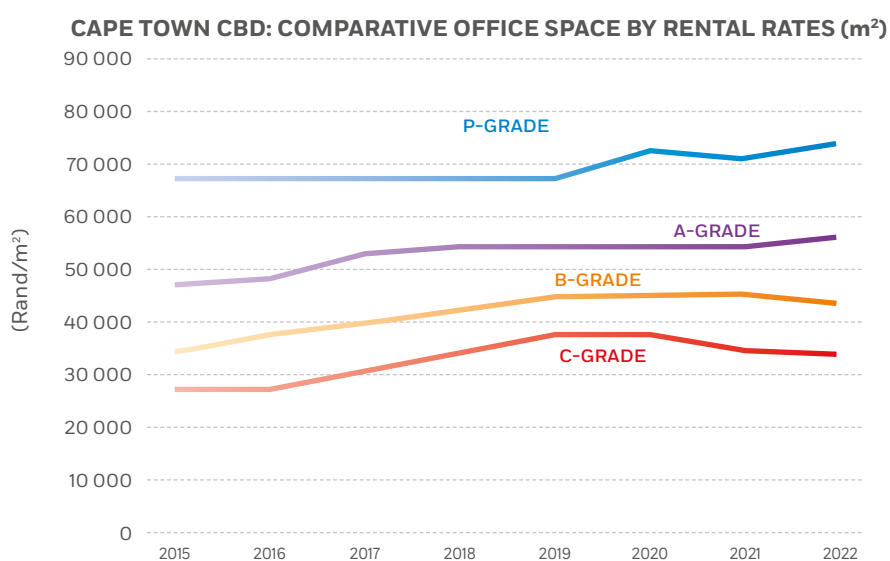


B-grade office space, which is typically rented by SMME businesses, was particularly hard hit during the first year of the pandemic, increasing by 29 981 m² in 2020. At 61.5 %, it accounted for the largest percentage of available office space of all vacant office space at the end of 2022.

Asking rentals improved for both P- and A-grade office space during 2022. B-grade office space, which saw an increase of nearly 1 000 m² in available space for rent, experienced a minor downward adjustment in rentals while there was no change in C-grade rentals.



SOURCE: SAPOA Office Vacancy Report (Q4 2022)



SOURCE: SAPOA Office Vacancy Report (Q4 2022)

SUMMARY OF RENTAL OFFICE SPACE IN THE CBD (AS AT Q4 2022)

Grade	Total rentable areas (m ²)		Available to lease (m ²)		Vacancy rate (%)		Ave gross asking rental (R/m ²)	
	2021	2022	2021	2022	2021	2022	2021	2022
Premium	66 080	66 080	15 024	10 975	22.7 %	16.6 %	195	203
A-grade	360 623	360 623	52 654	28 656	14.6 %	7.9 %	150	155
B-grade	512 300	523 700	84 555	85 492	16.5 %	16.3 %	125	120
C-grade	97 576	97 576	14 471	13 909	14.8 %	14.3 %	95	95
TOTAL	1 036 579	1 047 979	166 704	139 032	16.1 %	13.3 %		

SOURCE: SAPOA Office Vacancy Report (Q4 2022)



Foreshore Place

In recent years, the Cape Town CBD had the city's most competitively priced premium grade office space. However, by the end of 2022, the CBD had lost that position to Century City. The CBD still has the second most attractively priced A-grade office space in Cape Town, second only to Bellville and tied with Century City.

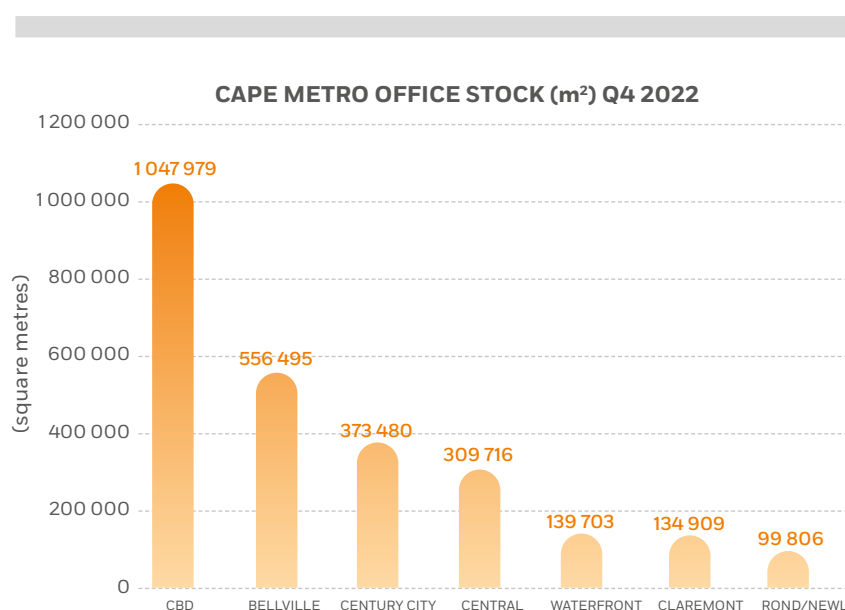
The CBD still has the largest share (+39.5 %) of the total office space in Cape Town, as measured by SAPOA (SA Property Owners Association). The CBD has the second largest percentage of P-grade office space – 29.8 % in total compared to 35.1 % in Century City. The V&A Waterfront is the third largest office node in terms of P-grade space, with 26.6 % of total P-grade office space.

The CBD accounts for almost a quarter (24.4 %) of all A-grade office space in the city, marginally below the 26.0 % of all A-grade space located within the Bellville office node.

Within the Cape metropole, the CBD accounts for the largest share (39.5 %) of total office space, followed by Bellville (21.0 %). Even so, the Central City only has the second largest share of both the P-grade (29.8 %) and A-grade (24.4 %) office markets. Century City has the largest percentage (35.1 %) of P-grade office space in the metro, while Bellville has the largest share (26.0 %) of A-grade office space.

OFFICE NODE (Q4 2022)	Median gross asking rentals (R/m ²)	
	P-grade	A-grade
Cape Town Central City	203	155
Bellville	210	150
Century City	200	155
Central (Pinelands)	-	158
Waterfront	250	200
Claremont	245	210
Rondebosch/Newlands	-	178

SOURCE: SAPOA Office Vacancy Report (Q4 2022)



SOURCE: SAPOA Office Vacancy Report (Q4 2022)

	P-GRADE		A-GRADE	
	SQM	% CoCT total	SQM	% CoCT total
CBD	66 080	29.8	360 623	24.4
Bellville	10 600	4.8	383 279	26.0
Century City	77 928	35.1	248 961	16.9
Central (Pinelands)	-	-	272 975	18.5
V&A Waterfront	59 000	26.6	72 455	4.9
Claremont	8 400	3.8	66 636	4.5
Rondebosch/Newlands	-	-	71 654	4.9

SOURCE: SAPOA Office Vacancy Report (Q4 2022)

OFFICE VACANCY RATES

With property owners being cautioned that the national office vacancy rate was not going to improve any time soon, at 16.1 % it was only marginally higher on average in 2022 than the 16 % recorded in 2021. Cape Town's vacancy rate of 10.7 % was the lowest of the national metros. The Central City's vacancy rate dropped from 16.1 % in 2021 to 13.3 % in 2022, with a marked improvement in A-grade vacancies. In 2022 it no longer had the most vacancies in the Cape metropole.

After peaking at an all-time high of 16.7 % in Q2 2022, the national office vacancy rate improved gradually during the second half of 2022. The South African Property Owners Association's (SAPOA) *Office Vacancy Survey* – which surveys 3 065 office properties across 52 business nodes and includes 18.9 million square metres of gross lettable area – reported that the overall national vacancy rate was 16.1 % in Q4 of last year.

With the national economic growth rate likely to remain subdued for the foreseeable future, SAPOA cautioned that the national office vacancy rate was unlikely to improve in the short- to medium-term. In addition to subdued levels of economic growth, significant levels of sub-let activity further dampened demand for existing office space.

Nationally, the largest improvement in vacancy rates was in the prime office space as tenants' need for quality office space gained momentum. This was partly due to the narrowing of the price differential between P- and A-grade offices over the last few years. However, in the CBD there was a more marked improvement in the A-grade vacancy rate than P-grade.



35 Lower Long

Among South Africa's largest metropolitan municipalities, Johannesburg had the highest office vacancy rate of 19.1 % at Q4 2022. While an improvement from the Q2 2022 high of 19.5 %, this remains significantly higher than the pre-pandemic vacancy rate of 12.5 % at the end of 2019.

There was a marked improvement in Cape Town's vacancy rate of 10.7 % in Q4 2022 – giving the city the lowest vacancy rate among the major municipalities (a position previously held by Tshwane in recent years) and the lowest rate recorded by the city since mid-2020.

While the Central City recorded the highest vacancy rate in the Cape metropole of 10.8 % prior to the pandemic in 2019, it no longer occupies pole position even though its vacancy rate was marginally higher, namely 13.3 %, at the end of 2022.

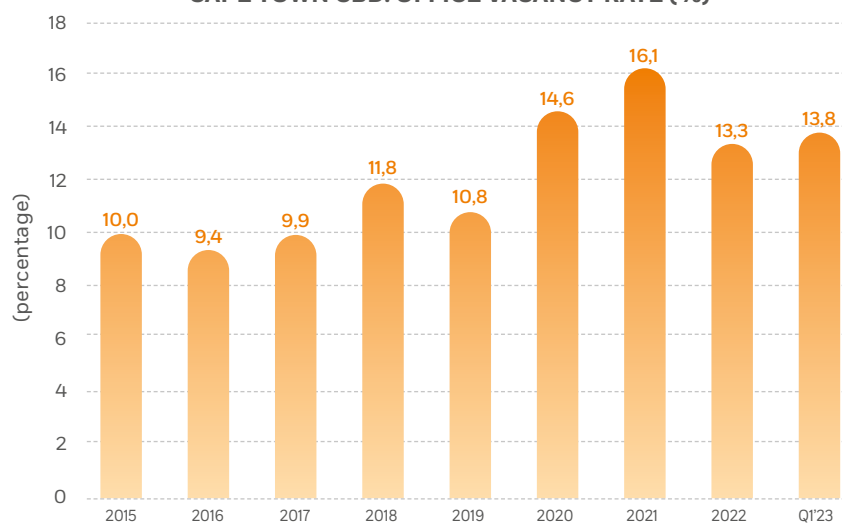
Claremont, Rondebosch/Newlands, and Century City all registered higher vacancy rates at the end of last year. This indicates that the Central City weathered the impact of the pandemic relatively well compared to other office nodes across the metropole.

However, SAPOA notes that the improvement in vacancy rates across the country came at a cost to landlords as asking rentals were once again adjusted downwards and, when adjusted for inflation, had reached levels last seen in 2007.

Unsurprisingly, office development activity remained constrained at the end of last year – as high vacancy rates and brisk sub-let activity dampened demand.

Nonetheless, SAPOA noted that the market still presented opportunities as businesses occupying office space continually adjusted their real estate footprint as their needs evolved.

CAPE TOWN CBD: OFFICE VACANCY RATE (%)

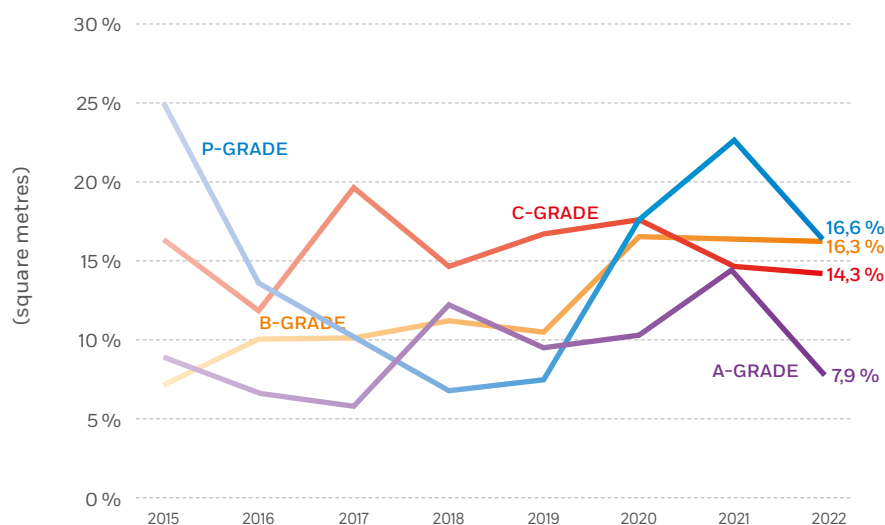


SOURCE: SAPOA Office Vacancy Report (Q4 2022)

Office Vacancy Rate %	Q4 2019	Q4 2022
Central City/CBD	10.8 %	13.3 %
Bellville	4.7 %	5.8 %
Century City	8.3 %	13.6 %
Central (Pinelands)	1.9 %	5.2 %
Waterfront	4.9 %	9.6 %
Claremont	8.2 %	13.9 %
Rondebosch/Newlands	1.9 %	13.6 %

SOURCE: SAPOA Office Vacancy Report (Q4 2022)

CAPE TOWN CBD: COMPARATIVE OFFICE VACANCY RATES (R/m²)



SOURCE: SAPOA Office Vacancy Report (Q4 2022)

PARKING

IN THE CENTRAL CITY

As in most global Central Business Districts, parking was in high demand in the Cape Town Central City in 2022.

Public parking in the Cape Town Central City was in high demand in 2022, and in short supply. As with most Central Business Districts the world over, lack of space in the CBD limited the number of available parking slots.

While office workers and members of the public were able to park in on-street spaces from March 2020 to November 2021 due to the pandemic, the City of Cape Town reintroduced its hourly on-street parking system in the CBD at the end of November at a rate of R4,80 per 15 minutes. Long-stay parking was made available at a lower cost on the fringe of the Central City for office workers.

CCID research estimates the number of public parking spaces available in 2022 was **7 478**. This included parking spaces in commercial buildings, hotels, event venues and open areas. The precinct with the most parking spaces was the Foreshore (P1), due largely to the extensive parking available at the Cape Town International Convention Centre (CTICC 1 & 2).

GLOBAL PARKING PRICES

While parking in the Central City was not cheap in 2022, it compared favourably to other international Central Business Districts. Parkopedia¹ reported in its 2022 Global Parking Index that despite the global impact of Covid-19 and rising global inflation rates, parking pricing patterns were



not hugely different to those reported in 2019.²

New York City (NYC) remained the most expensive city for two-hour off-street parking (\$43.10). The second and third most expensive cities, Sydney (\$32.65) and Brisbane (\$23.95), were also the same as in 2019. London was the only top 10 city situated outside the United States and Australia, where average parking costs were 61 % lower than in NYC and 49 % lower than in Sydney.

The index used data on over 90 million parking spaces across 90 countries in North America, Europe

and Asia-Pacific. The average parking prices were calculated using the World Bank's Purchasing Power Parity (PPP) exchange rates, at a city/country level for both on-street and off-street parking spaces and excluded parking spaces with special restrictions.

The top two most expensive cities for two-hour on street parking were also the same as in 2019, namely Amsterdam (\$13.31) and London (\$12.44).

In 2022 South Africa ranked 37 out of 40 on the list of most expensive countries for daily off-street parking (\$4.61), up by 7.59 % since 2019. It ranked 38 out of 40 on the list of most expensive countries for two-hour off-street parking (\$1.33), up by 11.9 % since 2019.

MORE CARS ON THE GLOBAL ROAD

Several factors contribute to high parking rates in CBDs of which lack of space is only one. On-street parking is limited and discouraged and providing other parking facilities runs into regulatory constraints such as planning permission and requires purposely designed facilities such as parking garages.³

Parkopedia also reported the number of vehicles on the road increased globally by more than 1.3 % since 2019. However, decreasing parking inventory, and greater restrictions on remaining parking spaces resulted in increased demand for parking

¹ Parkopedia is a global parking service provider with information on 90 million parking spaces in 90 countries, including real-time parking space availability in over 4 000 cities. A rate for Cape Town parking was not provided.

² Parkopedia Global Parking Index 2022

³ <https://transportgeography.org/contents/chapter8/>

worldwide, leading to price increases.

The Covid-19 pandemic significantly impacted demand for parking in the last three years, as private vehicle usage increased as commuters shunned public transport due to fears of contracting Covid-19. In Cape Town, the collapse of the public rail system also put extra pressure on the road system with workers having to rely on private transport or turning to taxis or bus transport.

PARKING TRENDS

Greening initiatives led to the reduction of on-street parking in densely populated urban areas to reduce congestion and carbon emissions.

Parkopedia reported that Amsterdam removed parking spaces in terms of its Green Infrastructure Vision 2050. Paris also removed 70 000 on-street parking spaces, half of the city's parking spaces, to transform the city ecologically. Milan and London were following suit by converting on-street parking in built-up areas into bike and pedestrian lanes, as well as introducing pick-up and drop-off zones, where drivers were encouraged to use multi-modal forms of transport, such as in Germany, where a recently introduced €9 unlimited monthly public transit pass for summer 2022 has encouraged more drivers to switch to public transport, for at least part of their journey.

PARK HERE

In 2022, Parket, a cloud-based system designed to manage available public parking, started operating in the Central City. The App-based system not only allows members of the public to look for, find, book and pay for parking using their smart phones but also enables corporate landlords to manage and market their parking spaces more effectively through cashless payments, sophisticated access technology and real-time reports. Park Upp, which is also a digital parking platform allowing the public to reserve a dedicated parking bay, also starting operating in the Central City.

CBD PUBLIC PARKING	OPERATOR	ENTRANCE	PARKING BAYS
PRECINCT ONE			
2 Jan Smuts Steet	City of Cape Town	2 Jan Smuts St	200
Auto Atlantic	Dubhe Parking	53 Hertzog Blvd	68
CIRCA	Circa	14 Jetty St	22
CTICC visitor parking P1, P3 & P5	CTICC	Lower Long St / Heerengracht / FW de Klerk Blvd	1 424
Isithembiso	Isithembiso	8 Martin Hammerschlag Way	80
Libertas Parking	Servest	101 Hertzog Blvd	100
Mechau Street*	Parket	4 Mechau St	55
Norton Rose House	Operator	8 Riebeeck St	216
Old Virgin Active	Parket	23 Lower Long St	12
Parkalot	Parket	12 Jack Craig St	645
Roggebaai Place	Interpark SA	4 Jetty St	65
Site B*	Operator	Alpha St	70
Southern Sun The Cullinan	Southern Sun	1 Lower Buitengracht St	226
Southern Sun Waterfront	Southern Sun	1 Cullinan St	271
The Capetonian	Raya Hotel Group	Roggebaai Square	50
Tulbagh Centre	Quebec Parking	8 Hans Strijdom Ave	32
TOTAL P1			3 536
PRECINCT TWO			
42 Strand Street	Omnipark	42 Strand St	102
Buitengracht St*	Servest	Buitengracht St	96
City Park	Parket	111 Bree St	637
Mandela Rhodes Place	Interpark	24 Wale St	310
Riebeeck Square*	Servest	100 Shortmarket St	230
The Felix	Karabo	58 Strand St	300
TOTAL P2			1 675
PRECINCT THREE			
Pepperclub Hotel	Pepperclub Hotel	167 Loop St	329
Queen Victoria St*	Sabiness Trading	60 Queen Victoria St	38
Total P3			367
PRECINCT FOUR			
Adderley Park	Adderley Park Properties	Parliament St	42
Buiten Park	Karabo	39 Buitenkant St	135
Golden Acre	Interpark	9 Adderley St	823
Grand Central Parkade	Grand Central	Lower Plein St	704
Harrington Square*	Harrington Square	22 Caledon St	170
Truworhs*	Truworhs	3 Mostert St	26
Total P4			1 900
GRAND TOTAL			7 478

*Outdoor parking areas.

SOURCES: Parket.co.za; parkopedia.co.za; CCID

RESIDENTIAL PROPERTY TRENDS

In 2022, the Central City gained momentum as an emerging business hub with an excellent infrastructure able to lure international companies especially in the fintech space, as well as providing a vibrant lifestyle for short- and long-term visitors and residents. As a result, residential developments dominated the Cape Town CBD property sector. Here are 2022's top residential property trends.

RESIDENTIAL RULES

Of the 22 buildings listed in the Central City's property development map (see pp. 20-21), with a net worth of R3.555 billion, eight were residential, six were commercial, four were mixed-use, two were retail and there was one aparthotel and one parastatal building respectively.

One residential building, Neighbourgood Reserve (R75 million), was completed last year, while four others, with a combined value of R1.480 billion, were under construction. They include Fleetway House/Vida d'Chette (R60 million) on the Foreshore, The Tokyo (R150 million) and The Carrington (R70 million) which are both in Loop St, and The Fynbos (R1.200 billion), which is guaranteed to liven up Upper Bree Street. The luxury studio, one- and two-bedroom apartments range in size from 24 m² to 85 m², and will add over 880 new residential units to the Central City residential pool.

MIXING IT UP

With developers responding swiftly to the decline in the demand for office space following the pandemic, four mixed-use developments – combining residential and commercial or retail components – were in the property pipeline in 2022.





One Thibault Residence

These include the standout redevelopment on the Foreshore of the iconic former Standard Bank office block into One Thibault (R500 million) – an outstanding example of a successful mixed-use redevelopment – and two extraordinary new builds which will change the Central City’s skyline dramatically, namely The Rubik (R600 million) in Loop St and The Barracks (R150 million) in Bree St.

AFFORDABLE HOUSING

Two Western Cape Government developments aimed at addressing the need for affordable accommodation and the housing backlog are listed in the 2022 property development map of the Central City, namely the Leeuloop project, which is in the planning phase, and the Founders Garden development earmarked for the Artscape Theatre Centre precinct, which is proposed. Leeuloop, which

will be bordered by Dorp, Bree, Leeuwen and Loop Sts, is set to add 341 housing units while Founders Garden will add another 1 185.

CUTTING EDGE

With Cape Town’s residential market highly competitive, Central City developers are ensuring their offering is unique, presenting prospective residents with dynamic inner-city living characterised by maximum convenience, comfort, quality finishes and features, green credentials, flexible letting options and exceptional amenities such as rooftop terraces and co-working spaces.

Cutting edge developments under construction in 2022 included the high-rise apartment block, The Fynbos, which is set to be Africa’s first biophilic building, offering occupants of each unit “a garden experience”. The façade of the building, with its impeccable green footprint, will sport 30 species of trees, and 20 species of shrubs.

Another striking development is The Barracks in Bree St. The renovation and development of a well-known Central City heritage site, The Barracks will integrate new and old in a unique, mostly residential building, with some retail and commercial in the offing, when it nears completion after a decade of planning. The R150-million development, which is low and contained, has a glazed, sleek, modern residential complex of 70 micro-apartments floating on top of the 18th Century former warehouse building.

On the other side of the Central City is the so-called “Hemp Hotel”, an aparthotel called 84 Harrington (R180 million), which is the world’s tallest building to be constructed using industrial hemp. The 12-storey aparthotel, which has about 50 units, has a minimal carbon footprint, buying into the trend for new Central City builds to be sustainable.

RESIDENTIAL VALUES & RENTALS

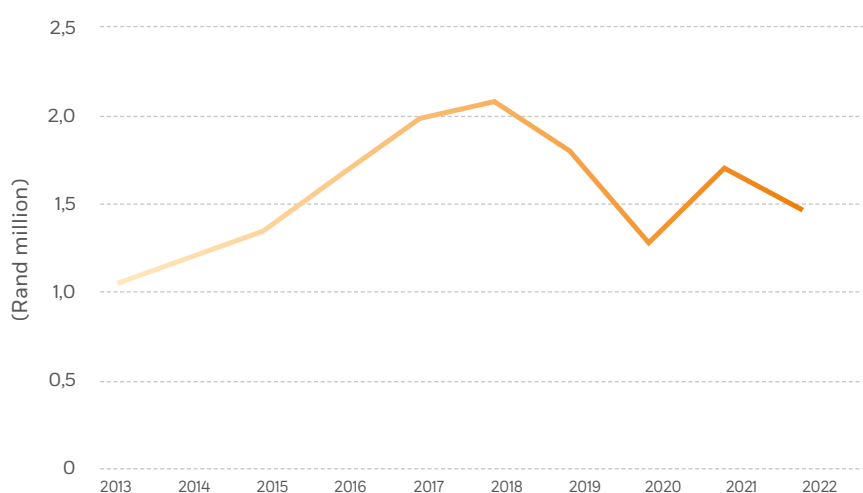
In 2022, the residential property market in greater Cape Town performed well despite rising interest rates, with the Western Cape remaining a popular destination for semigration. The Central City held its own in spite of falling sales and asking prices, recording more sales than before the onset of the pandemic.

The median price of sectional title properties sold in the Cape Town Central City eased from R1.71 million in 2021 to R1.47 million in 2022 – a decrease of 13.8 %.



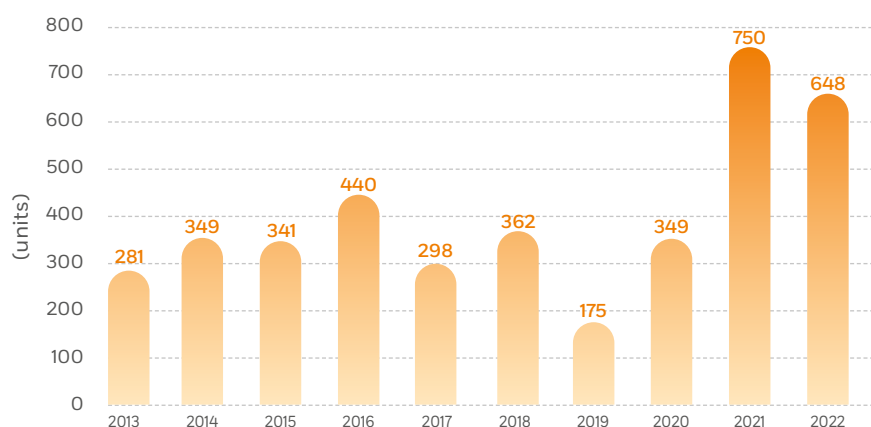
After a bumper 750 apartments sold in 2021 – due in large part to the pandemic-induced rebound in housing market activity – a total of 648 units were sold last year, a still elevated level of sales activity when compared to pre-pandemic sales.

CAPE TOWN CCID FOOTPRINT: SECTIONAL TITLE PRICES (RM, MEDIAN)



SOURCE: Lightstone

CAPE TOWN CCID FOOTPRINT: SECTIONAL TITLE UNIT SALES



SOURCE: Lightstone



16 on Bree

**R1.47
million**
THE MEDIAN PRICE
OF SECTIONAL TITLE
PROPERTIES SOLD
IN THE CAPE TOWN
CENTRAL CITY IN 2022.

NUMBER OF UNITS SOLD AND MEDIAN SALES PRICE

Year	Units sold	Median sales price (Rm)	Year-on-year % increase
2016	440	1.70	+25.9 %
2017	298	2.00	+17.5 %
2018	362	2.10	+5.1 %
2019	175	1.80	-14.3 %
2020	349	1.28	-28.9 %
2021	750	1.71	+33.3 %
2022	648	1.47	-13.8 %

SOURCE: Lightstone

The median price of R1.47 million for sectional title units sold last year represents a 13.8 % decline relative to the median price recorded in 2021.

SUMMARY PER M² OF 117 UNITS SOLD

Price per m ²	Units sold (2022)
Less than R20 000/m ²	9
R20 000 – R29 999/m ²	42
R30 000 – R39 999/m ²	23
R40 000 – R49 999/m ²	19
R50 000 – R59 999/m ²	16
R60 000 – R69 999/m ²	4
R70 000/m ² and above	4

SOURCE: PropStats



AVERAGES & RANGES ACROSS THE SPECTRUM (2016 TO 2022)

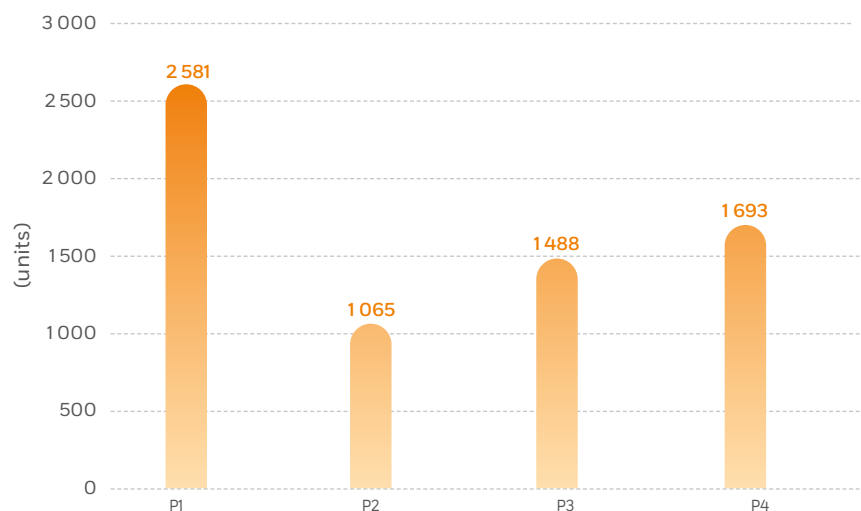
Year	Average size (m ²)	Average R/m ²	Year-on-year change R/m ²	Discount to asking price (%)
2016	71.00	R33 921	+38.5 %	-2.5 %
2017	51.92	R41 287	+21.7 %	-4.3 %
2018	77.64	R35 431	-14.2 %	-8.8 %
2019	82.20	R34 142	-3.6 %	-9.5 %
2020	69.00	R31 000	-9.2 %	-10.7 %
2021	71.00	R39 102	+26.1 %	-7.6 %
2022	67.31	R37 071	-5.2 %	-6.8 %

SOURCE: PropStats

NOTE: Lightstone records all sales registered by the Deeds Office during a particular period, while PropStats depends on estate agents to voluntarily record their sales. As a result, PropStats data is typically a sub-set of the total number of sales which actually took place during a particular period.



TOTAL CENTRAL CITY RESIDENTIAL UNITS PER PRECINCT



SOURCE: PropStats

NUMBER OF DAYS UNITS STAYED ON THE MARKET IN 2022

0 – 7 days	1 – 2 weeks	2 – 4 weeks	1 – 2 months	2 – 3 months	3 – 6 months	>6 months
14	5	9	18	20	28	24

SOURCE: Lightstone



16 on Bree

TOTAL CENTRAL CITY RESIDENTIAL UNITS PER PRECINCT

By the end of 2022, the total number of residential apartments in the Central City had risen to 6 827 apartments – up from 5 791 in 2021 and 4 954 in 2020. The Foreshore (P1) – which has

seen a significant number of new residential developments in recent years including 16 on Bree (R860 million) which has 381 units – remains the dominant residential node with 37.8 % of all apartments. This is followed by the East City – with 24.8 % of all residential units.

MONTHLY RENTALS IN THE CENTRAL CITY

At the end of 2022, there were a total of 57 apartments listed on Property24.com as available for rent in the Central City. This is significantly lower than the 217 units listed at the end of 2021 and the 475 units available at the end of 2020 – at the height of the pandemic.

The majority (40 units) were listed as fully or partially furnished – a growing trend in recent years. This may also have contributed to the increase in rentals in 2022. The data below was collected on 3 January 2023.

STUDIO / BACHELOR

units to rent: 18

Average monthly rental: R11 586
(compared to R9 027 a year earlier)

Highest: R21 500 for 66 m²

Lowest: R7 000 for 30 m²

ONE BEDROOM

units to rent: 18

Average monthly rental: R14 233
(compared to R11 124 in Jan 2022)

Highest: R25 000 for 94 m²

Lowest: R9 500 for 26 m²

TWO BEDROOMS

units to rent: 16

Average monthly rental: R24 750
(compared to R17 768 in Jan 2022)

Highest: R42 000 for 180 m²

Lowest: R13 500 for 55 m²

THREE+ BEDROOMS*

units to rent: 3

Average monthly rental: R71 667
(compared to R40 314 in Jan 2022)

Highest: R150 000 for 262 m²

Lowest: R40 000 for 210 m²

**The average rental is distorted by the inclusion of a penthouse listed at R120 000 per month.*

SHARED ROOM:

units to rent: 2

Average monthly rental: R5 000
(none listed last year)

RESIDENTIAL PROPERTY MAP

PRECINCT 1

BUILDING	UNITS
1 16 on Bree	381
2 Foreshore Place	191
3 Fountain Suites	78
4 Hyde Park	34
5 Icon	227
6 North Wharf	72
7 The Duke	81
8 One Thibault	428
9 The Heriot	215
10 The Rockefeller at Harbour Place	398
11 Stonehill Place	182
12 The Onyx	219
13 Trafalgar Centre	75
TOTAL	2 581

PRECINCT 2

BUILDING	UNITS
14 34 St Georges	73
15 5 St Georges	47
16 71 Loop Street	6
17 73 Loop Street	2
18 74 Loop Street	5
19 Castle Gate	12
20 The Colosseum	80
21 De Oude Schuur	50
22 BlackBrick Cape Town	105
23 Forty-Two Burg Street	25
24 Glaston House	43
25 48 Greenmarket Place	51
26 (At) Greenmarket Place	59
27 G Square	38
28 Guarantee House	12
29 Huys Heeren	6
30 Impala House	8
31 Kimberley House	8
32 Mandela Rhodes Place	215
33 Market House	41
34 Murray House	10
35 Namaqua House	25
36 Neighbourgood Reserve	35
37 33 Church Street	1
38 Taj Cape Town	25
39 The Decks	83
TOTAL	1 065



6 827
A TOTAL OF
6 827 RESIDENTIAL
UNITS IN THE
CAPE TOWN
CENTRAL CITY.

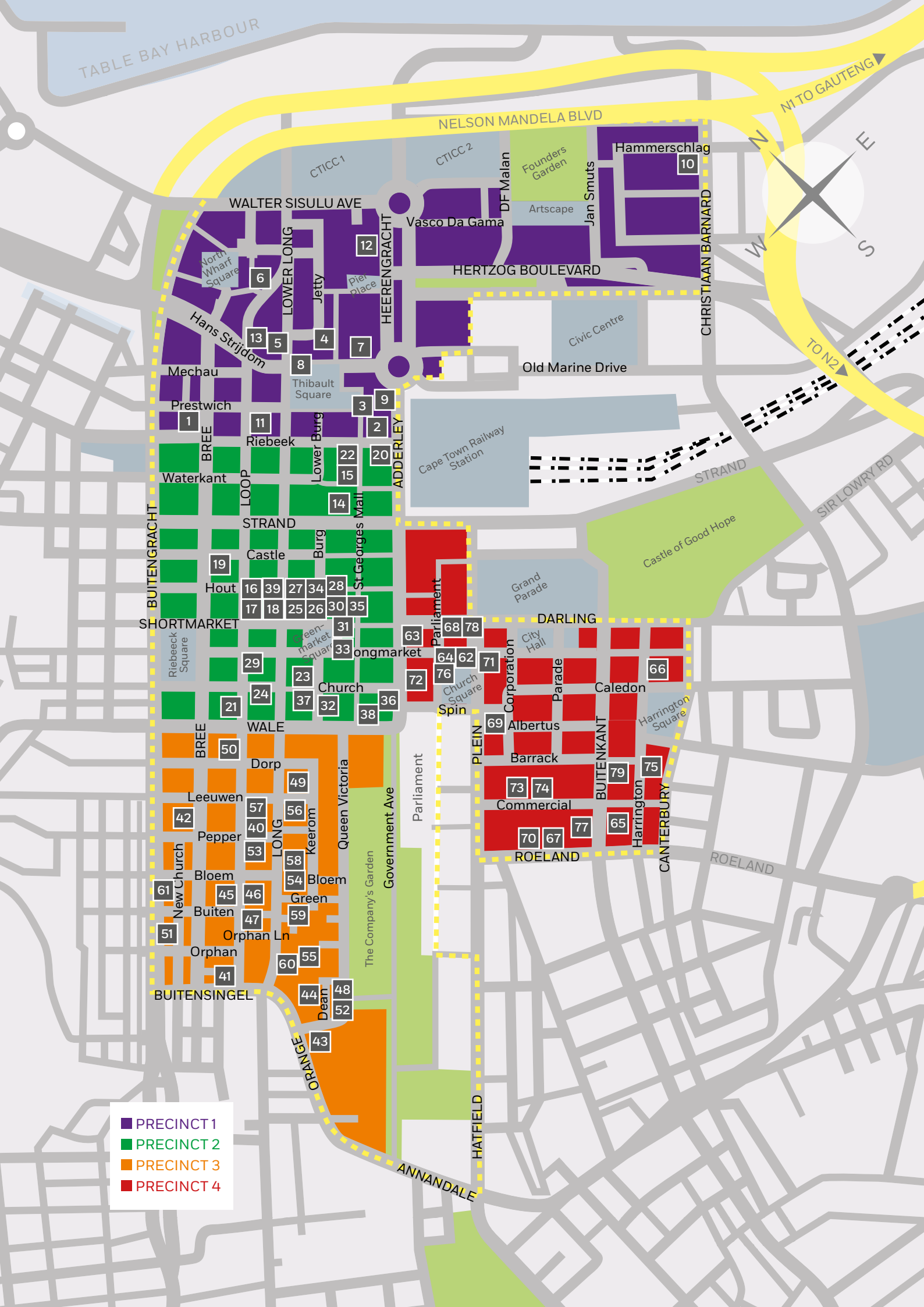


PRECINCT 3

BUILDING	UNITS
40 155 Loop Street	16
41 Two Twenty Loop Street	73
42 6 on Pepper	20
43 15 on Orange	21
44 Artois Court	8
45 Elkay House	3
46 Flatrock	47
47 Graphic Centre	25
48 Holyrood	39
49 Lutomburg	12
50 Manhattan Place	196
51 Metro House	2
52 Montreux	32
53 Pepperclub Hotel	222
54 Senator Park	169
55 St Martini Gardens	317
56 Studios on Long	16
57 The Sentinel	101
58 Tuynhuys	47
59 Uxolo	36
60 Victoria Court	36
61 West Side Studios	50
TOTAL	1 488

PRECINCT 4

BUILDING	UNITS
62 4 Church Square	44
63 Cartwrights Corner	126
64 Church Square House	12
65 Four Seasons	193
66 Gold House	6
67 Hip Hop Plaza	37
68 Mutual Heights	162
69 Neighbourgood East City	107
70 Perspectives	176
71 Red Lion	12
72 The Adderley	280
73 17 Commercial Street	3
74 HOMii Valencia	153
75 The Harri	50
76 The Piazza on Church Square	99
77 The Square	178
78 The Wellington	19
79 Wolroy House	36
TOTAL	1 693



10 YEARS OF LIVING IN TOWN

Home to a cosmopolitan community, the Cape Town Central City – known to Capetonians simply as “town” – has thousands of residents. Every year, in a dipstick survey, the Cape Town Central City Improvement District gauges their living habits, likes and dislikes and investment preferences. Here we compare the results of our first surveys, which started in 2012, with those of our 2022 survey.

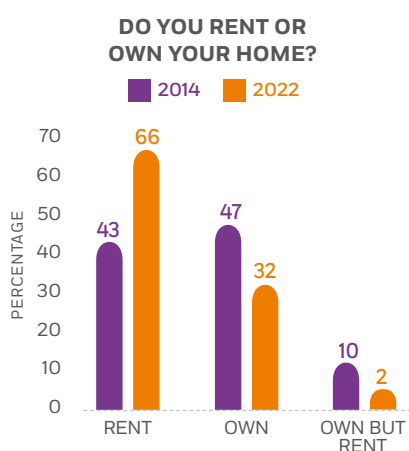
WHY LIVE IN “TOWN”?

Despite the big Work From Home disruption brought on by the pandemic in 2020, the main reason people live in the Central City remains proximity to the workplace. Other reasons offered by survey respondents in 2013 remain in the top six cited by respondents in 2022 – entertainment options and access to other neighbourhoods – but have been bumped down the list by the appeal of the “downtown lifestyle” and the fact that the CBD is perceived as a “safe” environment.

2013	2022
1 Close to place of work	Close to place of work (51 %)
2 Diverse entertainment options	Like the cosmopolitan “downtown” lifestyle (37 %)
3 Central access to other neighbourhoods	Safe environment (31 %)
4	Entertainment & cultural options (31 %)
5	Great restaurants (26 %)
6	Quick access to other neighbourhoods (25 %)

TENANT OR OWNER?

There has been a marked increase in the number of renters in the Central City.



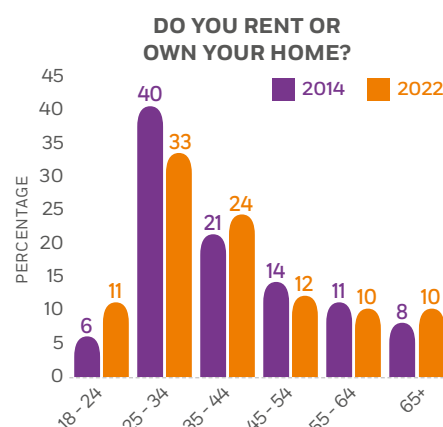
PLACE OF ORIGIN

There was a significant increase in the number of residents from elsewhere in South Africa – 35 % to 44.6 % – perhaps reflecting the impact of semigration. The number of foreigners remained constant, while there was a noticeable decline in the number of locals who opted to live in the Central City.

	2013	2022
Cape Town locals	36 %	29.4 %
Somewhere else in SA	35 %	44.6 %
International destinations	17 %	17.5 %
Somewhere else in the Western Cape	12 %	8.5 %

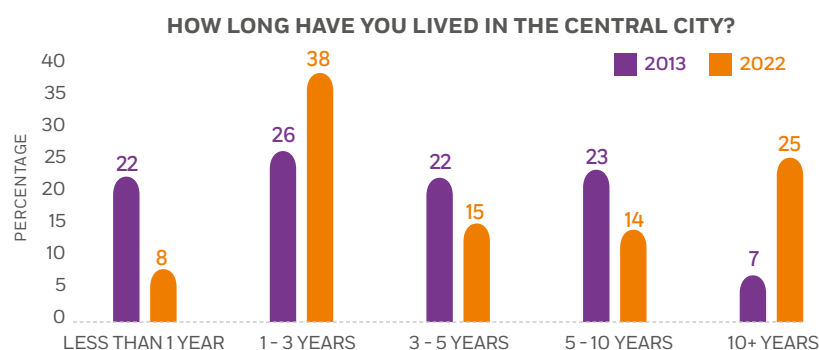
AGE IS BUT A NUMBER

The age of residents remained largely unchanged since 2014 – with a slight increase in those aged 18-24 years (which might reflect the influx of students) and an increase in those aged 35-44 years (possibly young professionals purchasing homes in up-market developments).



DURATION OF STAY

Our comparison showed there was a sharp decline in the number of people living in the Central City for less than a year but significantly higher between 1-3 years. It was encouraging to see a marked increase in the number of residents living in the Central City for 10 or more years, suggesting they are happy with the status quo.



WORK

PROFESSIONAL STATUS

The top jobs of survey respondents, remarkably, are still these three:

2013

Media, marketing
& advertising
Computers & IT
Financial sector

2022

Media, marketing
& advertising (15 %)
Computers & IT (14 %)
Financial sector (14 %)



WORKING ARRANGEMENT

	2014	2022
Work fulltime	67 %	55 %
Work part-time	3 %	6 %
Self-employed/ freelancing	29 %	19 %
Don't work/ retired	2 %	10 %
Student	-	10 %

Some fascinating work patterns emerged. It appeared that less survey respondents were working fulltime, with the percentage dropping from 67 % to 55 %, and fewer of them were also either self-employed or freelancing. There was a marked increase in the “don't work/retired” category for reasons which were unclear.

COMMUTING TO WORK

In 2013, 65 % of residents lived within 3 kms of their work. In 2022, this had declined to 62 %.

The top three modes of transport in 2013 were driving, walking and cycling.

In 2022, respondents drove, walked and Ubered. Cycling was the least popular mode of transport.

2013

Driving
Walking
Cycling

2022

Driving
Walking
Ubering



GENERAL RIGHTS

Most residents who did our surveys are not parents. However, the number of residents with children has increased slightly over the years:

2014

27 %

had children

2022

36 %

had children

HAPPY GO LUCKY

In 2013, 89 % of respondents said they were happy living in the Central City. In 2022, this rose to 97 % who claimed to be “fairly happy”, “satisfied” or “very happy”.

LIFESTYLE

HAVING A GOOD TIME

Over the years, Bree St replaced Long St as the Central City's “destination” street for going out on the town, to restaurants, cocktail lounges, and clubs. While Long St's popularity has waned, it is still in the top three. However, Kloof St, outside the CBD, is the most popular area.

2014	2022
Kloof St and surrounds (68 %)	Kloof St (66 %)
Long St (48 %)	Bree St (52 %)
Bree St (43 %)	Long St (37 %)

CATCH A BITE

Percentage of residents visiting a Central City **coffee shop** at least once a week.

2014

84 %

vs

2022

75 %

Percentage of residents visiting a Central City **restaurant** at least once a week.

2014

68 %

vs

2022

59 %

SECTION

4 CENTRAL CITY ECONOMIES

The key economies that drive the Central City economy were on the rebound in 2022 as Covid-19 receded, from the hospitality, eventing and business tourism sectors to the creative and retail economies. Here is an overview.

OVERVIEW

RETAIL

The retail sector, the engine of the Central City economy, recovered well during the course of 2022 with retail occupancy levels rising in all precincts – which are clearly demarcated on the map on the inside front cover of this publication, and which should be left open for ease of reference – in its 1.6 km² footprint. Even though Precinct 2 has the most retail outlets and experienced a 5 % increase in occupancy, precincts 1 and 3 saw a 9 % increase in retail occupancy rates. The East City (P4), which has the second largest number of retailers in the Central City, had a 2 % increase but at 98 %, has the highest occupancy rates. All other precincts' occupancy rates are also above 90 % (see pp. 48-49). Retailers also proved resilient to the knocks of Covid-19 and remained confident that their businesses would survive, according to the CCID's Retail Confidence Survey (see pp. 46-47).

The Central City has a broad mix of retailers with destination establishments, including award-winning restaurants, bars and coffee shops. The number of retail outlets



increased from 1 163 in 2021 to 1 243 in 2022.

FINTech

With the City of Cape Town positioning itself as the capital of fintech innovation in Africa, the Central City was well placed to reap the rewards in 2022 with its excellent infrastructure and business enabling

environment. This is tied to the Cape Town's ascendancy as a startup hub, prompted by the success of the Business Process Offshoring (BPO) industry.

In 2022, the Central City was home to 78 information & communication technology (ICT) & telecoms entities (including 36 ICT entities, 11 telecoms entities

and 31 BPO (call centre) entities. The Central City also improved its rankings on the Global Financial Centres Index (GFCI), which evaluates competitiveness and rankings in the major financial centres around the world. Cape Town took the top spot in Africa at number 48, showing an improvement from number 61 in 2021.

The City of Cape Town's hard work in forging a strong foundation for economic development and investment has played a big role in Cape Town and the Central City's ability to attract fintech "big guns" and it is home to Naspers, Takealot, SweepSouth and PayU Payment Solutions among others.

ART ECONOMY

With six new art galleries opening in the Central City in 2022 (bringing the total number of galleries to 29), the art economy made a stellar comeback in 2022. After a hiatus brought on by Covid-19 and subsequent lockdowns, the ninth edition of the Investec Cape Town Art Fair opened its doors to the public at the Cape Town International Convention

Centre (CTICC) in February 2022, presenting a hybrid version (online and in-person viewing) of the event.

The biggest contemporary art fair in Africa, the 2022 fair attracted 98 local and international exhibitors from 20 countries, including 17 first-time participants. Art fair director Laura Vincenti said the return of the three-day physical event offered "some reprieve and restoration for the global art community".

VISITOR & EVENTING ECONOMIES

Domestic travel to Cape Town in 2022 started recovering early on in the year, stabilising the visitor economy after the disastrous effects of the pandemic. In February 2022, data from Cape Town International Airport showed that domestic arrivals had recovered to 79 % of the same period in 2019, up from 73 % in January, with the airport processing 25 000 passengers a day.

International airlines resumed their travel to Cape Town including Emirates, Singapore Airlines, British Airways, United Airlines and Turkish Airlines.

Wesgro's Air Access reported that between January and December 2022, the domestic terminal processed 5.96 million two-way passengers, a recovery of 71 % when compared to 2019. "Although domestic recovery still lagged due to less capacity in the market, the record-high average load factor percentage (ratio of passengers to seats) of 84 % showed that the current domestic fleet was well-utilised."

For the full year, the international terminal saw a recovery of 73 % when compared to the same period in 2019, with almost 1.9 million two-way passengers. The average load factor for the international terminal reached pre-Covid levels with 72 % recorded for 2022.

The MICE (meetings, incentives, conferences and exhibitions) sector also bounced back, with the Cape Town International Convention Centre (CTICC) hosting 226 events in the 2021/2022 financial year compared with 53 in the previous financial year. Big, crowd-drawing events returned, with the ever-popular Decorex, held in June 2022, attracting 36 000 visitors.

STATE OF CENTRAL CITY RETAIL IN 2022

Retail is one of the largest economies within the Central City. The sector has recovered steadily since the pandemic, and in 2022, the total number of retailers had returned to pre-Covid levels – with six more retail entities than in 2019.



CENTRAL CITY RETAIL BUSINESSES 2019-2022

	P1	P2	P3	P4	Total
2019	162	543	199	333	1 237
2020	123	469	183	351	1 126
2021	135	495	194	339	1 163
2022	144	528	207	364	1 243
Difference 2021/2022	+ 9	+ 33	+ 13	+ 25	+ 80

TOP 10 RETAIL SECTORS OF 2022

Retail sector	# new businesses in 2022
Health & beauty (incl. spas)	+ 16
Coffee shops & cafes	+ 16
Takeaways	+ 7
Speciality stores	+ 7
Bars & clubs	+ 6
Art galleries	+ 6
Hair salons	+ 4
Laundry, dry cleaning, shoe repairs & tailors	+ 4
Furniture, lighting & décor (incl. antiques)	+ 3
Wholesalers/discount stores	+ 3

RETAIL ECONOMY IN FIGURES

There are a total of **1243** retail and entertainment businesses in the Central City. Here we give a precinct-by-precinct breakdown.

Adult entertainment P1 P2 P3 P4 1 8 0 2 TOTAL 11	Adult-themed shops P1 P2 P3 P4 1 1 1 0 TOTAL 3	Art galleries P1 P2 P3 P4 0 23 3 3 TOTAL 29	Auctioneer P1 P2 P3 P4 0 1 0 0 TOTAL 1	
Bakeries P1 P2 P3 P4 0 1 0 2 TOTAL 3	Barber shops P1 P2 P3 P4 2 7 5 5 TOTAL 19	Barrows /kiosks P1 P2 P3 P4 1 5 7 5 TOTAL 18	Bars & clubs P1 P2 P3 P4 6 23 27 7 TOTAL 63	Booksellers & publishers P1 P2 P3 P4 0 2 3 1 TOTAL 6
Butcheries P1 P2 P3 P4 0 0 0 3 TOTAL 3	Clothing & shoes P1 P2 P3 P4 4 42 10 56 TOTAL 112	Coffee shops & cafes P1 P2 P3 P4 18 36 12 20 TOTAL 86	Curios & markets P1 P2 P3 P4 0 10 4 0 TOTAL 14	Chain stores P1 P2 P3 P4 2 8 0 9 TOTAL 19
Discount stores P1 P2 P3 P4 1 6 0 7 TOTAL 14		Electronics, photography & music P1 P2 P3 P4 2 10 0 9 TOTAL 21	Fashion accessories P1 P2 P3 P4 1 5 0 3 TOTAL 9	Florists P1 P2 P3 P4 0 1 0 2 TOTAL 3
Furniture, lighting & décor P1 P2 P3 P4 5 17 10 7 TOTAL 39	Gyms P1 P2 P3 P4 3 3 6 1 TOTAL 13	Hair salons P1 P2 P3 P4 5 27 5 20 TOTAL 57	Hardware P1 P2 P3 P4 1 3 1 2 TOTAL 7	Health & beauty (incl. spas) P1 P2 P3 P4 7 17 15 15 TOTAL 54

1243

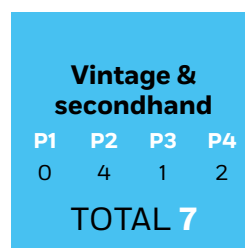
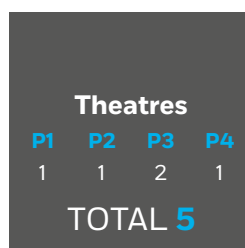
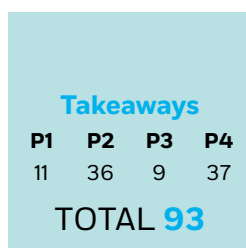
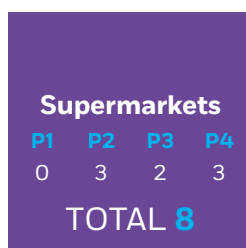
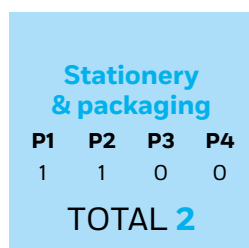
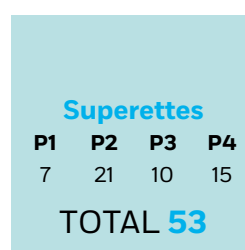
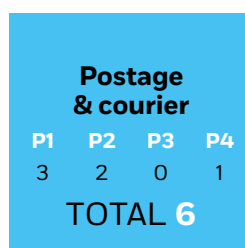
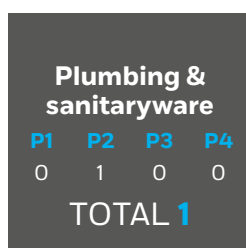
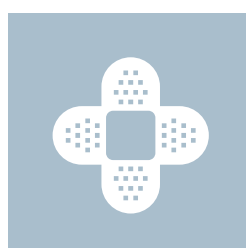
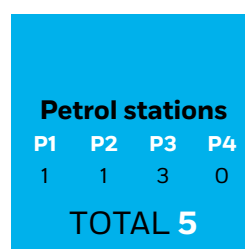
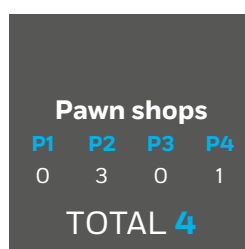
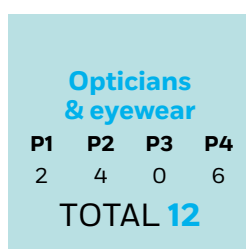
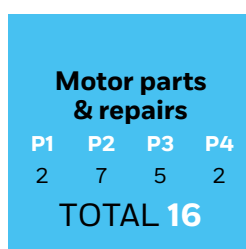
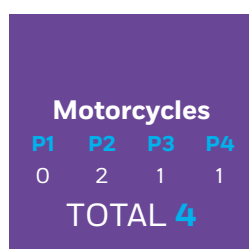
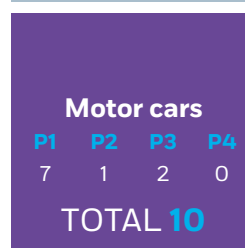
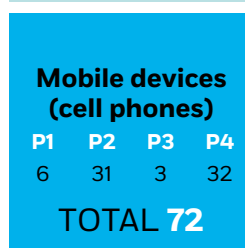
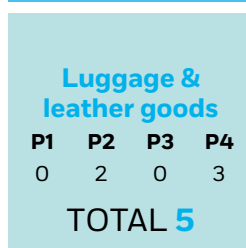
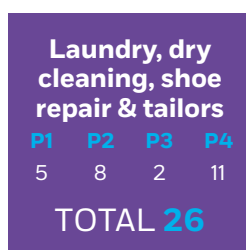
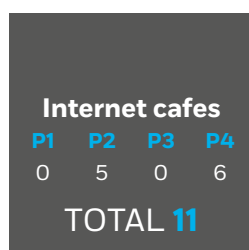
TOTAL NUMBER OF RETAILERS

P1
144

P2
528

P3
207

P4
364



RETAIL CONFIDENCE SURVEY

Since the start of the pandemic in 2020, the CCID has tracked the confidence levels of beleaguered retailers in the Central City in a Business Confidence Index. Last year we reported that business confidence rebounded in the final months of 2021, and this trend continued in 2022 as the pandemic abated and “business as usual” became the order of the day.

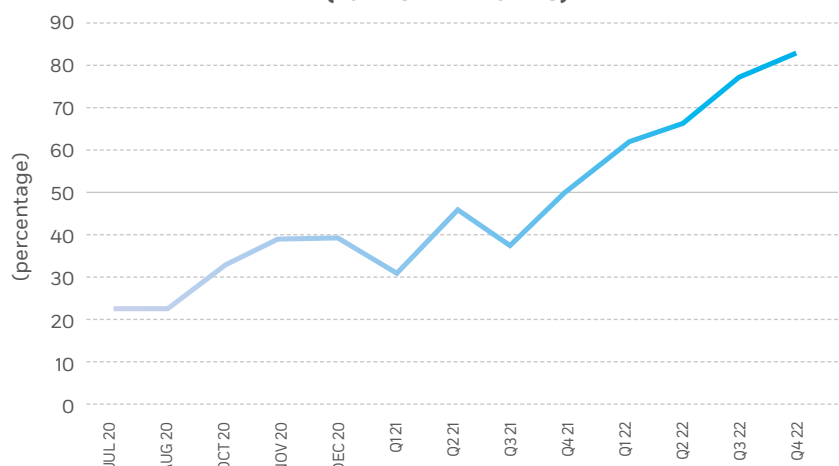
Not only are there more retail outlets in the Central City than before the onset of the pandemic, but confidence among retailers and commercial property owners has increased – and has held up relatively well in early 2023 – despite the parlous state of the national economy as power cuts take their toll.

While just 51 % of businesses surveyed indicated that they were satisfied with prevailing business conditions in Q4 of 2021 (the first time the CCID Retail Confidence Index moved into positive territory since the start of the pandemic in 2020), this percentage rose steadily throughout 2022, reaching a level of 83.3 % by year-end.

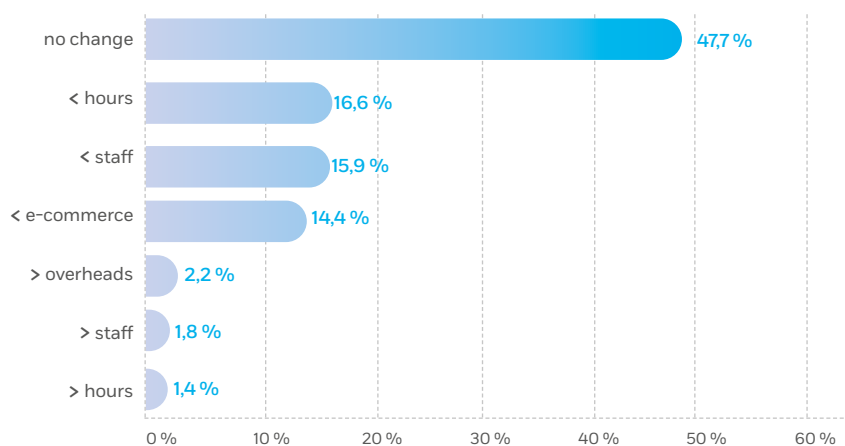
1.6 km²

THE CCID INDEX SURVEYS RETAILERS ACROSS ITS 1.6 KM² FOOTPRINT AND IN ALL MAJOR RETAIL CATEGORIES.

**ARE YOU SATISFIED WITH CURRENT BUSINESS CONDITIONS?
(% ANSWERING YES)**



HOW DO YOU PLAN TO ADAPT YOUR BUSINESS IN 2023?



KEY < increase
> decrease



80%

NEARLY 80 % OF THE 230 RETAILERS SURVEYED IN THE CENTRAL CITY BY THE CCID DURING Q1 OF 2023 INDICATED THAT THEY WERE “SATISFIED” WITH CURRENT BUSINESS CONDITIONS.



Nearly 80 % of the 230 Central City retailers surveyed by the CCID during Q1 of 2023 indicated that they were “satisfied” with current business conditions.

This is a modest deterioration from the final 83.3 % recorded at year-end, but it represents a significant improvement on the 22.9 % of retailers who were satisfied with trading conditions in mid-2020.

The CCID index surveys retailers across its 1.6 km² footprint and in all major retail categories.

During the first two years of the pandemic, the quarterly survey revealed that retailers were focusing on reducing overheads, trading hours and staff numbers as they adjusted

to new, subdued levels of activity – particularly during the more restrictive periods of lockdown. In the first survey in 2020, confidence among inner-city retailers was just 23 %.

Encouragingly, by the end of 2022, almost half of the businesses surveyed indicated that they no longer needed to adjust their businesses in any way to thrive during 2023.

A particularly positive development was the number of businesses that planned to increase their trading hours and hire additional staff – an indication of increased confidence among business owners.

In December 2019, there were 1 237 estimated retail outlets in the

Central City. By the end of 2020, this had fallen to 1 126 but the retail sector, demonstrating resilience and agility, was quick to adjust to new trading conditions during the pandemic and, as lockdown restrictions eased, the sector quickly recovered.

By the end of 2022, the number of retailers had risen to 1 243, with new businesses, such as the Starbucks outlet on the Foreshore and Japanese eatery Ramenhead, continuing to open in 2023. With the number of businesses – both retail and non-retail – almost back to pre-pandemic levels, the steady return of office workers and other employees to the Central City bodes well for the continued recovery of the retail sector during the course of 2023.

RETAIL OCCUPANCY RATES

Redevelopment and renovation of commercial buildings ensures that retail space in the Central City is not constant. In 2022, new retailers opened their doors as footfall and business activity returned to pre-pandemic levels. This led to a steady improvement in retail vacancy rates.

TOTAL RETAIL OCCUPANCY

The total volume (m²) of retail space **available** across all four Central City precincts at the end of 2022 amounted to 271 209 m², marginally above the 271 040 m² recorded at the end of 2021 – an increase of 0.1 %.

The total retail space **occupied** across all four precincts at the end of 2022 amounted to 258 024 m², an increase of 13 731 m² from the 244 293 m² recorded at the end of 2021 – an increase of 5.6 %.

There are currently more retailers operating in the Central City than in 2019 – before the pandemic.

The retail occupancy figure is distorted from time to time when developments result in the temporary, or permanent, removal of retail space while building is under way.

The total vacancy rate of retail space (13 185 m²) across all precincts amounted to just under 5.0 % of the total retail space available. In 2021, the total vacancy rate was 9.9 %.

	TOTAL m ²	OCCUPIED m ²	VACANT m ²
P1	45 325	40 976	4 349
P2	100 894	96 737	4 157
P3	27 217	24 844	2 373
P4	97 773	95 467	2 306
TOTAL	271 209	258 024	13 185





THERE ARE CURRENTLY MORE RETAILERS OPERATING IN THE CENTRAL CITY THAN IN 2019.

RETAIL OCCUPANCY SUMMARY

PRECINCT 1

	DEC 2021	DEC 2022
Total retail space available in precinct (m ²)	45 298	45 325
Street level retail space (m ²)	45 298	45 325
Inside shopping centres (m ²)	N/A	N/A
Space occupied (m ²)	36 619	40 976
Occupancy as a %	81 %	90 %

The was continued improvement in retail occupancy on the Foreshore last year. On balance, nine new retail outlets opened their doors.

PRECINCT 2

	DEC 2021	DEC 2022
Total retail space available in precinct (m ²)	100 917	100 894
Street level retail space (m ²)	88 307	88 284
Inside shopping centres (m ²)		
The Felix	12 610	12 610
Space occupied (m ²)	92 036	96 737
Occupancy as a %	91 %	96 %

As the retail hub of the Central City, Precinct 2 was hard hit during the first year of the pandemic. However, the post-pandemic recovery continued during 2022, with a further 33 new businesses opening – following a net total of 26 new businesses in 2021 – resulting in the continued improvement in the precinct's vacancy rate.

PRECINCT 3

	DEC 2021	DEC 2022
Total retail space available in precinct (m ²)	27 145	27 217
Street level retail space (m ²)	27 145	27 217
Inside shopping centres (m ²)		
Space occupied (m ²)	22 362	24 844
Occupancy as a %	82 %	91 %

The total number of retail outlets in Precinct 3 increased, on balance, by a net total of 13 during 2022, resulting in a marked improvement in the overall retail occupancy rate.

PRECINCT 4

	DEC 2021	DEC 2022
Total retail space available in precinct (m ²)	97 680	97 773
Street level retail space (m ²)	31 974	31 974
Inside shopping centres (m ²)		
Golden Acre	43 840	43 840
Grand Parade Centre	9 478	9 478
Grand Central	12 388	12 388
Space occupied (m ²)	93 276	95 467
Occupancy as a %	96 %	98 %

The repurposing of the Fugard Theatre, which closed in 2021 due to Covid-19, as the District Six Homecoming Centre sparked the opening of 25 new retail outlets in P4 during 2022. This resulted in a further modest improvement in the occupancy rate by the end of 2022. With the bulk of retail space in the precinct located within shopping centres, Precinct 4 historically enjoys the highest occupancy rate in the Central City.

Tsogo Sun
SunSquare
Cape Town &
StayEasy



VISITOR ECONOMY REPORT

With visitor numbers steadily rising in 2022, the visitor and hospitality sector was on the rebound in Cape Town.

At the start of 2022, the hospitality sector was subdued. Covid-19 was still impacting the sector and the future was uncertain. This changed when the Mother City recorded positive hotel occupancy growth in February, with March showing an occupancy of 63 % – the highest occupancy achieved for the city since the onset of the pandemic. While rates for the market lagged slightly behind those achieved in 2019, from

May 2022 onwards, the Average Daily Rate (ADR) surpassed 2019 levels by margins significantly higher than inflation. The market had a lot of catching up to do!

AVERAGE DAILY RATE (ADR) 2019 VS 2022

However, in the latter part of the year, real market recovery became evident with the Cape Town season

returning to previous highs. October, November, and December recorded occupancy of 66 %, 69 % and 72 % respectively – the tourists were back.

Figures show the Western Cape received the most foreign visitors in 2022.

The province recorded the highest number of tourist arrivals (697 132), the highest total foreign direct spend (R14.4 billion) and the most total bed nights (9.7 million).¹

¹ <https://www.businesslive.co.za/fm/fm-fox/2023-03-16-cape-town-flies-high-once-again/>

HOTEL OCCUPANCY 2019 VS 2022

While the metropole ended the year on 55 % (versus 65.3 % in 2019), the strong year-end finish and the continued growth in 2023 indicate that the market has recovered.

Whilst the Central City did show an improved performance during 2022, the tourist season in the CBD was not as buoyant as in surrounding areas such as the Atlantic Seaboard. Many Central City hotels rely on group business to boost occupancy. The slower recovery of the groups' segment has been driven by a reluctance on the part of tourists to travel in bigger groups in a post-pandemic environment.

The Cape Town International Convention Centre (CTICC), a primary driver of room nights in the node, is also not back to the levels seen in 2019. Activity in 2022 was, however, on an upward trajectory (with nine international events taking place) post-pandemic with momentum expected to continue and increase throughout 2023.

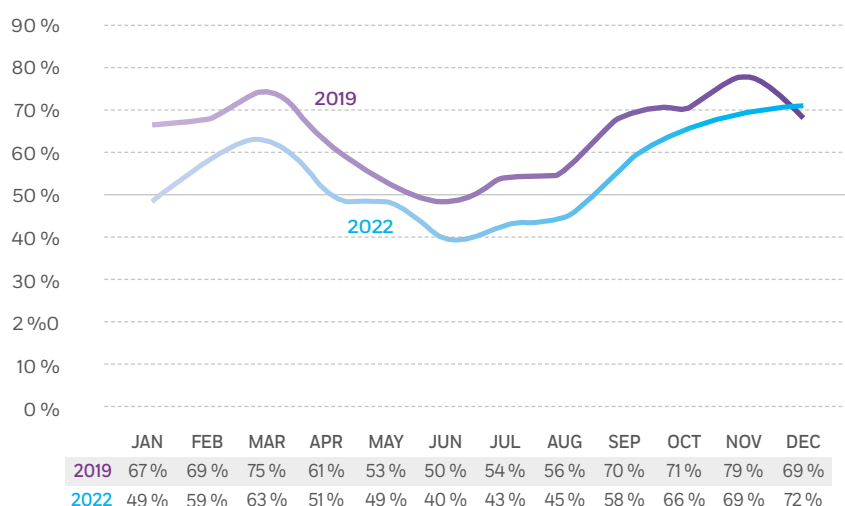
During the first five months of 2023, a very strong recovery in market trends has been seen. Cape Town International Airport has regained 2019 levels and is now on a growth trajectory.

The impact for accommodation demand in Cape Town as a whole, as well as the Central City, will be positive with new supply being swiftly absorbed and former performance highs showing a strong possibility of being regained.

KIRSTY DE GROOT,
HTI CONSULTING



HOTEL OCCUPANCY 2019 VS 2022



SOURCE: STR (Smith Travel Research)

REVENUE PER AVAILABLE ROOM (REVPAR)²

2022	OCCUPANCY RATE	ROOM RATE	RevPAR
Overall Cape Town	59.3 %	R1 930	R1 144
Central City	54.0 %	R2 303	R1 243

2021	OCCUPANCY RATE	ROOM RATE	RevPAR
Overall Cape Town	32.2 %	R1 299	R435

2020	OCCUPANCY RATE	ROOM RATE	RevPAR
Overall Cape Town	28.3 %	R1 266	R484

2019	OCCUPANCY RATE	ROOM RATE	RevPAR
Overall Cape Town	64 %	R1 844	R1 193

SOURCE: Cape Town Tourism

² RevPAR is a performance metric in the hotel industry, calculated by dividing a hotel's total guestroom revenue by the room count and the number of days in the period being measured.



SHIPS AHOY: PORT OVERVIEW

The Port of Cape Town is a hive of activity 24/7, ensuring a constant ebb and flow of exports and imports vital to the economy of the Mother City and the Western Cape.

The Port of Cape Town handles around 18-20 % of the total South African port container volumes every year. In Q3 2022, it handled 19.1 %, with the Port of Durban remaining the largest container-handling port in the country.

In 2022, it processed just shy of R230 billion worth of exports and imports. In 2021, over half (52 %)

of Western Cape exports, valued at R86 billion, were exported via the Port, supporting 127 000 formal jobs.

“Ultimately, we are all working towards realising the high-growth scenario in which the Port of Cape Town is able to facilitate an additional R6 billion in exports, creating an extra 20 000 direct and indirect jobs at the port, and which could add 0.7% to



the Western Cape GDP by 2026,” says Mireille Wenger, Western Cape Minister of Finance and Economic Opportunities.

“That is why, in addition to a bold focus on tripling exports by 2035, [our strategy] makes infrastructure and the connected economy a priority area. It includes mobility and logistics, because we understand that economic growth requires economic infrastructure which supports productive activities.”

She points out that expanding the export of products and services and enabling access to global markets are also key to enabling break-out economic growth for the Western Cape

economy. These types of exports create opportunities for domestic producers to expand and diversify their customer bases and grow their businesses.

The Cape Town Container Port was not immune to the impact of Covid-19. Transnet Port Terminals reports that it realigned its strategy to incorporate long-term plans to ensure business continuity. This included introducing a three-berth operation to alleviate vessel backlog at anchorage, adding an extra crane (bringing the total at the Port to nine) to assist with redundancy during routine maintenance, and securing a three-year spares contract to increase the availability of equipment.

JUST CRUISING

The port not only facilitates imports and exports. In the post-pandemic recovery of the tourism sector, the cruise terminal plays an important role.

Wesgro reports that the 2022/2023 cruise season was record-breaking, dominated by high-spend source markets including the USA, Germany, and the UK. The season, from October 2022 to May 2023, welcomed 145 000 passengers and 42 000 crew members to the Cape’s shores. In total, the 2022/2023 season welcomed 75 ships with 41 turnaround visits – this is double the number of ship calls when compared to the last complete pre-pandemic season in 2019/2020, which saw 39 ship visits with an estimated 42 000 arriving passengers.

Cruise tourism generates R300 million in annual economic impact and creates thousands of jobs. Wesgro’s Cruise Cape Town initiative is dedicated to developing itinerary offerings to entice more international cruise partners.

“The success of the past Cape Town cruise season speaks to the untapped potential held by this lucrative tourism sector, significantly boosting visitor numbers to the destination,” says Wesgro CEO and Cruise Cape Town spokesperson, Wrenelle Stander.

According to V&A Waterfront CEO David Green, the return of a full cruise season to the city has been a remarkable success. “It’s been exciting to welcome back local and international cruises, including the iconic world cruises such as the Queen Mary 2, highlighting the value of our destination to the choices of global traveller experiences. The Waterfront, as the operator of the terminal, continues to invest in an improved traveller experience to entice regular as well as new vacationers to the city.”

CARIN SMITH

CENTRAL CITY EVENT VENUES

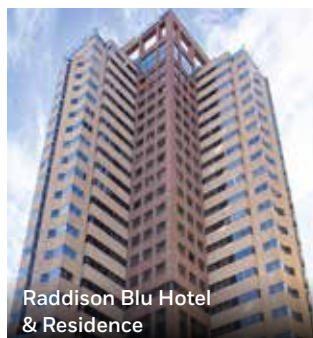
Be our guest. There are a myriad outstanding event venues in the Central City, perfect for hosting every conceivable meeting. The combined seating capacity in 2022 of almost 65 000 was slightly less than the 71 500 recorded in 2021.

P	VENUE		ADDRESS
1	Artscape Theatre Centre	2 521	DF Malan St
1	Balena Blu	120	50 Bree St
1	CTICC 1	19 226	1 Lower Long St
1	CTICC 2	20 165	Cnr Heerengracht & Rua Batholomeu Dias
1	Hotel Sky	300	9 Lower Long St
1	Nasdaq (Media24)	250	40 Heerengracht
1	Park Inn	140	29 Heerengracht
1	Pier Place	240	31 Heerengracht
1	Protea North Wharf Hotel	50	1 Lower Bree St
1	Raddison Blu Hotel & Residence	90	22 Riebeek St
1	Southern Sun The Cullinan	577	1 Cullinan St
1	The Capetonian	325	Pier Place, Heerengracht
1	Hide Hookah Lounge	40	71 Waterkant St
1	InnsCape Classic Hotel	30	9 Ryk Tulbagh Close
1	The Onyx	260	57 Heerengracht

P	VENUE		ADDRESS
1	The Rockefeller Hotel & Residence	750	12 Christiaan Barnard St
1	The Westin Cape Town	520	Convention Sq, Lower Long St
1	Touchstone House	30	7 Bree St
1	Ecco il Caffé	200	Media24 building
1	Zip Zap Circus	1 000	Founders Garden, Jan Smuts St
2	180 Lounger, The Terraces	150	34 Bree St
2	The Bailey	160	91 Bree St
2	Baran's	150	36 Burg St
2	Cape Heritage Hotel	40	90 Bree St
2	Central Methodist Mission	230	Greenmarket Sq
2	Cresta Grande Hotel	242	66 Strand St
2	FEDISA Fashion School	600	81 Church St
2	Inner City Ideas Cartel	100	113 Loop St
2	Kings in Cape Town Hotel	55	33 Hout St



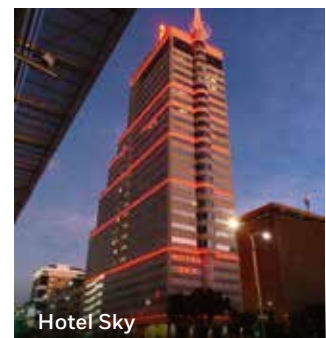
Cape Heritage Hotel



Raddison Blu Hotel & Residence



108 Lounger, The Terraces



Hotel Sky



Artscape Theatre Centre

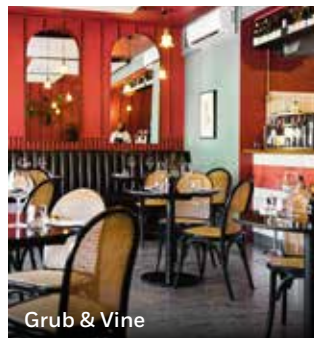
P	VENUE		ADDRESS
2	MiCaffè	80	50 Bree St
2	VIXI Social House	120	49 Bree St
2	SALT Food Market	200	9 Lower Burg St
2	Southern Sun Cape Sun	900	3 Strand St
2	Taj Cape Town	1 568	1 Wale St
2	Grub & Vine*	440	103 Bree St
2	Intravenous	100	110 Loop St
2	The Gin Bar	100	64A Wale St
2	The Grand Daddy Hotel	115	38 Long St
2	Tsogo Sun SunSquare & StayEasy	170	23 Buitengracht St
2	Villa 47	200	47 Bree St
2	The Village Buffet	300	102 Long St
2	Youngblood Africa	150	70-72 Bree St
3	Cape Town Hollow	60	88 Queen Victoria St
3	Cape Town Lodge	340	101 Buitengracht St
3	Centre for the Book	370	62 Queen Victoria St
3	Rooftop on Bree	120	17 New Church St

P	VENUE		ADDRESS
3	Iziko South African National Gallery	800	Government Ave
3	Iziko South African Museum	1 850	25 Queen Victoria St
3	Iziko Planetarium	140	25 Queen Victoria St
3	Pepperclub Hotel	240	Cnr Loop & Pepper Sts
3	Botanik Social House	800	54 Queen Victoria St
3	The Capital 15 on Orange	120	Cnr Orange St & Grey's Pass
4	A4 Arts Foundation	300	23 Buitenkant St
4	Cape Diamond Hotel	30	Cnr Longmarket & Parliament Sts
4	City Hall	2 180	Darling St
4	District Six Homecoming Centre	1 000	Cnr Buitenkant & Caledon Sts
4	District Six Museum	250	25A Buitenkant St
4	Iziko Slave Lodge	90	49 Adderley St
4	Mavericks	240	68 Barrack St
4	Castle of Good Hope	3 000	Cnr Castle & Darling Sts
TOTAL		64 934	

NOTE: Grub & Vine total includes The Blue Room, Culture Wine Bar and The Chef's Studio



Southern Sun The Cullinan



Grub & Vine



Homecoming Centre



The Westin Cape Town

SECTION

5 CENTRAL CITY PRECINCTS

The CCID's 1.6 km² geographical footprint is divided into four precincts as indicated on the map on the inside front cover of this publication. The characteristics that define each precinct are unique, as are their varied, all-important contributions to the Cape Town Central City's economy. Here we offer insights into the fabric of these precincts.

PRECINCT 1 THE FORESHORE

This map shows the clustering of the following types of activities in this precinct.

-  Developments
-  Hotels & accommodation
-  Residential complexes
-  MyCiTi bus stations & stops



Defined by its proximity to Cape Town Harbour, the Foreshore continued to evolve in 2022. Formerly known as the Financial District of the Central City, today it is the seat of the medical economy, with Netcare Christiaan Barnard Memorial Hospital, one of Cape Town's top private hospitals, in this precinct. It also has the most medical practices and practitioners (207 out of 246) with 24 (13.1 %) new entities coming on board in 2022 following the opening of the New Era Health Day Hospital.

With one five-star and 13 four-star hotels located here – including The Westin Cape Town, the Southern

Sun The Cullinan, Southern Sun Waterfront Cape Town and Hotel Sky – the Foreshore plays a key role in the Central City's hospitality and business tourism economies. Twenty (30 %) of the Central City's 67 hotel and backpacker establishments are located here. The city's prime eventing venue, the award-winning Cape Town International Convention Centre, also drives business into P1, as does the celebrated Artscape Theatre Centre.

The Foreshore is also at the forefront of the all-important BPO sector, having the Central City's highest concentration of ICT & telecoms entities (31 out of 78). It also has the most travel services (28 out of 62) as

well as the most general corporates and head offices (26 out of 72).

In 2022, the redevelopment of the iconic office block One Thibault (R500 million) into a mixed-use building (part-commercial, part-residential) added 428 residential units to the 2 581 units available in this precinct. Apart from One Thibault, the other build that will provide more residential units is Fleetway House/ Vida d'Chette (R60 million), which was being redeveloped last year.

Footfall increased substantially with 1 031 724 more people alighting off MyCiti buses in P1 in 2022 than the previous year, while 90 558 more people boarded buses.



Media24

BUSINESS & RETAIL

The table below shows the top 15 categories of business in the Central City, and how they fared in P1 in 2022. The numbers in blue indicate the sectors in which P1 boasts the highest numbers overall in the CBD in any given category.

719 (or 23 %) of the **3 116** businesses in the Central City are in P1.

CATEGORY	P1	TOTAL
Retail **	89	854
Legal services	34	681
Medical practices	207	246
Financial services & banking	67	171
Restaurants	20	147
Takeaways	11	93
Architecture & engineering	29	92
Coffee shops & cafes	18	86
ICT & telecoms	31	78
Communications, media & advertising	20	77
Accommodation (incl. students)	21	72
General corporates & head offices	26	72
Education & resources	22	70
Bars & clubs	6	63
Travel services	28	62



**NOTE: The retail figure of 854 is the total CBD retail figure (1 243) excluding restaurants (147), takeaways (93), coffee shops (86) and bars & clubs (63).

RETAIL BREAKDOWN

Just **89** (or 10.4 %) of the CBD's **854** retail outlets (excluding restaurants, takeaways, coffee shops, bars & clubs) are in P1. Of these, the largest categories are:

Superettes
7.9 %

Motor car dealers
7.9 %

Jewellery design & manufacturing
6.7 %

Laundry, dry cleaning & tailors
5.6 %

Furniture, lighting & décor
5.6 %

Hair salons
5.6 %

MYCITI

P1 has five MyCiTi bus stops including the BRT's main station for the city, situated at the Civic Centre. Other bus stops are Adderley, Thibault Square, Convention Centre and Foreshore.

2 296 288 people boarded buses in Precinct 1 during 2022 while **2 052 473** alighted.

BUS STOP	BOARDED	ALIGHTED
Civic Centre	1 095 639	1 276 083
Adderley	911 946	568 427
Thibault Square	287 771	207 206
Convention Centre	619	1161
Foreshore	313	596
P1 TOTAL	2 296 288	2 052 473



ENTERTAINMENT

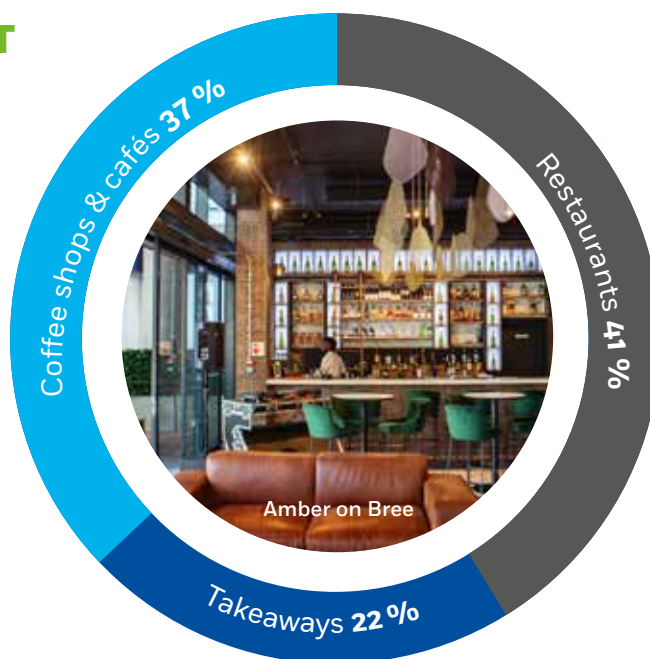
Six (or 9.5 %) of the **63** bars and clubs in the Central City are in P1.

49 (or 15 %) of the **326** eateries (including the three categories below) in the Central City are in P1. Of these:

20
Restaurants

11
Takeaways

18
Coffee shops
& cafés



EDUCATION

22 (or 31 %) of the **70** educational institutions in the CBD are in P1.

CO-WORKING SPACES

Six (or 32 %) of the **19** co-working spaces in the CBD are in P1.

LOCATION	NAME	WEBSITE
42 Hans Strijdom Ave	North Wharf	sharedofficespace.co.za
31 Heerengracht	Pier Place	sharedofficespace.co.za
7 Bree St	AfricaWorks	africaworks.co/city/cape-town
16 Bree St	Cookie Co. Workstation	cookie.co.za/locations
24 Hans Strijdom Ave	Cube Workspace	cubeworkspace.co.za
35 Lower Long St	Flexi Suites	flexisa.co.za



DEVELOPMENTS

UNDER CONSTRUCTION IN 2022

Fleetway House/ Vida d'Chette

LOCATION 17 Martin

Hammerschlag Way

TYPE Residential

INVESTMENT R60 000 000

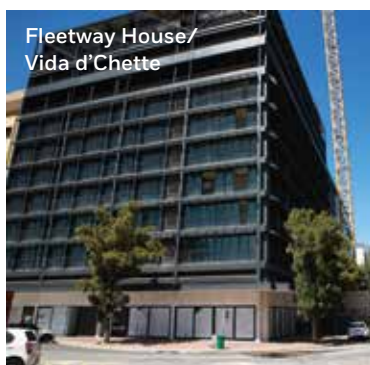
One Thibault

LOCATION Hans Strijdom Ave

TYPE Mixed-use

INVESTMENT R500 000 000

TOTAL **R560 000 000**



PLANNED IN 2022

Telkom Exchange Foreshore

LOCATION Lower Long St

TYPE Parastatal

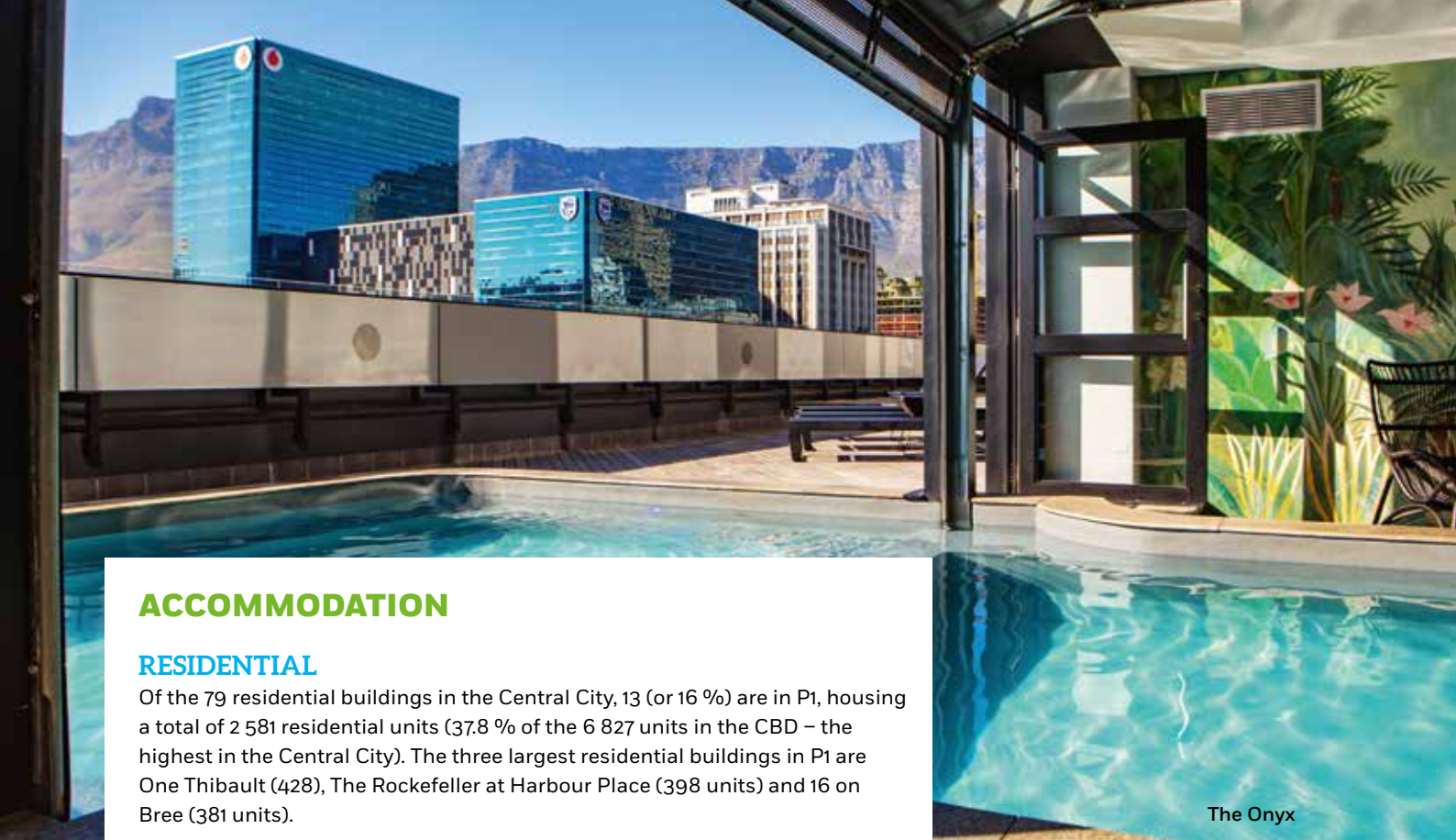
INVESTMENT TBC



INVESTMENT TOTAL PRECINCT 1:

R560 000 000





ACCOMMODATION

RESIDENTIAL

Of the 79 residential buildings in the Central City, 13 (or 16 %) are in P1, housing a total of 2 581 residential units (37.8 % of the 6 827 units in the CBD – the highest in the Central City). The three largest residential buildings in P1 are One Thibault (428), The Rockefeller at Harbour Place (398 units) and 16 on Bree (381 units).

BUILDING	LOCATION	TOTAL UNITS	SALES 2022
16 on Bree	16 Bree St	381	43
Foreshore Place	2 Riebeek St	191	20
Fountain Suites	1 Hans Strijdom Ave	78	7
Hyde Park	14 Jetty St	34	1
Icon	24 Hans Strijdom Ave	227	13
North Wharf	Dock Rd	72	3
One Thibault	Hans Strijdom Ave	428	51
Stonehill Place	22 Riebeek St	182	9
The Duke	5 Heerengracht St	81	0
The Heriot	2 St Georges Mall	215	0
The Onyx	252 Roggebaai St	219	6
The Rockefeller	12 Christiaan Barnard St	398	52
Trafalgar Centre	7 Hans Strijdom Ave	75	3
TOTAL		2 581	208

HOTELS & BACKPACKERS

20 (or 30 %) of the 67 hotel and backpacker establishments in the CBD are in P1. Many of these are the largest hotels in the Central City and are within walking distance of the CTICC and V&A Waterfront. They include The Westin Cape Town, Radisson Blu Hotel & Residence, Southern Sun The Cullinan, Southern Sun Waterfront, Hotel Sky and Protea North Wharf.

5-star	4-star	3-star	1-star	backpackers	TOTAL
1	13	4	1	1	20



The Onyx



The Rockefeller



The Westin Cape Town

PRECINCT 2 THE INNER CITY

A lively precinct, the Inner City is the epicentre of the Central City's retail economy. A total of 363 of the Central City's 854 retail outlets (excluding restaurants, takeaways, coffee shops, bars and clubs) are in P2.

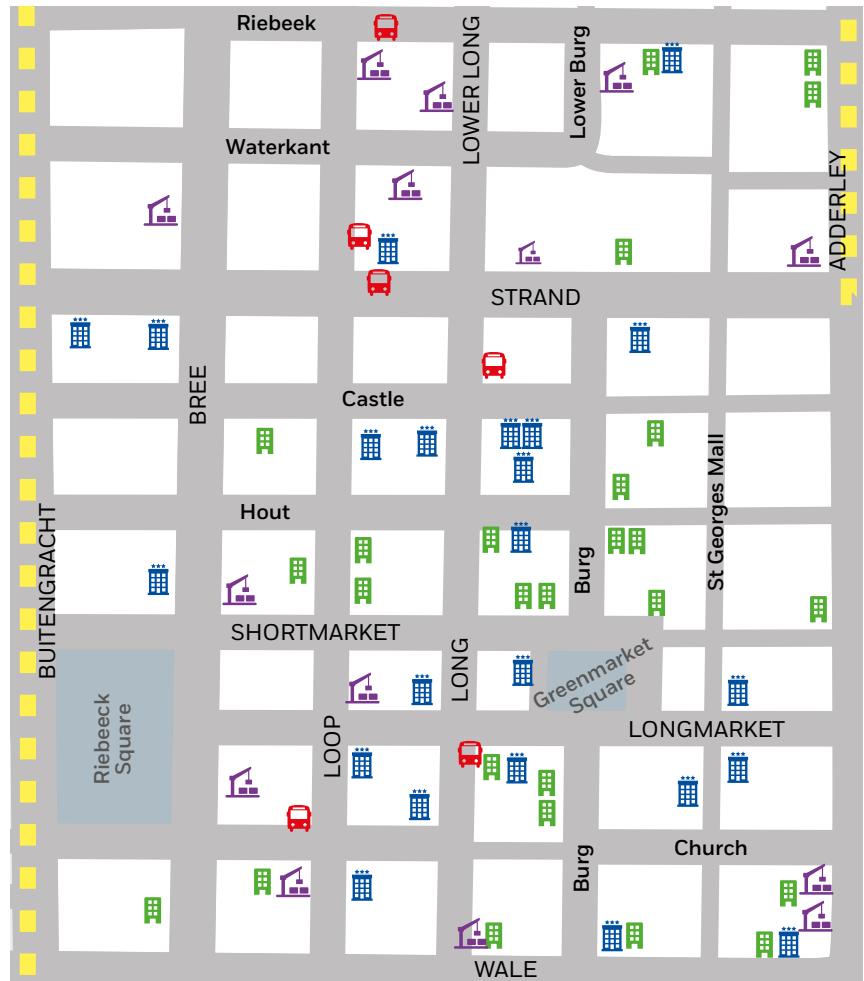
Home to Cape Town's most fashionable entertainment destination street – Bree Street – as well as its most infamous – Long Street – it's not surprising that the Inner City also has the most restaurants, coffee shops and cafés. In 2022, despite the aftershocks of Covid-19, this area continued to see growth and development, contributing significantly to the Central City's night-time economy.

Defined by two characterful pedestrianised areas, namely historic Greenmarket Square and St Georges Mall, P2's colourful informal trading sector got a new lease on life during the period under review.

While retail is king in this precinct, P2 also has more financial services & banking entities, architecture & engineering businesses, communications, media & advertising concerns, travel services and accommodation entities (including student accommodation) than any other precinct. It also has the most educational institutions (25 out of 70).

Two of the most exciting mixed-use buildings – which are set to change the Central City skyline – were under construction in P2 in 2022, namely The Barracks (R150 million), where a sleek, modern residential complex is being built above a landmark heritage building, and The Rubik (R600 million), which will have premium residential units above 5 000 m² of P-grade office space in a striking, sleek skyscraper designed by dhk architects.

The total value of property developments in P2 in 2022 was R1.590 billion, including three completed developments (valued at R170 million) and seven under construction (valued at R1.120 billion).



This map shows the clustering of the following types of activities in this precinct.
 Developments Hotels and accommodation Residential complexes
 MyCiTi bus stations and stops





SALT Food Market



Greenmarket Square



Bree Street

BUSINESS & RETAIL

The table below shows the top 15 categories of business in the Central City, and how they compare to the top businesses in the Inner City (P2). The numbers in blue indicate the sectors in which P2 has the highest numbers overall in the CBD in any given category.

991 (or 31 %) of the **3 116** businesses in the Central City are in P2.

CATEGORY	P2	TOTAL
Retail **	363	854
Legal services	122	681
Medical practices	13	246
Financial services & banking	71	171
Restaurants	70	147
Takeaways	36	93
Architecture & engineering	31	92
Coffee shops & cafes	36	86
ICT & telecoms	26	78
Communications, media & advertising	28	77
Accommodation (incl. students)	23	72
General corporates & head offices	13	72
Education & resources	25	70
Bars & clubs	23	63
Travel services	21	62



**NOTE: The retail figure of 854 is the total CBD retail figure (1 243) excluding restaurants (147), takeaways (93), coffee shops (86) and bars & clubs (63).

RETAIL BREAKDOWN

A total of **363** (or 42.5 %) of the CBD's **854** retail outlets (excluding restaurants, takeaways, coffee shops, bars & clubs) are in P2. Of these, the largest categories are:

Clothing & shoes
11.6 %

Mobile devices
8.5 %

Jewellery design & manufacturing
8.3 %

Hair salons
7.4 %

Art galleries
6.3 %

Superettes
5.8 %

MYCITI

P2 has six MyCiTi bus stops: Church, Longmarket, Mid Long, Mid Loop, Riebeek and Strand.

41 883 people boarded buses in P2 while **117 871** alighted.

BUS STOP	BOARDED	ALIGHTED
Church	424	2 091
Longmarket	1 294	1 308
Mid Long	899	1 411
Mid Loop	145	1 975
Riebeek	20 684	74 322
Strand	18 437	36 764
P2 TOTAL	41 883	117 871

ENTERTAINMENT

23 (or 36.5 %) of the **63** bars and clubs in the Central City are in P2.

142 (or 43.6 %) of the **326** eateries (including the three categories below) in the Central City are in P2. Of these:

70

Restaurants

36

Takeaways

36

Coffee shops
& cafés



EDUCATION

Precinct 2 is home to the most educational institutions, with **25** (or 36 %) of the **70** educational institutions in the CBD located in P2.

CO-WORKING SPACES

Eight (or 42 %) of the **19** co-working spaces in the CBD are in P2.

LOCATION	NAME	WEBSITE
113 Loop St	Cartel House	ideascartel.com
106 Adderley St	106 BizzHub	106adderley.co.za/workspace/
114 Bree St	Office & Co	officeandco.co.za
50 Long St	Spaces	spacesworks.com/cape-town/50-long-street/
109 Loop St	Open Co-Workspace on Loop	opencity.co.za
9 Lower Burg St	Box Office	box-office-suites.wixsite.com/website
129 Bree St	Neighbourgood Bree St Workspace	neighbourgood.co.za/bree-street
80 Strand St	WeWork	wework.com

DEVELOPMENTS

INVESTMENT TOTAL PRECINCT 2:

R1 590 000 000

COMPLETED IN 2022

33 Waterkant Street

LOCATION 33 Waterkant St

TYPE Commercial

INVESTMENT R20 000 000

The Felix (Picbel Parkade)

LOCATION 58 Strand St

TYPE Commercial

INVESTMENT R35 000 000

91 Bree Street/The Bailey

LOCATION 91 Bree St

TYPE Retail

INVESTMENT R40 000 000

Neighbourgood Reserve

LOCATION 130 Adderley St

TYPE Residential

INVESTMENT R75 000 000

TOTAL **R170 000 000**



PLANNED IN 2022

132 Adderley Street

LOCATION 132 Adderley St

TYPE Residential

INVESTMENT R140 000 000

The Mutual

LOCATION Strand St

TYPE Commercial

INVESTMENT R160 000 000

City Park

LOCATION 111 Bree St

TYPE Mixed-use

INVESTMENT TBC

TOTAL **R300 000 000**



UNDER CONSTRUCTION IN 2022

14 Long Street

LOCATION 14 Long St

TYPE Commercial

INVESTMENT R15 000 000

The Barracks

LOCATION 50 Bree St

TYPE Mixed-use

INVESTMENT R150 000 000

The Box

LOCATION 9 Lower Burg St

TYPE Commercial

INVESTMENT R72 000 000

The Rubik

LOCATION 17 Loop St

TYPE Mixed-use

INVESTMENT R600 000 000

The Tokyo

LOCATION 87 Loop St

TYPE Residential

INVESTMENT R150 000 000

The Carrington

LOCATION 112 Loop St

TYPE Residential

INVESTMENT R70 000 000

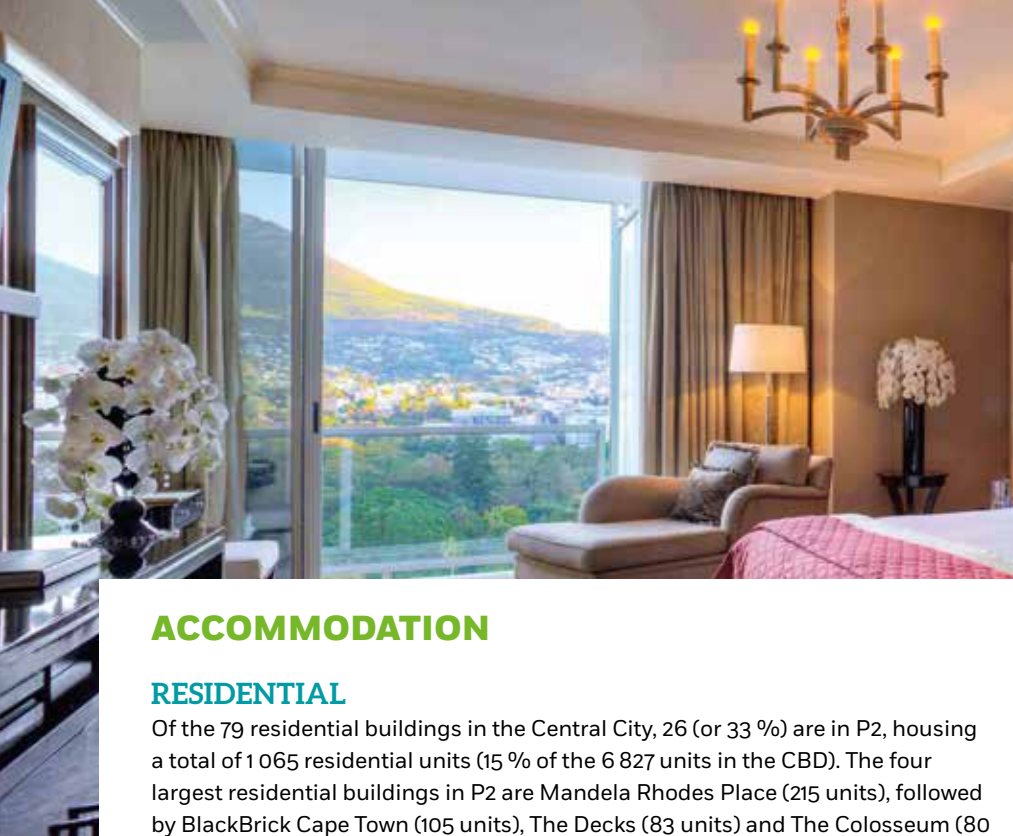
Wale Street Chambers

LOCATION Cnr Wale & Long Sts

TYPE Commercial

INVESTMENT R63 000 000

TOTAL **R1 120 000 000**



Taj Cape Town

ACCOMMODATION

RESIDENTIAL

Of the 79 residential buildings in the Central City, 26 (or 33 %) are in P2, housing a total of 1 065 residential units (15 % of the 6 827 units in the CBD). The four largest residential buildings in P2 are Mandela Rhodes Place (215 units), followed by BlackBrick Cape Town (105 units), The Decks (83 units) and The Colosseum (80 units). Seventy apartments were sold in these 26 residential buildings in 2022.

BUILDING	LOCATION	TOTAL UNITS	SALES 2022
33 Church Street	33 Church St	1	0
34 St Georges	40 Strand St	73	0
5 St Georges	18 Adderley St	47	0
71 Loop Street	71 Loop St	6	0
73 Loop Street	73 Loop St	2	0
74 Loop Street	74 Loop St	5	0
Castle Gate	83 Castle St	12	0
The Colosseum	12 Adderley St	80	3
De Oude Schuur	120 Bree St	50	4
BlackBrick Cape Town	8 St Georges Mall	105	40
Forty-Two Burg Street	42 Burg St	25	0
Glaston House	63 Church St	43	0
Greenmarket Place	48 Shortmarket St	51	3
Greenmarket Place	54 Shortmarket St	59	0
G Square	54 Shortmarket St	38	0
Guarantee House	37 Burg St	12	1
Huys Heeren XVII	105 Long St	6	0
Impala House	27 Castle St	8	0
Kimberley House	34 Shortmarket St	8	0
Mandela Rhodes Place	Cnr Wale & Burg Sts	215	12
Market House	1 Shortmarket St	41	4
Murray House	25 Hout St	10	0
Namaqua House	36C Burg St	25	0
Neighbourgood Reserve	130 Adderley St	35	0
Taj Cape Town	4 Wale St	25	0
The Decks	67 Long St	83	3
TOTAL		1 065	70



Market House

HOTELS & BACKPACKERS

23 (or 34 %) of the 67 hotel and backpacker establishments in the CBD are in P2.

5-star	1-star
3	0
4-star	backpackers
6	8
3-star	unrated
5	1*
TOTAL	
23	

*During the period under review, the new Cape Legacy Hotel in Burg Street had not yet been officially rated.

PRECINCT 3 LEGAL, LEISURE & CULTURAL HUB

This colourful precinct is home to a clutch of important cultural institutions including the Cape Town Holocaust & Genocide Centre, the South African Jewish Museum, the Iziko Slave Lodge and the Iziko South African National Gallery. Most of them are near or in the historic Company's Garden, the iconic green "lung" of the Central City.

Precinct 3 is also a legal and government hub. Home to the Central City's legal fraternity, it has the most legal services (485 out of 681). The Western Cape High Court is here, as are the Houses of Parliament and the Western Cape Government. Its serious side is countered by the fact that it's one of the Central City's entertainment nodes: upper Bree and Long streets flow through this precinct and it has the most bars and clubs (27 out of 63) and the second most restaurants (34 out of 147) in the Central City.

Property developments were thin on the ground in P3 in 2022. However, P3 boasts the development with the highest value, namely The Fynbos (R1.2 billion), Africa's first biophilic building. A high-density residential block in Upper Bree Street, its exterior is set to display 30 tree species and 20 shrub species. In the planning phase is Leeuloop, a Western Cape Government housing project that will provide 341 housing opportunities in a site ringed off by Leeuwen, Loop, Dorp and Bree streets.

Precinct 3 has 28 % of the total residential complexes in the Central City, with 1 488 units, including one of the CBD's iconic apartment blocks, St Martini Gardens, which overlooks the Company's Garden.



This map shows the clustering of the following types of activities in this precinct.

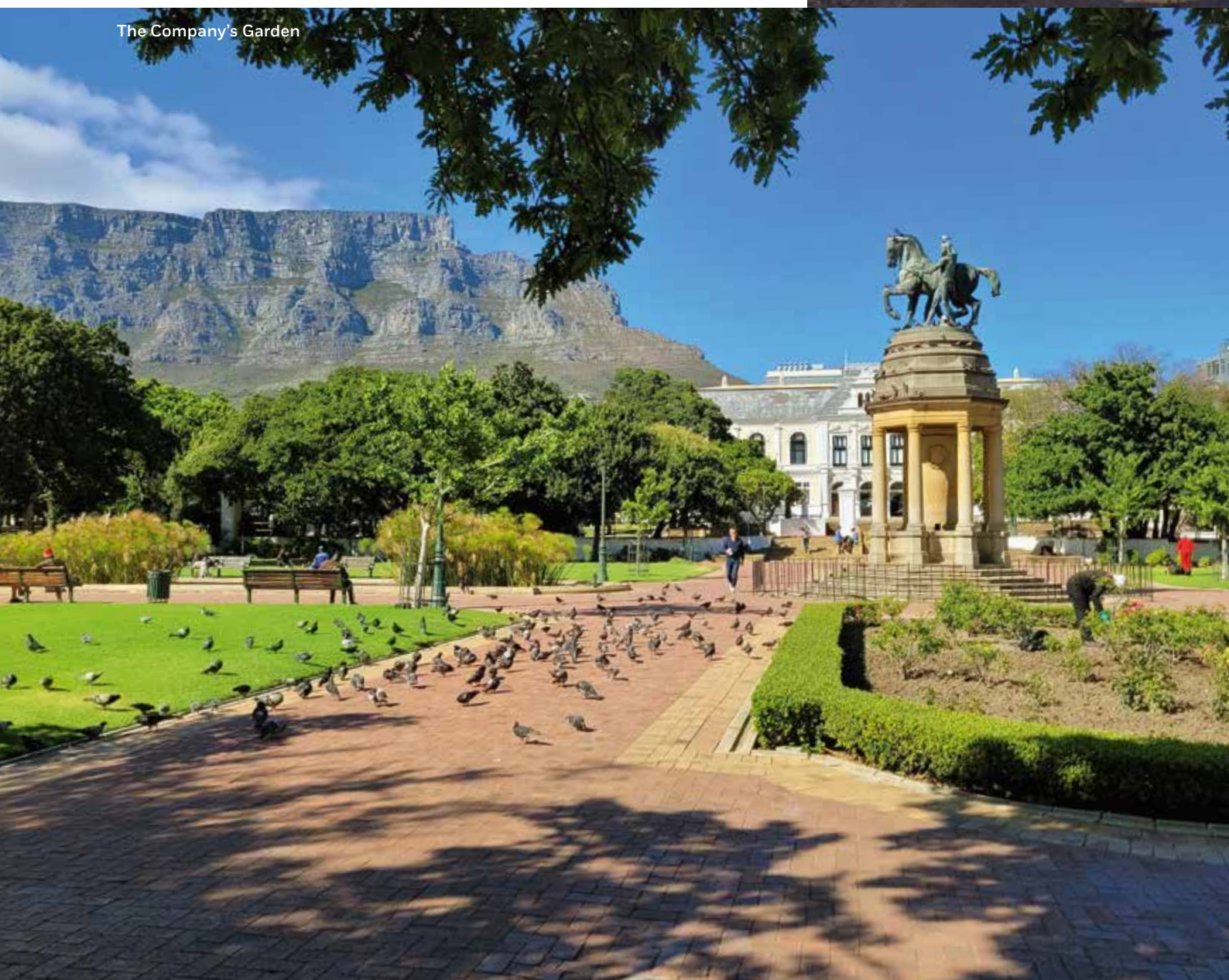
- Developments
- Hotels and accommodation
- Residential complexes
- MyCiTi bus stations and stops

High Court



Clarke's Bookshop

The Company's Garden



BUSINESS & RETAIL

The table below shows the top 15 categories of business in the Central City, and how they fared in P3. The numbers in blue indicate the sectors in which P3 has the highest numbers overall in the CBD in any given category.

857 (or 28 %) of the **3 116** businesses in the Central City are in P3.

CATEGORY	P3	TOTAL
Retail **	125	854
Legal services	485	681
Medical practices	14	246
Financial services & banking	12	171
Restaurants	34	147
Takeaways	9	93
Architecture & engineering	26	92
Coffee shops & cafes	12	86
ICT & telecoms	12	78
Communications, media & advertising	9	77
General corporates & head offices	24	72
Accommodation (incl. students)	13	72
Education & resources	7	70
Bars & clubs	27	63
Travel services	10	62



Pezula Interiors

**NOTE: The retail figure of 854 is the total CBD retail figure (1 243) excluding restaurants (147), takeaways (93), coffee shops (86) and bars & clubs (63).

RETAIL BREAKDOWN

125 (or 14.6 %) of the CBD's **854** retail outlets (excl. restaurants, takeaways, coffee shops, bars & clubs) are in P3. Of these, the largest categories are:

Health & beauty
12.0 %

Speciality stores
11.2 %

Clothing & shoes
8.0 %

Furniture,
lighting & décor
8.0 %

Superettes
8.0 %

Barrows & kiosks
5.6 %

MYCITI

P3 has six MyCiTi bus stops: Dorp, Leeuwen, Michaelis, Upper Long, Upper Loop and Government Avenue.

30 502 people boarded buses in P3 in 2022, while **70 969** alighted.

BUS STOP	BOARDED	ALIGHTED
Dorp	8 413	27 003
Leeuwen	6 804	7 711
Michaelis	1 912	3 922
Upper Long	4 130	26 482
Upper Loop	8 624	3 523
Government Ave	619	2 328
P3 TOTAL	30 502	70 969



ENTERTAINMENT

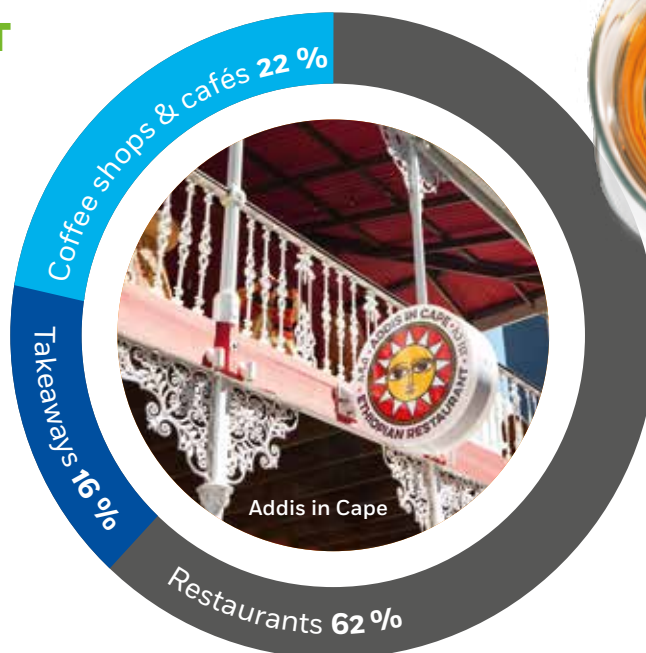
27 (or 43 %) of the **63** bars and clubs in the Central City are in P3.

55 (or 17 %) of the **326** eateries (including the three categories below) in the Central City are in P4. Of these:

34
Restaurants

9
Takeaways

12
Coffee shops
& cafés



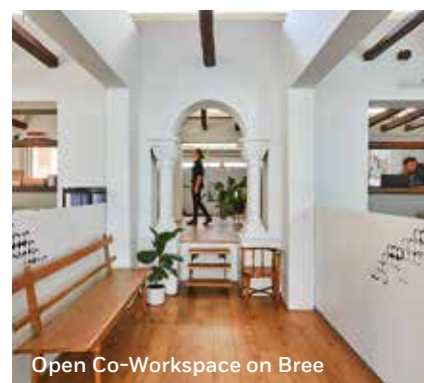
EDUCATION

Seven (or 10 %) of the **70** educational institutions in the CBD are in P3.

CO-WORKING SPACES

Three (or 16 %) of the **19** co-working spaces in the CBD are in P3.

LOCATION	NAME	WEBSITE
25 Wale St	Akro CoWorking	akro.africa/spaces
163 Bree St	Open Co-Workspace on Bree	opencity.co.za
51 Wale St	The Block: Inospace	inospace.com



DEVELOPMENTS

UNDER CONSTRUCTION IN 2022

The Fynbos

LOCATION 142 Bree St

TYPE Residential

INVESTMENT R1 200 000 000



PROPOSED IN 2022

Leeuloop

LOCATION 11 Dorp St

TYPE Residential

INVESTMENT TBC

INVESTMENT TOTAL PRECINCT 3:

R1 200 000 000



The Fynbos

*No developments were completed in P3 in 2022, nor were any in the planning phase.

ACCOMMODATION

RESIDENTIAL

Of the 79 residential buildings in the Central City, 22 (or 28 %) are in P3, housing a total of 1 488 residential units (21.8 % of the 6 827 units in the CBD). The three largest residential buildings in P3 are St Martini Gardens (317 units), followed by the Pepperclub Hotel (222 units) and Manhattan Place (196 units). A total of 297 apartments were sold in P3 in 2022 – the majority (217 units) in the yet-to-be-completed development, The Fynbos.

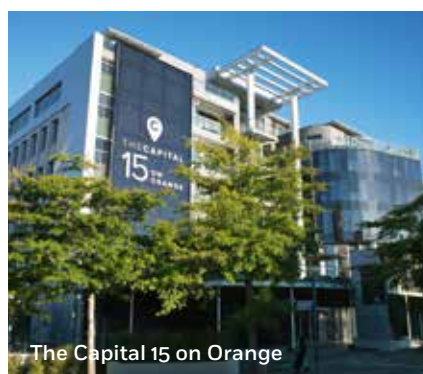
BUILDING	LOCATION	TOTAL UNITS	SALES 2022
155 Loop Street	155 Loop St	16	0
220 Loop Street	220 Loop St	73	4
6 on Pepper	6 Pepper St	20	0
Artois Court	6 Dean St	8	0
Elkay House	186 Loop St	3	0
Flatrock	8 Buiten St	47	5
Graphic Centre	199 Loop St	25	0
Holyrood	80 Queen Victoria St	39	1
Lutomburg	18 Keerom St	12	1
Manhattan Place	130 Bree St	196	1
Metro House	36 New Church St	2	0
Montreux	90A Queen Victoria St	32	1
Pepperclub Hotel	Cnr Loop & Pepper Sts	222	13
Senator Park	66 Keerom St	169	10
St Martini Gardens	70 Queen Victoria St	317	14
Studios on Long	187 Long St	16	2
The Capital 15 on Orange	Cnr Orange St & Grey's Pass	21	2
The Fynbos*	142 Bree St	-	217
The Sentinel	27 Leeuwen St	101	6
Tuynhuys	54A Keerom St	47	1
Uxolo	4 Vredenburg Ln	36	15
Victoria Court	301 Long St	36	3
West Side Studios	139 Buitengracht St	50	1
TOTAL		1 488	297

*The Fynbos is under construction but accounted for 217 sales in 2022. It is not included in the count of units.

HOTELS & BACKPACKERS

12 (or 18 %) of the 67 hotel and backpacker establishments in the CBD are located in P3.

5-star	4-star	3-star	1-star	backpackers	TOTAL
2	2	3	0	5	12

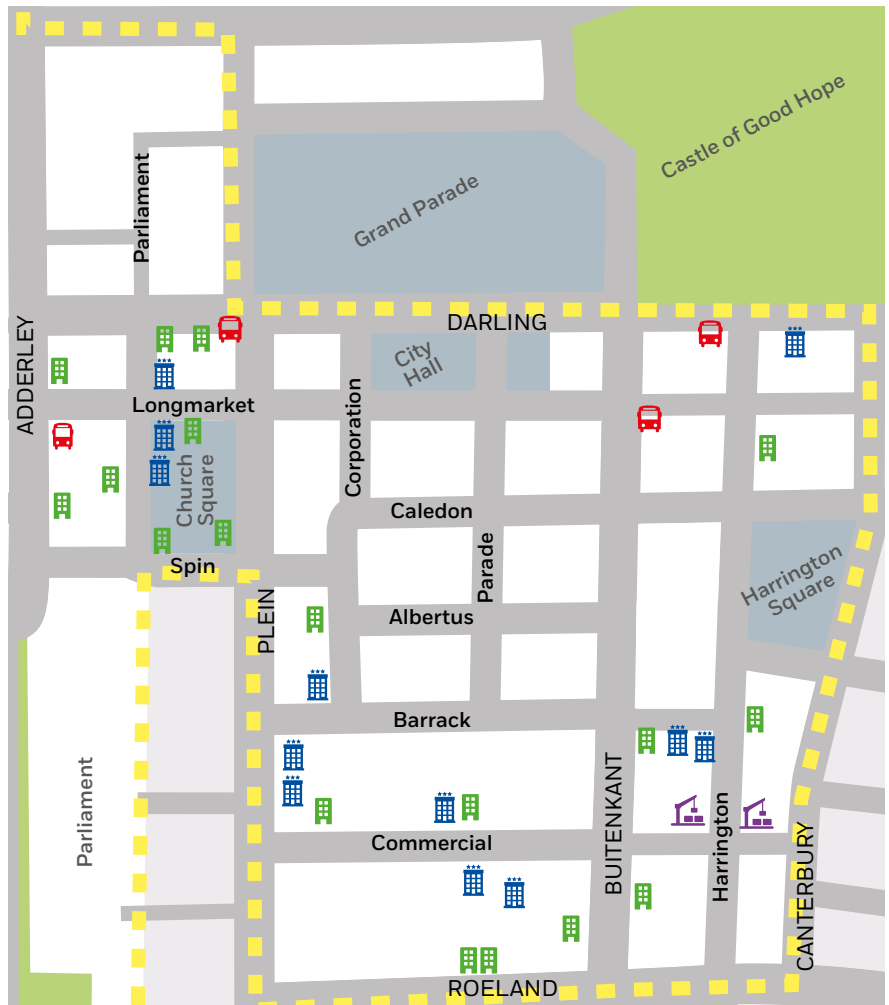


PRECINCT 4 THE EAST CITY

Dynamite comes in small packages, as they say. The East City may be the smallest precinct but it's one of the most vibrant. The heart of the Central City's craft and design economies, the East City offers visitors and business investors a diverse mix. While it holds the ignominious title of having the most fast-food outlets in the Central City, it is known for its destination establishments, being home to niche retail entities that lure Capetonians to the neighbourhood: 277 of the Central City's 854 retail businesses are here, including destination eateries such as award-winning fine dining restaurants, FYN and Belly of the Beast.

A culture-rich precinct, the iconic City Hall, The Old Granary (a heritage site that is home to the Desmond & Leah Tutu Legacy Foundation), the District Six Museum and the District Six Homecoming Centre (formerly the Fugard Theatre, which closed due to Covid-19) are all here. The Homecoming Centre, owned by the District Six Museum, was transformed into a lively venue under the management of Neighbourgood property development company and has become one of the post-Covid Central City success stories.

While the property sector slowed down in this precinct in 2022, the value of property developments was R205 million, and included the stand-out development of the world's first "hemp hotel", 84 Harrington (R180 million), a 12-storey aparthotel with a minimal ecological footprint that is being constructed from industrial hemp.



This map shows the clustering of the following types of activities in this precinct.

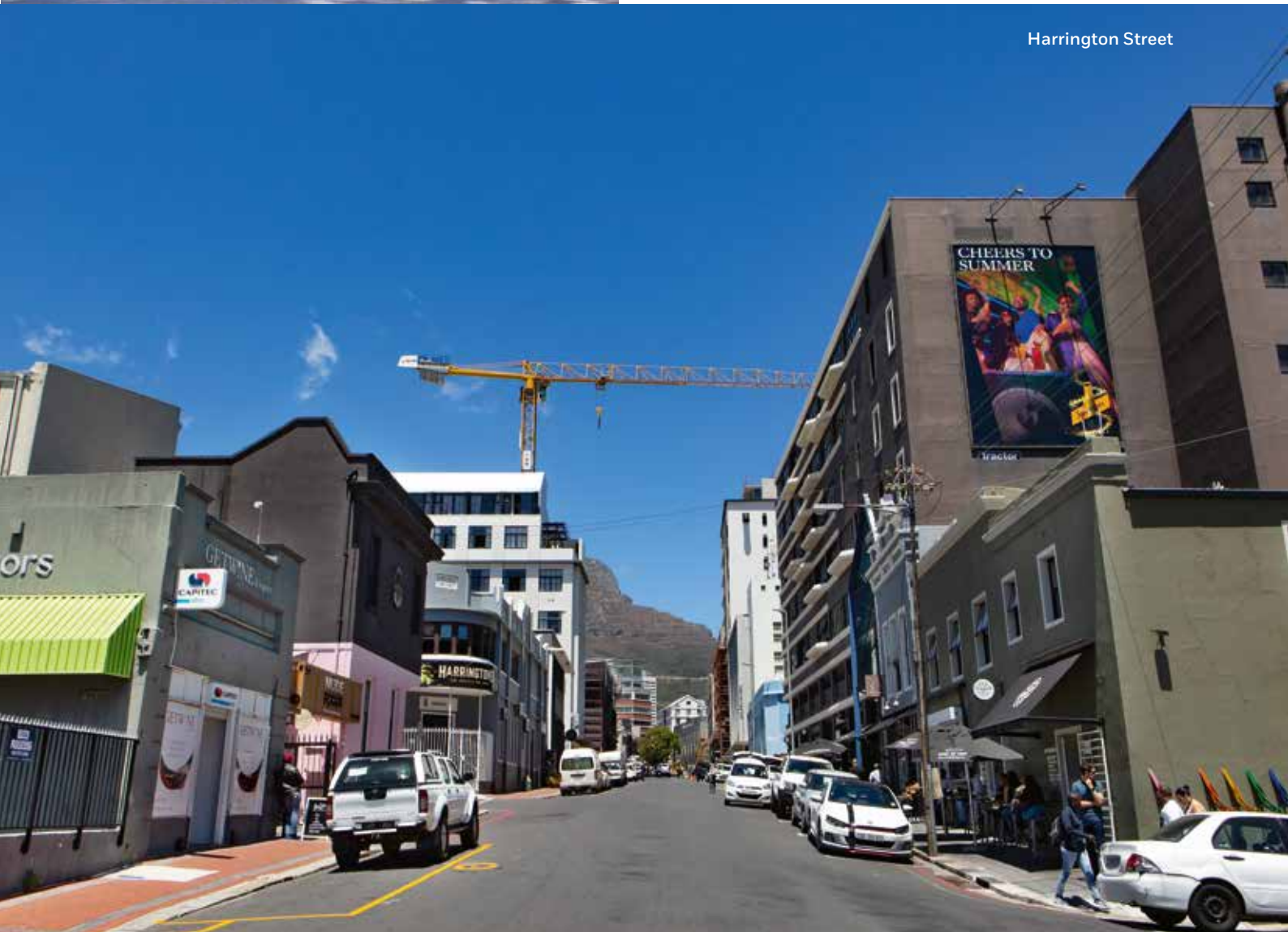
-  Developments
-  Hotels and accommodation
-  Residential complexes
-  MyCiTi bus stations and stops



Neighbourgood East City



Surfa Rosa



Harrington Street

BUSINESS & RETAIL

The table below shows the top 15 categories of business in the Central City, and how they compare to the top businesses in the East City. The numbers in blue indicate the sectors in which P4 has the highest numbers overall in the CBD in any given category.

549 (or 18.0 %) of the **3 116** businesses in the Central City are in P4.

CATEGORY	P4	TOTAL
Retail **	277	854
Legal services	40	681
Medical practices	12	246
Financial services & banking	21	171
Restaurants	23	147
Takeaways	37	93
Architecture & engineering	6	92
Coffee shops & cafes	20	86
ICT & telecoms	9	78
Communications, media & advertising	20	77
General corporates & head offices	9	72
Accommodation (incl. students)	15	72
Education & resources	16	70
Bars & clubs	7	63
Travel services	3	62



**NOTE: The retail figure of 854 is the total CBD retail figure (1 243) excluding restaurants (147), takeaways (93), coffee shops (86) and bars & clubs (63).

RETAIL BREAKDOWN

277 (or 32.5 %) of the CBD's **854** retail outlets (excluding restaurants, takeaways, coffee shops, bars & clubs) are in P4. Of these, the largest categories are:

Clothing
& shoes
20.2 %

Mobile
devices
11.6 %

Hair salons
7.2 %

Superettes
5.4 %

Health & beauty
(incl. spas)
5.4 %

Jewellery
design &
manufacturing
4.3 %

MYCITI

P4 has four MyCiTi bus stops: Darling, Groote Kerk, Lower Buitenkant and Castle.

251 898 people boarded buses in P4 during 2022, while 389 998 alighted.

BUS STOP	BOARDED	ALIGHTED
Darling	57 468	59 790
Groote Kerk	141 145	228 049
Lower Buitenkant	10 391	14 851
Castle	42 894	87 308
P4 TOTAL	251 898	389 998

ENTERTAINMENT

Seven (or 11 %) of the 63 bars and clubs in the Central City are in P4.

80 (or 25 %) of the 326 eateries (including the three categories below) in the Central City are in P4. Of these:

23
Restaurants

37
Takeaways

20
Coffee shops & cafés



EDUCATION

16 (or 23 %) of the 70 educational institutions in the CBD are in P4.



CO-WORKING SPACES

Two (or 10 %) of the 19 co-working spaces in the CBD are in P4.

LOCATION	NAME	WEBSITE
37 Buitenkant St	Tiny Empire	tinyempire.co.za
50 Harrington St	Roamwork	roam.work

DEVELOPMENTS

COMPLETED IN 2022

99 Harrington Street

LOCATION 99 Harrington St

TYPE Retail

INVESTMENT R25 000 000



UNDER CONSTRUCTION IN 2022

84 Harrington

LOCATION 84 Harrington St

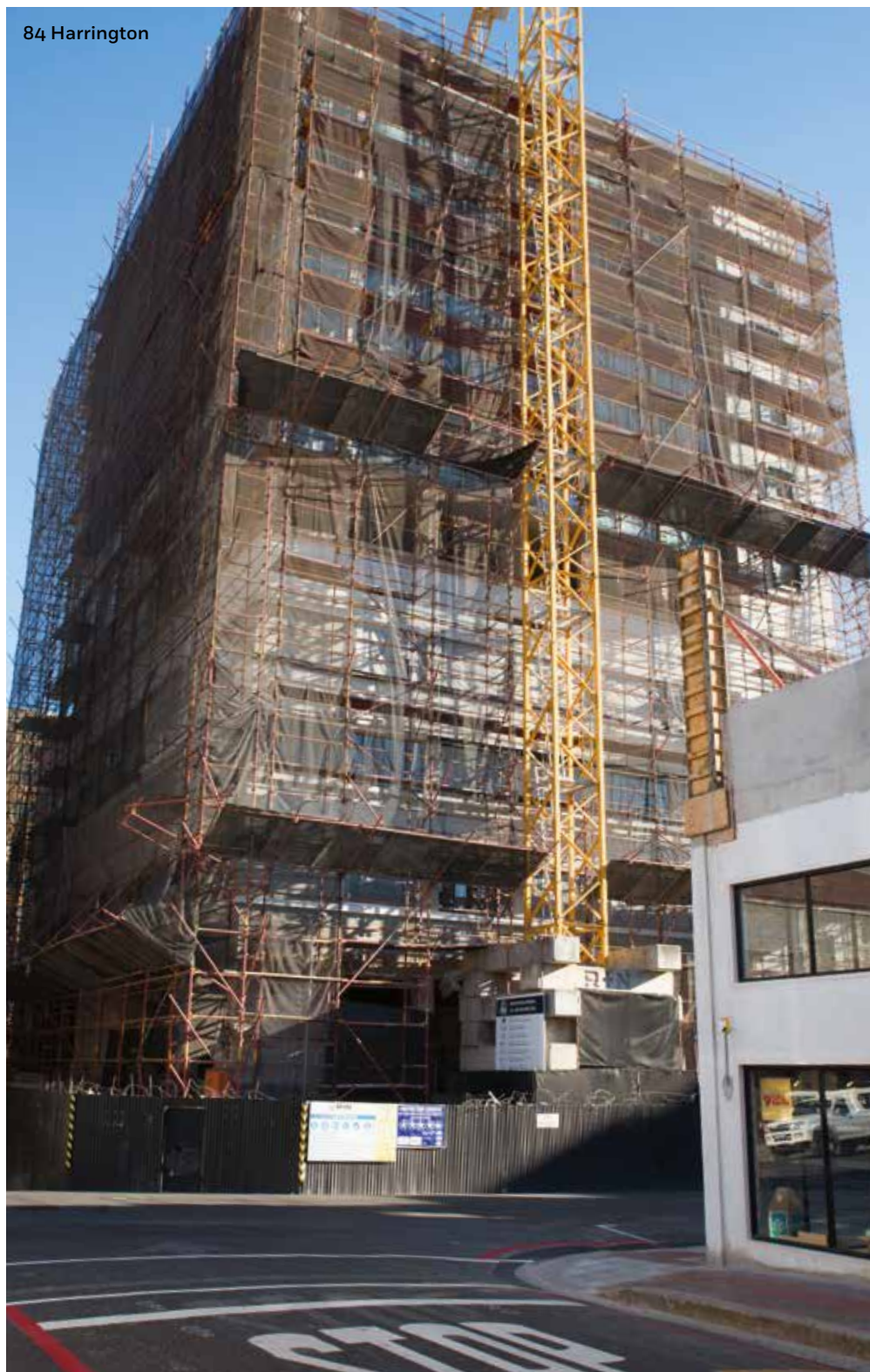
TYPE Aparthotel

INVESTMENT R180 000 000

INVESTMENT TOTAL PRECINCT 4:

R205 000 000

84 Harrington



*There were no planned or proposed developments in P4 in 2022



ACCOMMODATION

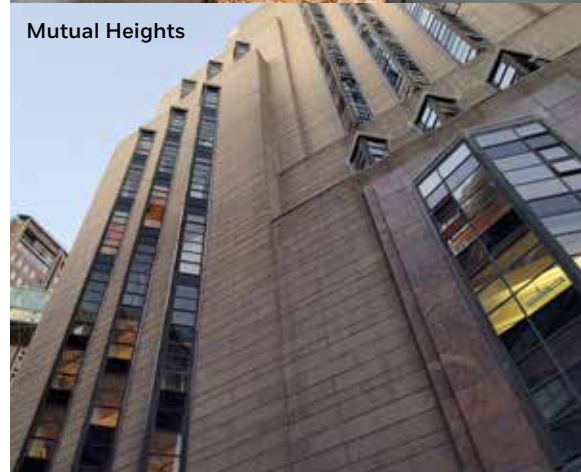
RESIDENTIAL

Of the 79 residential buildings in the Central City, 18 (or 23 %) are in P4, housing a total of 1 693 residential units in the CBD (24.8 % of the 6 827 units in the CBD). The three largest residential buildings in P4 are The Adderley (280 units), Four Seasons (193 units) and The Square (178 units). A total of 73 apartments were sold in the East City in 2022.

BUILDING	LOCATION	TOTAL UNITS	SALES 2022
17 Commercial Street	17 Commercial St	3	0
4 Church Square	4 Church Sq	44	2
Cartwrights Corner	19 Adderley St	126	8
Church Square House	19 Church Sq	12	1
Four Seasons	43 Buitenkant St	193	10
Gold House	31 Harrington St	6	1
Hip Hop Plaza	39 Roeland St	37	2
HOMii Valencia	53 Commercial St	153	-
Mutual Heights	19 Parliament St	162	15
Neighbourgood East City	60 Corporation St	107	-
Perspectives	37 Roeland St	176	12
Red Lion	111 Longmarket St	12	0
The Adderley	25 Adderley St	280	1
The Harri	75 Harrington St	50	4
The Piazza on Church Square	37 Adderley St	99	7
The Square	64 Buitenkant St	178	7
The Wellington	22 Darling St	19	0
Wolroy House	37 Buitenkant St	36	3
TOTAL		1 693	73

The Harri

Mutual Heights



HOMii Valencia

HOTELS & BACKPACKERS

12 (or 18 %) of the 67 hotel and backpacker establishments in the CBD are in P4.

5-star	4-star	3-star	1-star	backpackers	TOTAL
1	1	2	0	8	12



IN CONCLUSION

Once again, we have pulled out all the stops to present a comprehensive and detailed overview of the economy of the Cape Town CBD in 2022. As the Cape Town Central City Improvement District (CCID), we are immensely proud to preside over this economic powerhouse, the engine of the greater Cape Town economy, and to work closely with our partners, including the City of Cape Town, to ensure its ongoing success as the most dynamic inner city in southern Africa where the overall nominal value of property in 2022 stood at R42.9 billion.

With this bumper 80-page edition of the CCID's flagship publication *State of Cape Town Central City Report 2022 – A year in review* – the largest to date – we once again celebrate the CBD, which survived not only economic uncertainty but also rolling power cuts. The business and property owners, especially commercial

landlords and small retailers at the coalface, proved they have what it takes to face challenging economic times and fight back. Over the past two years, the impact of Covid-19 was devastating on many levels, but within this devastation we have continuously witnessed the incredible resilience and agility of our stakeholders.

In 2022, we collected data under less restrictive circumstances as Covid-19 receded and we are once again proud to publish the results of a very stable year.

Lastly, this award-winning publication is the result of the work of a very dedicated editorial team, with contributions by collaborators. I extend my utmost gratitude to everyone who has contributed to its success.

With appreciation,

TASSO EVANGELINOS
CEO: CCID

EDITORIAL TEAM

EDITOR Sharon Sorour-Morris

RESEARCHER Sandra Gordon

CO-AUTHORS Sandra Gordon,
Sharon Sorour-Morris

ART DIRECTOR Sean Robertson

MANAGING EDITOR Aziza Patandin

COPY EDITOR Renee Moodie

CONTRIBUTORS Kirsty de Groot,
Carin Smith

PHOTOGRAPHIC CONTRIBUTORS

Robert Anderson (incl. front & back covers), Carmen Lorraine, Ed Suter, Sharon Sorour-Morris, Scott Arendse, Ryan Warneke, 16 on Bree, The Rubik, The Carrington

REPRO Grant Mashonga

PRINTER Tandym Print South Africa

**Published by the Cape Town
Central City Improvement District**



DISCLAIMER

While every effort is made to ensure the content is correct, the publisher takes no responsibility for the accuracy of statements or content, and accepts no liability for errors, omissions or inconveniences arising therefrom. All text, images and design are subject to copyright and any unauthorised duplication is prohibited. All work and contributions to this report have been accepted in good faith that all permissions have been granted.





THIS PUBLICATION IS BROUGHT TO YOU BY THE
CAPE TOWN CENTRAL CITY IMPROVEMENT DISTRICT
SAFE | CLEAN | CARING | OPEN FOR BUSINESS

13th Floor, One Thibault, Cnr Long St & Hans Strijdom Ave, Cape Town 8001, South Africa
Tel: +27 21 286 0830; aziza@capetownccid.org

 www.capetownccid.org  [@CapeTownCCID](https://twitter.com/CapeTownCCID)  [CapeTownCCID](https://www.facebook.com/CapeTownCCID)

