

An aerial photograph of a dense urban area in Cape Town, South Africa. The image shows a mix of modern high-rise buildings and older, lower structures. A prominent feature is a large, circular roundabout with a central green space and a small fountain. Roads are filled with cars, and there are patches of greenery interspersed among the buildings.

STATE OF CAPE TOWN CENTRAL CITY REPORT

2023

A YEAR IN REVIEW

An aerial photograph of the Cape Town Central City area, showing a dense urban landscape with various high-rise buildings, streets, and green spaces. A semi-transparent white box containing text is overlaid on the right side of the image.

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 area 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 within its footprint to provide services and promote this 1.6 km² Special Rates Area.

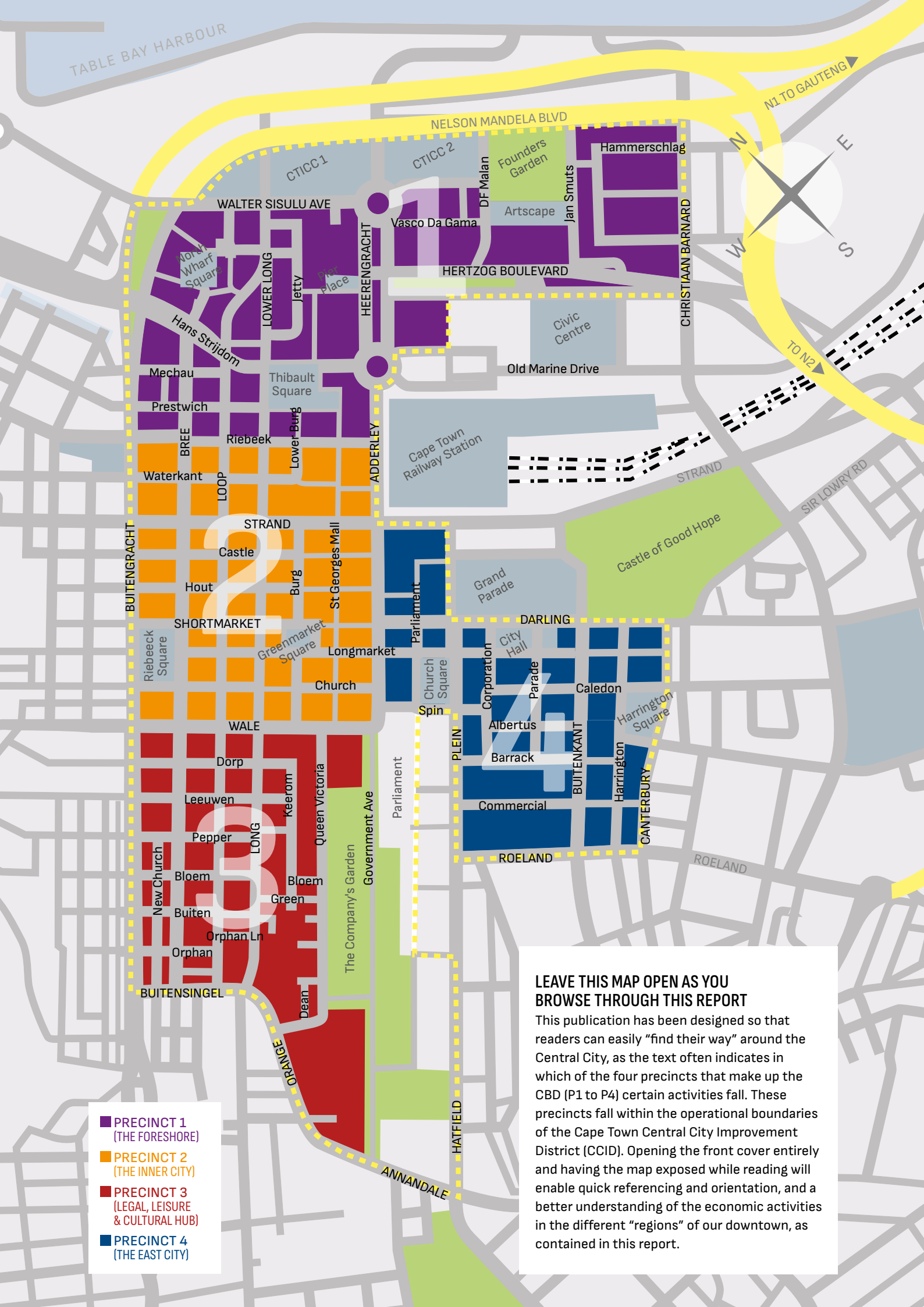
This footprint is marked out by the broken yellow line on the map that appears on the inside front cover of this report, which is published by the CCID. All the information contained in this report is therefore ***only pertinent to this area.***

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 has worked 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.



- 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

Reflecting on the past year, I am profoundly heartened by the incredible success story of the Western Cape's economic growth.

It was football star Pele who once said, "Success is no accident. It is hard work." We as the Western Cape Government, along with our partners like the Cape Town Central City Improvement District (CCID), work very hard to ensure the residents of our province and Cape Town are given the opportunities to thrive that they deserve. And our efforts are paying off. Of the many figures that I as a Premier work with and internalise, this one astounds me the most: 78.9 % of all net new jobs over the last four years were created in the Western Cape. This is according to Statistics SA, an independent body.

This means that approximately four out of five net jobs created in the country were in this province.

Our economy and jobs share a deep symbiotic relationship. When an economy grows, more jobs are created. Where there are more jobs there is hope, optimism, and worth, and most importantly for me, personally – the dignity of a job. The dignity of being able to care for yourself and your loved ones.

We, however, are not resting on our laurels. We must work even harder to create more jobs. We cannot and are not doing this alone – our province's success is the culmination of so many playing their part. With partners like the CCID, I know that we can do more, we can strive to do even better for our residents, this province, and South Africa.



GEORDIN HILL-LEWIS
Executive Mayor
of Cape Town

Undoubtedly one of the most successful public-private partnerships in the Mother City, the Cape Town Central City Improvement District (CCID) continues to play an invaluable role in positioning Cape Town as a world-class city and a premier investment destination.

For almost two-and-a-half decades, the CCID has helped keep our CBD economically healthy and clean, making our city centre a wonderful place for living, working and entertainment. Thanks to the CCID's tireless work to augment the City of Cape Town's safety, social development, and urban management resources, ours is without a doubt the most vibrant and safe city centre in South Africa.

Against a national backdrop of failing services, crumbling infrastructure and widespread urban decay, Cape Town is an example of what can be achieved through the responsible management of

resources and infrastructure. And nowhere is this contrast more evident than in our CBD, with its high occupancy rates and healthy property market.

I have no doubt that the robust state of the CBD played a significant role in Cape Town's being ranked second on the prestigious 2024 *Time Out* list of "50 Best Cities in the World to Visit" after New York City. Our CBD is much more than just a business centre – it's the link between our suburbs and the Atlantic Seaboard, and between the mountain and the V&A Waterfront and Cape Town Harbour. It is critical that it remains welcoming and accessible to all, including thousands of tourists who pass through here every day.

I thank the CCID for helping us make Cape Town a City of Hope for all who live and work here, and I look forward to reading the analysis of the trends in our CBD.



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SECTION 1

CAPTURING CAPE TOWN



FROM THE CEO & CHAIRPERSON OF THE BOARD

Twenty twenty-three will go down as the year the Cape Town Central City decisively turned the corner. While many Central Business Districts (CBDs) around the world are still smarting from post-Covid-19 shocks, in Cape Town in 2023 it was full speed ahead.

This was evident in the property sector, where landlords continued to upgrade their buildings and the conversion to residential remained a driving force: in 2023 there were 30 developments (completed, under construction, in the planning phase or proposed) in the Central City, conservatively estimated to be worth **R7.28 billion**. This is extraordinary for an area of 1.6 km² in a country with a sluggish economy.

In the mix were striking, stand-out developments that have changed, or are set to change, the city's skyline. These include the mixed-use R600-million skyscraper, The Rubik, designed to resemble the Rubik's Cube; the R150-million heritage development, The Barracks, with its futuristic residential addition; and

Neighbourgood 84 Harrington (R180 million), the world's tallest aparthotel to be constructed from hempcrete blocks.

With the overall value of all property in the Central City set at **R42.8 billion** (according to the City of Cape Town's 2022 property evaluation), these and other developments have added to the dynamic mix of our downtown.

We are therefore pleased to report in this 12th issue of the Cape Town Central City Improvement District's *State of Cape Town Central City Report 2023 – A year in review*, that the number of businesses in South Africa's most economically successful CBD increased in 2023, with the retail sector showing encouraging growth. We salute our resilient business owners who continue to thrive by making innovative business decisions.

With the Cape Town Central City accounting for the largest share of total office space in the city, and with office workers increasingly returning to work, Cape Town recorded the lowest office vacancy rate among the

major municipalities and its lowest rate since the end of 2019.

Overseas visitors returned to our city in record numbers with two-way international traffic passing through Cape Town International Airport in 2023 almost doubling compared to 2022. The hospitality and retail sectors also benefited from the 70 cruise liners that visited our shores. With the Cape Town International Convention Centre back to hosting hundreds of events, business tourism boomed.

All in all, a stable, positive year, and we are grateful to all our stakeholders who have made this possible.



ROB KANE
Chairperson:
Cape Town CCID
+ CEO: Boxwood
Property Fund



**TASSO
EVANGELINOS**
CEO: Cape Town
CCID



YEAR IN REVIEW

Six trends shaped the way we lived, worked, and connected last year, according to Flux Trends, a South African business strategy forecasting company. Here's its take on where the world was at in 2023.

1. TECHNOLOGY

As the Metaverse economy started taking shape, brands and businesses started staking claims in the virtual realm without knowing why or what the outcome would be. Instinctively, they knew they had to as technologies required to play in this parallel universe became accessible. A new Artificial Intelligence (AI) creative economy emerged, in which an algorithm won an art contest and the first humanoid robot artist was invited onto a panel at the global culture summit in Abu Dhabi. Then there was ChatGPT which learnt to code, compose music, write essays and more.

2. RETAIL & MARKETING

With e-commerce evolving and social commerce rising, algorithms were integral to the retail sector in 2023. New platforms, together with AI, started changing the intentional nature of online shopping, provoking digital impulse buying. Virtual product placement (VPP) and "dark" advertising emerged. The former allows brands to insert a product in post-production and customise the offering to a specific audience at a specific time. Advertisers are also able to earn revenue on the content multiple times. With "dark" advertising, companies can create

ads that are only visible to a target audience. They're also transient, so even a targeted customer who clicks on the ad will not see the same ad on the business's account page.

3. ECONOMY

Enter the slippery slope of mixing business with politics. "Friend shoring", the business strategy of running supply chains through countries that are political allies, took shape. And as the war in Ukraine intensified, corporate political responsibility became a thing, with multinational companies being forced



Pre-pandemic populism resurfaced in 2023 with right-wing movements being voted into government as citizens expressed dissatisfaction with the status quo.

to declare their allegiance. Work forces globally were also reconfigured in 2023, with disabled and women workers benefiting from remote work.

4. NATURAL WORLD

Climate change became a high-risk factor for businesses, especially insurance companies. The agricultural sector has borne the brunt, with farmers having to change their crops due to the impact of extreme weather. Governments, like Fiji, have had to start moving entire coastal villages or towns to higher ground because of rising sea levels.

5. DIPLOMACY

Pre-pandemic populism resurfaced in 2023 with right-wing movements being voted into government as citizens expressed dissatisfaction with the status quo. The Metaverse also allowed nations to start building digital copies of themselves, such as the tiny island nation of Tuvalu, which wants to preserve its history and culture amidst threats of climate change and rising sea levels.

6. SOCIOCULTURAL

A study done in the United States on American teenagers discovered that

the brains of US teens aged faster during the pandemic than normal, resulting in their brain age being older than their chronological age. The area of the brain that was most affected, and altered, was the part that regulates stress and fear. Also, thanks to virtual reality, a new psychological disorder, Avatar Dysmorphia, emerged whereby people who become used to embodying fantastical avatars (in computer games) are increasingly likely to start disliking the human form and its limitations.

SOURCE: Flux Trends: The State We're In 2023
— Six Key Trend Pillars Shaping 2023

TOP 10 GLOBAL TRENDS AFFECTING DOWNTOWNS

The pandemic accelerated demographic, lifestyle, and disruptive trends, and created new challenges. As a result, downtowns face more headwinds than they have in decades. Yet they remain gifted with advantages that are proving to be a springboard for the next wave of vitality, according to the 6th edition of P.U.M.A.'s 2023 Global Trends Report.

Covid-19 put a “temporary pause” on many factors that make downtowns special, while accelerating changes that had long been in the offing. But as the deepest and most damaging phase of the pandemic recedes, downtowns are experiencing a renaissance – and stronger challenges than they have in decades. It’s therefore imperative that downtown management organisations champion and lead the adaptations and transformations needed in the years ahead.

This is according to the latest Progressive Urban Management Associates (P.U.M.A) report. The

organisation has conducted ground-breaking research to identify trends impacting American cities since 2007. It looks at demographics, lifestyle and disruptions and introduces trends that reflect market dynamics and thought leadership in the evolution of cities.

ACCELERATED CHANGE

The pandemic accelerated change, a lot of which was not favourable for downtowns, including flexibility in the workplace and the demise of traditional retail brands. Recovery will require a new set of coordinated strategies.

DON'T TAKE DEMOGRAPHICS FOR GRANTED

First Millennials and Boomers, and later Gen Z, were attracted to the urban lifestyle and these remain: people under the age of 40 are attracted to the downtown vibrancy. However, there are prerequisites for luring visitors, residents, and workers back. In a world where people have a choice of where to be, it’s essential to create safe, compelling, and welcoming experiences.

FRESH THINKING

Dominant real estate sectors in downtowns require fresh thinking:



as much as a quarter of office space may never be used in the same way again. Filling vacant storefronts is a priority as downtowns recalibrate activation strategies beyond retail and restaurants.

PLACES TO GATHER

Covid precipitated an “epidemic of loneliness”. Downtowns hold the promise of a higher form of community and connectivity and can capitalise on their traditional role as central gathering places.

COLLABORATION IS KEY

Challenges such as homelessness, crime, and housing affordability will require local and regional collaboration to solve. Bigger issues such as climate control also require local responses and are concerns of people under 40 – the next generation that will influence downtowns.

EMBRACING NEW LEADERSHIP

Millennials will make up 75 % of the workforce by 2030. Downtowns will benefit if they embrace a new generation of leadership. Downtowns will depend on younger demographics to prosper and thrive and they need to welcome and reflect societal change.



THE TOP 10 TRENDS

1 Changing demographics By 2030, American Baby Boomers will all be over 65: America is an aging country. For the first time in the US, in 2034 they will outnumber children under the age of 18. Millennials and Gen Z continue to frequent urban areas.

2 Talent & labour Labour shortages remain through the decades in the United States. By 2026, 75 % of the workforce will be Millennials. The workforce still seeks increased flexibility. Leisure and hospitality, prominent downtown sectors, face a higher-than-average job opening rate.

3 Future of work Knowledge-based workers are seeking flexible working arrangements to improve their work-life balance, avoid traffic commutes and office politics. Hybrid work and the erosion of the five-day work week is still in force. Downtown offices will have to add amenities as office attendance is significantly higher in amenity-rich buildings.

4 Consumer behaviours Consumers are still spending. Millennials and Gen Z prefer brands and stores that reflect their values. The preference for the physical store remains.

5 Housing crisis There is a national housing crisis in the USA, especially at lower income levels. This has led to an increase in unhoused people especially in downtowns. Demand for downtown housing remains strong.

6 Finding community in a polarised age In the last two decades, Americans have chosen to live in places that reflect their values. With loneliness on the rise, downtowns are building on their historic role as regional “third places”, where communities can come together and celebrate.

7 Public health & safety The pandemic was a downtown disruptor and the toll on public health was immense. Downtowns face perception and reality challenges from increases in crime and unwanted behaviours. The homeless crisis was intertwined with public health challenges.

8 Climate & environment The weather is increasingly extreme and damaging, with deadly weather events. Extreme heat and flooding are chief downtown concerns.

9 Technology The impact of AI, the next big influence on the economy, remains uncertain. Cybersecurity is a priority. A growth of surveillance technology is taking place in cities and downtowns.

10 Growing inequity & inequality Income inequality continues to grow and is at its highest point post WW 2. In the United States, white Americans have 84 % of the wealth, black Americans have 4 %.

SOURCE: P.U.M.A. 2023 Global Trends Report

SECTION 2

OPEN FOR BUSINESS

CAPE TOWN IN CONTEXT

South Africa's most beautiful city, Cape Town is situated in the Western Cape province. Apart from its natural assets, it also has the most economically successful Central Business District (CBD) in the country. Also known as the Central City or "town" to locals, the CBD drives the economy of the greater Cape metropole. The information on these pages gives insight into this area.

GROSS DOMESTIC PRODUCT (GDP)¹

Latest available data (EPIC Q4 2023)

South Africa: R4.6 trillion

Western Cape: R655 billion

Cape Town: typically contributes 73 % of the provincial GDP annually

GROSS VALUE-ADDED SECTORS

Latest available data (EPIC Q4 2023)

In 2022, the city's highest gross value-added (GVA) sectors in its economy were:

Finance: +34.4 %

Community services: +19.4 %

Trade: +15.9 %

Manufacturing: +14.8 %

Transport: +8.9 %

GDP PER CAPITA (2022)²

Latest available data (EPIC Q4 2023)

South Africa: R108 466

Western Cape: R130 875

Cape Town: R145 985

INFLATION RATE

Latest available data (EPIC Q4 2023)

South Africa: 5.1 %

Cape Town: 5.6 %

ESTIMATED POPULATION RATES (2023)³

South Africa: 62 027 503

Western Cape: 7 433 020

(11.9 % of the national population)

Cape Town: 4 772 846

AIR TRAVEL⁴

A record 317 000 two-way international passengers passed through Cape Town International Airport (CTIA) in December 2023 – a monthly record which exceeded the previous record of 290 000 set in January 2020. During 2023, the total number of two-way international passengers passing through CTIA totalled 2.8 million, a 48 % growth compared to 2022. Not only did this represent another new record which beat the previous record of 2.6 million recorded in 2019 before the pandemic, but it is almost double the 1.5 million passengers recorded in 2013.

CAPE TOWN ACCOLADES 2023

Africa's Leading City Destination
(World Travel Awards Africa)

Best City in the World to Visit
(The Telegraph Travel Awards)

4th Best Big City in the World & 7th Best City Overall (Condé Nast Traveller Readers' Choice Awards)

Top Destination in Africa for Digital Nomads (Resume.io)

Second Best Top 5 Locations for Solo Travel in Africa (Exploreworldwide.com)

City of Cape Town's Water and Sanitation Directorate named Africa's

first Leading Utility of the World
(Leading Utilities of the World)

Cape Town International Airport named **Africa's Leading Airport** for the seventh consecutive year (World Travel Awards Africa); and ranked **47th in the Top 100 Airports** in the world; **Top International Airport in Africa** and **Best Airport Staff**





This means that two-way international passenger traffic through CTIA has increased by almost 100 % over the past decade.

The domestic terminal recorded a 21 % year-on-year growth for December, with 688 000 passengers processed. The total domestic passenger growth for 2023 remained stable at 16 % compared to 2022, reaching just under 6.9 million passengers.

CARGO TONNAGE⁵

The Port of Cape Town handled 18.7 % of all containers in South Africa in Q4 2023, with the Port of Durban remaining the largest

container-handling port (59.5 %).

The total number of containers handled at South African ports increased on a year-on-year basis by 11.4 %, from 878 615 twenty-foot equivalent units (TEUs) in Q4 2022 to 978 673 TEUs in Q4 2023.

The Port of Durban recorded a year-on-year increase of 6.6 %, while the Port of Cape Town experienced a year-on-year increase of 11.4 %, from 164 202 TEUs handled in Q4 2022 to 182 865 TEUs in Q4 2023.

EMPLOYMENT⁶

In Q4 2023, Cape Town's employment increased both on

a quarter-on-quarter (up by 42 904 people) and a year-on-year (up by 123 478 people) level, to a total of 1.78 million. This is the highest employment figure for the city since the start of the Statistics South Africa Quarterly Labour Force Survey in 2008. Average annual employment increased from 1,53 million people in 2022 to its highest level to date at 1.74 million individuals in 2023.

Five sectors had employment gains: the finance, real estate, and business services sectors (up by 51 187 jobs) added the most to total employment, followed by trade, hotels, and restaurants (up by 30 437 jobs), and private households (up by 12 824 jobs). Solid contributions to employment growth were also made by the construction (up by 5 656 jobs) and the mining (up by 1 012 jobs) sectors.

At the end of Q4 in 2023, a total of 532 394 unemployed people were looking for work in Cape Town. The average annual unemployment recorded in 2023 was 521 610 individuals, improving from 571 100 individuals in 2022. The increase in employment outweighed the increase in unemployment, resulting in a lower strict unemployment rate (22.9 %) when compared to Q3 of 2023 (23.1 %).

¹ At constant 2015 prices, seasonally adjusted and annualised.

² At current prices

³ EPIC Q4 2023

⁴ Cape Town Air Access (Wesgro)

⁵ EPIC Q4 2023

⁶ EPIC Q4 2023

Service for the third consecutive year (Skytrax World Airport Awards)

Port of Cape Town named **Africa's Leading Cruise Port** (World Travel Awards Africa)

The Silo Hotel named **Africa's Leading Luxury Hotel**; Labotessa Luxury Boutique Hotel voted **Africa's Leading Design Hotel**; Villa Two @ Ellerman House voted **Africa's Leading Luxury Hotel Villa**; and One&Only Cape Town named **Africa's Leading Luxury Resort** (World Travel Awards Africa)

FYN Restaurant awarded **Flor de Caña Sustainable Restaurant Award** (The World's 50 Best)

A LEADING SMART CITY IN AFRICA

Cape Town is one of five African cities – with Cairo, Algiers, Rabat, and Tunis – making their mark on the global smart city stage. Here Cape Town property developer Jacques van Embden, CEO of Blok, unpacks how the city has emerged as a pioneer in the Smart City revolution.



At the heart of the smart city concept lies the notion of accessibility to information. Historically, understanding how citizens interact with their city was based largely on assumptions and intuition, given the sheer complexity that comes with trying to track the movements of millions of residents. But that's starting to change thanks to the concept of the smart city.

By harnessing data analytics, we can gain valuable insights into various aspects of urban life, from optimising commuting patterns to improving energy efficiency. Through sensors and interconnected devices, we can

now delve into the intricacies of city life like never before, allowing us to make informed decisions that benefit both residents and the environment. Turning this sort of data into action, quite literally, underpins the notion of a city being “smart”.

One of the key pillars of Cape Town's Smart City vision is its commitment to sustainable urban development. Recognising that density is an urban environment's friend, Cape Town has embraced a vertical approach to growth, maximising space and promoting efficient land use by encouraging more apartment-based living.

This approach also helps the city in its transit-oriented corridor development, with its expansion of the MyCiti bus routes, which further encourage density and accessibility, enabling residents to enjoy a better quality of life within a 15-minute radius of their homes.

The idea of the “15-minute city” is critical to developing smart cities. With this form of urban development, all aspects of your life are within reach in 15 minutes, never requiring more than a 2-km commute for work, life or play. This encourages a pedestrian-oriented lifestyle, and a more sustainable urban culture.



Another critical way Cape Town is promoting itself as a smart city built on sustainable development is through stringent building codes.

From energy-efficient designs, such as the use of passive heating and cooling, to water-saving technologies, new developments in the city are required to adhere to strict environmental standards, ensuring that Cape Town remains a leader in green building practices. In addition, it's been codified that a building's energy efficiency must be "through the line" – from its lifts to its light bulbs. These strict regulations, while costly to implement, mean Cape Town is

helping to set the global standard for sustainable architecture.

Innovative architectural and design features further contribute to Cape Town's smart city ethos. Pedestrian thoroughfares, co-working spaces and bicycle racks in our buildings promote live-work-play lifestyles, reducing commute times and fostering community interconnectedness. Meanwhile, advancements in smart infrastructure, such as digital check-in systems and facial recognition technology, enhance security and streamline building management processes.

In the last few years, we've witnessed this shift first-hand in Cape Town's city

centre, where former commercial buildings have been converted to residential. This will continue to take place, as people seek out the "15-minute city" lifestyle.

As we look to the future, Cape Town stands poised to continue its journey towards becoming a model smart city, where innovation, sustainability, and quality of life converge. By harnessing the power of technology and embracing progressive urban planning principles, we can ensure that Cape Town remains a vibrant, resilient, and inclusive city for generations to come.

**Extracted from Real Estate Investor magazine, May 2024*

INVESTING IN THE MOTHER CITY

With the City of Cape Town consistently ranking first among South African metros with respect to good governance, the Mother City remains an excellent investment destination.

LOCATION

Cape Town, situated in the Western Cape province, is blessed with extraordinarily beautiful natural assets, including world-renowned coastlines, the iconic Table Mountain National Park – a UNESCO World Heritage Site – and Kirstenbosch National Botanical Garden, one of the great botanic gardens of the world. It also has an abundance of orchards and vineyards. The province is also one of the most lucrative 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 Western Cape, enticing foreign firms and new investment groups to invest locally, and prompted an ongoing “semigration” trend with other South Africans moving to the province 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 continue to secure 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 continued to be leading creators of jobs in Cape Town in 2023.

ACCESSIBILITY

Air Access

- Every week, a total of 215 international flights land at

Cape Town International Airport (CTIA). These are linked to 31 destinations. The best airport in Africa, CTIA has won the Skytrax World Airport Awards’ Top International Airport in Africa award at least seven times, including in 2023. Located 20 km from the Central City, CTIA is integrated with other city transport infrastructures for ease of travel.

- Airports Company South Africa, which owns and operates South Africa’s nine principal airports including the three international gateways, Cape Town International Airport, O.R. Tambo International Airport and King Shaka International Airport, plans to spend R21.7 billion on developing airport infrastructure. At Cape Town International Airport, the refurbishment of the Domestic Arrivals terminal will be a priority

to meet growing capacity needs, as well as the development of a new realigned runway worth R3.93 billion to allow the airport to accommodate larger aircraft and increase its per-hour landings and departures.

- Cape Town Air Access reports that in December 2023, the international terminal experienced a 17 % year-on-year growth, with a record high of over 317 000 two-way international passengers processed. This is the highest monthly total in history, surpassing the previous high of 290 000 passengers processed pre-Covid in January 2020.
- During Q4 2023, 2.8 million passengers moved through Cape Town International Airport.
- The domestic terminal recorded an impressive 21 % year-on-year growth in December 2023, with 688 000 passengers processed.



Total growth for 2023 was steady at 16 % when compared to the same period in 2022, reaching just under 6.9 million passengers.

- Two-way air cargo volumes in the Western Cape reached over 44 000 metric tonnes, representing a 6 % year-on-year growth percentage.

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 and an increase in annual throughput.

Cruise Economy

- Cruise Cape Town, powered by Wesgro, reports that the Cape Town Cruise Terminal welcomed 70 cruise ships carrying 145 000 two-way passengers and 42 000 crew between November 2022 and May 2023, marking the biggest cruise season the passenger terminal has experienced to date and injecting more than R1.2 billion into the Western Cape economy.
- According to a Cruise Cape Town economic impact study, this is double the number of ship calls seen between 2016 and 2019 during the cruise season, where on average 35 to 40 ships arrived at the port.

ROAD ACCESS

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

A HUB OF OPPORTUNITY

- Home to the leading convention centre on the African continent, 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 huge confidence in the soundness

of banks in the region, rated third in the world by the World Economic Forum. In 2023, the Cape Town CBD attracted over R7.28 billion in property investments.

- The City of Cape Town received a clean audit award for the 2022/2023 financial year. Executive Mayor Geordin Hill-Lewis said: “Spending public money on its intended purpose, with careful record-keeping and legal compliance, is the very foundation of service delivery, and the bedrock of our efforts to ultimately lift more people out of poverty and into work”.

ECONOMY & INFRASTRUCTURE

- Cape Town is a sub-Saharan African business hub with a sophisticated, dynamic economy, making it 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.
- Economic trends reveal 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.

LOW UNEMPLOYMENT RATES

The city’s unemployment rate remains stable: according to the Quarterly

Labour Force Survey, during Q4 2023 Cape Town had a strict unemployment rate of 22.9 % – the lowest among all South African metros. In Q4 2022, the strict unemployment rate was 24.5 %.

A BUSINESS-FRIENDLY CITY WITH AN ENABLING BUSINESS CULTURE

- 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 of Cape Town is committed to becoming the easiest place to do business in Africa through its Ease-of-Doing-Business Index which tracks its performance on its ability to enhance service delivery and improve its business processes. Some of its goals include ensuring a culture of business friendliness throughout its organisation; leveraging the latest technology to improve service delivery; establishing public and private growth partnerships in priority industries and ensuring regulations align with business interests.
- The City’s progress is being tracked by an index. Some of the business indicators are: transferring public land; getting land-use rights; getting building-plan approval; connecting to the water network; obtaining a business licence and more.

GREENING THE CITY

Cape Town is also building a sound “green” reputation, allowing for potential development of an industry around the manufacturing and servicing of electric vehicles, as well as the production of medical cannabis. Several new initiatives and the founding of several renewable company head offices in the city are leading the renewable energy and clean-tech industries.



INVESTMENT PARTNERS

Key partnerships across the private and public sectors 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)

Since 2000, the CCID has worked hard to create a workable Cape Town CBD that is safe, clean and investment friendly. An “always on” private-public partnership, the CCID maintains a consistent presence in the Central City, ensuring it remains a welcoming destination for all 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 50-plus city or community 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 its specific geographical area, to support the primary agencies, namely the City of Cape Town and the South African Police Service (SAPS).

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, uphold its reputation and help to drive business and property investment into the Central City.

A fifth department manages financial and HR-related administration. With a full-time staff of about 22 people, the CCID oversees a total workforce (contracted through service providers) 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



WESGRO

As the official tourism, investment and trade promotion agency for the 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: Media24, 40 Heerengracht (Precinct 1)

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 broad-based 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, and contributing to South Africa's national economic success. 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. Today, it focuses on providing partnering solutions to improve the performance of the local and regional economic system.

WHERE: Tannery Office Park, Belmont Road, Rondebosch

www.wcedp.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 were opened in 2017, at the same time as those of InvestSA Western Cape, to function as a collaborative One Stop Shop for investors into Cape Town and the province.

WHERE: Cape Town Civic Centre, Hertzog Boulevard, Foreshore (Precinct 1)

www.investcapetown.com

INVESTSA WESTERN CAPE

The national Department of Trade & Industry (DTI) has InvestSA offices in major South African centres. The Western Cape InvestSA One Stop Shop (OSS) opened in the Central City in 2017 and promotes investment into the province by streamlining regulatory procedures and providing investors and exporters with services to fast-track projects and reduce government red tape when establishing a business.

The InvestSA Western Cape OSS focuses on the coordination and incorporation of special economic zones, provincial investment agencies, local authorities and relevant government departments involved in regulatory, registration, permits and licencing matters. Representatives from government entities like the South African Revenue Service (SARS), departments of Home Affairs and Environmental Affairs and Eskom, all operate under one roof, with Wesgro as the management entity.

InvestSA is the primary shareholder in the One Stop Shop, in partnership with DTI and the Department of Economic Development and Tourism (DEDAT).

WHERE: Media24, 40 Heerengracht (Precinct 1)

www.investsa.gov.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: 1 Century Falls Road, Century City

www.capechamber.co.za

THE CENTRAL CITY

IN NUMBERS

Here is a snapshot of the economic engine of the city as it stood at the end of 2023.

BUSINESSES IN THE CBD

3 302

There are **3 302** 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 **1 305** 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	32 Art galleries	1 Auctioneer	5 Bakeries	19 Barber shops	14 Barrows & kiosks	78 Bars & clubs
5 Booksellers & publishers	4 Butcheries	120 Clothing & shoes	91 Coffee shops & cafés	20 Curios & markets	19 Chain stores	13 Discount stores	20 Electronics, photography & music
9 Fashion, accessories & handbags	2 Florists	38 Furniture, lighting & décor	15 Gyms	56 Hair salons	6 Hardware	65 Health & beauty (incl. spas)	9 Internet cafes
41 Jewellery design & manufacturing	28 Laundry, dry cleaning, shoe repair & tailors	12 Liquor stores & wine merchants	2 Locksmiths & security	6 Luggage & leather goods	71 Mobile devices (cell phones)	8 Motor car dealers	2 Motorcycle dealers
19 Motor parts & repair businesses	12 Opticians & eyewear	6 Pawn shops	5 Petrol stations	11 Pharmacies	1 Plumbing & sanitaryware	6 Postage & couriers	19 Printing, copying & lamination
147 Restaurants	49 Speciality stores	21 Sporting equipment & clothing	62 Superettes	2 Stationery & packaging	6 Supermarkets	100 Takeaways	4 Theatres
10 Vintage & second-hand stores	TOTALS PER PRECINCT	P1 165	P2 553	P3 211	P4 376		



NON-RETAIL ENTITIES

681

Legal services

464 Advocates

217 Law firms

244

Medical practices

190

Finance, investment, insurance & banking

31 Accountants

20 Insurers

17 Investment companies

122 Financial services

93

Architecture, engineering & surveying

45 Architects

22 Engineers

12 Energy companies

10 Surveyors

4 Land surveyors

43

Artistic studios

106

ICT & telecoms

50 Information & communication technology

45 Call centres

11 Telecoms

91

Comms, media & advertising

15 Advertising

6 Communications

16 Film & TV production

17 Marketing & branding

11 Media

11 Printing & publishing

15 Creative agencies

108

General corporates & head offices

71

Industrial councils & NPOs

39

Property & real estate

8 Estate agencies

8 Project management

6 Investment brokers

17 Property developers

147

Accommodation & travel

2 Airlines

20 Backpackers

12 Car hire

21 Embassies

41 Hotels (incl. aparthotels)

7 Student accommodation

44 Travel services

23

Employment & recruitment

32

Freight, customs brokering & shipping

17

Co-working spaces

58

Education & resources

54

Specialised services

COMMERCIAL AND RETAIL SPACE

1 047 979 m²

Total commercial (office) space as at Q4 2023

10.2 %

Office vacancy rate as at Q4 2023

262 815 m²

Total retail space in the Central City

15 792 m²

Retail vacancy rate as at Q4 2023

VALUE OF CENTRAL CITY PROPERTY

R42.8 billion

The overall official nominal value of all property in the CBD, according to the City of Cape Town's 2022 property evaluation.

R7 285 000 000

A conservative estimate of the **total value** of all property developments in the Central City (completed, under construction, in the planning phase or proposed) during 2023.

R1 347 000 000

A conservative estimate of the value of property **completed** in the Central City during 2023.

R2 228 000 000

The value of property, conservatively estimated, that is **under construction**.

R2 610 000 000

The value of property, conservatively estimated, that is currently in the **planning phase**.

R1 100 000 000

The value of property, conservatively estimated, that is currently **proposed** and is expected to begin construction within the next two years.

GOVERNMENT FACILITIES *

46

National government

51

Provincial government

21

Local government

5

Parastatals

28

Government agencies

6

Political parties

23 076 Total number of government employees **

29 335 Number of people using government facilities daily **

*Government facilities & religious services / facilities are not included in the count of entities doing business in the Central City.

**The number of people using government facilities and the total number of government employees have NOT been updated for 2023 as since the pandemic many people in this sector still work from home or have a hybrid arrangement.



DOING BUSINESS IN THE CENTRAL CITY

In 2023, certain economic sectors in the Central City came into their own while others proved resilient in the face of economic headwinds. Here's a snapshot of the trends, patterns and shifts in the way business was conducted.

The Central City's economy experienced solid growth in 2023 with the number of business entities increasing by 186 to 3 302 in a sluggish economy hampered by power cuts and unemployment.

Of the 17 economic sectors operating in the CBD, 10 recorded an increase in the number of businesses in 2023.

Retail, the largest sector, once again increased its footprint by the biggest margin, with 1 305 businesses operating at the end of 2023 compared to 1 243 in 2022 – an increase of 62 retail outlets. This includes the opening of destination

eateries, coffee shops and niche clothing stores.

General corporates and head offices increased their presence by 36 entities, and ICT, telecoms and call centres also dominated with a growth of 28 entities as Cape Town continues to be a favoured offshore BPO destination, making up 42.9 % of the Western Cape BPO market. The business service sector has been the largest contributor to employment growth in the city in the last 10 years.

The financial sector, which includes investment, insurance, and banking, also grew from 171 entities in 2022 to 190 entities in 2023, with most of the

growth on the Foreshore, historically known as the Financial District.

The second-largest sector – legal services – remained unchanged after a strong increase in 2022.

Employment and recruitment – one of the smallest economic sectors in the CBD – was the only other sector to register no change in the number of business entities during 2023.

Five of the 17 sectors experienced slight negative growth: these included the education and resources sector (from 70 to 58); property and real estate (from 42 to 39); medical practices (from 246 to 244) and co-working spaces (from 19 to 17).





One Thibault

BREAKDOWN OF BUSINESSES IN THE CENTRAL CITY

A total of **3 302** businesses were operating in the Central City at the end of 2023, an increase of **186** from 2022 and just 19 less than 2019, just before the pandemic, when there were **3 321** businesses. For convenience, they are listed numerically in size from the largest to the smallest.

3 302 A total of **3 302** businesses were operating in the Central City at the end of 2023

SECTOR	2022	2023	change
Retail	1 243	1 305	+62
Legal services	681	681	0
Medical practices	246	244	-2
Finance, investment, insurance & banking	171	190	+19
Accommodation & travel	135	147	+12
General corporates & head offices	72	108	+36
ICT, telecoms & call centres	78	106	+28
Architecture, engineering & surveyors	92	93	+1
Comms, media & advertising	77	91	+14
Industrial councils & NPOs	63	71	+8
Education & resources	70	58	-12
Specialised services	46	54	+8
Artistic studios	24	43	+19
Property & real estate	42	39	-3
Freight, customs brokering & shipping	34	32	-2
Employment & recruitment	23	23	0
Co-working spaces	19	17	-2
TOTAL	3 116	3 302	+186

SECTION 3

PROPERTY FILE

PROPERTY INVESTMENT MAP

During 2023, the total value of property investment in the Cape Town Central City, conservatively estimated, was R7.285 billion, more than double that recorded in 2022. This includes completed developments and redevelopments, as well as those under construction, in the planning phase and proposed developments. They range from commercial properties to mixed-use and residential developments. For simplicity, the development category is determined by its primary use.



PROJECTS COMPLETED IN 2023

M One Thibault **P1**
ADDRESS 1 Thibault Sq
VALUE R500 000 000
DEVELOPER Thibault Investments

R Vida d'Chette **P1**
ADDRESS 17 Martin Hammerschlag Way
VALUE R60 000 000
DEVELOPER HOMii

A Habitat **P2**
ADDRESS 132 Adderley St
VALUE R140 000 000
DEVELOPER Heriot REIT

M The Barracks **P2**
ADDRESS 50 Bree St
VALUE R150 000 000
DEVELOPER Gera Investment Trust

C The Box **P2**
ADDRESS 9 Lower Burg St
VALUE R72 000 000
DEVELOPER Boxwood Property Fund

R The Carrington **P2**
ADDRESS 112 Loop St
VALUE R70 000 000
DEVELOPER Rawson Developers

R The Tokyo **P2**
ADDRESS 87 Loop St
VALUE R150 000 000
DEVELOPER Rawson Developers

A Neighbourgood 84 Harrington **P4**
ADDRESS 84 Harrington St
VALUE R180 000 000
DEVELOPER Wolf & Wolf Architects

RT 99 Harrington St **P4**
ADDRESS 99 Harrington St
VALUE R25 000 000
DEVELOPER Roni Shaltiel

PROJECTS PROPOSED IN 2023

M 4 Mechau Street **P1**
ADDRESS 4 Mechau St
VALUE R1 100 000 000
DEVELOPER H&A Planning

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

M 78 Darling Street **P4**
ADDRESS 78 Darling St
VALUE TBC
DEVELOPER Two Five Five Architects

PROJECT TYPES

A
Aparthotel**C**
Commercial**M**
Mixed-use**P**
Parastatal**R**
Residential**RT**
Retail**R7.285 BILLION**the total value of property
investment in the Cape Town
CBD in 2023**R2 610 000 000****PLANNED****PROPOSED****R1 100 000 000****PROJECTS UNDER CONSTRUCTION IN 2023**

C Netcare Christiaan Barnard Memorial Hospital (Parking) **P1**
ADDRESS Cnr DF Malan St & Rua Bartholomeu Dias
VALUE TBC
DEVELOPER TBC

C Ninety One **P1**
ADDRESS 36 Hans Strijdom Ave
VALUE TBC
DEVELOPER GrowthPoint Properties

R Zeeland Pier **P1**
ADDRESS 31 Heerengracht
VALUE R200 000 000
DEVELOPER Robert Silke & Partners

C 14 Long **P2**
ADDRESS 14 Long St
VALUE R15 000 000
DEVELOPER Boxwood Property Fund

RT The Mutual **P2**
ADDRESS Strand St
VALUE R200 000 000
DEVELOPER Lurra Capital & Gardner Property Solutions

M The Rubik **P2**
ADDRESS 17 Loop St
VALUE R600 000 000
DEVELOPER Abland

C Wale Street Chambers **P2**
ADDRESS Cnr Wale & Long Sts
VALUE R63 000 000
DEVELOPER Klarey Property Group

R The Fynbos **P3**
ADDRESS 142 Bree St
VALUE R1 150 000 000
DEVELOPER Lurra Capital & Gardner Property Solutions

PROJECTS PLANNED IN 2023

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

M Mama Shelter Africa (City Park) **P2**
ADDRESS Cnr Bree & Longmarket Sts
VALUE R1 500 000 000
DEVELOPER Ingenuity Property Investments & Kasada Capital Management

A The Exchange **P2**
ADDRESS 80 Loop St
VALUE R75 000 000
DEVELOPER Rawson Developers

R The Trade **P2**
ADDRESS 55 Shortmarket St
VALUE R65 000 000
DEVELOPER Rawson Developers

R Venice House **P2**
ADDRESS 24 Burg St
VALUE R78 000 000
DEVELOPER Prospekt

R TENONV **P3**
ADDRESS Vredenburg Ln
VALUE R250 000 000
DEVELOPER Blok

R The Landing **P3**
ADDRESS 15 Pepper St
VALUE R390 000 000
DEVELOPER Rawson Developers

R The York **P3**
ADDRESS 1 Buiten St
VALUE R132 000 000
DEVELOPER Rawson Developers

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

M Spindle **P4**
ADDRESS Cnr Spin & Plein Sts
VALUE R120 000 000
DEVELOPER Robert Silke & Partners

PROPERTY INVESTMENTS 2023



1 One Thibault (P1)

TYPE Mixed-use
ADDRESS 1 Thibault Sq
VALUE R500 000 000
DEVELOPER Thibault Investments

2 Vida d'Chette (P1)

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

3 Habitat (P2)

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

4 The Barracks (P2)

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

5 The Box (P2)

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

6 The Carrington (P2)

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

7 The Tokyo (P2)

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

8 Neighbourhood 84 Harrington (P4)

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

9 99 Harrington St (P4)

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

10 Netcare Christiaan Barnard Memorial Hospital (Parking) (P1)

TYPE Commercial
ADDRESS Cnr DF Malan St & Rua Bartholomeu Dias
VALUE TBC
DEVELOPER TBC

11 Ninety One (P1)

TYPE Commercial
ADDRESS 36 Hans Strijdom Ave
VALUE TBC
DEVELOPER GrowthPoint Properties

12 Zeeland Pier (P1)

TYPE Residential
ADDRESS 31 Heerengracht
VALUE R200 000 000
DEVELOPER Robert Silke & Partners

13 14 Long (P2)

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

14 The Mutual (P2)

TYPE Retail
ADDRESS Strand St
VALUE R200 000 000
DEVELOPER Lurra Capital & Gardner Property Solutions

15 The Rubik (P2)

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



KEY

- Completed
- Under construction
- Planned
- Proposed

16 Wale Street Chambers (P2)

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

17 The Fynbos (P3)

TYPE Residential
ADDRESS 142 Bree St
VALUE R1 150 000 000
DEVELOPER Lurra Capital & Gardner Property Solutions

18 Telkom Exchange Foreshore (P1)

TYPE Parastatal
ADDRESS Lower Long St
VALUE TBC
DEVELOPER Telkom

19 Mama Shelter Africa (City Park) (P2)

TYPE Mixed-use
ADDRESS Cnr Bree & Longmarket Sts
VALUE R1 500 000 000
DEVELOPER Ingenuity Property Investments & Kasada Capital Management

20 The Exchange (P2)

TYPE Aparthotel
ADDRESS 80 Loop St
VALUE R75 000 000
DEVELOPER Rawson Developers

21 The Trade (P2)

TYPE Residential
ADDRESS 55 Shortmarket St
VALUE R65 000 000
DEVELOPER Rawson Developers

22 Venice House (P2)

TYPE Residential
ADDRESS 24 Burg St
VALUE R78 000 000
DEVELOPER Prospekt

23 TENONV (P3)

TYPE Residential
ADDRESS Vredenburg Ln
VALUE R250 000 000
DEVELOPER Blok

24 The Landing (P3)

TYPE Residential
ADDRESS 15 Pepper St
VALUE R390 000 000
DEVELOPER Rawson Developers

25 The York (P3)

TYPE Residential
ADDRESS 1 Buiten St
VALUE R132 000 000
DEVELOPER Rawson Developers

26 Leeuloop Precinct (P3)

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

27 Spindle (P4)

TYPE Mixed-use
ADDRESS Cnr Spin & Plein Sts
VALUE R120 000 000
DEVELOPER Robert Silke & Partners

28 4 Mechau Street (P1)

TYPE Mixed-use
ADDRESS 4 Mechau St
VALUE R1 100 000 000
DEVELOPER H&A Planning

29 Founders Garden (P1)

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

30 78 Darling Street (P4)

TYPE Mixed-use
ADDRESS 78 Darling St
VALUE TBC
DEVELOPER Two Five Five Architects



COMMERCIAL PROPERTY TRENDS

There was fresh demand for office space in 2023, leading to a decline in the office vacancy rate in the Cape Town CBD. What's more, asking rentals improved across all office grades. Of the 30 property developments in the Central City in 2023, only five were solely commercial; however three of the seven mixed-use developments included 50 % office space indicating a changing tide in the Work From Home trend.

In 2023, the amount of total office space in the Central City – both occupied and vacant – was on a par with 2022, ending the year at 1 047 979 m².

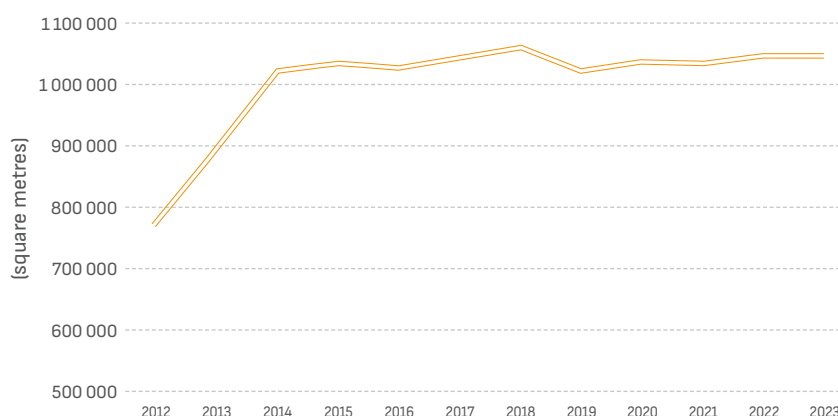
The ratio of office grades also remained unchanged during 2023, with B-grade office space accounting for half of all office space in the Central City at 523 700 m², followed by A-grade space at just over a third (34 %). P-grade offices account for just 6 % of all office space in the Central City.

Encouragingly, renewed demand for office space in the Central City resulted in a decline of nearly 32 000 m² in vacant space during 2023. All four grades registered a reduction in vacancies.

More than 11 200 m² of B-grade office space was occupied/rented during 2023, while vacant A-grade office space declined by nearly 11 000 m² during the same period. Availability of P-grade office space declined by nearly 9 000 m², leaving just under 2 000 m² of P-grade office space vacant at the end of last year.

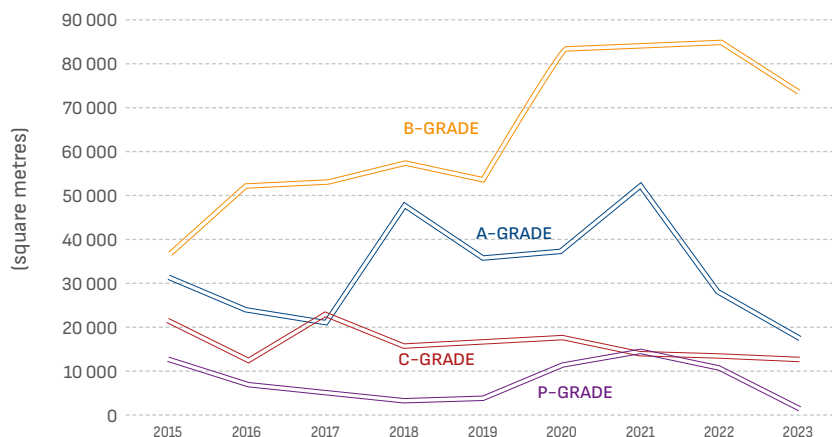
In contrast, just 800 m² of additional C-grade office space was occupied/rented last year.

CAPE TOWN CBD: TOTAL AVAILABLE OFFICE SPACE (m²)



SOURCE: SAPOA Office Vacancy Report (Q4 2023)

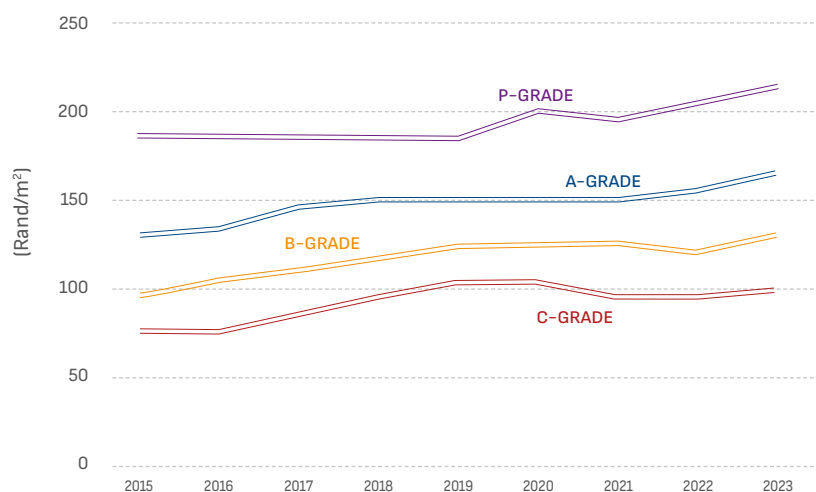
CAPE TOWN CBD: VACANT OFFICE SPACE BY GRADE (m²)



SOURCE: SAPOA Office Vacancy Report (Q4 2023)

Unlike many other business nodes across South Africa, Cape Town's reduction in vacancy rates was not achieved at the expense of real (inflation-adjusted) rentals. In fact, Central City asking rentals continued to improve across all office grades last year, although only two grades registered increases which exceeded the average inflation rate of 6.0 %.

The largest increase was registered by B-grade office space, with an 8.3 % increase from year-earlier levels to R130/m² while A-grade office rentals rose by 6.5 % to R165/m². P-grade office rentals rose by 5.4 % to R214/m² while C-grade rentals rose by 3.2 % to R98/m (see table below).

CAPE TOWN CBD: COMPARATIVE OFFICE SPACE BY RENTAL RATES (m²)

SOURCE: SAPOA Office Vacancy Report (Q4 2023)

SUMMARY OF RENTAL OFFICE SPACE IN THE CENTRAL CITY (Q4 2023)

Grade	Total rentable areas (m ²)		Available to lease (m ²)		Vacancy rate (%)		Ave gross asking rental (R/m ²)	
	2022	2023	2022	2023	2022	2023	2022	2023
Premium	66 080	66 080	10 975	1 978	16.6	3.0	203	214
A-grade	360 623	360 623	28 656	17 711	7.9	4.9	155	165
B-grade	523 700	523 700	85 492	74 256	16.3	14.2	120	130
C-grade	97 576	97 576	13 909	13 100	14.3	13.4	95	98
TOTAL	1 047 979	1 047 979	139 032	107 045	13.3	10.2		

SOURCE: SAPOA Office Vacancy Report (Q4 2023)



The Box



One Thibault

In recent years, the Cape Town CBD offered the city's most competitively priced premium grade office space. However, by the end of 2023, the CBD was the only business node with any P-grade space available to rent – albeit just 2 000 m². Regarding A-grade office space, the Central City was the third most attractively priced – after Bellville and Century City. At current levels, Central City A-grade space is very competitively priced relative to office nodes in the Southern Suburbs.

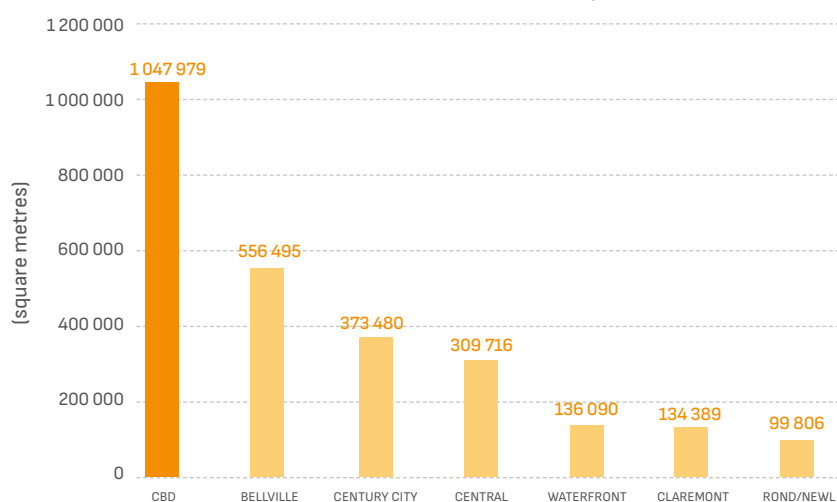
The Central City continues to account for the largest share (+39.4 %) of the total office space in the city of Cape Town, as measured by the SA Property Owners' Association (SAPOA). The CBD has the second largest percentage of P-grade office space – at 29.8 % of the total compared to 35.1 % in Century 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 (24.2 %) of all A-grade office space in the city of Cape Town, marginally below the 25.7 % of all A-grade space located within the Bellville office node. Central (Pinelands) accounts for the third largest percentage of A-grade space at 18.3 % of the city's total.

OFFICE NODE (Q4 2023)	Median gross asking rentals (R/m ²)	
	P-grade	A-grade
Cape Town Central City	214	165
Bellville	–	153
Century City	–	158
Central (Pinelands)	–	170
Waterfront	–	185
Claremont	–	213
Rondebosch/Newlands	–	195

SOURCE: SAPOA Office Vacancy Report (Q4 2023)

Please note: There is no data for P-grade asking rentals in other office nodes in Cape Town because no space is available for rent (Bellville, Century City, the Waterfront and Claremont) or because there are no P-grade buildings in those nodes (Central and Rondebosch/Newlands).

CAPE METRO OFFICE STOCK (m²) Q4 2023

SOURCE: SAPOA Office Vacancy Report (Q4 2023)

	P-GRADE		A-GRADE	
	SQM	% CoCT total	SQM	% CoCT total
CBD	66 080	29.8	360 623	24.2
Bellville	10 600	4.8	383 279	25.7
Century City	77 928	35.1	248 961	16.7
Central	–	–	272 975	18.3
Waterfront	59 000	26.6	71 324	4.8
Claremont	8 400	3.8	66 636	4.5
Rondebosch/ Newlands	–	–	86 706	5.8

SOURCE: SAPOA Office Vacancy Report (Q4 2023)

Note: Central (Pinelands) and Rondebosch/Newlands do not have any P-grade buildings

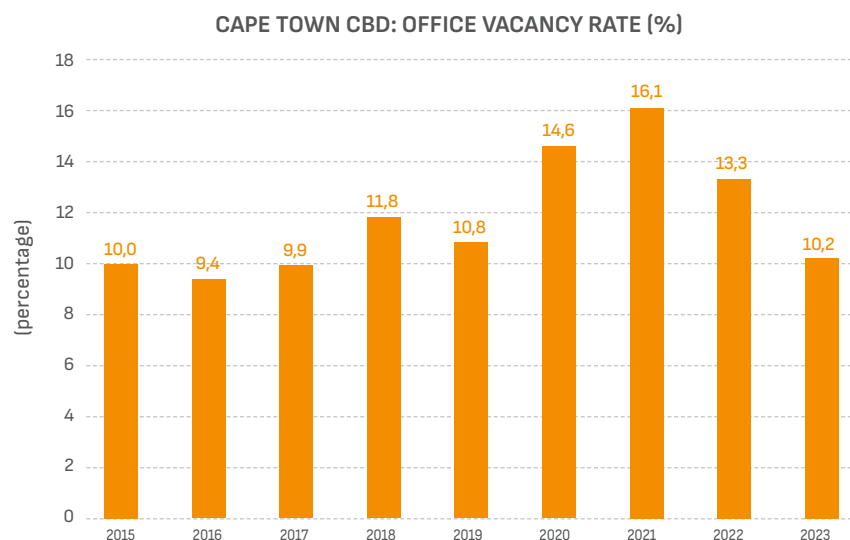


OFFICE VACANCY RATES

A considerable improvement in the city of Cape Town's vacancy rate to 7.5 % in Q4 2023 ensured the Mother City had the lowest office vacancy rate among the major municipalities and the lowest rate recorded by the city since the end of 2019. This shows the CBD has more than fully recovered from the pandemic.

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 the year and throughout 2023. According to the *South African Property Owners' Association (SAPOA) Office Vacancy Survey*, which surveys 3 105 office properties across 54 business nodes and includes 19.1 million square metres of gross lettable area, the overall national vacancy rate was 15.2 % in Q4 2023.

With limited new office space coming to market due to a slowdown in development activity since the pandemic, and a modest rebound in demand as employers return to the



SOURCE: SAPOA Office Vacancy Report (Q4 2023)

office, the national office market has seen a steadily improving occupancy rate. However, national occupancy rates are unlikely to return to pre-Covid levels until the economic outlook improves. Historically, occupancy rates have only significantly improved when the real GDP growth rate exceeds 3 % – a level of economic growth which is not anticipated in the short- to medium-term.

Among South Africa's largest metropolitan municipalities, the city of Johannesburg has the highest office vacancy rate at 18.0 % at Q4 2023 – significantly higher than the pre-pandemic vacancy rate of 12.5 % at the end of 2019.

There was a marked improvement in the city of Cape Town's vacancy rate to 7.5 % in Q4 2023 – giving the Mother City the lowest vacancy rate among the major municipalities and the lowest rate recorded by the city since the end of 2019.

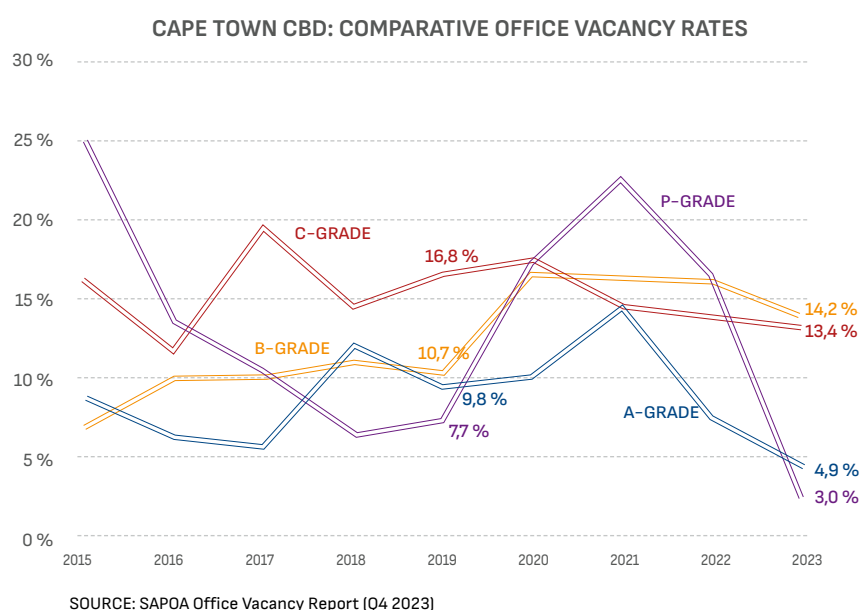
Within the city of Cape Town, the CBD had the highest vacancy rate prior to the pandemic – at 10.8 % in Q4 2019 – and by the end of 2023 it remained the only office node within the city recording a double-digit vacancy rate. However, unlike the two Southern Suburbs office nodes and Central (Pinelands), the Central City – together with Bellville, Century City, and the Waterfront – has more than fully recovered from the pandemic and has now achieved an office vacancy rate below pre-pandemic levels.

Within the Central City, vacancy rates in all grades – except B-grade – have improved beyond pre-pandemic levels.

Nationally, still high vacancy rates, ongoing sub-letting activity and limited employment creation have dampened demand for new office developments, according to SAPOA.

Office Vacancy Rate %	Q4 2019	Q4 2023
Central City/CBD	10.8 %	10.2 %
Bellville	4.7 %	4.1 %
Century City	8.3 %	6.7 %
Central (Pinelands)	1.9 %	5.8 %
Waterfront	4.9 %	0.2 %
Claremont	8.2 %	12.5 %
Rondebosch/Newlands	1.9 %	8.8 %

SOURCE: SAPOA Office Vacancy Report (Q4 2023)



PARKING IN THE CENTRAL CITY

It's no secret that Covid-19 triggered changes in mobility patterns and lifestyle trends which still impact urban environments and raise challenges for commuters and transport policy. Here are post-pandemic trends in urban mobility.

In a report on post-Covid urban mobility trends in 178 cities by the European Commission's science and knowledge service, the Joint Research Centre, the effect of the pandemic on lifestyles, especially work patterns, initially decreased total urban transport activity. It is now believed that car usage has increased to the detriment of public transport and car traffic is once again on the rise. "The current trend implies that, for most of the monitored cities, congestion levels in 2023 or 2024 will be comparable to those in 2019 if no measures are taken."

While traffic and congestion dropped globally, studies show they have returned to pre-pandemic levels and may even have exceeded them in some global cities, even in Cape Town.

PARKING CHALLENGES

The 2023 Global Driver Survey by Borderless Access revealed that drivers worldwide are demanding great in-car parking and charging functionality.

In 2023, Parkhub.com reported that common parking challenges,

including finding a parking space in a bustling Central Business District, may soon be a thing of the past thanks to new technologies that are transforming the parking industry and how it's experienced by customers.

"As we enter a creative renaissance in the technological realm, ripples can be felt throughout the parking industry.

"As such, it is important to keep up with the times and adapt to ever-changing customer expectations," Parkhub notes.

SEVEN KEY PARKING TRENDS

1 DECLINE IN FULL MONTHLY PARKERS The pandemic's drastic effect on the job landscape, which first led to workers Working From Home then adopting an irregular hybrid work schedule, has resulted in a decline in commuters looking for monthly parking contracts and instead looking for parking contracts that offer flexibility at a cheaper rate. This has prompted innovative parking operators to customise packages, and to leverage digital platforms to allow customers to tailor their parking needs.

2 RISE OF ONLINE AND PREPAID RESERVATIONS The rise of the internet and the smartphone has coincided with the emergence of prepaid and online parking reservations. Parking consumers now want the convenience of purchasing a flexible pass online.

3 SHIFT IN DAYS OF DEMAND Due to post-pandemic working trends, there has been a shift in demand for

parking on certain days of the week. Data analysis shows the highest demand for parking is from Tuesday to Thursday, with a marked decrease on Monday and Friday – corresponding with the hybrid work schedule and the decline in the five-day work week.

4 GROWING NEED FOR EV INFRASTRUCTURE As the market for electric vehicles grows, the need for appropriate infrastructure, such as charging stations, grows, too. In 2022, the global market for EV chargers was valued at \$9 billion and it was expected to grow to \$105 billion last year.

5 DYNAMIC PRICING Parking operators are turning to data-driven price models as pricing strategies become more and more competitive. Dynamic pricing uses data analysis to vary the price of goods and services based on market conditions, such as the high demand for parking spaces at certain times. Using data to make well-informed pricing decisions will help operators to set prices that reflect the market.

6 MOBILE POINT-OF-SALE Service delivery is being enhanced by operators using mobile point-of-sale (POS) devices. Increasingly, consumers expect mobile options in every aspect of their lives, including their parking choices. Convenience and efficiency are key. Also, the adoption of technology in retail has set the standard for customer service across the board. Mobile POS devices support various payment methods including credit cards and mobile wallets and allow parking operators to streamline their operations.

7 APP-AGNOSTIC PAYMENTS With this feature, customers can pay for parking with a number of mobile apps which they may already have on their cellular devices. They can choose the payment method they prefer, which is very convenient. For parking operators, this can lead to customer satisfaction and increased usage with this flexibility attracting a wider customer base.

SOURCE: PARKHUB.COM

CBD PUBLIC PARKING INDOOR & OUTDOOR	OPERATOR	ENTRANCE	PARKING BAYS
PRECINCT ONE			
2 Jan Smuts Street	City of Cape Town	2 Jan Smuts St	200
Auto Atlantic	Dubhe Parking	53 Hertzog Blvd	118
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	Rennie Knight Frank	8 Riebeek 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	120
Site B Parking*	GrowthPoint	Alpha St	70
Southern Sun The Cullinan	Southern Sun	1 Cullinan St	271
Sun International Waterfront	Sun International	1 Lower Buitengracht St	226
The Capetonian Hotel	Raya Hotel Group	Roggebaai Square	50
Tulbagh Centre	Quebec Parking	8 Hans Strijdom Ave	50
TOTAL P1			3 659
PRECINCT TWO			
42 Strand Street	Omnipark	42 Strand St	102
Buitengracht St*	Servest	Buitengracht St	50
City Park	Parket	111 Bree St	637
Mandela Rhodes Place	Interpark	24 Wale St	310
Riebeeck Square*	Servest	100 Shortmarket St	320
The Felix	Karabo	58 Strand St	300
TOTAL P2			1 719
PRECINCT THREE			
Pepperclub Hotel	Pepperclub Hotel	167 Loop St	329
Queen Victoria St*	Sabiness Trading	60 Queen Victoria Ave	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	176
Truworths*	Truworths	3 Mostert St	26
TOTAL P4			1 906
GRAND TOTAL			7 651

*Outdoor parking areas.

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



RESIDENTIAL PROPERTY TRENDS

With cities around the world grappling with low growth and high interest rate environments, in 2023 the demand for new residential and mixed-use spaces in the Cape Town CBD was palpable with stellar builds already changing, or set to transform, the Mother City's skyline.

RESIDENTIAL RULES

Of the 30 buildings listed in the Central City's property development map (see pp. 20-21), with a net worth of R7.285 billion, 12 (or 40 %) were residential (valued at R2.467 billion), seven were mixed-use, five were commercial, three were aparthotels,

two were retail and there was one parastatal build.

Three residential buildings – valued at R280 million – were completed last year, including Vida d'Chette (R60 million) on the Foreshore, and The Carrington (R70 million) and The Tokyo (R150 million), which are

both in Loop St. Two were under construction, namely The Fynbos (R1.150 billion), the Bree St build which is set to be Africa's first biophilic building, and Zeeland Pier (R200 million) on the Foreshore.

Most interesting, and proving that the insatiable demand for living



Artistic impression of TENONV

space in the Central City continues, are the six residential buildings in the planning phase which have a combined value of R915 million, namely The Trade (R65 million), Venice House (R78 million), 10ONV (R250 million), The Landing (R390 million), The York (R132 million) and Leeuloop Precinct (TBC).

MIXED BAG

Seven mixed-use developments, which usually combine residential and commercial or retail components, were included in the 2023 property line-up. Two were completed, one was under construction, two were planned and two were proposed.

The mixed-use builds which came on stream included the iconic Foreshore redevelopment of the former Standard Bank office building, One Thibault (R500 million), into a commercial and residential/aparthotel complex.

The other was also a stand-out build namely The Barracks (R150 million), the 18th century heritage building – transformed by Gabriël Fagan Architects – which offers over 60 studios, one- and two-bedroom apartments on popular Bree St.

Nearing completion towards the end of 2023 but still under construction was Abland's dramatic 27-floor skyscraper, The Rubik (R600 million), with its contemporary glass-fronted design by dhk Architects resembling the Rubik's Cube.

Signalling that the micro-unit trend is still alive and well, and the interest in compact living space in a bustling CBD is ongoing, is Blok's first foray into the Central City, TENONV (R250 million), which was in the planning phase in 2023. The development in Vredenburg Ln just off Long St is a stone's throw from the green lung of the Central City, the historic Company's Garden.

PAYING TOP DOLLAR

Monthly rentals of residential units in the Central City remained competitive. At the end of 2023 there were a total of 82 apartments, the majority of which were partially or fully furnished, listed as available for rent on Property24.com (see p. 37).

For a studio/bachelor apartment, the average monthly rental was R11 756, compared with R11 586 the previous year. For a one-bedroom apartment, the monthly rental ranged from R28 000 for 144 m² to R11 500 for 29 m². Two-bedroom unit rentals ranged from R40 000 for 103 m² to R11 800 for 146 m², while three+ bedrooms reached an average monthly rental of R54 357 (compared to an unusually elevated average of R71 667 recorded a year previously). The highest rental for this category was R85 000 for a penthouse of unspecified size and the lowest R30 000 for 160 m².

AFFORDABLE HOUSING

While the new residential accommodation is high-end, two Western Cape Government developments, aimed at supplying affordable accommodation, are still on the cards: in the planning phase is Leeuloop Precinct in P3, which will be bordered by Dorp, Bree, Loop and Leeuwen Sts, and will add 341 housing units to the market, and Founders Garden on the Foreshore, which is proposed and will add another 1 185.

These developments will draw a more representative mix of residents to the dynamic Central City.

RESIDENTIAL VALUES & RENTALS

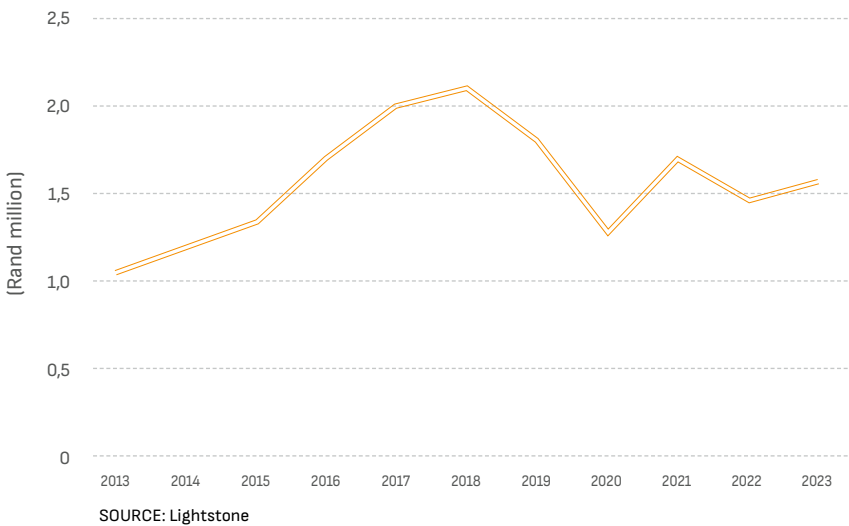
With a plethora of new residential developments coming on stream in 2023, the number of residential units in the Central City rose to an all-time high of 7 188 apartments, with the median price of sectional title properties sold increasing by 7.2 % compared to the previous year.

The median price of sectional title properties sold last year rose from R1.47 million in 2022 to R1.58 million in 2023 – an increase of 7.2 %.

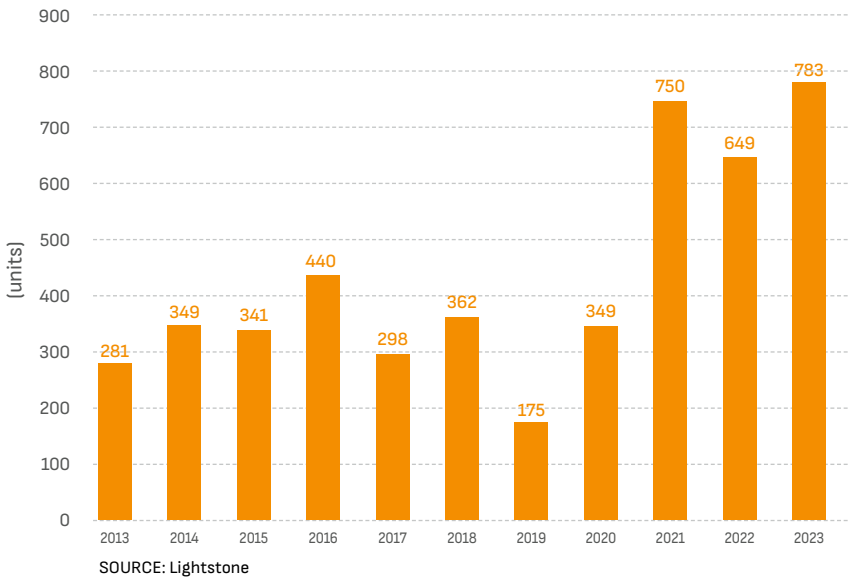


Housing market activity in the Central City has remained elevated since the pandemic, with the completion of several residential developments in the Central City in 2023 – including One Thibault, Vida d'Chette, The Carrington and The Toyko – attracting an influx of property investors and new residents to the CBD.

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



CAPE TOWN CCID FOOTPRINT: SECTIONAL TITLE UNIT SALES





Icon Building

R1.58 million

The median price of sectional title properties sold in the Cape Town Central City in 2023

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 %
2023	783	1.58	+7.2 %

SOURCE: Lightstone

SUMMARY PER M² OF 138 UNITS SOLD

Price per m ²	Units sold (2023)
Less than R20 000/m ²	5
R20 000 – R29 999/m ²	60
R30 000 – R39 999/m ²	30
R40 000 – R49 999/m ²	11
R50 000 – R59 999/m ²	16
R60 000 – R69 999/m ²	13
R70 000/m ² and above	3

SOURCE: PropStats



The Barracks

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 took place during a particular period.

AVERAGES & RANGES ACROSS THE SPECTRUM (2016 TO 2023)

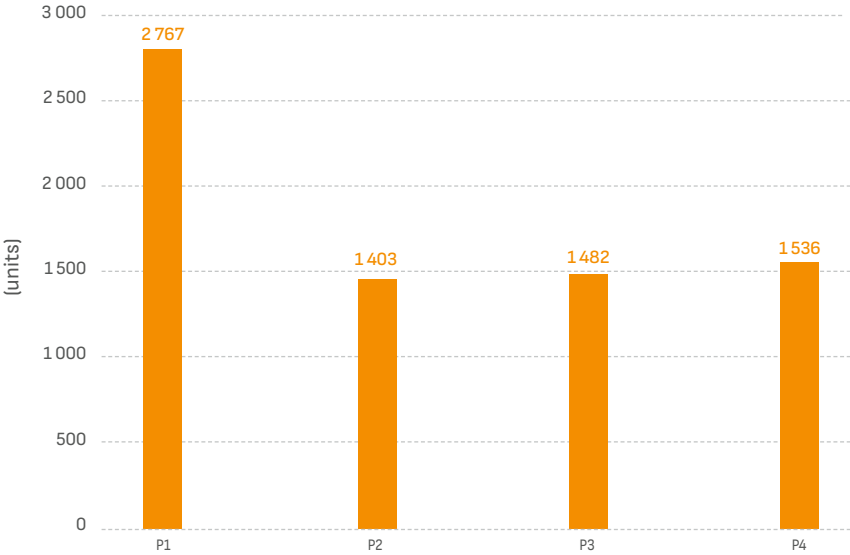
Year	Average size (m ²)	Average R/m ²	Year-on-year change R/m ²	Discount to asking price (%)
2016	71.00	R33 921	+38.5 %	-2.5 %
2017	51.92	R41 287	+21.7 %	-4.3 %
2018	77.64	R35 431	-14.2 %	-8.8 %
2019	82.20	R34 142	-3.6 %	-9.5 %
2020	69.00	R31 000	-9.2 %	-10.7 %
2021	71.00	R39 102	+26.1 %	-7.6 %
2022	67.31	R37 071	-5.2 %	-6.8 %
2023	70.69	R36 731	-0.9 %	-7.0 %

SOURCE: PropStats



Habitat

TOTAL CENTRAL CITY UNITS PER PRECINCT



SOURCE: PropStats

NUMBER OF DAYS UNITS STAYED ON THE MARKET IN 2023

0-7 days

17

1-2 weeks

8

2-4 weeks

20

1-2 months

22

2-3 months

15

3-6 months

31

>6 months

25

SOURCE: PropStats

TOTAL CENTRAL CITY RESIDENTIAL UNITS PER PRECINCT

By the end of 2023, the total number of residential apartments in the Central City had risen to 7 188 apartments – up from 6 827 in 2022 and 5 791 in 2021. The Foreshore (P1) – which has seen a significant number of new developments in recent years due in part to the lack of heritage regulations – remains the dominant residential node with 38.5 % of all apartments. This is followed by the East City – with 21.4 % of all residential units.

MONTHLY RENTALS IN THE CENTRAL CITY

At the end of 2023 there were a total of 82 apartments listed on Property24.com as available for rent in the Central City. While this was higher than the 57 units available previously, it 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 (57 units or 68 %) were listed as fully or partially furnished – a growing trend in recent years.

NOTE: Apartments rented on a daily basis or just for a few weeks during high season were excluded from this analysis.



The Tokyo

Studio / bachelor

units to rent: 26

Average monthly rental:

R11 756 (compared to R11 586 a year ago)

Highest: R18 500 for unspecified size in Neighbourgood (which includes communal areas) or R14 500 for 40 m²

Lowest: R8 500 for 30 m²

One bedroom

units to rent: 30

Average monthly rental:

R15 671 (compared to R14 233 a year ago)

Highest: R28 000 for 144 m²

Lowest: R11 500 for 29 m²

Two bedrooms

units to rent: 19

Average monthly rental:

R26 568 (compared to R24 750 in early January 2023)

Highest: R40 000 for 103 m²

Lowest: R11 800 for 146 m²

Three+ bedrooms

units to rent: 7

Average monthly rental:

R54 357 (compared to an unusually elevated average of R71 667 recorded a year previously)

Highest: R85 000 for a penthouse of unspecified size

Lowest: R30 000 for 160 m²

RESIDENTIAL PROPERTY MAP

Inner-city living contributes to the dynamism of the Cape Town CBD where there are **7 188** residential units – the majority of which are in P1.

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 One Thibault	428
8 The Duke	81
9 The Heriot	215
10 The Onyx	219
11 The Rockefeller at Harbour Place	395
12 Trafalgar Centre	75
13 Stonehill Place	164
14 Vida d'Chette	207
TOTAL	2 767

PRECINCT 2

BUILDING	UNITS
15 5 St Georges	47
16 34 St Georges	68
17 71 Loop Street	5
18 73 Loop St	2
19 74 Loop Street	5
20 BlackBrick Cape Town	105
21 Castle Gate	12
22 De Oude Schuur	50
23 Forty-Two Burg Street	25
24 Glaston House	63
25 Greenmarket Place	48
26 Greenmarket Place	51
27 Guarantee House	12
28 Habitat	151
29 Huys Heeren	6
30 Impala House	8
31 Kimberley House	7
32 Mandela Rhodes Place	214
33 Market House	41
34 Murray House	5
35 Namaqua House	25
36 Neighbourgood Reserve	35
37 Taj Cape Town	25
38 The Barracks	61
39 The Carrington	49
40 The Colosseum	80
41 The Decks	55
42 The Tokyo	148
TOTAL	1 403

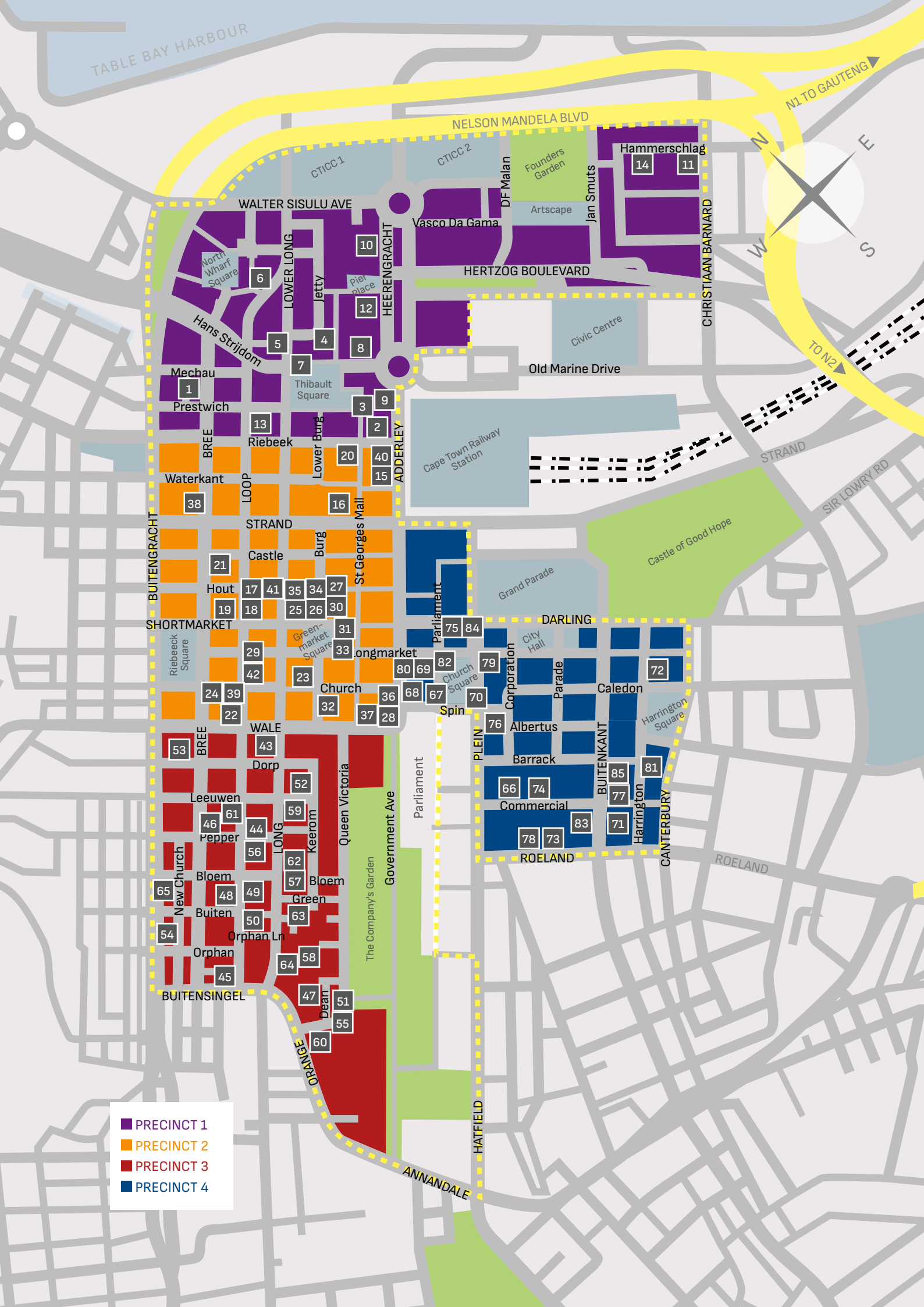


PRECINCT 3

BUILDING	UNITS
43 134 Long Street	4
44 155 Loop Street	16
45 Two Twenty Loop Street	72
46 6 on Pepper	20
47 Artois Court	8
48 ElKay House	2
49 Flatrock	45
50 Graphic Centre	27
51 Holyrood	39
52 Lutomburg	12
53 Manhattan Place	196
54 Metro House	2
55 Montreux	32
56 Pepperclub Hotel	221
57 Senator Park	169
58 St Martini Gardens	316
59 Studios on Long	16
60 The Capital 15 on Orange	21
61 The Sentinel	101
62 Tuynhuys	47
63 Uxolo	35
64 Victoria Court	36
65 West Side Studios	45
TOTAL	1 482

PRECINCT 4

BUILDING	UNITS
66 17 Commercial Street	3
67 4 Church Square	45
68 Bijoux	30
69 Cartwrights Corner	126
70 Church Square House	13
71 Four Seasons	193
72 Gold House	6
73 Hip Hop Plaza	37
74 HOMii Valencia	121
75 Mutual Heights	161
76 Neighbourgood East City	107
77 Neighbourgood 84 Harrington	50
78 Perspectives	176
79 Red Lion	12
80 The Adderley	56
81 The Harri	50
82 The Piazza on Church Square	103
83 The Square	174
84 The Wellington	28
85 Wolroy House	45
TOTAL	1 536



LIVING IN TOWN

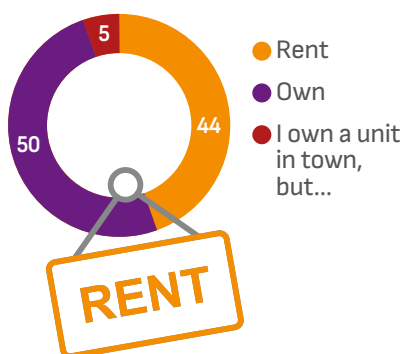
The Cape Town CBD is a residential hub that is home to thousands of people who relish the bustling downtown lifestyle and urban vibe. Demand for living in town is increasing, supported by the proliferation of residential property developments that come on stream every year in the Central City. To find out who these people are, and why they live in the CBD, the CCID conducts a dipstick survey to gauge their likes and dislikes and patterns of behaviour. Here we look at how things have changed since the previous survey.

WHO LIVES IN THE CENTRAL CITY

In 2023, the largest percentage (28 %) of respondents indicated that they had lived in the Central City for **more than 10 years**, while 25 % had lived in the Central City for between **1–3 years**. In contrast, in the previous survey, 38 % of respondents had lived in the CBD for **1–3 years**, while 25 % had lived in the area for **over a decade**.

In 2022, most respondents (66 %) were **tenants** while 32 % **owned** their units. The balance shifted in 2023, with half of respondents indicating that they were owners and just 44 % tenants. The percentage who own-but-rent remained small at 5 % in 2023 – compared to 2 % in 2022.

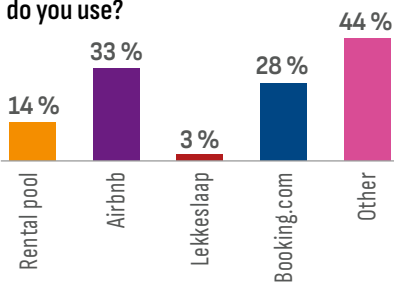
Do you rent or own the unit?



70 % Of the 54 respondents who indicated that they rent out their properties, 70 % indicated that they rent them out on a **long-term** rather than short-term basis.

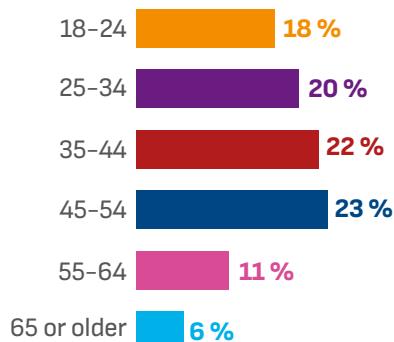
One third of short-term landlords used **Airbnb** to rent out their apartments, while 14 % used a rental pool. It is unclear what the “other” platforms are.

If short-term, which platform do you use?



In both the 2014 and the previous survey in 2022, the largest age cohort of respondents was 25–34 years. Respondents in the 2023 survey were noticeably older – with 23 % in the 45–54 years age bracket. Only 10 % of respondents were in this age bracket in 2022. The 2023 survey has a more even distribution across age brackets compared to previous years when respondents were typically noticeably younger.

How old are you?



27 % indicated that they had children. This percentage rose to 36 % in 2022 but has now returned to the levels seen a decade ago.

The largest percentage (41 %) of respondents in 2023 indicated that they come from elsewhere in South Africa – only 1 % more than those who confirmed they were Capetonians. In 2022, 47 % came from elsewhere in SA vs 30 % from Cape Town. This narrowing of the margin between Capetonians and those from elsewhere in South Africa could reflect a slowing of the “semigration” trend.

70 % of respondents indicated that they did **not** semigrate. Of those who did, 43 % indicated that they were attracted by the “lifestyle” followed by 35 % who indicated that “job opportunities” were the reason they relocated. Only 22 % said that they moved for “better governance” in Cape Town.

ARE THEY HAPPY?

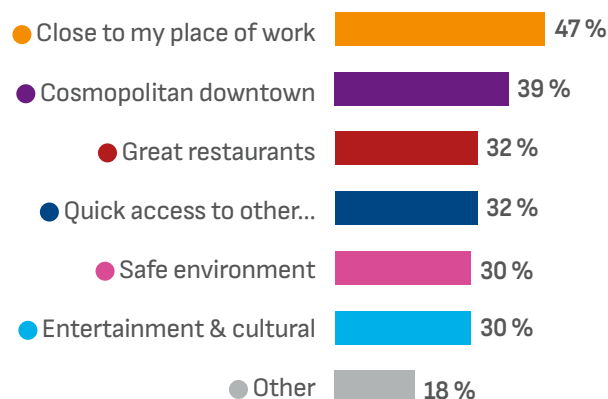
Yebo! A clear majority – 82 % – indicated that they were **happy living in the CBD**. 89 % were happy in the 2013 survey – so the decline is small despite increases in homelessness and crime countrywide, suggesting the CBD remains a safe, clean, and fun place to be. People continue to want to live in the Central City, with the residential property sector increasing significantly in the past decade.

WHY LIVE IN TOWN?

47 % live in the Central City to be close to work – suggesting that Work From Home is not impacting the residential market as much as one might have anticipated. This was followed by 39 % selecting the Central City for its **cosmopolitan lifestyle**. Tied in third place at 32 % each were **great restaurants** and **quick access** to other neighbourhoods. Tied fourth place, with 30 %, were **safe environment** and **entertainment & cultural options**.

Proximity to work has been the top factor in each survey since 2013. The **downtown lifestyle** was also the second highest factor in 2022. **Great restaurants** ranked fifth in 2022 but moved to third spot in 2023.

Why do you live in the Central City?



SHOP TILL YOU DROP

When asked how they rate the quality of retail stores in the CBD (scale 1 = poor to 10 = excellent), the average response was a ranking of six out of 10.

Just over a third of respondents shop for groceries at the neighbouring V&A Waterfront but the CBD comes a close second at 27 % followed by the Greater City Bowl (22 %). It's interesting to note that online shopping only garnered 17 % of the vote.

MODE OF TRANSPORT

The car is king in the Central City: Driving has consistently been the most common mode of transport since 2013. In 2013, the top three modes of transport were driving, walking, and cycling. In 2023 – as in 2022 – cycling was replaced by taking an Uber. Nobody indicated that they cycled in the latest survey.

GOING OUT ON THE TOWN

In one of the first surveys (2014), at least 84 % of respondents visited a coffee shop at least once a week, falling to 75 % in 2022. In the latest survey that declined marginally to 72 %.

62 % of respondents indicated that they eat out once or twice a week, an encouraging development given the tough economic environment.

WORK STATUS QUO

MOST POPULAR OCCUPATIONS

19 %	16 %	10 %	8 %	5 %
I am not working now*	Financial sector	Media, marketing, comms, PR, advertising & marketing	Computer & ICT	Office & administration support

**It is not clear whether those indicating that they are not currently working are retirees, unemployed or students.*

Nearly a third of respondents currently have a hybrid working arrangement – working in an office a few days a week. 30 % are back in the office full-time while 29 % Work From Home full-time. Only 10 % take advantage of co-working spaces. It appears that the post-pandemic work environment is characterised by a fairly equitable distribution between hybrid, WFH and full-time back in the office.

What is the nature of your occupation?

	2014	2022	2023
Work full-time*	67 %	55 %	48 %
Freelance / self-employed	29 %	19 %	26 %
Student	- %	10 %	13 %

**The percentage of respondents working full-time has steadily declined over the past decade.*

51 % described themselves as "digital nomads" who are able to work from anywhere in the world. Just over half (51%) said yes.

SAFETY CONCERNS



When asked if it's safer to live in the Central City than in the suburbs, 56 % said yes – once again highlighting the important role the CCID plays, with its partners the City of Cape Town and the SA Police Service (SAPS), in keeping the Central City safe.

SECTION 4

CENTRAL CITY ECONOMIES

Once again, the Cape Town Central City proved resilient in a slow national economy, with sectors surging ahead and making good gains. Here is a snapshot of some key sectors.



OVERVIEW

RETAIL

In 2023, retail outlets grew by the biggest percentage of all businesses in the Central City, adding 62 new entities to the already impressive retail count. This proves that not only is the Cape Town CBD an attractive and dynamic downtown where people want to live and work, they also want to shop here, lured by destination stores and eateries.

Flux Trends reports that community-centric retail emerged as an “increasingly important part of a successful retail strategy. The pandemic precipitated a large-scale adoption of

e-commerce which led to a decline in foot traffic at brick-and-mortar shops. Since then, consumers have been returning to stores. A key element of this is a growing desire among consumers to support local businesses and connect with their communities.” This leads to increasing brand loyalty and increased long-term sales.

According to *The New York Post*, a recent survey of 2 000 US adults revealed that nine out of 10 (93 %) people prefer small businesses over large chains. The survey was done to highlight the allure of small businesses. “Shopping small has an impact on many lives – 73 % said

they would not know where to go for certain items or services without the local, small businesses in their communities.”

The Central City’s retail landscape is characterised by small destination venues, from award-winning restaurants to quirky clothing stores or specialist retailers, supported by residents, locals, visitors and tourists.

BPO

The Business Process Outsourcing (BPO) sector is a “pillar of foreign direct investment, injecting a staggering R2.8 billion into the

city, based on the new jobs alone”, according to James Vos, City of Cape Town Mayoral Committee Member for Economic Growth. “This substantial influx of capital not only fuels economic growth but also underscores the vital role of all centres in driving sustainable development and prosperity.”

Most of the Western Cape province’s BPO operators are in Cape Town, making up 42.9 % of the market.¹ The Central City, which is moving towards a 24-hour economy, is a natural hub for local and international call centres.

In 2023, ICT, telecoms and call centres grew by 36 entities to 108, the second highest business entities after the retail sector.

Government is investing in this sector, and the City of Cape Town is driving job creation through its strategic business partner, CapeBPO, which is responsible for the growth of the sector.

CapeBPO reports that in the 2022/23

financial year, there were a total of 85 002 jobs in the sector in the Western Cape (55 126 offshore jobs and 29 876 domestic jobs) with 7 828 new jobs created.²

FILM INDUSTRY

With its striking natural setting, and diverse backdrops, Cape Town is a magnet for international filmmakers and the country’s leading feature film production destination. It’s no surprise that the industry is well on its way to making a full post-Covid recovery and resuming its reputation as an internationally competitive film and media destination.

The City of Cape Town’s Film Permit Office confirmed that the 2022/23 season had been one of its busiest post-Covid. Between July 2022 and July 2023, the office issued more than 3 900 film permits for

feature films, commercials, TV series, stills photography, documentary films, short films, student projects and music videos.

While most of the permits were for commercials, Cape Town also hosted more than 100 large feature film productions and 499 TV series during this period.

Bookings for more than 8 300 film locations were received – a significant improvement in interest in Cape Town as a film destination over the 2021/22 financial year, when 7 400 location bookings were processed.

The City reports that with respect to the number of permits issued for the top 20 suburbs across Cape Town for the period 1 July 2022 to 30 May 2023, the Central City was the most popular in which to film, accounting for the highest number of permits issued, namely 1 148. Camps Bay/Bakoven was second with 265 permits.³

1 Invest in Cape Town: Regional Market Analysis and Intelligence 2023/24

2 Capebpo.org.za

3 Invest in Cape Town

STATE OF CENTRAL CITY RETAIL IN 2023

Retail is one of the largest economies in the Central City. The sector has recovered steadily since the pandemic, with the total number of retailers now surpassing pre-Covid levels. In 2023, there were six more retail entities than in 2019, and 62 more than in 2022.



CENTRAL CITY RETAIL BUSINESSES 2019–2023

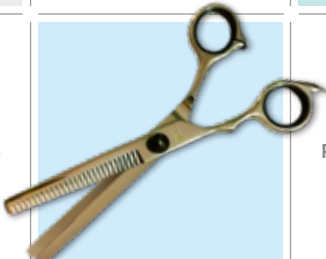
	P1	P2	P3	P4	Total
2019	162	543	199	333	1 237
2020	123	469	183	351	1 126
2021	135	495	194	339	1 163
2022	144	528	207	364	1 243
2023	165	553	211	376	1 305
Diff 2022/23	+ 21	+ 25	+ 4	+ 12	+ 62

TOP 11 RETAIL SECTORS OF 2023

Retail sector	# new businesses
Bars & clubs	+15
Health & Beauty (incl. spas)	+11
Superettes	+9
Clothing & shoes	+8
Speciality stores	+8
Takeaways	+7
Curios & markets	+6
Coffee shops & cafes	+5
Art galleries	+3
Vintage & second-hand stores	+3
Motor parts & repair	+3

RETAIL ECONOMY IN FIGURES

There are a total of 1 305 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 26 3 3 TOTAL 32	Auctioneer P1 P2 P3 P4 0 1 0 0 TOTAL 1	Bakeries P1 P2 P3 P4 0 2 1 2 TOTAL 5
Barber shops P1 P2 P3 P4 3 5 5 6 TOTAL 19		Barrows & kiosks P1 P2 P3 P4 1 4 5 4 TOTAL 14	Bars & clubs P1 P2 P3 P4 8 28 33 9 TOTAL 78	Booksellers & publishers P1 P2 P3 P4 0 1 3 1 TOTAL 5
Butcheries P1 P2 P3 P4 0 0 0 4 TOTAL 4	Clothing & shoes P1 P2 P3 P4 7 45 11 57 TOTAL 120	Coffee shops & cafes P1 P2 P3 P4 18 41 10 22 TOTAL 91		Curios & markets P1 P2 P3 P4 0 13 7 0 TOTAL 20
Chain stores P1 P2 P3 P4 2 8 0 9 TOTAL 19	 Discount stores P1 P2 P3 P4 2 4 0 7 TOTAL 13	Electronics, photography & music P1 P2 P3 P4 2 10 0 8 TOTAL 20	Fashion accessories P1 P2 P3 P4 1 6 0 2 TOTAL 9	Florists P1 P2 P3 P4 0 0 0 2 TOTAL 2
Furniture, lighting & décor P1 P2 P3 P4 4 16 10 8 TOTAL 38	Gyms P1 P2 P3 P4 5 3 6 1 TOTAL 15	Hair salons P1 P2 P3 P4 5 25 5 21 TOTAL 56	 Hardware P1 P2 P3 P4 1 2 1 2 TOTAL 6	Health & beauty (incl. spas) P1 P2 P3 P4 13 23 14 15 TOTAL 65

1 305

TOTAL NUMBER OF RETAILERS

P1
165

P2
553

P3
211

P4
376

Internet cafes

P1	P2	P3	P4
0	5	0	4

TOTAL **9**

Jewellery design & manufacture

P1	P2	P3	P4
4	26	2	9

TOTAL **41**

Laundry, dry cleaning, shoe repair & tailors

P1	P2	P3	P4
6	9	2	11

TOTAL **28**

Liquor stores & wine merchants

P1	P2	P3	P4
1	5	2	4

TOTAL **12**



Locksmiths & security

P1	P2	P3	P4
1	1	0	0

TOTAL **2**



Luggage & leather goods

P1	P2	P3	P4
0	3	0	3

TOTAL **6**

Mobile devices (cell phones)

P1	P2	P3	P4
6	31	2	32

TOTAL **71**

Motor cars

P1	P2	P3	P4
5	1	2	0

TOTAL **8**

Motorcycle dealers

P1	P2	P3	P4
0	1	0	1

TOTAL **2**

Motor parts & repairs

P1	P2	P3	P4
4	8	5	2

TOTAL **19**

Opticians & eyewear

P1	P2	P3	P4
2	4	0	6

TOTAL **12**

Pawn shops

P1	P2	P3	P4
0	4	0	2

TOTAL **6**

Petrol stations

P1	P2	P3	P4
1	1	3	0

TOTAL **5**

Pharmacies

P1	P2	P3	P4
4	3	1	3

TOTAL **11**

Plumbing & sanitaryware

P1	P2	P3	P4
0	1	0	0

TOTAL **1**

Postage & couriers

P1	P2	P3	P4
5	0	0	1

TOTAL **6**



Printing, copying & laminating

P1	P2	P3	P4
3	8	3	5

TOTAL **19**

Restaurants

P1	P2	P3	P4
19	71	34	23

TOTAL **147**



Speciality stores

P1	P2	P3	P4
3	17	14	15

TOTAL **49**

Sports goods

P1	P2	P3	P4
3	8	3	7

TOTAL **21**

Superettes

P1	P2	P3	P4
8	24	12	18

TOTAL **62**

Stationery & packaging

P1	P2	P3	P4
1	1	0	0

TOTAL **2**

Supermarkets

P1	P2	P3	P4
0	3	1	2

TOTAL **6**

Takeaways

P1	P2	P3	P4
14	40	9	37

TOTAL **100**

Theatres

P1	P2	P3	P4
1	1	1	1

TOTAL **4**

Vintage & second-hand stores

P1	P2	P3	P4
0	5	0	5

TOTAL **10**



RETAIL CONFIDENCE SURVEY

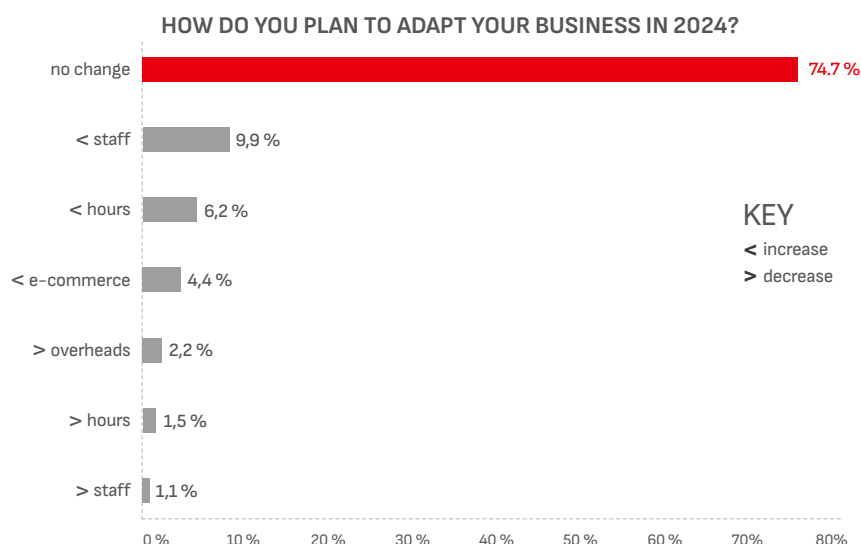
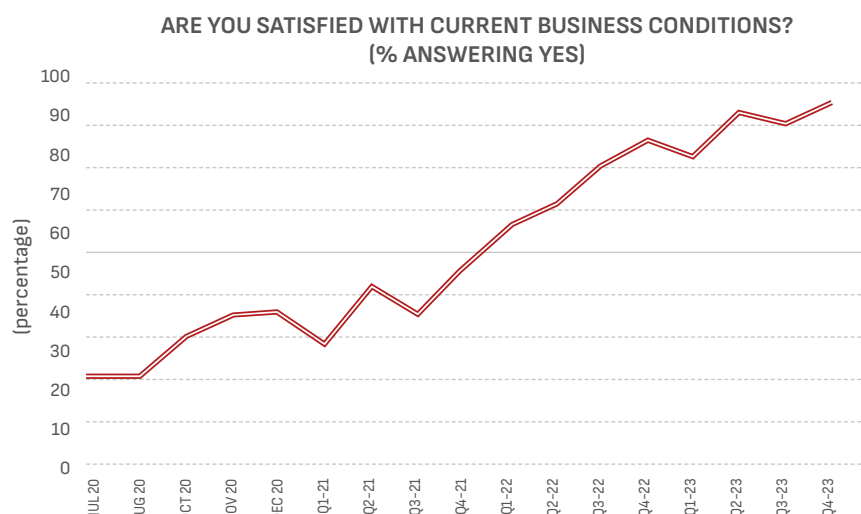
When Covid-19 struck in 2020, the CCID started tracking the confidence levels of Central City retailers in a business confidence index. In the last three years, business owners have proved resilient to economic knocks and challenges brought on by power cuts and a particularly harsh winter. The vast majority of those surveyed in December 2023 indicated they were “satisfied” with trading conditions, proving their entrepreneurial mettle.

Confidence among retailers suffered two temporary setbacks during last year – first in Q1 2023 when severe bouts of loadshedding impacted notably on consumer and business confidence nationwide, and then again in Q3 2023 when a particularly cold and wet winter in Cape Town dampened foot traffic and business activity.

Nonetheless, by year-end confidence had rebounded to 93.0 % ahead of the summer peak season – as improved weather, an easing of loadshedding and an influx of tourists boosted business activity in the Central City.

The CCID index surveys retailers across all four precincts within its 1.6 km² footprint and in all major retail categories. During the first two years of Covid-19, the quarterly survey revealed that retailers were focusing on reducing overheads,

75 % By the end of 2023, 75 % of 253 businesses surveyed indicated that they planned no further adjustment to their businesses in the new year



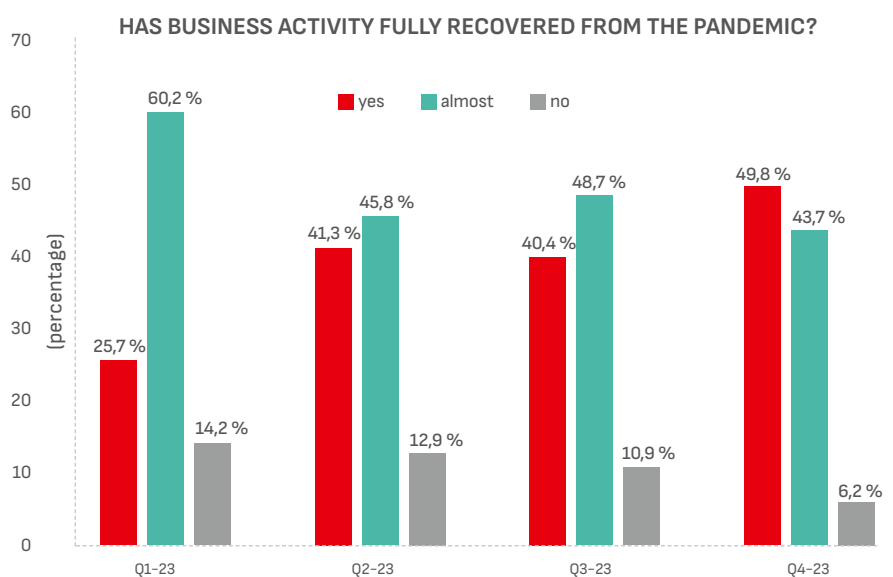
trading hours and staff numbers as they adjusted to new, subdued levels of activity – particularly during the more restrictive periods of lockdown.

However, as trading conditions normalised during subsequent years, businesses no longer felt the need to focus on cost-cutting to thrive. 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, while an increasing number of businesses indicated that they planned to increase their trading hours and hire additional staff – an indication of increased confidence among business owners.

Encouragingly, this trend continued during 2023. By the end of 2023, 75 % of 253 businesses surveyed indicated that they planned no further adjustment to their businesses in the new year, while 10 % indicated that they planned to increase more staff and a further 6 % planned to lengthen their trading hours.

Finally, during last year, the percentage of survey respondents who believed that business activity had fully recovered from the pandemic continued to improve (despite a marginal deterioration during winter) – reaching 50 % of all respondents by year end. In addition, nearly 44 % indicated that they felt that conditions had “almost” recovered while just 6 % felt that business activity had not recovered – more than half as many as recorded during the first quarter.

By the end of 2023, the number of retailers had risen to 1 305, as the growing number of short-term residential developments and aparthotels increased business activity for local retailers attracting local and international tourists – from bars & clubs to health & beauty outlets and curios & markets. With a growing majority of retailers satisfied with trading conditions in the Central City, the always vibrant and resilient retail sector looks set for another successful year in 2024.



RETAIL OCCUPANCY RATES

Retail space in the Central City is not constant due to the continual redevelopment and renovation of commercial buildings. In 2023, there was a lot of retail activity prompted by new businesses opening their doors, others relocating within the Central City or to neighbouring suburbs. As a result, there was a further 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 2023 amounted to 262 815 m², down from 271 209 m² recorded at the end of 2022 – in part due to the redevelopment of The Mutual on the corner of Adderley and Strand Sts. Once completed, this will bring a total of almost 12 000 m² of refurbished retail space to the Central City.

The total retail space occupied across all four precincts at the end of 2023 amounted to 247 023 m², a marginal decline of just over 11 000 m² from the 258 024 m² recorded at the end of 2022 – a decrease of 4.3 %.

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 (15 792 m²) across all precincts amounted to 6.0 % of the total retail

space available. In 2022, the total vacancy rate was 4.9 %. The higher vacancy rate is partially the result of a larger retail space standing vacant but also because of a decline in the total retail space because of the redevelopment of The Mutual.

RETAIL SPACE (M²)

	total	occupied	vacant
P1	45 888	41 517	4 371
P2	91 928	85 667	6 261
P3	27 535	25 272	2 263
P4	97 464	94 567	2 897
TOTAL	262 815	247 023	15 792

RETAIL OCCUPANCY SUMMARY

PRECINCT 1

	DEC 2022	DEC 2023
Total retail space available in precinct (m ²)	45 325	45 888
Street level retail space	45 325	45 888
Inside shopping centres (m ²)	n/a	n/a
Space occupied (m ²)	40 976	41 517
Occupancy as a %	90 %	91 %

There was a further marginal improvement in retail occupancy on the Foreshore last year. On balance, 21 new retail outlets opened their doors in the precinct.

PRECINCT 2

	DEC 2022	DEC 2023
Total retail space available in precinct (m ²)	100 894	91 928
Street level retail space	88 284	79 318
Inside shopping centres (m ²)	n/a	n/a
The Felix	12 610	12 610
Space occupied (m ²)	96 737	85 667
Occupancy as a %	96 %	93 %

Total available retail space in Precinct 2 has been temporarily reduced because of the redevelopment of The Mutual. Once completed the development will bring about 12 000 m² of retail space to the precinct. Retailers in this precinct are well positioned to benefit from the recently completed 3 081 bed student accommodation located on the Foreshore but which falls outside the CCID footprint.

PRECINCT 3

	DEC 2022	DEC 2023
Total retail space available in precinct (m ²)	27 217	27 535
Street level retail space	27 217	27 535
Inside shopping centres (m ²)	n/a	n/a
Space occupied (m ²)	24 844	25 272
Occupancy as a %	91 %	92 %

The total number of retail outlets in Precinct 3 increased, on balance, by a net total of four during 2023, resulting in a marginal improvement in the occupancy rate.

PRECINCT 4

	DEC 2022	DEC 2023
Total retail space available in precinct (m ²)	97 773	97 464
Street level retail space	31 974	31 758
Inside shopping centres (m ²)	n/a	n/a
• Golden Acre	43 840	43 840
• Grand Parade Centre	9 478	9 478
• Grand Central	12 388	12 388
Space occupied (m ²)	95 467	94 567
Occupancy as a %	98 %	97 %

A total of 12 new retailers opened their doors in Precinct 4 in 2023. Nonetheless, there was a marginal increase in the overall vacancy rate as some retailers closed down. 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.





VISITOR ECONOMY REPORT

In all respects, 2023 was an extraordinary year for the visitor economy in the Western Cape province, the Mother City and its downtown. With overseas visitors bound for South Africa in unprecedented numbers, the tourism business was booming.

With a total of 2.8 million two-way international passengers streaming through Cape Town International Airport's international terminal during 2023, the terminal's traffic grew by a record 48 % compared to 2022. This figure also eclipsed the previous benchmark of 2.6 million passengers recorded in 2019.

Not to be outdone, the domestic terminal performed nicely, too, recording a 21 % year-on-year growth in December and a respectable 16 % for the year, processing just under 6.9 million visitors, reports Cape Town Air Access, which is powered by investment agency, Wesgro.

According to data compiled by the South African Hotel Review, hotel occupancy in the Western Cape in December 2023 was 73.4 %, up from

71.6 % in December the previous year. This is 11 % higher than the average for South Africa during December 2023, namely 62.4 %.

Of particular interest is that hotel occupancy at 5-star hotels in Cape Town outperformed all other major South African cities measured, with occupancy rates of 73.6 %, followed by 5-star hotels in KwaZulu-Natal at 70.8 %, and South Africa as a whole at 69.1 %.

HOSPITALITY INSIGHTS

Last year was a year of recovery and growth for Cape Town after the decimation of the hospitality industry over the Covid period. Demand from the overseas market surged during the year with international two-way

travellers exceeding 2019 traffic by 7.7 %. The knock-on effect for the Cape Town hotel market was extremely positive with hotel occupancy and rate reaching and exceeding pre-pandemic levels.

Cape Town achieved hotel occupancy of 65.3 % at the end of 2019. The 2023 year-end occupancy for the city was 67.9 %. Considering the level of new supply that has entered the market in the last three years, the strong recovery is extremely positive.

Smith Travel Research (STR) reports that Cape Town Central (which includes the V&A Waterfront and greater City Bowl area) achieved an occupancy of 66.8 %. More than 50 % of rooms within the dataset are located within the Central City, a strong contributor to the overall Cape Town Central performance.

While leisure demand is an important contributor to the market mix for hotels in the Central City, demand remains driven by corporates including groups, individual travellers and film production. City of Cape Town statistics indicate that film production boomed during the year and many properties have benefited as a result.

Rates within Cape Town Central have also shown an impressive upward trend. The year-end average daily rate (ADR) for the node was approximately R2 300, well above the 2022 levels of R1 800. Properties within the Central City have been able to replicate this trend with some properties increasing ADR by 30 %.

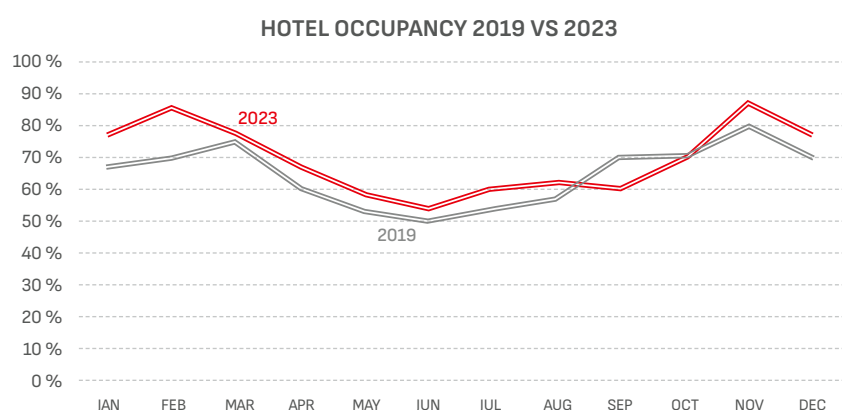
Assessing the first few months of 2024, the positive upward trajectory has continued. Growth in international two-way passengers at CTIA grew by 13 %, 14 % and 17 % respectively from January to March. Cape Town Central occupancy remained relatively stagnant moving from 70.4 % in 2023 (year-to-date April) to 71.4 % in 2024 (year-to-date April). The rate however has shown growth of 30.5 % year on year reaching a peak of just over R3 000.

Given the strong performances being achieved, the hospitality sector in Cape Town is widely considered to be fully recovered from the pandemic. The positive market trends are attracting the interest of large investors with recent and future hospitality investment focused on the Central City. Kasada Capital Management finalised their purchase of Triangle House (on the corner of Riebeeck and Long Sts in P2) during 2023 and rebranded the property as a Pullman Hotel by Accor. The owners of the Park Inn on the Foreshore have recently completed renovations and upgrades of the property, which has been rebranded as the Radisson Hotel Cape Town Foreshore.

Future investment in the hospitality sector will include the redevelopment of the City Park building (formerly Netcare Christiaan Barnard Memorial Hospital, which moved

REVENUE PER AVAILABLE ROOM (REVPAR) ¹			
2023	Occupancy rate	Room rate	RevPAR
Overall average Cape Town	67.9 %	R2 118	R1 437
Overall average Central City	68.0 %	R2 445	R1 663
2022	Occupancy rate	Room rate	RevPAR
Overall average Cape Town	59.3 %	R1 930	R1 144
Overall average Central City	54.0 %	R2 303	R1 243
2021	Occupancy rate	Room rate	RevPAR
Overall average Cape Town	32.2 %	R1 299	R435
2020	Occupancy rate	Room rate	RevPAR
Overall average Cape Town	28.3 %	R1 266	R484
2019	Occupancy rate	Room rate	RevPAR
Overall average Cape Town	64 %	R1 844	R1 193
Overall average Central City	66 %	R2 191	R1 461

SOURCE: Cape Town Tourism



SOURCE: STR (Smith Travel Research) & Cape Town Tourism

LOCATION OF CENTRAL CITY HOTELS (end-2023)					
	P1	P2	P3	P4	TOTAL
5-star	1	2	2	1	6
4-star	14	6	2	1	23
3-star	2	5	2	2	11
1-star	1	0	0	0	1
Backpackers & lodges	1	7	4	8	20
TOTAL	19	20	10	12	61

to the Foreshore) as a mixed-use development, Mama Shelter Africa. Kasada Capital Management and Ingenuity Property Investments will convert the building into office space, retail space and branded residences. At the heart of the development will

be a 127-room lifestyle Mama Shelter hotel – the first to be developed in Africa. The concept will enhance the Bree Street node, which will have a knock-on effect for the Central City as a whole.

KIRSTY DE GROOT, HTI CONSULTING

¹ 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.

CONFERENCES + EVENTS

The eventing and conference sectors took 2023 in their stride, making huge gains and contributing to the dynamism of the Central City.

EVENTS

The year proved prolific for events. The City of Cape Town's Events Office issued over 1 200 event permits – from major international sporting events such as the first Formula E race in Sub-Saharan Africa to top-tier, crowd-pleasing local music concerts and lifestyle events.

The economic spin-offs of these events on Cape Town's economy, and that of the Central City, cannot be underestimated. The City of Cape Town reports there was an economic boost of almost R4 billion from events in 2023: research into three key events showed a substantial R2 billion economic impact, with a further R1.9 billion in economic

activity generated by 20 other top events in the calendar year – the direct spend by event attendees, participants and organisers. The top 20 events created over 26 000 job opportunities.

Several of these major events took place in the Central City, including the hosting of Africa's first Netball World Cup, the start of the Cape Town Cycle Tour, and the 10th anniversary edition of the Investec Cape Town Art Fair, which drew over 25 000 local and international visitors, 106 exhibitors from 18 countries, 337 artists and 6 700 VIPs. The return of the Tweede Nuwe Jaar Minstrel Street Parade in the Central City was also a huge crowd-pleaser.

CONFERENCE MARKET

The Cape Town International Convention Centre (CTICC), arguably Africa's best convention centre, continued its positive trajectory in 2023 following the damaging years when the pandemic all but closed its doors.

While CEO Taubie Motlhabane believes business is not quite back to where it should be, the CTICC's revenue is almost at pre-pandemic level, it has rehired staff who were retrenched during the pandemic and the student and graduate internship programme has resumed.

During the 2023 financial year, the CTICC, which is situated on the Foreshore of the Central City, achieved





revenue of R278 million compared to R99.7 million in the 2022 financial year and a marginal improvement on the pre-Covid 2018/19 income levels of R277 million.

There were 274 880 delegates and visitors across the 427 events hosted in the 2023 financial year compared to a pre-pandemic 417 070 delegates and visitors across 560 events in the 2019 financial year.

In the 2023 financial year there were 33 international conferences, attended by 31 035 delegates and visitors. Compare this to the 2021 financial year when there were no international conferences and the pre-pandemic 2019 financial year when 34 international conferences were hosted, attended by 31 277 delegates and visitors.

Among the biggest events hosted in the 2023 calendar year were the Africa Tech Festival (previously AfricaCom) in November 2023 with 11 000 delegates and visitors; Decorex Cape Town in June 2023 with 25 440 visitors; and the Netball World Cup in July 2023 with 10 000 visitors. In March 2023, the CTICC was even used to shoot a Netflix feature film with 165 cast and crew.

POSITIVE IMPACT

The positive impact of the CTICC on the local economy is clear. Of

the centre's total procurement spend during the 2023 financial year, 90.5 % was with locally based service partners.

"This illustrates the CTICC's commitment to uplifting homegrown businesses and entrepreneurs," says Motlhabane.

In the 2023 financial year, the CTICC contributed R5.7 billion to South Africa's GDP and R5.4 billion to the Western Cape's GGP. Compare this to the 2019 financial year when these contributions were R6.5 billion and R4.5 billion respectively.

The CTICC's contribution to job creation is another positive economic impact: during the 2023 financial year, more than 10 000 jobs were created. Furthermore, events hosted at the CTICC generate additional room nights, as delegates extend their stay beyond their event to travel around the country. These additional room nights created by the CTICC in the 2023 financial year amounted to 480 071 nationally (in the Western Cape, this number was 473 867). This is due, in part, to the rise in the number of international events hosted at the CTICC.

Research indicates that delegates spend between R3 200 and R6 400 per day, making gatherings significant contributors to the economy, of the Central City and Cape Town in general, generating billions of rands, and creating thousands of jobs,

according to James Vos, the City of Cape Town's Mayoral Committee Member for Economic Growth.

Vos, who is passionate about the creation of tourism-related jobs, says the events and conference sector is one of five focus areas for this jobs initiative. The aim is to boost the events and conferences sector by supporting and attracting major events and conferences, and leveraging the economic benefits and job opportunities they bring.

The CTICC aims to host 455 events in the next financial year. Vos says this underscores "the profound impact of tourism on our economy ... and reinforces our commitment to position tourism operators strategically to maximise opportunities from the influx of business into Cape Town".

The meetings industry is a key contributor to economic development, concurs Wesgro, the official tourism, trade, and investment promotion agency for the city and the province.

"The meetings industry is a key component of the knowledge economy, acting as a vehicle for business, professional and academic communities to achieve the interactions required to effect the knowledge transfer, collaboration and information dissemination that is the primary purpose of these events."

CARIN SMITH

CENTRAL CITY EVENT VENUES

Welcome to the CBD, where we're ready to host every conceivable meeting thanks to a myriad outstanding and versatile event venues. In 2023, the combined seating capacity of 62 962 was less than the 64 934 recorded in 2022.



P	NAME	MAX	#	ADDRESS
1	Artscape Theatre Centre	2 521		DF Malan St
1	Circa on the Square	50	14	Jetty St
1	CTICC 1	19 226	1	Lower Long St
1	CTICC 2	20 165	Cnr	Heerengracht & Rua Bartholomeu Dias
1	Ecco il Caffé (Media24)	200	40	Heerengracht
1	Hotel Sky	300	9	Lower Long St
1	InnsCape Classic Hotel	30	9	Ryk Tulbagh Close
1	Nasdak (Media24)	250	40	Heerengracht
1	One Thibault	30	17	Hans Strijdom Ave
1	Park Inn	100	29	Heerengracht
1	Pier Place	240	31	Heerengracht
1	Protea North Wharf Hotel	50	1	Lower Bree St
1	Pullman Cape Town	90	22	Riebeek St
1	Southern Sun The Cullinan	577	1	Cullinan St

P	NAME	MAX	#	ADDRESS
1	Southern Sun Waterfront	120	1	Lower Buitengracht St
1	The Capetonian	325		Pier Place, Heerengracht
1	The Onyx	150	57	Heerengracht
1	The Rockefeller Hotel & Residence	350	12	Christiaan Barnard St
1	The Westin Cape Town	520		Convention Square, Lower Long St
1	Touchstone House	30	7	Bree St
1	Zip Zap Circus Dome	1 000		Founders Garden, Jan Smuts Ave
2	180 Lounger, The Terraces	150	34	Bree St
2	Baran's	150	36	Burg St
2	Cape Heritage Hotel	40	90	Bree St
2	Central Methodist Mission	230	151	Longmarket St
2	Cresta Grande Hotel	242	66	Strand St
2	Fedisa Fashion School	600	81	Church St
2	The Gin Bar	200	64A	Wale St



City Hall

P	NAME	MAX	#	ADDRESS
2	Grub & Vine	440	103	Bree St
2	Intravenous	100	110	Loop St
2	Kings in Cape Hotel	55	33	Hout St
2	Micaffè Milano	60	50	Bree St
2	The Village Buffet	300	102	Long St
2	Southern Sun Cape Sun	900	3	Strand St
2	Exchange Building (Jack Lemkus)	250	26a	St Georges Mall
2	Taj Cape Town	440	1	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	VIXI Social House	120	49	Bree St
2	Youngblood Africa	150	70 – 72	Bree St
2	Forty Eight	48	48	Hout St
2	Bar Cadia	80	62	Hout St
3	Iziko South African National Gallery	800	25	Queen Victoria St
3	Cape Town Hollow	60	88	Queen Victoria St
3	Cape Town Lodge	340	101	Buitengracht St

P	NAME	MAX	#	ADDRESS
3	Rooftop on Bree	120	17	New Church St
3	Iziko South African Museum	1 850	25	Queen Victoria St
3	Iziko Planetarium	140	25	Queen Victoria St
3	Pepperclub Hotel	170	Cnr	Loop & Pepper Sts
3	The Bank 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	Cape Town City Hall	1 972		Darling St
4	District Six Homecoming Centre	1 000	15A	Buitenkant St
4	District Six Museum	250	25A	Buitenkant St
4	Iziko Slave Lodge	90	49	Adderley St
4	Mavericks	60	68	Barrack St
4	The Castle of Good Hope	3 496	Cnr	Castle & Darling Sts
TOTAL		62 962		

NOTE: Grub & Vine's total includes The Blue Room, Culture Wine Bar and The Chef's Studio.
Centre for the Book is temporarily closed so has been excluded from this list.
The Castle of Good Hope is not in the CCID footprint but is included on this list.

SECTION 5

CENTRAL CITY

PRECINCTS

The Cape Town Central City Improvement District operates in a 1.6 km² geographical footprint which is divided into four precincts. These are indicated on the map on the inside front cover of this publication. Unique characteristics define these precincts, which add exceptional value, character, and economic vibrancy to the Cape Town Central City. Here we analyse the offering of each precinct.

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



With sweeping, panoramic views of the Atlantic Ocean from its commercial and residential high-rises, the Foreshore is defined by its proximity to the sea and Cape Town Harbour. Formerly a wind-swept, barren area characterised by a proliferation of financial institutions and HQs, this precinct still has the most financial services and banking businesses in the Central City, but it also has the most general corporates and head offices, and is the seat of the Central City's eventing and business tourism economies. The world-class Cape Town International Convention Centre, as well as Cape Town's iconic theatre, Artscape Theatre Centre, are here.

Hospitality is also a key economic driver in Precinct 1, which has the

most accommodation and travel businesses in the Central City: there are more hotels (18) in P1 than in any other precinct. These include one five-star establishment (The Westin Cape Town) and 14 four-star hotels (including Southern Sun The Cullinan, Pullman Cape Town City Centre, Radisson Hotel Cape Town Foreshore and The Rockefeller).

The Foreshore is also the heartbeat of the Central City's medical economy, with Netcare Christiaan Barnard Memorial Hospital, one of Cape Town's top private hospitals, in this precinct as well as the New Era Health and Cure Day hospitals. Over 81 % of the CBD's medical practices and practitioners (200 out of 244) are here.

At the forefront of the all-important, job-creating BPO sector, this precinct has the highest concentration of ICT and telecoms entities (43 out of 106).

Over the last few years, P1 has become a development hub. The completed redevelopment of landmark skyscraper One Thibault (R500 million) into a mixed-use building (part-commercial, part-residential) added 428 residential units to the 2 767 available in this precinct. Of the 30 property developments listed in the 2023 Property Development Map (pp. 20-21), eight were in P1, valued at R1.860 billion.

Footfall increased substantially with 260 757 more people alighting off MyCiti buses in P1 in 2023 than in 2022, while 208 962 more people boarded buses.



The Rubik



Starbucks



Fountain Circle



Newport Lighting Concepts & Design

BUSINESS & RETAIL

The table below shows the top 15 categories of business in the Central City, and how they fared in P1 in 2023. The numbers in blue indicate the sectors in which P1 has the highest numbers overall in the CBD in any given category.

784 (or 23.7 %) of the **3 302** businesses in the Central City are in P1.

CATEGORY	P1	TOTAL
Retail *	105	889
Legal services	36	681
Medical practices	200	244
Financial services & banking	81	190
Restaurants	19	147
Accommodation & travel **	54	147
General corporates & head offices	40	108
ICT & telecoms	43	106
Takeaways	14	100
Architecture, engineering & surveying	31	93
Coffee shops & cafés	18	91
Communication, media & advertising	26	91
Bars & clubs	8	78
Industrial councils & IPOs	21	71
Education & resources	15	58



Cookie Co.

NOTES: *The retail figure of 889 is the total CBD retail figure (1 305) excluding restaurants (147), takeaways (100), coffee shops (91) and bars & clubs (78).

** P1 and P2 have the same number of businesses in "accommodation & travel"

RETAIL BREAKDOWN

105 (or 11.8 %) of the CBD's **889** retail outlets (excluding restaurants, takeaways, coffee shops, bars & clubs) are in P1. Of these, the largest categories are:

Health
& Beauty
12.4 %

Superettes
7.6 %

Mobile
devices
5.7 %

Laundry,
dry cleaning
& tailors
5.7 %

Clothing
& shoes
5.7 %



MYCITI

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

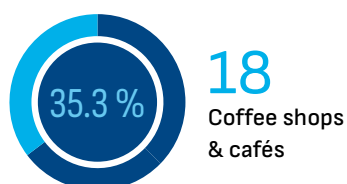
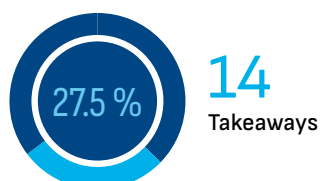
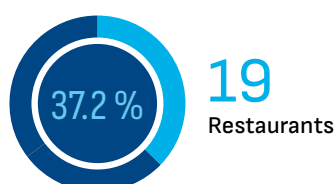
2 507 250 people boarded buses in P1 during 2023, while **2 314 230** alighted.

BUS STOP	BOARDED	ALIGHTED
Adderley	938 897	611 551
Civic Centre	1 209 676	1 455 778
Convention Centre	759	1 324
Foreshore	743	937
Thibault Square	357 175	244 640
P1 TOTAL	2 507 250	2 314 230

ENTERTAINMENT

Eight (10.3 %) of the **78** bars and clubs in the Central City are in P1.

51 (or 15.1 %) of the **338** eateries (including the three categories below) in the Central City are in P1. Of these:



CO-WORKING SPACES

Five (or 29.4 %) of the **17** co-working spaces in the CBD are in P1.

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

EDUCATION

15 (or 25.9 %) of the **58** educational institutions in the CBD are in P1.

DEVELOPMENTS

COMPLETED

Vida d'Chette

LOCATION 17 Martin
Hammerschlag Way
TYPE Residential
INVESTMENT R60 000 000

One Thibault

LOCATION 1 Thibault Sq
TYPE Mixed-use
INVESTMENT R500 000 000

TOTAL R560 000 000

UNDER CONSTRUCTION

Ninety One

LOCATION 36 Hans Strijdom Ave
TYPE Commercial
INVESTMENT TBC

Netcare Christiaan Barnard Memorial Hospital

LOCATION Cnr DF Malan St & Rua
Bartholomeu Dias Plein
TYPE Commercial
INVESTMENT TBC

Zeeland Pier

LOCATION 31 Heerengracht
TYPE Residential
INVESTMENT R200 000 000

TOTAL R200 000 000



One Thibault

INVESTMENT TOTAL PRECINCT 1: R1 860 000 000



Zeeland Pier

PLANNED

Telkom Exchange Foreshore

LOCATION Lower Long St
TYPE Parastatal
INVESTMENT TBC

PROPOSED

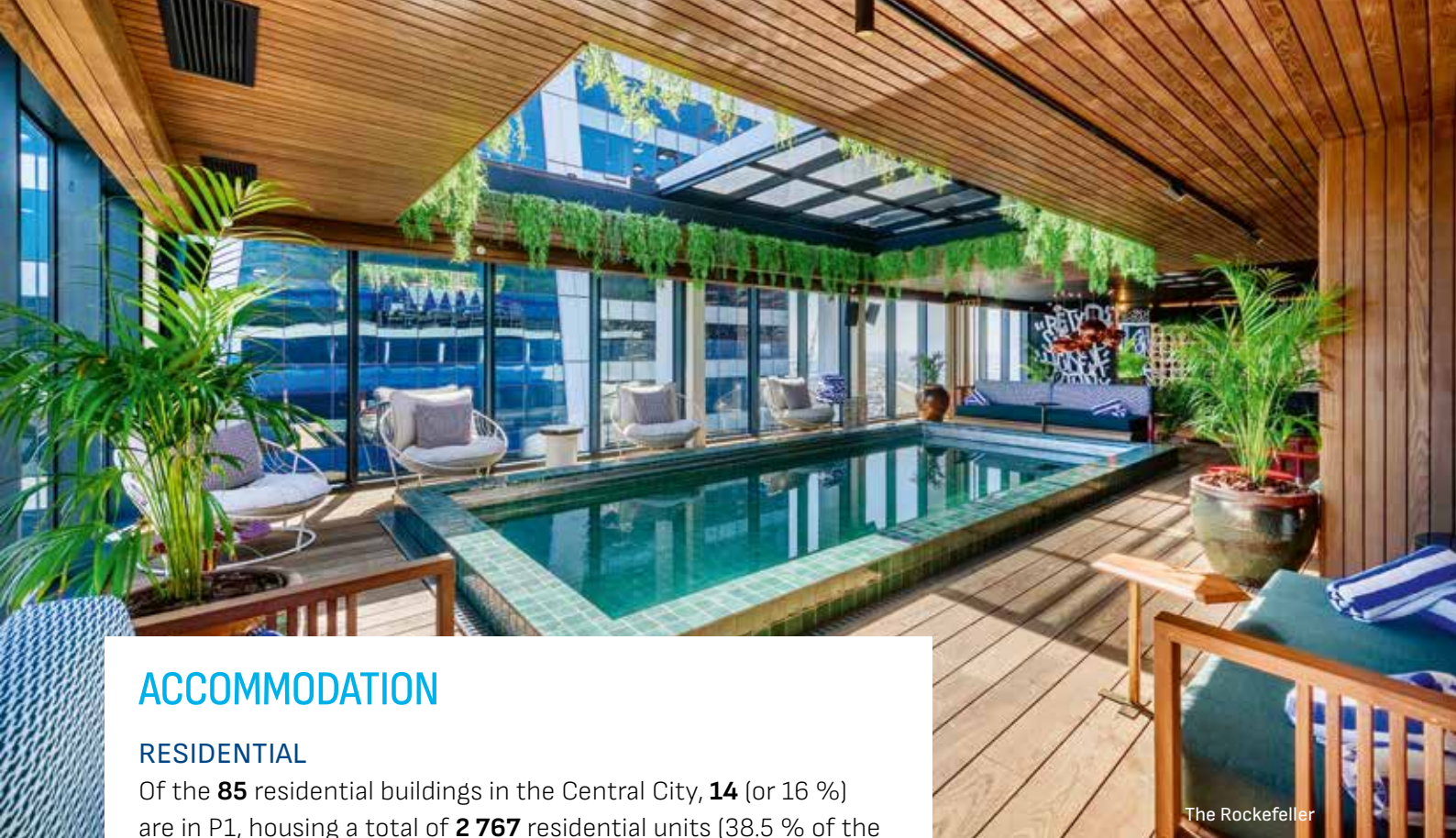
4 Mechau Street

LOCATION 4 Mechau St
TYPE Mixed-use
INVESTMENT R1 100 000

Founders Garden

LOCATION DF Malan St
TYPE Residential
INVESTMENT TBC

TOTAL R1 100 000



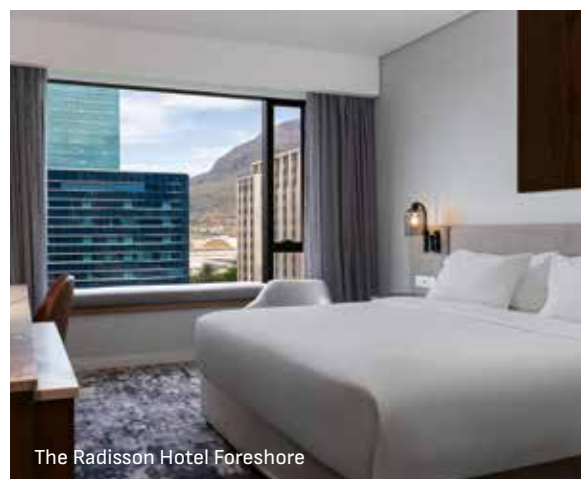
The Rockefeller

ACCOMMODATION

RESIDENTIAL

Of the **85** residential buildings in the Central City, **14** (or 16 %) are in P1, housing a total of **2 767** residential units (38.5 % of the **7 188** units in the CBD – the highest in the Central City). The three largest residential buildings in P1 are One Thibault (443), The Rockefeller at Harbour Place (395 units) and 16 on Bree (381 units).

BUILDING	LOCATION	TOTAL UNITS	SALES 2023
16 on Bree	16 Bree St	381	55
Foreshore Place	2 Riebeek St	191	24
Fountain Suites	1 Hans Strijdom Ave	78	0
Hyde Park	14 Jetty St	34	3
Icon	Lower Long St	227	11
North Wharf	Dock Rd	72	3
One Thibault	1 Thibault Sq	428	11
Stonehill Place	9 Marine St	164	16
The Duke	5 Heerengracht St	81	0
The Heriot	2 St Georges Mall	215	0
The Onyx	252 Roggebaai St	219	7
The Rockefeller at Harbour Place	12 Christiaan Barnard St	395	44
Trafalgar Centre	7 Hans Strijdom Ave	75	4
Vida d'Chette	21 Martin Hammerschlag Way	207	0
TOTAL		2 767	178



The Radisson Hotel Foreshore



North Wharf

HOTELS & BACKPACKERS

19 (or 31.1 %) of the **61** hotel and backpacker establishments in the CBD are in P1.

5-star	4-star	3-star	1-star	Backpackers	TOTAL
1	14	2	1	1	19

PRECINCT 2 THE INNER CITY

One of the world's 30 coolest streets (according to *Time Out*) slices through P2, providing it with a chic urban energy that's compelling. Bree St is *the* destination street in P2, which is the precinct where retail rules the roost and where urbanites come to hang out and have fun.

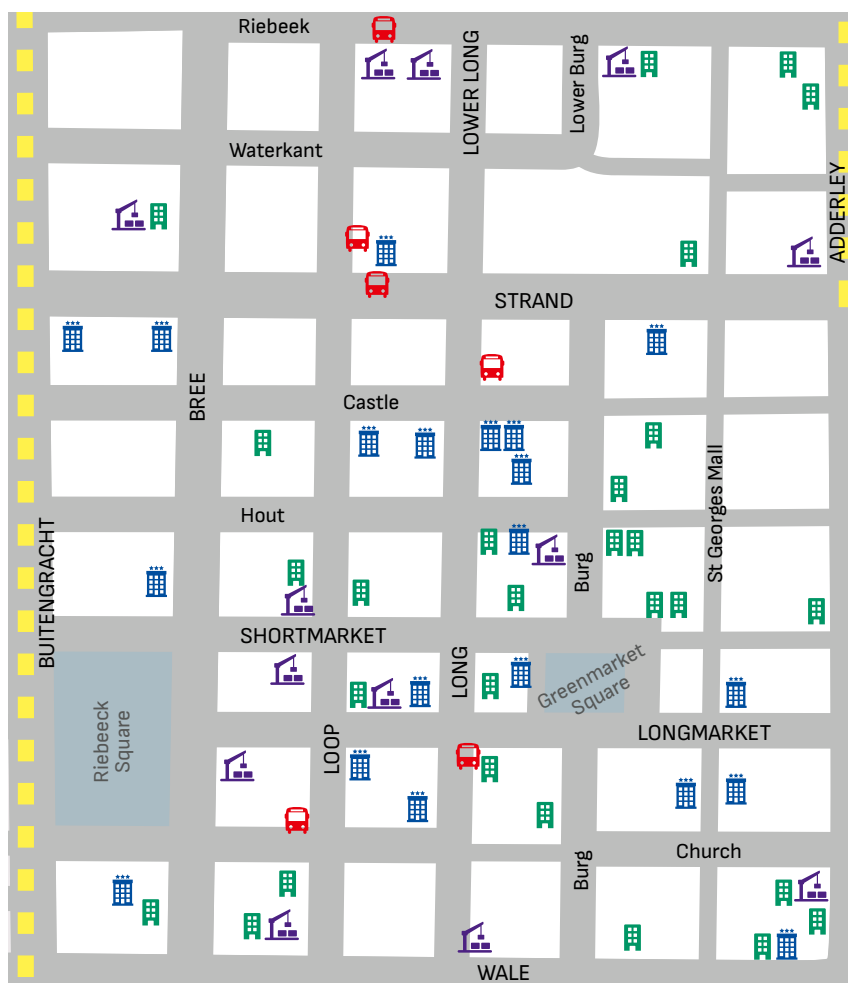
A total of 374 of the Central City's 889 retail outlets (excluding restaurants, takeaways, coffee shops, bars, and clubs) are in P2.

While P2 is home to Cape Town's most fashionable entertainment destination, it's also home to its most infamous – Long St. It's not surprising that the Inner City also has the most restaurants, coffee shops and cafés (112). In 2023, this area continued to see growth and development, contributing significantly to the Central City's day- and night-time economy: of the top 15 categories of business in the CBD, eight of them are in this precinct.

Two characterful pedestrianised areas, namely St Georges Mall and the historic Greenmarket Square, provide the public space for a thriving, and characterful, informal trading sector which has rebounded with vigour post-Covid.

While retail is king in P2, the Inner City also has more communications, media and advertising concerns; architecture, engineering and surveying businesses; and education and resources businesses than any other precinct.

Two impressive developments, the historic mixed-use development The Barracks (R150 million) and the striking, glass-fronted residential building, The Tokyo (R150 million), were completed in this precinct in 2023, with the architecturally stunning mixed-use development The Rubik (R600 million) under construction. The total value of property developments in the Inner City was R3.178 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





Duck Duck Goose



Light House Holistic



Burger & Lobster



Neighbourhood Bree Street



Youngblood Gallery



Hemelhuijs



Klük GCDT



Always Welcome



Dapper Coffee

BUSINESS & RETAIL

The table below shows the top 15 categories of business in the Central City, and how they fared in P2 in 2023. The numbers in green indicate the sectors in which P2 has the highest numbers overall in the CBD in any given category.

CATEGORY	P2	TOTAL
Retail *	374	889
Legal services	125	681
Medical practices	15	244
Financial services	74	190
Restaurants	71	147
Accommodation & travel **	53	147
General corporates & head offices	25	108
ICT & telecoms	42	106
Takeaways	40	100
Architecture, engineering & surveying	35	93
Coffee shops & cafés	41	91
Communication, media & advertising	35	91
Bars & clubs	28	78
Industrial councils & IPOs	28	71
Education & resources	24	58



NOTES: *The retail figure of 889 is the total CBD retail figure (1 305) excluding restaurants (147), takeaways (100), coffee shops (91) and bars & clubs (78).

** P1 and P2 have the same number of "Accommodation & travel" entities.



RETAIL BREAKDOWN

374 (or 42.1 %) of the CBD's **889** retail outlets (excluding restaurants, takeaways, coffee shops, bars & clubs) are in P2. Of these, the largest categories are:

Clothing & shoes
12.3 %

Mobile devices
8.6 %

Art galleries
7.0 %

Jewellery design
& manufacture
7.0 %

Hair salons
6.7 %

MYCITI

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

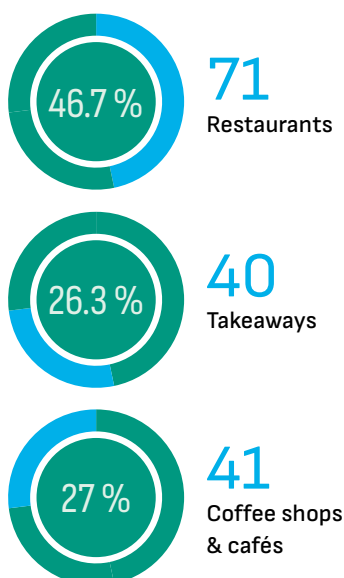
44 293 people boarded buses in P2 during 2023, while **105 876** alighted.

BUS STOP	BOARDED	ALIGHTED
Church	372	2 782
Longmarket	1 308	992
Mid Long	1 079	1 177
Mid Loop	394	3 457
Riebeek	19 497	62 295
Strand	21 643	35 173
P2 TOTAL	44 293	105 876

ENTERTAINMENT

28 (35.9 %) of the **78** bars & clubs in the Central City are in P2.

152 (or 45.0 %) of the **338** eateries (including the three categories below) in the Central City are in P2. Of these:



CO-WORKING SPACES

Eight (or 47.1 %) of the **17** co-working spaces in the CBD are in P2.

NAME	LOCATION	WEBSITE
106 BizzHub	106 Adderley Str	106adderley.co.za
Office & Co	114 Bree Str	officeandco.co.za
Spaces	50 Long St	regus.com/en-gb
WeWork	80 Strand St	wework.com
Box Office	9 Lower Burg St	box-office-suites.wixsite.com/website
Neighbourgood Bree Street	129 Bree St	neighbourgood.co.za
Cape Town CBD Mandela Rhodes Place	Cnr Wale & Burg Sts	regus.com/en-gb
Open Co-Workspace on Loop	109 Loop St	opencity.co.za

EDUCATION

24 (or 41.4 %) of the **58** educational institutions in the CBD are in P2.

DEVELOPMENTS

COMPLETED

The Tokyo

LOCATION 87 Loop St
TYPE Residential
INVESTMENT R150 000 000

The Carrington

LOCATION 112 Loop St
TYPE Residential
INVESTMENT R70 000 000

Habitat

LOCATION 132 Adderley St
TYPE Aparthotel
INVESTMENT R140 000 000

The Box

LOCATION 9 Lower Burg St
TYPE Commercial
INVESTMENT R72 000 000

The Barracks

LOCATION 50 Bree St
TYPE Mixed-use
INVESTMENT R150 000 000

TOTAL R582 000 000

PLANNED

Mama Shelter Cape Town (City Park)

LOCATION Cnr Bree & Longmarket Sts
TYPE Mixed-use
INVESTMENT 1 500 000 000

The Exchange

LOCATION 80 Loop St
TYPE Aparthotel
INVESTMENT R75 000 000

The Trade

LOCATION 55 Shortmarket St
TYPE Residential
INVESTMENT R65 000 000

Venice House

LOCATION 24 Burg St
TYPE Residential
INVESTMENT R78 000 000

TOTAL R1 718 000 000

INVESTMENT TOTAL PRECINCT 2: R3 178 000 000



The Rubik

UNDER CONSTRUCTION

14 Long

LOCATION 14 Long St
TYPE Commercial
INVESTMENT R15 000 000

The Mutual

LOCATION Strand St
TYPE Retail
INVESTMENT R200 000 000

The Rubik

LOCATION 17 Loop St
TYPE Mixed-use
INVESTMENT R600 000 000

Wale Street Chambers

LOCATION Cnr Wale & Long Sts
TYPE Commercial
INVESTMENT R63 000 000

TOTAL R878 000 000

ACCOMMODATION

RESIDENTIAL

Of the **85** residential buildings in the Central City, **28** (or 33 %) are in P2, housing a total of **1 403** residential units (19.5 % of the **7 188** units in the CBD – the lowest in the Central City). The three largest residential buildings in P2 are Mandela Rhodes Place (214 units), Habitat (151 units), and The Tokyo (148 units). P2 has the largest number of residential buildings but the lowest number of units.

BUILDING	LOCATION	TOTAL UNITS	SALES 2023
71 Loop Street	71 Loop St	5	1
73 Loop Street	73 Loop St	2	0
74 Loop Street	74 Loop St	5	0
5 St Georges	18 Adderley St	47	0
34 St Georges	34 St Georges Mall	68	3
BlackBrick Cape Town	8 St Georges Mall	105	0
Castle Gate	83 Castle St	12	0
De Oude Schuur	120 Bree St	50	4
Forty-Two Burg Street	42 Burg St	25	0
Glaston House	63 Church St	63	4
Greenmarket Place	38 Shortmarket St	48	1
Greenmarket Place	54 Shortmarket St	51	1
Guarantee House	37 Burg St	12	1
Habitat	132 Adderley St	151	0
Huys Heeren	105 Long St	6	0
Impala House	27 Castle St	8	0
Kimberley House	34 Shortmarket St	7	1
Mandela Rhodes Place	Cnr Wale & Burg Sts	214	22
Market House	7 Shortmarket St	41	2
Murray House	25 Hout St	5	2
Namaqua House	36c Burg St	25	0
Neighbourgood Reserve	130 Adderley St	35	0
Taj Cape Town	4 Wale St	25	0
The Barracks	50 Bree St	61	1
The Carrington	112 Loop St	49	30
The Colosseum	12 Adderley St	80	9
The Decks	67 Long St	55	3
The Tokyo	87 Loop St	148	103
TOTAL		1 403	188

HOTELS & BACKPACKERS

20 (or 32.8 %) of the **61** hotel and backpacker establishments in the CBD are in P2.

5-star	4-star	3-star	1-star	Backpackers	TOTAL
2	6	5	0	7	20



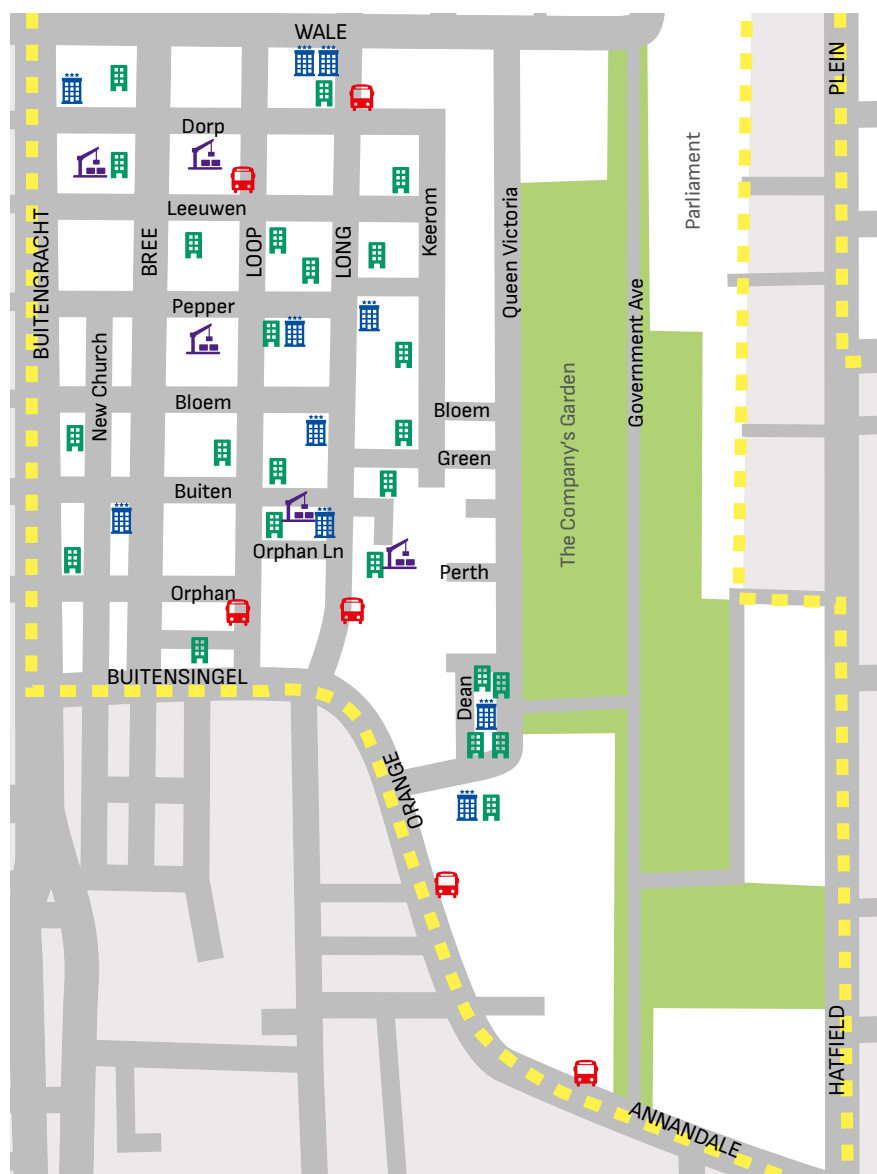
PRECINCT 3 LEGAL, LEISURE & CULTURAL HUB

The historic Company's Garden, the iconic green "lung" of the Central City, provides a natural respite for visitors and residents in P3. The precinct is also the cultural hub of the Central City, playing host to national treasures such as the Iziko Slave Lodge, the Iziko South African National Gallery, the Iziko South African Museum, the Cape Town Holocaust & Genocide Centre, and the South African Jewish Museum.

The precinct is also defined by its legal and government hubs. Home to the Central City's legal fraternity, it has the most legal services (483 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 snake through this precinct and it has the most bars and clubs (33 out of 78) and the second most restaurants (34 out of 147) in the Central City.

Four property developments were listed in P3 in 2023, including the high-value Bree St development The Fynbos (R1.150 billion), which is set to become one of the first biophilic buildings in Africa on completion, displaying 30 tree species and 20 shrub species. Still in the planning phase is a Western Cape Government social housing project, Leeuloop, which will provide 341 housing units in a site ringed off by Leeuwen, Loop, Dorp and Bree streets. Also on the development cards is TENONV, a micro-unit, pet friendly development (R250 million), with exquisite views of the Company's Garden but close to the pulse of Long St.

Precinct 3 has 20.6 % of the total residential complexes in the Central City, with 1 482 units, including some of the CBD's iconic apartment blocks overlooking the idyllic 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

Iziko South African National Gallery



Keerom Street Chambers



The Company's Garden



Ginger Coffee Hatch

BUSINESS & RETAIL

The table below shows the top 15 categories of business in the Central City, and how they fared in P3 in 2023. The numbers in blue indicate the sectors in which P3 boasts the highest numbers overall in the CBD in any given category.

850 (or 25.7 %) of the **3 302** businesses in the Central City are in P3.

CATEGORY	P3	TOTAL
Retail *	125	889
Legal services	483	681
Medical practices	15	244
Financial services	13	190
Restaurants	34	147
Accommodation & travel	24	147
General corporates & head offices	18	108
ICT & telecoms	13	106
Takeaways	9	91
Architecture, engineering & surveying	20	93
Coffee shops & cafés	10	91
Communication, media & advertising	9	91
Bars & clubs	33	78
Industrial councils & IPOs	6	71
Education & resources	7	58



Pezula Interiors

***NOTE:** The retail figure of 889 is the total CBD retail figure (1 305) excluding restaurants (147), takeaways (100), coffee shops (91) and bars & clubs (78).



RETAIL BREAKDOWN

Just **125** (or 14.1 %) of the CBD’s **889** retail outlets (excluding restaurants, takeaways, coffee shops, bars & clubs) are in P3. Of these, the largest categories are:

Health & beauty	Speciality stores	Superettes	Clothing & shoes	Furniture, décor & lighting
11.2 %	11.2 %	9.6 %	8.8 %	8.0 %

MYCITI

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

36 686 people boarded buses in P3 during 2023, while **88 455** alighted.

BUS STOP	BOARDED	ALIGHTED
Dorp	10 012	34 530
Leeuwen	7 642	10 369
Michaelis	2 269	4 165
Upper Long	4 786	30 222
Upper Loop	10 262	4 742
Government Avenue	1 715	4 427
P3 TOTAL	36 686	88 455

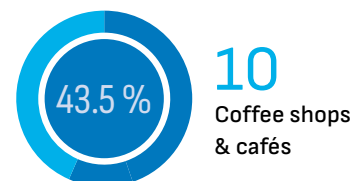
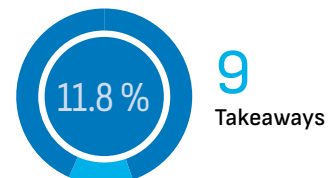
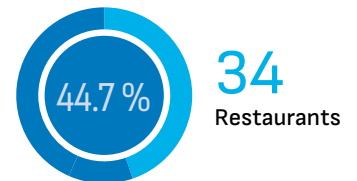


SeaBreeze Fish & Shell

ENTERTAINMENT

33 (42.3 %) of the **78** bars & clubs in the Central City are in P3.

53 (or 15.7 %) of the **338** eateries (including the three categories below) in the Central City are in P3. Of these:



CO-WORKING SPACES

Two (or 11.8 %) of the **17** co-working spaces in the CBD are in P3.

NAME	LOCATION	WEBSITE
Open Co-Workspace on Bree	163 Bree St	opencity.co.za
AkroCoworking	25 Wale St	siliconcape.com

EDUCATION

7 (or 12.1 %) of the **58** educational institutions in the CBD are in P3.

DEVELOPMENTS

UNDER CONSTRUCTION

The Fynbos
LOCATION 142 Bree St
TYPE Residential
INVESTMENT R1 150 000 000

TOTAL 1 150 000 000

PLANNED

100NV
LOCATION Vredenburg Ln
TYPE Residential
INVESTMENT R250 000 000

The Landing
LOCATION 15 Pepper St
TYPE Residential
INVESTMENT R390 000 000

The York
LOCATION 1 Buiten St
TYPE Residential
INVESTMENT R132 000 000

Leeuloop Precinct
LOCATION 11 Dorp St
TYPE Residential
INVESTMENT TBC

TOTAL 772 000 000

INVESTMENT TOTAL PRECINCT 3:
R1 922 000 000





Pepperclub Hotel

ACCOMMODATION

RESIDENTIAL

Of the **85** residential buildings in the Central City, **23** (or 27 %) are in P3, housing a total of **1 482** residential units (20.6 % of the **7 188** units in the CBD). The three largest residential buildings in P3 are St Martini Gardens (316 units), the Pepperclub Hotel (221 units) and Manhattan Place (196 units).

BUILDING	LOCATION	TOTAL UNITS	SALES 2023
134 Long Street	134 Long St	4	1
155 Loop Street	155 Loop St	16	1
6 on Pepper	26 Pepper St	20	0
Artois Court	6 Dean St	8	0
Elkay House	186 Loop St	2	1
Flatrock	8 Buiten St	45	4
Graphic Centre	199 Loop St	27	0
Holyrood	80 Queen Victoria St	39	2
Lutomburg	18 Keerom St	12	3
Manhattan Place	130 Bree St	196	1
Metro House	36 New Church St	2	0
Montreux	90A Queen Victoria St	32	4
Pepperclub Hotel	Cnr Loop & Pepper Sts	221	3
Senator Park	66 Keerom St	169	0
St Martini Gardens	70 Queen Victoria St	316	15
Studios on Long	187 Long St	16	0
The Capital 15 on Orange	15 Orange St	21	3
The Fynbos *	142 Bree St	-	235
The Sentinel	27 Leeuwen St	101	7
Tuynhuys	54A Keerom St	47	2
Two Twenty Loop Street	220 Loop St	72	9
Uxolo	4 Vredenburg Ln	35	5
Victoria Court	301 Long St	36	4
West Side Studios	139 Buitengracht St	45	3
TOTAL		1 482	303

***NOTE:** The Fynbos is currently under construction but is included as 235 units were sold in the development during 2023.



HOTELS & BACKPACKERS

10 (or 16.4 %) of the **61** hotel and backpacker establishments in the CBD are in P3.

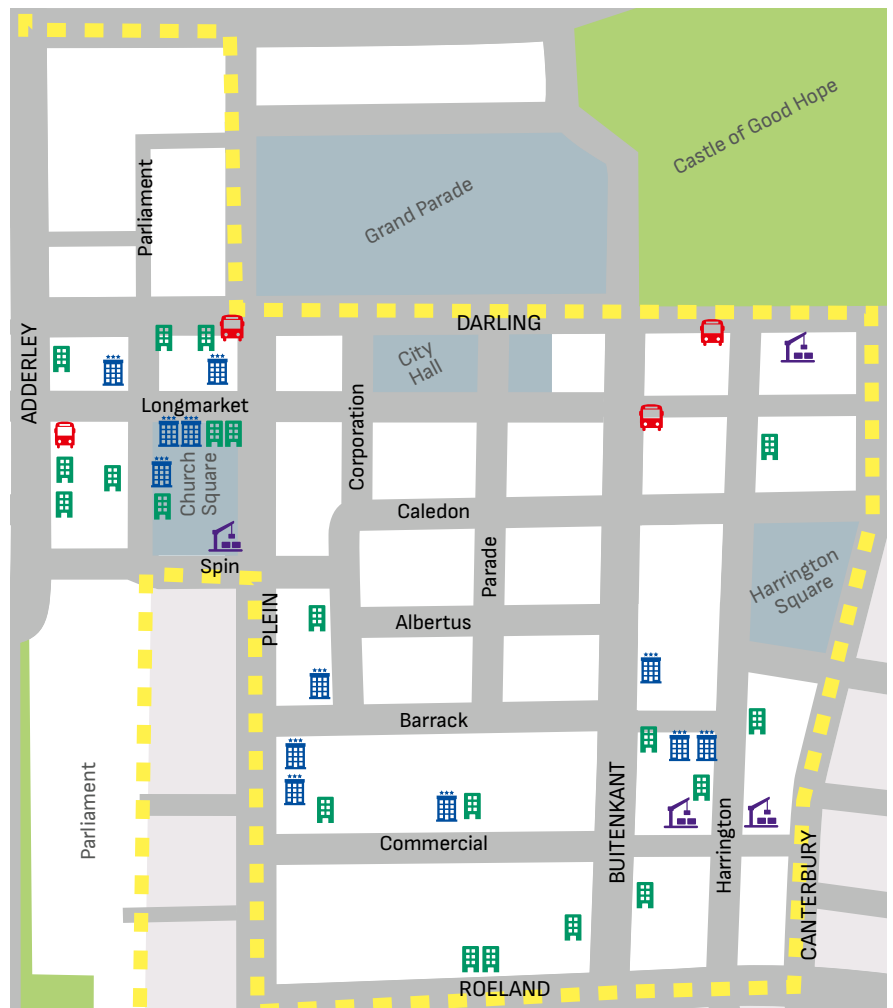
5-star	1-star
2	0
4-star	Backpackers
2	4
3-star	TOTAL
2	10

PRECINCT 4 THE EAST CITY

It might be the smallest precinct but its cool factor far outweighs its size. The East City is a vibrant neighbourhood, and the seat of the Central City's craft and design economies. Visitors, residents, business owners and workers appreciate the eclecticism and diversity that spills from its streets. Known for its destination establishments, it is home to niche retail entities that entice Capetonians to the neighbourhood. These include destination eateries such as FYN (presented with The World's 50 Best covered Flor de Caña Sustainable Restaurant Award in 2023 for its far-reaching sustainability philosophy) and sister restaurants, Belly of the Beast and Galjoen.

Then there's the nod to culture which only P3 can rival: the iconic City Hall, The Old Granary (a heritage site now called Desmond & Leah Tutu House in honour of the late "Arch" whose foundation is here), the District Six Museum and the District Six Homecoming Centre (formerly the Fugard Theatre, which closed due to the pandemic) are all here.

The property development investment value in this precinct increased from R205 million in 2022 to R325 million in 2023 with the completion of Neighbourgood 84 Harrington, the world's first 12-storey building constructed from industrial hemp with a minimal ecological footprint.



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



Harrington Street



Charly's Bakery



Plantify



The Electric

BUSINESS & RETAIL

The table below shows the top 15 categories of business in the Central City, and how they fared in P4 in 2023. Unlike the other precincts, there is no sector in which P4 boasts the highest numbers overall in the CBD.

574 (or 17.4 %) of the **3 302** businesses in the Central City are in P4.

CATEGORY	P3	TOTAL
Retail *	285	889
Legal services	37	681
Medical practices	14	244
Financial services & banking	22	190
Restaurants	23	147
Accommodation & travel	16	147
General corporates & head offices	25	108
ICT & telecoms	8	106
Takeaways	37	100
Architecture, engineering & surveying	7	93
Coffee shops & cafés	22	91
Communication, media & advertising	21	91
Bars & clubs	9	78
Industrial councils & IPOs	16	71
Education & resources	12	58



*NOTE: The retail figure of 889 is the total CBD retail figure (1 305) excluding restaurants (147), takeaways (100), coffee shops (91) and bars & clubs (78).



Afraid of Mice



The Lebanese Bakery



Inova Concept Store

RETAIL BREAKDOWN

285 (or 32.1 %) of the CBD's **889** retail outlets (excluding restaurants, takeaways, coffee shops, bars & clubs) are in P4. Of these, the largest categories are:

Clothing & shoes
20.0 %

Mobile devices
11.2 %

Hair salons
7.4 %

Superettes
6.3 %

Health & beauty
5.3 %

MYCITI

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

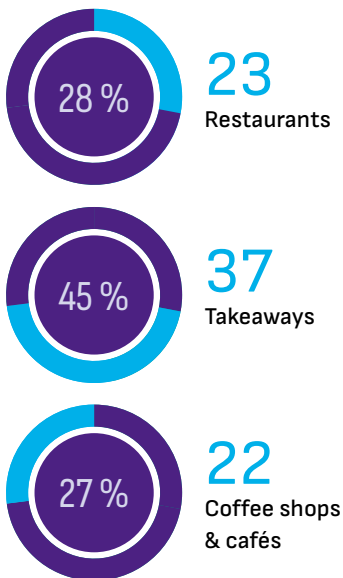
267 609 people boarded buses in P4 during 2023, while **437 917** alighted.

BUS STOP	BOARDED	ALIGHTED
Castle	44 340	100 193
Darling	150 918	251 439
Groote Kerk	61 073	70 498
Lower Buitenkant	11 278	15 787
P4 TOTAL	267 609	437 917

ENTERTAINMENT

Nine (11.5 %) of the **78** bars and clubs in the Central City are located in P4.

82 (or 24.3 %) of the **338** eateries (including the three categories below) in the Central City are in P4. Of these:



Ramenhead

CO-WORKING SPACES

Two (or 11.8 %) of the **17** co-working spaces in the CBD are in P4.

NAME	LOCATION	WEBSITE
Roamwork	50 Harrington Street	roam.work
Neighbourgood	84 Harrington Street	Neighbourgood.co.za

EDUCATION

12 (or 20.7 %) of the **58** educational institutions in the CBD are in P4.

DEVELOPMENTS

COMPLETED

99 Harrington St

LOCATION 99 Harrington St
TYPE Retail
INVESTMENT R25 000 000

Neighbourgood 84 Harrington

LOCATION 84 Harrington Steet
TYPE Aparthotel
INVESTMENT R180 000 000

TOTAL 205 000 000



PLANNED

Spindle

LOCATION Cnr Spin & Plein Sts
TYPE Mixed-use
INVESTMENT 120 000 000

TOTAL 120 000 000

PROPOSED

78 Darling Street

LOCATION 78 Darling St
TYPE Mixed-use
INVESTMENT TBC

TOTAL TBC

INVESTMENT TOTAL PRECINCT 4:
R325 000 000





Church Square

ACCOMMODATION

RESIDENTIAL

Of the **85** residential buildings in the Central City, **20** (or 24 %) are in P4, housing a total of **1 536** residential units (21.4 % of the **7 188** units in the CBD. The three largest residential buildings in P4 are Four Seasons (193 units), Perspectives (176 units) and The Square (174 units).

BUILDING	LOCATION	TOTAL UNITS	SALES 2023
4 Church Square	4 Church Sq	45	2
17 Commercial St	17 Commercial St	3	0
Bijoux	31 Adderley St	30	0
Cartwrights Corner	19 Adderley St	126	10
Church Square House	5 Church Sq	13	0
Four Seasons	47 Buitenkant St	193	13
Gold House	31 Harrington St	6	0
Hip Hop Plaza	39 Roeland St	37	1
HOMii Valencia	53 Commercial St	121	0
Mutual Heights	14 Darling St	161	15
Neighbourgood East City	60 Corporation St	107	0
Neighbourgood 84 Harrington	84 Harrington St	50	0
Perspectives	37 Roeland St	176	18
Red Lion	111 Longmarket St	12	0
The Adderley	31 Adderley St	56	11
The Harri	75 Harrington St	50	9
The Piazza on Church Square	37 Parliament St	103	5
The Square	64 Buitenkant St	174	14
The Wellington	22 Darling St	28	1
Wolroy House	37 Buitenkant St	45	6
TOTAL		1 536	105



Labotessa Hotel

HOTELS & BACKPACKERS

12 (or 19.7 %) of the **61** hotel and backpacker establishments in the CBD are located in P4.

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

IN CONCLUSION

It's always a pleasure producing a report that goes a long way in promoting the special attractions and achievements of the Cape Town Central City, a downtown which the Cape Town Central City Improvement District (CCID) works hard to keep safe, clean, caring, a welcoming place for all and an exemplary and exciting investment destination.

Once again, we have gone to great lengths to present a comprehensive, detailed, and accurate overview of the economy of the Central City in 2023. As the CCID, we are very proud to preside over this economic powerhouse, the engine of the greater Cape Town economy. We 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 2023 stood at R42.8 billion, according to the City of Cape Town.

Once again, we have produced an 80-page edition of the CCID's flagship publication *State of Cape Town Central City Report 2023 – A year in review (SCCR)* – to highlight the success of big and small business and property owners, who contribute to the performance of our CBD, and who continue to come up with innovative business solutions to ongoing economic challenges.

In 2023, we are once again proud to publish the results of a stable year.

We are also proud to report that for the third consecutive year the SCCR was honoured at the prestigious 2023

South African Publication Forum Awards, being awarded 1st Runner Up in the Annual Reports category as well as an award for Excellence in Writing, achieving over 90 % in this category.

I take my hat off to the small, skilled and dedicated team who put it together, with valued contributions by collaborators. I extend my utmost gratitude to everyone who has contributed to its success.

With appreciation,

TASSO EVANGELINOS,
CEO: CCID



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