

REPORT PREPARED FOR:



May 2026



PTN 32 AND 33 OF THE FARM FISANTEKRAAL 168

DURBANVILLE MIXED INDUSTRIAL DEVELOPMENT MARKET POTENTIAL



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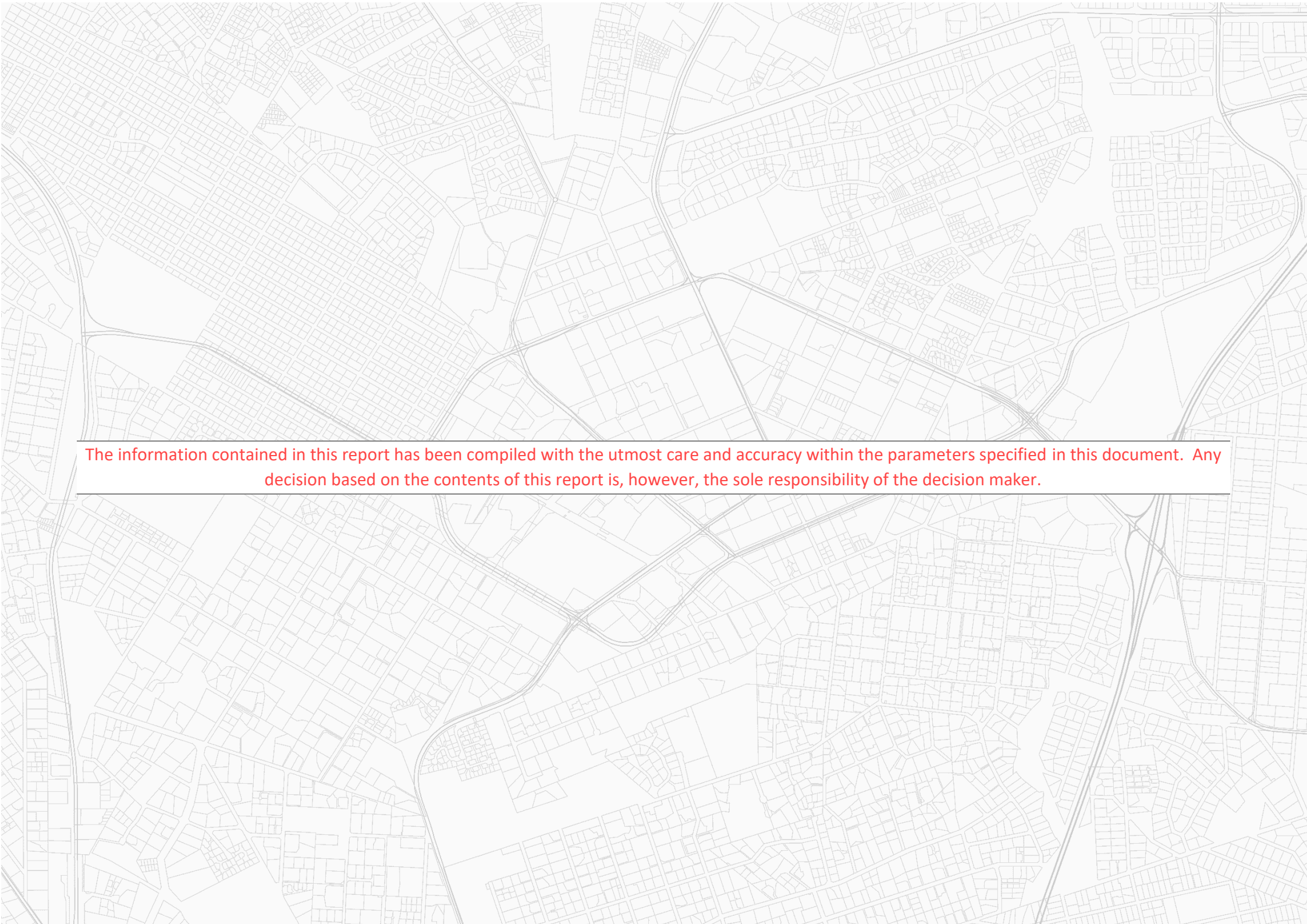
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The information contained in this report has been compiled with the utmost care and accuracy within the parameters specified in this document. Any decision based on the contents of this report is, however, the sole responsibility of the decision maker.

SYNOPSIS

KEY INDICATORS

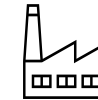
LOCATION PROFILE				
	Sub	Moderate	High	Exceptional
Site Rating				
ECONOMIC PROFILE				
Economic Character	Informal	Developing		Formal
Sector Orientation	Primary	Secondary		Tertiary
Economic Growth	Negative	Low		High
LABOUR PROFILE				
Skills Profile	Low-skilled	Semi-skilled		Skilled
Labour Absorption	Low	Moderate		High
Labour Character	Informal	Evolving		Formal
SOCIO-ECONOMIC PROFILE				
Education Levels	None	Primary	Secondary	Tertiary
LSM/SEM Profile	Low	Moderate		High
Income Profile	Low	Moderate		High
Population Growth	Negative	Low		High
Income growth	Negative	Low		High
INDUSTRIAL/WAREHOUSING SUPPLY PROFILE				
Complimentary uses	Low	Moderate		High
Supply Gap	Low	Moderate		High
Demand Trajectory	Low	Moderate		High

DEVELOPMENT OPTION AND AREA COMPATABILITY

Indicators	
Site rating	High
Economic Base & Drivers	Positive & Compatible
Labour Profile	Balanced & Formal
Socio-Economic Profile	Emerging-skilled & Labour-rich
Market Potential	Moderate to High
Complimentary Industrial Cluster	
Functionality	Moderate

DEVELOPMENT RECOMMENDATION

**RECOMMENDED
OPTION:**



**MIXED LIGHT INDUSTRIAL/
WAREHOUSING/ DISTRIBUTION/
STORAGE PARK**

The proposed development is best positioned as a **Mixed Light Industrial / Warehousing / Distribution / Storage Park**, reflecting both the demand trajectory and the supply gap identified in the Northern Sub-Region.

Northern Sub-Region Demand Overview



58,316 m²

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INTRODUCTION AND BACKGROUND



1

1 INTRODUCTION & BACKGROUND

1.1 INTRODUCTION

Chapter One of the report provides an introduction and concise roadmap of the market study for the proposed mixed industrial development on Portions 32 and 33 of the farm Fisantekraal 168, Durbanville. To understand the scope, objectives and outline of this document, Chapter 1 provides an introduction to the project.

1.2 PROJECT BRIEF AND APPROACH

DEMACON Market Studies was commissioned by **Legacy Environmental Management Consulting (Pty) Ltd on behalf of Pinetop Estates (Pty) Ltd** to conduct market research to assess the development and growth potential as well as the optimum size and configuration for a proposed **mixed industrial development** on Portions 32 and 33 of the farm Fisantekraal 168, Durbanville.

The scope of work is to undertake a market research study that seeks to inform strategic planning decisions regarding current and future development potential, optimum tenant composition, market penetration rates and so forth.

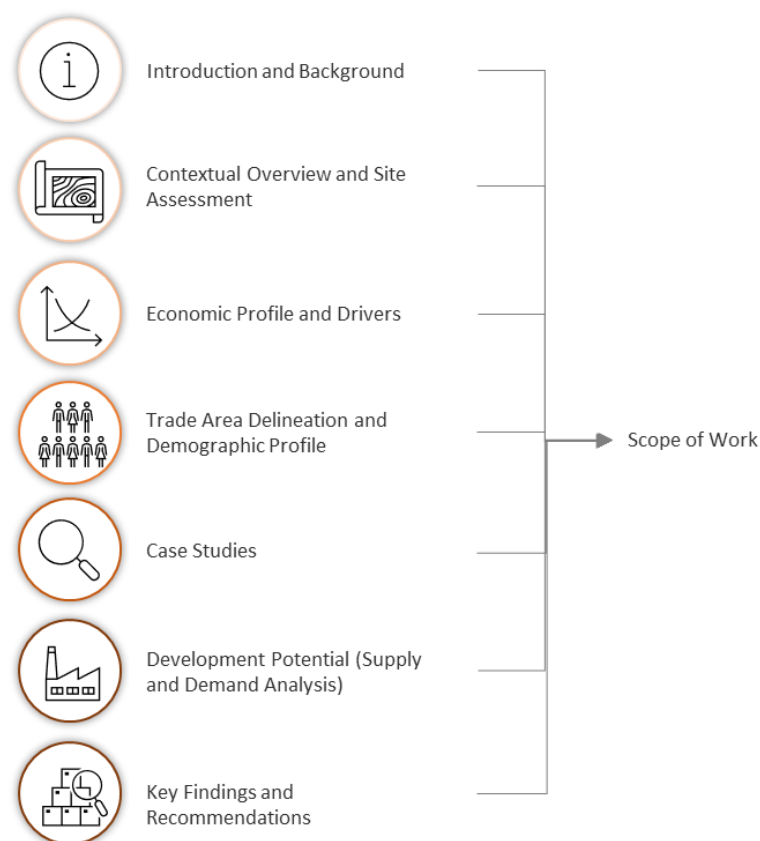
Given the project locality and emerging development dynamics in the area, DEMACON's approach will move beyond a singular dimensional market potential analysis. DEMACON's approach is purely market based and we apply our extensive involvement as well as recent research and market intelligence on the subject matter to complement the market study.

Firstly, the analysis seeks to identify and review **micro and macro contextual, economic and demographic market features, trends and area growth**. The objective of the analysis is to establish contextual background and understanding of local and regional dynamics including spatial, demographic and economic trends.

The investigation furthermore includes a **supply/competitor analysis** to understand current product offering within the primary market. This leads to the **market demand process** which identifies the size/offering of the opportunity within the local market.

The analysis concludes with a series of **key findings and recommendations** for consideration. Recommendations seek to provide information regarding the development option and considerations, optimum size of the development, recommended composition and development direction, as well as amenities that could be.

The subsequent diagram reflects the scope of work covered in this investigation.



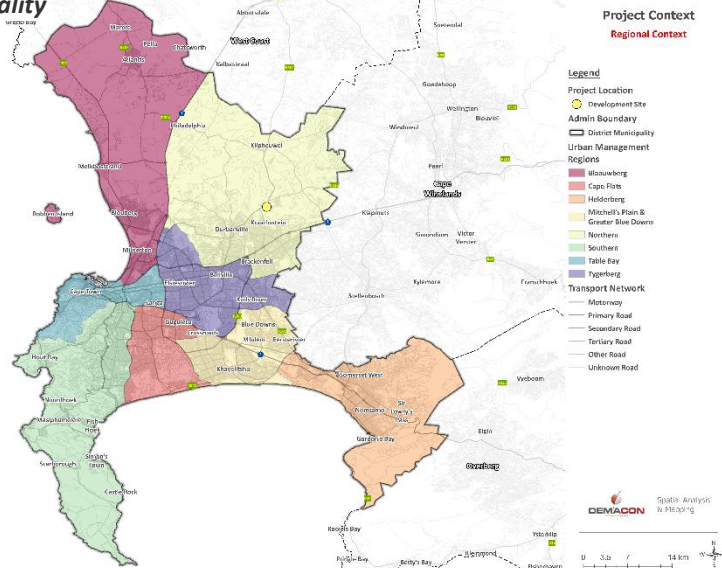
1.3 LOCATION ORIENTATION

❖ Municipal Context

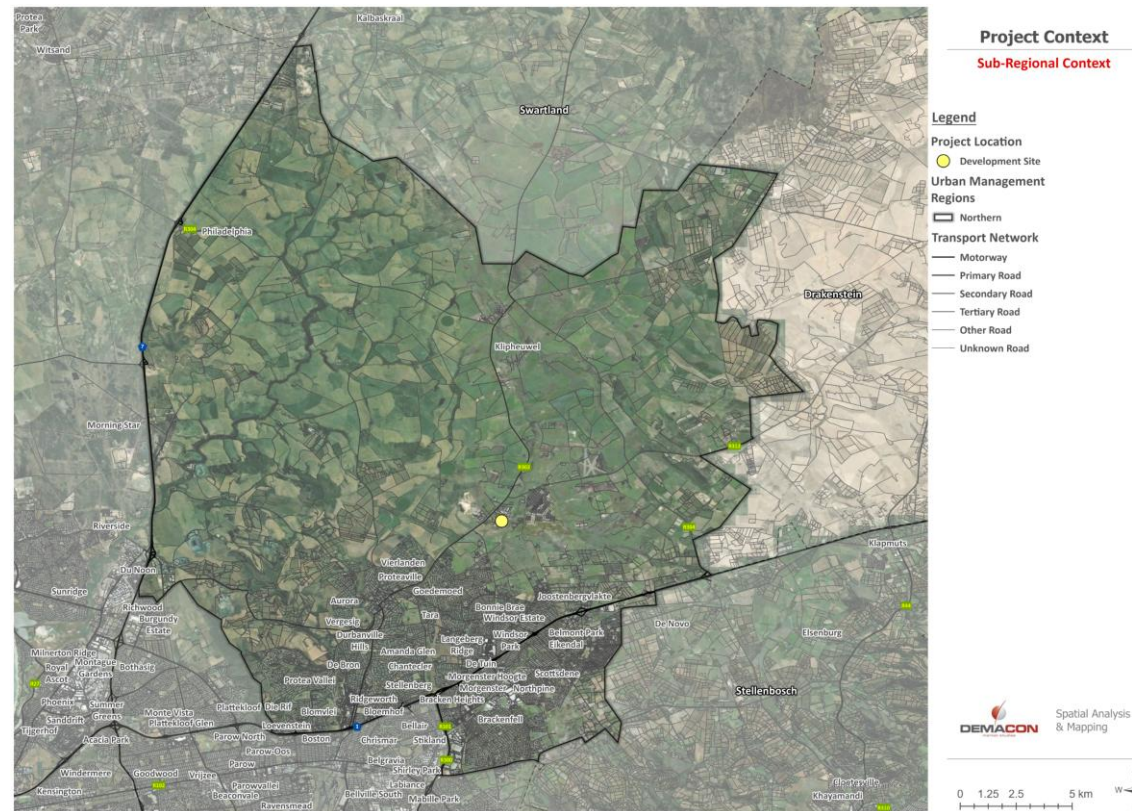
The study area falls within the City of Cape Town Metropolitan Municipality, Northern Region (refer to Map 1.1 and Map 1.2). The Northern Region/Planning District encompasses a diverse mix of urban, peri-urban and rural areas north of the N1 and east of the R300. Anchored by established nodes such as Bellville, Durbanville, Kraaifontein and Brackenfell, the region also includes rural settlements like Klipheuwel, Mikipunt, Joostenbergvlakte and Philadelphia.

The Northern Region of Cape Town, encompassing Durbanville and its surrounding nodes, is a strategically positioned growth area balancing urban intensification with the protection of rural and agricultural assets. Durbanville's role as a secondary CBD, with strong linkages to Tyger Valley and Bellville, makes it a prime location for mixed industrial.

Map 1.2: Site in regional context – City of Cape Town Metropolitan Municipality



Map 1.1: Site in local municipal context – City of Cape Town Northern Region



❖ Site Context

The proposed development site, comprising Portions 32 and 33 of the farm Fisantekraal 618, is strategically located along the R302 corridor. It sits immediately south of the Durbanville Industrial/Business Park cluster (Darwin Industrial Park), bridging Durbanville's northern suburbs with the growing settlement of Fisantekraal. The site benefits from its proximity close to established industrial activity, surrounding residential catchments, and productive agricultural land, positioning it at the interface of urban and rural economies.

Less than 5km from the Cape Winelands Airport - earmarked for significant upgrades to international status – the site is well placed to leverage future logistics and connectivity opportunities. Its accessibility via Klipheuwel Road and Brass Avenue, together with adjacency to Durbanville's secondary CBD and nearby mixed-use nodes, enhances its potential as a hub for employment-generating industrial activity that complements both local community needs and metropolitan growth strategies.

Map 1.3: Local Context of the Development Site



1.4 DEVELOPMENT PROPOSAL/CONCEPT

The proposed project is envisioned as a multi-functional industrial park, accommodating a range of general industrial activities including warehousing (various sizes), workshops, offices and a container storage area. The development layout is supported by an internal road network, service infrastructure and stormwater retention ponds. It is proposed that the development be phased to align with market absorption and infrastructure delivery.

The development concept includes the following:

- **Consolidated Erven 1992, 1993 & 1997 (Now Portion I)**
 - 1 677m² workshop (classified as light manufacturing with warehousing and offices support)
 - 12m² gatehouse
 - 23 018m² warehousing (8 maxi-units ranging between ±2 500 – 3 000m²)
 - A container storage area
- **Erf 2006 Portion H**
 - 51 mini-units (ranging between ±290-460m²)
 - 2 midi-units (± 612m²)
 - 1 maxi-unit (± 1694m²)
- **Erf 1995**
 - ±13 068m² future warehousing expansion area

In total 217 parking bays are proposed, balanced against the industrial and office demand.

The expected GLA on the different unregistered portions are:

Portion I:	24 707m ² GLA
Portion H:	20 488m ² GLA
Erf 1995:	13 068m ² GLA
Total GLA:	58 263m² GLA

Map 1.4: Development Concept





CONTEXTUAL OVERVIEW



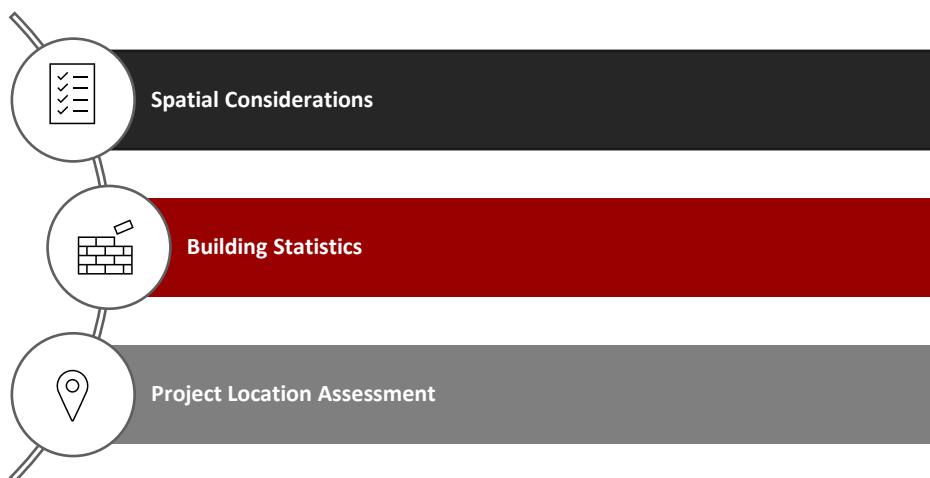
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2 CONTEXTUAL OVERVIEW

2.1 INTRODUCTION

This chapter focuses on the **contextual aspects** of the proposed development with the objective of providing greater insight into the **development dynamics** associated with the greater **trade area**. Market potential is influenced by; *inter alia*, the characteristics of the development site. Certain types of developments each have specific location requirements and should subsequently be assessed in terms of selected location criteria. To this effect, various **site evaluation models** are utilised.

The chapter is structured under the following headings:



2.2 SPATIAL CONSIDERATIONS

This section highlights the spatial considerations related to the site and the surrounding region, based on the City of Cape Town Metropolitan Spatial Development Framework (2023) as well as Northern District Plan (2023).

2.2.1 CITY OF CAPE TOWN METROPOLITAN SPATIAL DEVELOPMENT FRAMEWORK (2023)

The City of Cape Town's Metropolitan Spatial Development Framework (MSDF) is a long-term plan, spanning more than 20 years, that guides the City's growth and resource management. It works in tandem with the District Spatial Development Frameworks (DSDFs) and Environmental Management Frameworks (EMFs) to promote spatial transformation, address inequality and ensure development benefits both citizens and the environment. The MSDF is built around three key strategies: planning for inclusive growth, managing urban growth while balancing food security and environmental protection, and building an integrated, vibrant and healthy City.

For the development site located in the Durbanville area, these strategies translate into several important considerations. The MSDF emphasises **inclusive economic growth**, encouraging the intensification of industrial and commercial activities within identified nodes. This aligns directly with the site's location within a **district node**, where **clustering of urban activities at points of high accessibility** is supported. The framework also stresses the importance of **managing urban growth**, which means development must be sensitive to surrounding agricultural land and natural assets, while leveraging opportunities such as the planned upgrade of the Cape Winelands Airport. Finally, the strategy of **building an integrated city** reinforces Durbanville's role as a secondary CBD, where mixed-use and industrial intensification can contribute to more inclusive settlement patterns.

The site falls within the **Urban Edge**, specifically designated as an **Incremental Growth and Consolidation Area**. This designation supports incremental intensification, provided bulk engineering infrastructure capacity is available. Development in Incremental Growth and Consolidation Areas is expected to diversify land uses, cross-subsidise social infrastructure and optimise existing networks through partnerships between the City and private sector. In practice, this means that while the City prioritises maintenance and upgrading of external infrastructure, the developer is

responsible for internal linkages, with bulk infrastructure provision structured as a shared responsibility.

In terms of broader metropolitan priorities, the MSDF highlights the role of aviation-enabled competitiveness. Policy directives explicitly support land use intensification around both Cape Town International Airport and the **Cape Winelands Airport**, encouraging complementary development that strengthens regional logistics and industrial capacity. For Durbanville, this proximity to the airport – less than 5 km away – positions the site to benefit from **future aviation-linked growth**.

2.2.2 NORTHERN DISTRICT PLAN, 2023

The Northern Region/District Spatial Development Framework and Integrated Environmental Management Framework (2023) provides a finer-grained perspective on growth trends, development pressures and opportunities in areas such as Durbanville, Brackenfell, Kraaifontein and Fisantekraal. Over the past five years, the district has experienced significant residential expansion, with private market developments such as Clara Anna Fontein, Pinehurst, Graanendal and Buh-Rein Estate, alongside subsidised housing projects in Fisantekraal, Scottsdene and Morningstar. These patterns reflect a dual market dynamic: higher-income, low-density estates on the periphery of Durbanville, and more inclusionary, mixed-typology projects in Fisantekraal and surrounding townships.

Industrial development has concentrated in nodes such as Atlas Park, Atlantic Hills, Morgan Industria and the redeveloped Kraaifontein Industria, with Fisantekraal Industrial Park emerging as a storage and distribution hub. Property values around these industrial areas have increased sharply, underscoring strong market demand. The District Plan notes that certain sites in the Fisantekraal area are no longer of agricultural significance, opening the door for employment-generating land uses. This aligns with broader metropolitan policy to leverage industrial intensification as a driver of inclusive growth.

The site itself falls within **Subdistrict 2: Cape Gate and Okavango Road Corridor**, an area characterised by newer residential and commercial developments serving the middle-income market. The District Plan sets clear objectives for this subdistrict: industrial areas should retain their manufacturing focus rather than drifting into quasi-

retail or office uses; residential areas should accommodate incremental densification with higher densities and varied typologies; and greenfield developments should be designed to achieve more compact, efficient urban form.

Specific guidelines for the **Fisantekraal Industrial Park**, where the site is located, reinforce this industrial orientation. Retail and office uses should remain secondary, with manufacturing as the primary focus. Large-scale storage facilities are discouraged, while landscaping and floodline management are required to ensure environmental and visual quality. The District Plan also highlights the strategic role of the **Cape Winelands Airport**, noting that its inclusion within the urban development edge allows for future industrial development to support employment in Fisantekraal, subject to biodiversity, noise and aviation safety considerations.

2.2.3 SPATIAL CONSIDERATIONS – DEVELOPMENT IMPLICATIONS

Bringing together the metropolitan vision of the MSDF and the district-level directives of the District Plan, the development site emerges as a strategically positioned opportunity for mixed industrial development. At the metropolitan scale, the MSDF promotes inclusive economic growth through intensification of industrial and commercial activities within identified nodes, while managing urban expansion to protect agricultural assets and encouraging integrated settlement patterns. The site's designation within the **Urban Edge** and its classification as an **Incremental Growth and Consolidation Area (IGCA)** confirm its suitability for incremental intensification, provided infrastructure capacity is secured through coordinated public–private partnerships.

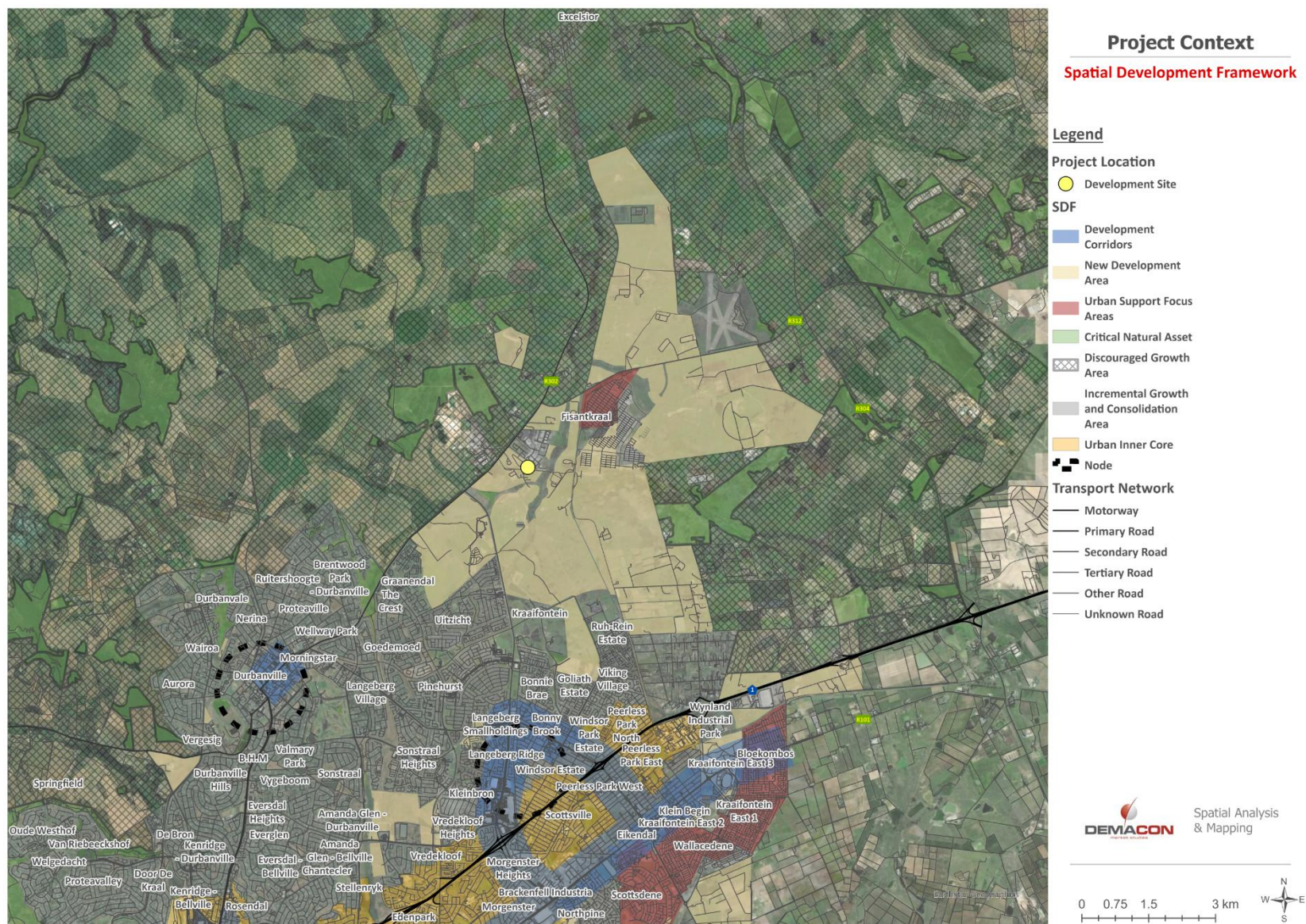
At the district level, the District Plan highlights the strong demand for industrial land in the Northern District, with redevelopment and expansion occurring in nodes such as Kraaifontein, Brackenfell and Fisantekraal. The Fisantekraal Industrial Park, where the site is located, is specifically earmarked for manufacturing-focused development rather than large-scale storage or retail, ensuring that industrial activity remains the dominant land use. The DSDF also underscores the strategic importance of the **Cape Winelands Airport**, which has been incorporated into the urban development edge to support future industrial expansion and employment creation. This proximity enhances the site's potential for logistics, aviation-linked industries and regional competitiveness.

The site's position between Durbanville's northern suburbs and Fisantekraal places it at the interface of diverse residential markets, from high-income estates to inclusionary housing projects. This creates opportunities for employment-generating uses that can serve a wide socio-economic spectrum, aligning with the MSDF's emphasis on inclusive growth. At the same time, development must remain sensitive to environmental constraints, including floodline management and biodiversity considerations, and should incorporate landscaping and urban design measures to ensure visual quality and integration with surrounding land uses.

In summary, the site is well aligned with both metropolitan and district spatial priorities:

- It supports **industrial intensification** within a designated node.
- It leverages **regional infrastructure investments**, particularly the Cape Winelands Airport upgrade.
- It contributes to **inclusive economic growth**, serving both Durbanville and Fisantekraal communities.
- It requires **careful infrastructure planning and environmental sensitivity** to ensure sustainable development.

Map 2.1: Spatial Considerations



2.3 CAPE WINELANDS AIRPORT: STRATEGIC INFRASTRUCTURE CONTEXT

The Cape Winelands Airport, situated less than 5 km from the proposed development site, is undergoing a landmark transformation from a modest airfield into a **commercial and aviation centre of international standing**. Its inclusion within the urban development edge reflects the City's recognition of its potential to catalyse regional economic growth, particularly in logistics, freight and aviation-linked industries.

Planned developments include:

- Realigned and extended runway (Code 4F) capable of accommodating wide-body aircrafts
- New boutique terminal building with modern passenger processing facilities
- Cargo processing facility to support freight and belly cargo operations
- Additional hangarage for general, business and airline aviation
- Fuelling facilities, including provision of sustainable aviation fuels
- Hotel accommodation for passengers and flight students
- Heliport and warehousing/logistics facilities to stimulate light-industrial activity
- Commercial property developments integrated into the precinct

The airport already secured Environmental Authorisation (October 2025), through appeals are pending. A partnership with Growthpoint Properties ensures institutional investment, governance oversight and long-term precinct planning, embedding sustainability and commercial principles into every phase of the development.

From a spatial planning perspective, both the MSDF and District Plan highlight the airport as a priority area for employment-generating land uses. The MSDF supports intensification around aviation hubs to enhance Cape Town's global competitiveness, while the District Plan notes that industrial development near the airport can provide much-needed jobs for Fisantekraal residents.

The airport also addresses broader metropolitan needs:

- Airline capacity relief during peak periods
- General aviation relocation from Cape Town International Airport to reduce congestion

- Redundancy and diversion capability for regional flights
- Fuel planning optimisation, reducing reserve fuel burdens and carbon emissions
- Improved air access for northern and eastern Cape Town residents

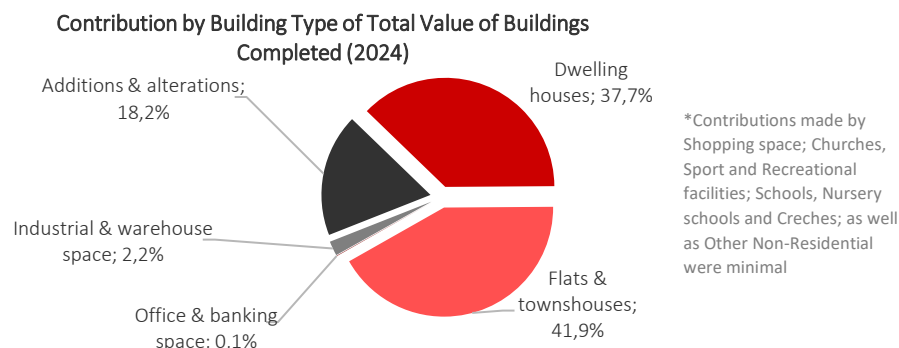
The airport's transformation significantly enhances the strategic value of the Durbanville–Fisantekraal corridor and has the following implications for the proposed development site:

- Strong alignment with aviation-linked industrial growth
- Opportunities for logistics, warehousing and manufacturing that benefit from proximity to international air connectivity
- Increased attractiveness to investors due to the Growthpoint partnership and precinct-level planning
- A need to integrate development proposals with aviation safety, noise and biodiversity regulations

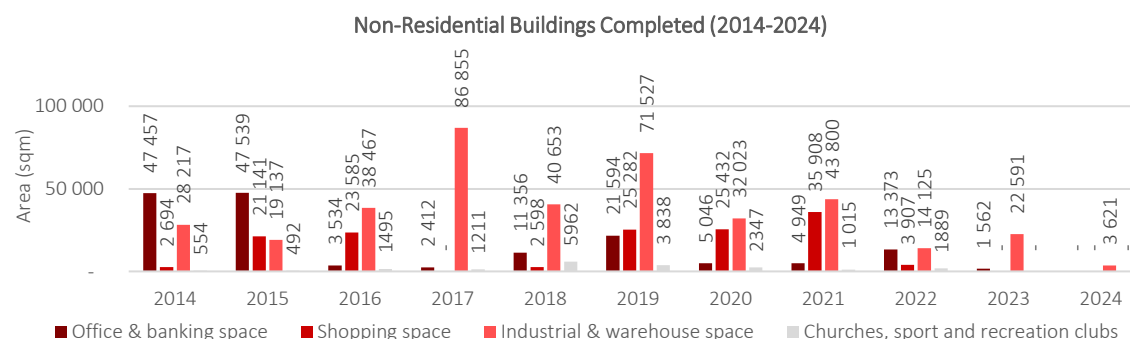
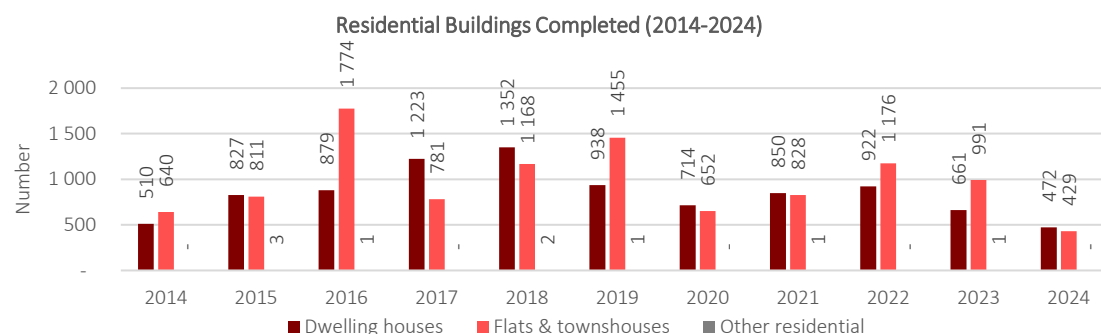


2.4 BUILDING STATISTICS

CITY OF CAPE TOWN NORTHERN REGION: BUILDINGS COMPLETED (2014-2024)



	Residential Buildings	
	 Dwelling Houses	9 348 units
	 Flats & Townhouses	10 705 units
	Non-Residential Buildings	
	 Other Residential (incl. Tourism)	9 units
	 AVERAGE residential units/annum (2014 – 2024)	1 824 units
	 Shopping Space	140 547 m ²
	 Office & Banking Space	158 929 m ²
	 Industrial & Warehouse Space	401 016 m ²



Building activity in the Northern Region over the past decade (2014-2024) has been residentially led, with an average of 1 824 units completed per year. Dwelling houses and flats/townhouses dominate, reflecting strong demand for both traditional and higher-density housing.

Non-residential development has been more modest in scale, with 401 016 m² of industrial and warehouse space completed, alongside 158 929 m² of office/banking space and 140 547 m² of shopping space. This confirms the district's orientation towards residential expansion, complemented by targeted industrial growth.

In 2024 specifically, the value of completed buildings was overwhelmingly residential: with flats/townhouses and dwelling houses accounting for nearly 80% of total value, while industrial/warehouse space contributed just 2,2%.

The Northern Region shows a clear pattern of sustained residential growth, with industrial development playing a smaller but strategically important role in supporting employment and logistics.

2.5 PROJECT LOCATION ASSESSMENT

Market potential is influenced not only by consumer income and expenditure, but in particular also by the characteristics of the site/location under consideration. Light industrial development and other urban property markets have specific location requirements and given the fact that the development potential of an array of other uses should also be tested, these should also be included in the location assessment exercise.

To this effect, DEMACON Site Evaluation Models © are utilised. These DEMACON models are pragmatic and are based on the assignment of values to various location factors. Firstly, the site is evaluated on a ten-point scale, with ten being the highest. Secondly, weights are attached to these factors, in order of importance (1 to 5, with 5 being the most important).

Table 2.1 presents the outcome of the location assessment done for the Durbanville-Fisantekraal site for an industrial/warehousing/distribution land use.

The proposed site scored 77,7% for an industrial development. The Durbanville-Fisantekraal site scored particularly high in respect of Accessibility, Proximity to Key Transport Infrastructure and its location within a New/Emerging Industrial Node/Corridor.

A rating of 77,7% indicates that most important fundamentals for a successful industrial development are in place.

The subsequent chapter provides an overview of the local economy in which the proposed development will be located. The economic indicators of an area form the basis of demand for commercial product offerings and also serve as drivers for future growth in demand.

Table 2.1: Industrial/Warehousing/Distribution Location Assessment

Locational Factors	Grade 1-10		Score
Address Value	⑧	»»	24
Accessibility	⑧	»»	40
Visibility	⑧	»»	32
Proximity to key transport infrastructure – airport, port, railway	⑧	»»	40
Proximity to freeways	⑦	»»	35
Centrality to the market area	⑦	»»	35
New/emerging industrial node/corridor	⑨	»»	36
Functional and Complimentary uses	⑧	»»	32
Absence of competitive products – market gap	⑦	»»	28
Proximity to labour force – unskilled, semi-skilled and skilled	⑧	»»	32
Available infrastructure	⑧	»»	32
Availability of land	⑧	»»	24
Future expansion potential	⑦	»»	28
Perceived level of security	⑧	»»	32
Located in direct line of growth	⑧	»»	32
Total Score			482
Score Rating			77,7%

Source: Demacon, 2026

* Note: 80%+ indicates an exceptional site rating; a site rating of 70 – 80% is high and indicates that most important fundamentals for a successful development are in place; a rating of 60 – 70% indicates some critical factors may be lacking but could possibly be addressed; projects with a sub 60% rating are not recommended for consideration.



ECONOMIC PROFILE AND DRIVERS



3

3 ECONOMIC PROFILE AND DRIVERS

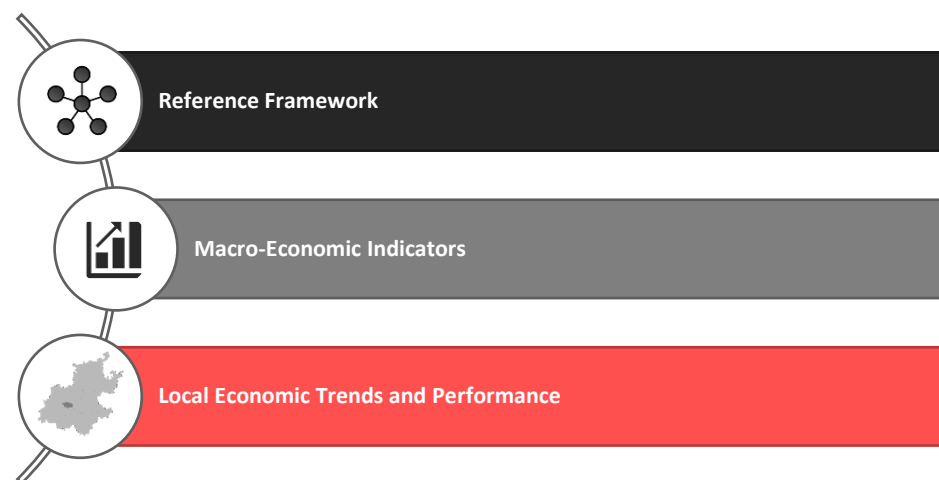
3.1 INTRODUCTION

An intricate, though well-defined relationship exists between the economy and urban real estate markets. The performance of specific economic sectors serves as proxy for the performance of these real estate markets.

The purpose of this section is to outline the salient features of the study area economy (reference is made to the Northern Sub-Regional economy) in terms of selected time series economic indicators, most notably the economic profile and growth trends within the sub-regional economy.

As such, this section provides insight into the composition and stability of the sub-regional economy and hence, provides a more comprehensive assessment of medium- to long-term investment prospects than the conventional demographic analysis.

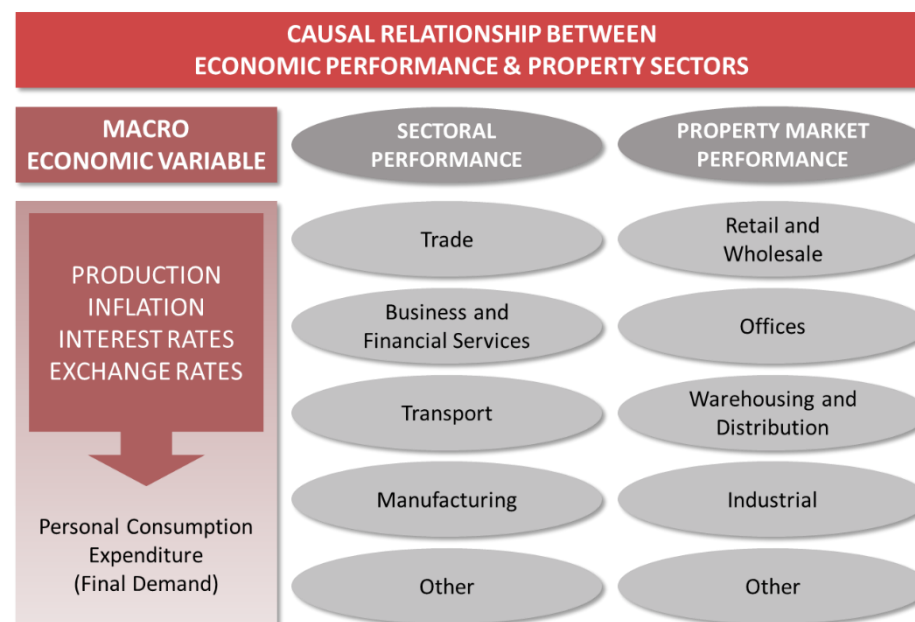
Subsequent paragraphs highlight the following main headings in order to understand the economic profile and drivers:



3.2 REFERENCE FRAMEWORK

The causal relationship between economic sector performance and property market performance is illustrated in Diagram 3.1.

Diagram 3.1: Causal Relationship between Economic Performance and Property Sectors



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The economic indicators of an area form the basis for current demand for commercial product offering and serve as drivers for future growth in demand. Subsequent paragraphs highlight the main indicators for the market area under investigation.

3.3 MACRO-ECONOMIC INDICATORS

GDP GROWTH

- **2025 forecast: +1,0%** reflecting subdued domestic demand and global uncertainty
- **2026 projection: +1,4%** a modest improvement driven by easing inflation, infrastructure investment and gradual policy reforms
- Growth remains constrained by structural bottlenecks, especially energy supply and logistics inefficiencies



INFLATION TRENDS

- **2025 forecast: ≈5,0%** down from 6,0% in 2023, supported by lower food and fuel prices
- **2026 projection: ≈4,8%** firmly within SARB's target range
- Risks include currency volatility, wage pressures and global commodity price swings



EMPLOYMENT

- **Unemployment remain elevated** with limited job creation in key sectors. Despite some gains in Q3:2025, employment growth is not keeping pace with population growth and urbanisation
- **Youth unemployment** remains a critical concern, with targeted interventions needed to support entry-level job creation and skills development

SOUTH AFRICA: MACRO-ECONOMIC INDICATORS & OUTLOOK (2025-2026)

CONSUMER CONFIDENCE

- The **FNB/BER Consumer Confidence Index** rose to **-9 in Q4:2025**, its highest level in a year up from -13 in the previous quarter
- Despite the uptick, **confidence remains weak overall**, reflecting sluggish income growth, high borrowing costs and uncertainty ahead of the 2026 elections

INTEREST RATES

- **Repo rate: 8,25%** unchanged since May 2023
- Expected to remain stable through 2025-2026 as SARB balances inflation control with growth concerns
- High borrowing costs continue to weigh on household consumption and business investment



ECONOMIC OUTLOOK

- **Electricity supply crisis** remain the most significant drag on productivity and investor confidence
- **Policy climate** marked by reform delays and uncertainty ahead of the 2026 elections
- **Global volatility** – including geopolitical tensions and commodity price fluctuations – poses risks to exports and capital flows
- **Opportunities** lie in infrastructure investment, green energy transitions and regional trade integrations (AfCFTA, SADC corridors)



3.4 LOCAL ECONOMIC TRENDS AND PERFORMANCE

This section is focused on the salient features that define and characterise the sub-regional and regional economies. The section seeks to geographically define sub-regional and regional economies, analyse the size and composition of the sub-regional economy compared to regional economy, outline growth trends and changes, the size and participation of the labour force, and the composition of the labour force as an indicator to current and future skills demand.

3.4.1 GEOGRAPHICALLY DEFINING THE SUB-REGIONAL AND REGIONAL ECONOMY

The geographic context of a sub-regional or regional economy is an important characteristic that should be defined. The importance of defining the geographic extent of sub-regional or regional economies relate to:

- Clearly defining the geographic area which is incorporated as part of a sub-regional/ regional economy
- Understanding the extent of economic functions that contribute to a sub-regional/ regional economy's and
- Clearly understanding the spatial context and inter-relations between a sub-regional/ regional economy and its surrounding areas and

Defining the geographic context of a sub-regional or regional economy thus enables targeted analysis and a clear understanding of how a sub-regional or regional economy could impact/influence the proposed development.

The following diagram provides a basic illustration of the geographic positioning of the proposed development in relation to sub-regional and regional economies. The proposed development falls within the City of Cape Town Northern Region Sub-Regional Economy, within the City of Cape Town Metropolitan/Regional Economy.

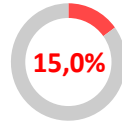
Diagram 3.2: Local and Regional Economic Context



3.4.2 ECONOMY SIZE AND STRUCTURE

ECONOMY SIZE

City of Cape Town
Northern Region
Sub-Regional Economy
R100,1 billion

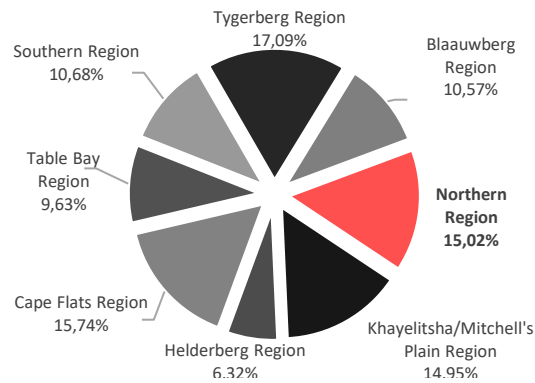


contribution to
the City of Cape
Town Regional
Economy



contribution to
the Western
Cape Provincial
Economy

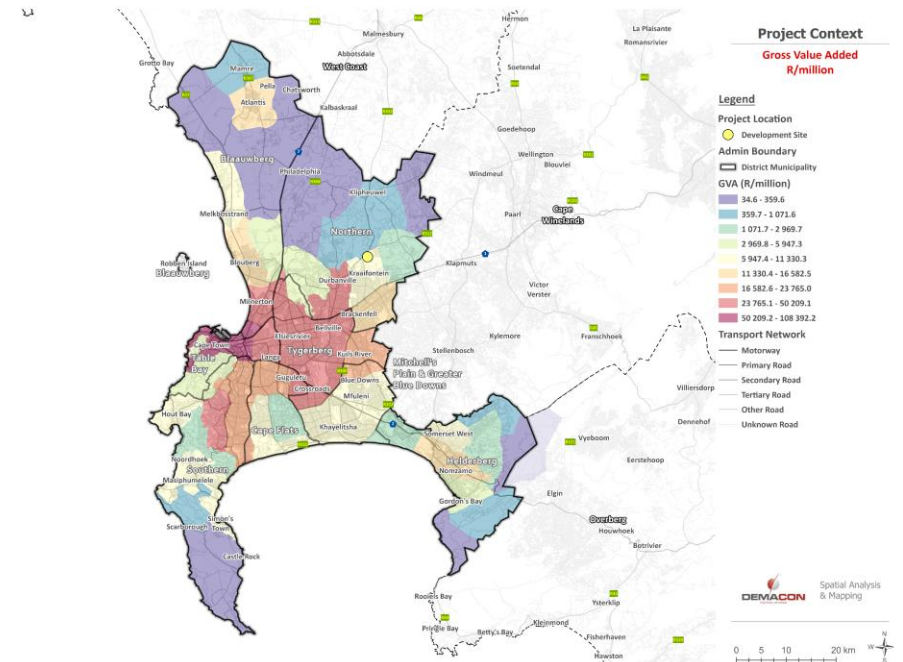
SPATIAL CONTRIBUTION TO TOTAL ECONOMIC OUTPUT



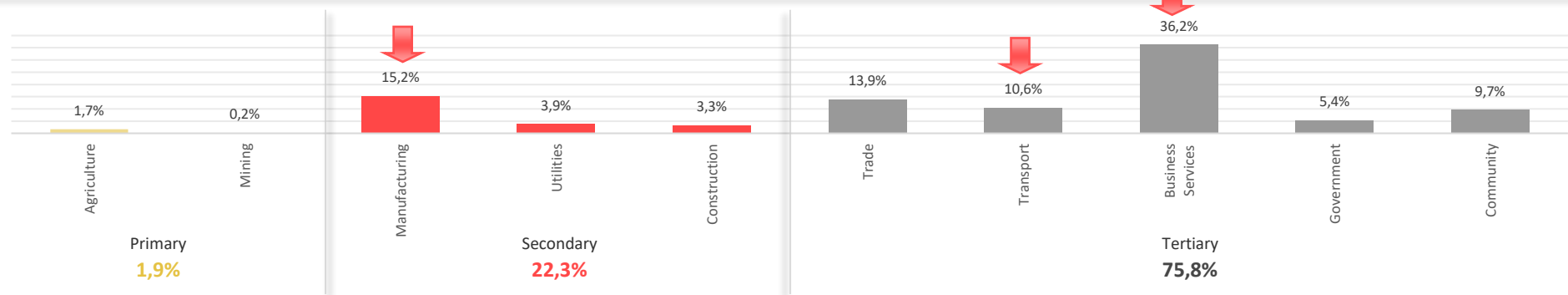
The sub-regional economy is the **THIRD LARGEST** contributor to the total economy of the metropolitan municipality

The sub-regional economy is characterized by **tertiary economic** activities

SPATIAL DISTRIBUTION OF THE ECONOMY



ECONOMY STRUCTURE



3.4.3 ECONOMIC GROWTH AND HOUSEHOLD CONSUMPTION AND EXPENDITURE

ECONOMY GROWTH

1,2%

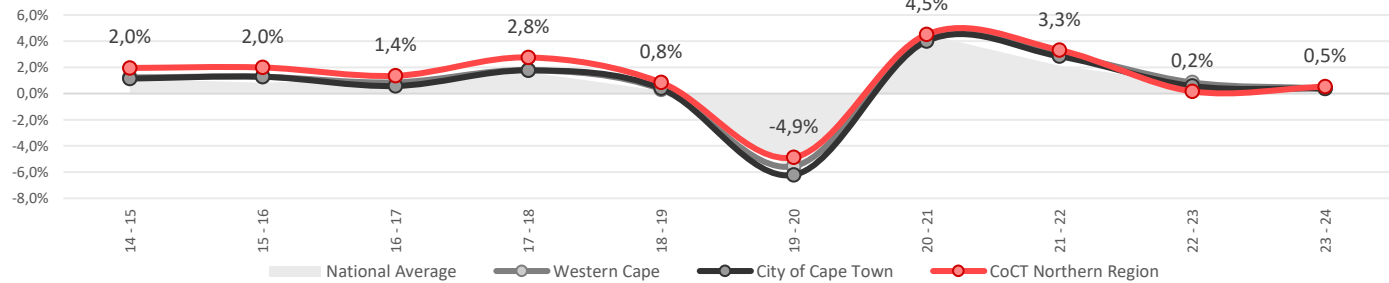
(2014 to 2024)

Average annual growth of the sub-regional economy over the previous **10 years**

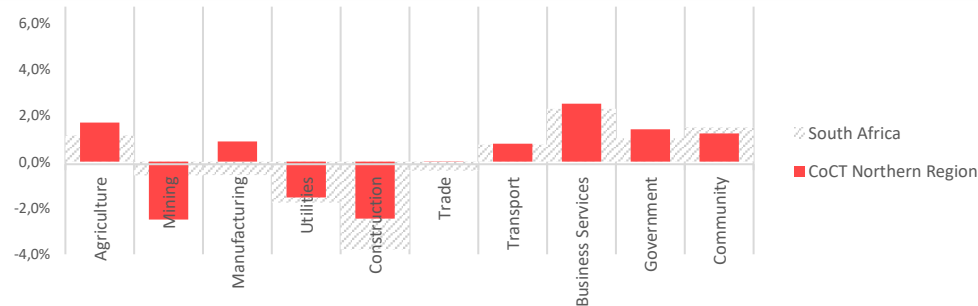
0,7%

(2019 to 2024)

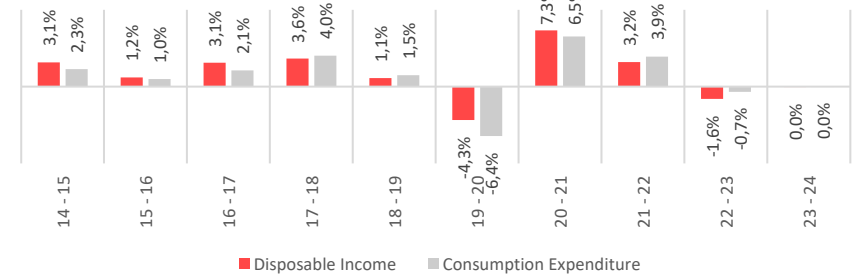
Average annual growth of the sub-regional economy over the previous **5 years**



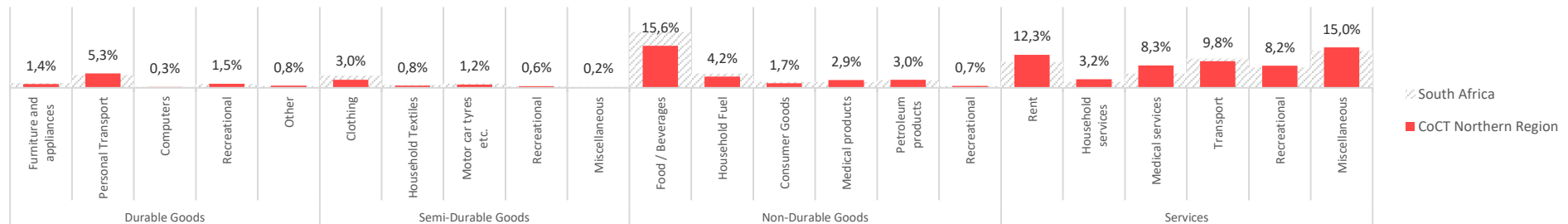
AVERAGE ANNUAL GROWTH PER ECONOMIC SECTOR



DISPOSABLE INCOME & CONSUMPTION EXPENDITURE GROWTH



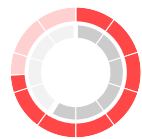
HOUSEHOLD EXPENDITURE PER CONSUMPTION ITEM



3.4.4 LABOUR FORCE PARTICIPATION

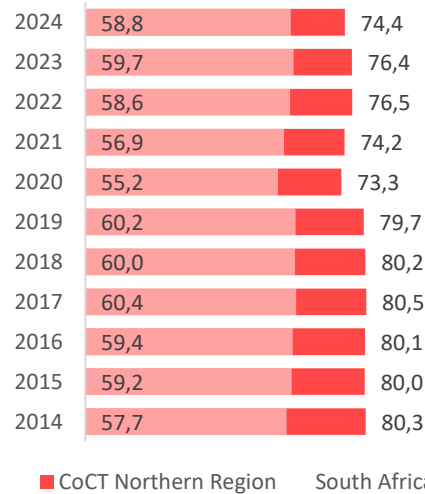
LABOUR FORCE PARTICIPATION

74,4% of the potential labour force participate in the sub-regional economy



58,8%
National average

Compared to the national average, the sub-regional economy maintains, on average, a **higher** labour force participation rate



STRUCTURE OF EMPLOYMENT

86,0%

Formal employment

14,0%

Informal employment



150 588 formal jobs in CoCT Northern Region sub-regional economy

Formal employment has maintained steady annual growth between 2014 and 2024 in the sub-regional economy, except for 2020 (Covid-19 pandemic)

The **Formal economy gained 28 054 jobs** since 2014 at an average rate of **2 805 jobs** gained per year

Skilled



65 591
jobs

12 278
gain since 2014

1 228
average gain

Semi-Skilled



63 385
jobs

14 060
gain since 2014

1 406
average gain

Low-Skilled



21 613
jobs

1 717
gain since 2014

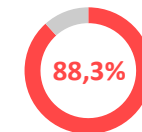
172
average gain

24 490 informal jobs exist in the sub-regional economy

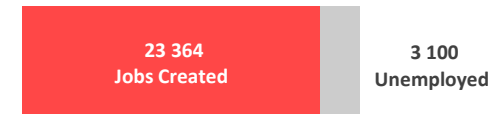
The **Informal economy lost 4 691 jobs** since 2014 at an average rate of **469 jobs** lost per year

DEMAND FOR EMPLOYMENT

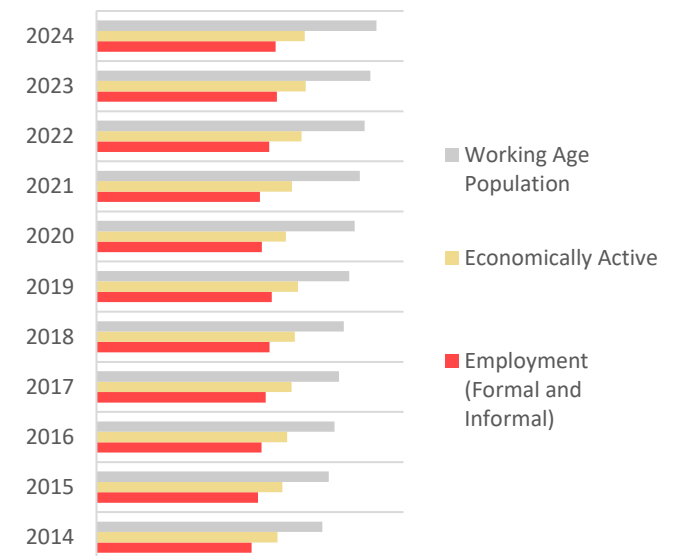
70 029 people became **economically active** since 2010



found **employment** since 2014



EMPLOYMENT DEMAND TREND



3.5 SYNTHESIS

This chapter provided insight to the economic performance of the **City of Cape Town Northern Region Sub-regional Economy** in relation to the **City of Cape Town Metro** and **Western Cape Provincial economies**. The data analysis highlighted the structure, growth trends and labour force dynamics of the sub-regional economy, offering a comprehensive view of its role in shaping investment prospects.

Economic Size & Profile:

- The Northern Region Sub-Regional Economy contributes R100,1 billion, accounting for 15,0% of the City of Cape Town economy and 10,8% of the Western Cape provincial economy.
- It is the third largest contributor to the metropolitan/regional economy, underscoring its strategic importance.
- The economy is predominantly tertiary based (75,8%), with strong representation from business services, government services, trade and community services.
- Secondary activities (22,3%) are driven by manufacturing, construction and utilities, while primary activities (1,9%) play a limited role.

Economic Growth Indicators:

- The Northern Region economy recorded an average annual growth rate of 2,0% over the past decade, slightly above the national average of 1,4%.
- Household consumption expenditure has shown resilience, with growth in non-durable goods (good, beverages, fuel) and semi-durable goods (clothing, textiles), while durable goods such as furniture and appliances experienced weaker demand.
- Disposable Income growth has broadly tracked consumption expenditure, reflecting a stable relationship between household earnings and spending patterns.

Labour Force Participation:

- The Northern Region maintains a notably higher labour force participation rate (74,4%) compared to the national average (58,8%).

- Formal employment accounts for 86% of jobs, with 150 588 formal positions recorded in 2024. Since 2014, the formal economy gained 28 054 jobs, averaging 2 805 jobs per year.
- Informal employment represents 14% of jobs but has declined by 4 691 positions since 2014.
- Employment demand is balanced across skill levels, with 65 591 skilled jobs, 63 385 semi-skilled jobs and 21 613 low skilled jobs, reflecting a diversified labour market.

The Northern Region Sub-Regional Economy is a dynamic and resilient contributor to both the metropolitan and provincial economies. Its strength lies in a diversified tertiary base, steady formal job creation and above-average labour force participation. While structural challenges such as energy supply and logistics inefficiencies constrain growth, opportunities exist in infrastructure investment, green energy transition and aviation-linked industrial expansion. The region's economic profile supports medium- to long-term investment prospects, particularly in manufacturing, logistics and business services, which align with the strategic positioning of the Durbanville-Fisantekraal corridor.

**TRADE AREA
DELINEATION &
DEMOGRAPHIC PROFILE**



4

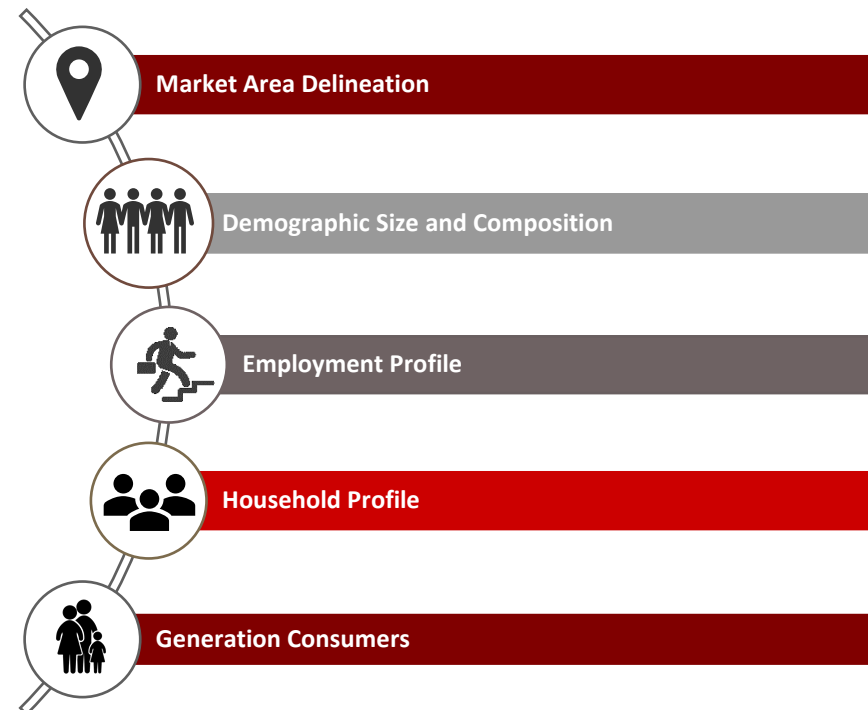
4 TRADE AREA DELINEATION AND DEMOGRAPHIC PROFILE

4.1 INTRODUCTION

The demand for industrial and warehousing activities is shaped not only by macro-economic and sectoral drivers, but also by the demographic and socio-economic composition of the surrounding resident market area. In this context, the demographic profile does not represent a consumer catchment in the traditional retail sense, but rather provides insight into the local labour pool, settlement patterns and socio-economic conditions that influence the viability and sustainability of industrial development.

This chapter therefore complements the economic analysis by outlining the demographic characteristics of the resident market area, highlighting population size, growth trends and socio-economic indicators that affect both the supply of labour and the demand for employment opportunities. The analysis provides a foundation for understanding how the proposed development can integrate into and support the local economy.

The consumer market profile is outlined in terms of the following headings:



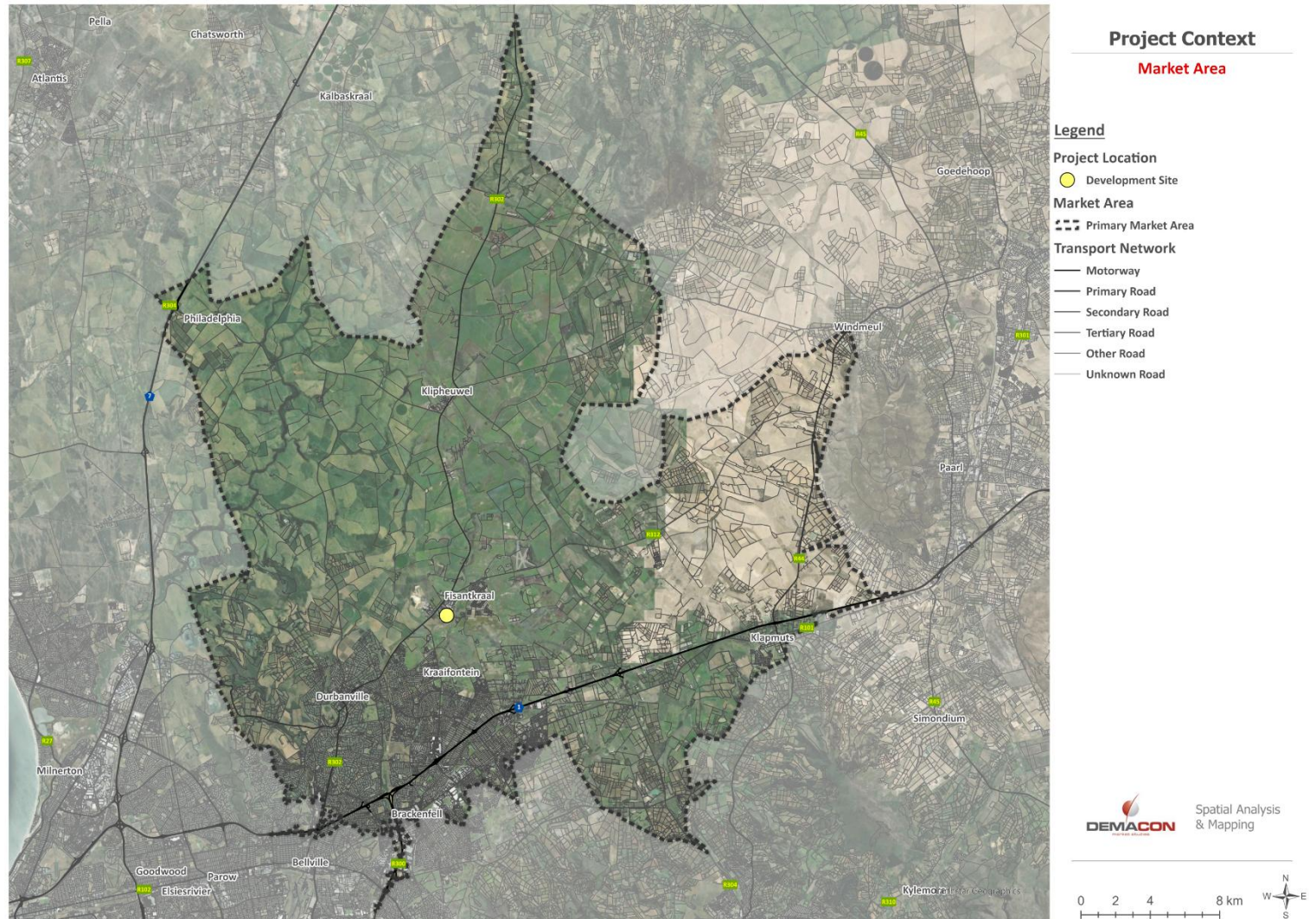
4.2 MARKET AREA DELINEATION

To gain insight into the socio-economic character of the resident market area, a primary trade area has been delineated. The delineation process takes into account several factors that influence how populations interact with economic opportunities, including:

- Consumer market behaviour and expenditure trends, which shape settlement and commuting patterns
- Regional and sub-regional levels of accessibility, particularly transport linkages to Durbanville, Brackenfell, Kraaifontein and Fisantekraal
- Geographic barriers, such as major road reserves and natural features that constrain mobility
- General consumer mobility patterns and drive times, reflecting realistic commuting distances for employment.

Based on these criteria, the market area for the project is defined by an approximated 20-minute drive time isochrone (Map 4.1). This captures the immediate labour catchment and settlement footprint most likely to supply workers, interact with the development and benefit from associated economic opportunities.

Map 4.1: Delineated Market Area (20-minute drive time)



4.3 DEMOGRAPHIC SIZE AND COMPOSITION (20-MIN DRIVE TIME ISOCHRONE)

POPULATION SIZE

395 400
PEOPLE IN THE
PRIMARY
TRADE AREA



Population
Average Annual
Growth Rate

2,61%

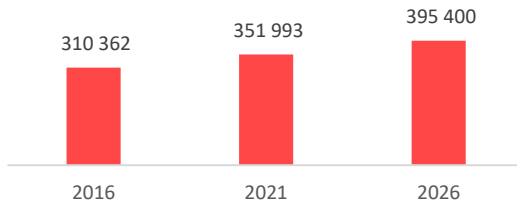
146 129
HOUSEHOLDS



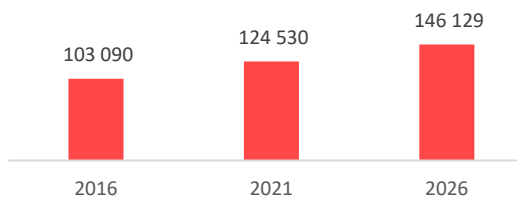
Household
Average Annual
Growth Rate

3,96%

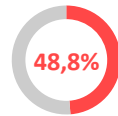
POPULATION GROWTH



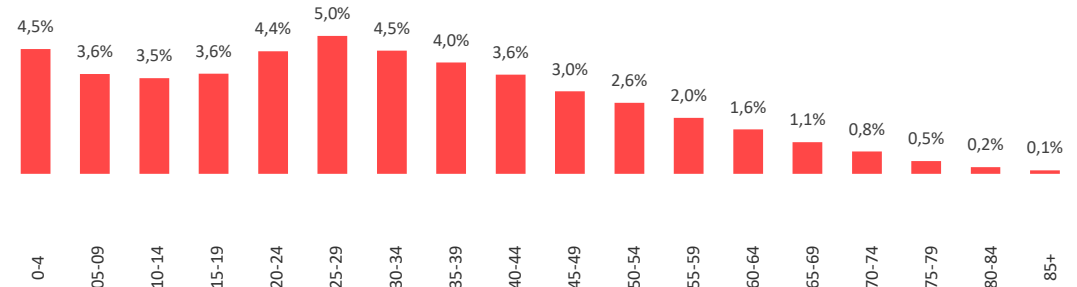
HOUSEHOLD GROWTH



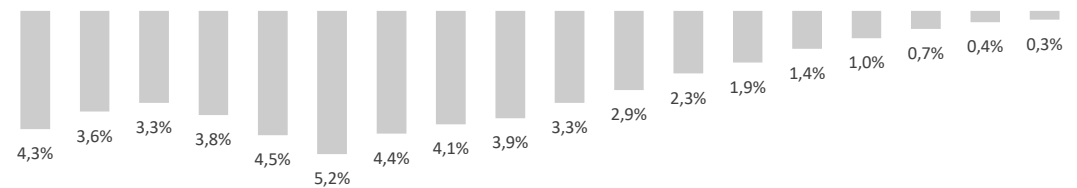
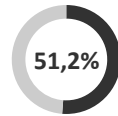
AGE AND GENDER PROFILE



MALE



FEMALE

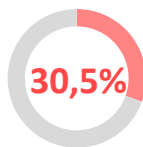


RACIAL PROFILE



Black African	25,5%
Coloured	31,0%
Indian/Asian	0,7%
White	42,8%

MIGRATION PROFILE



of the Target Market
migrated to the
primary market area
since 2001.

28,5%
are migrants from
South Africa

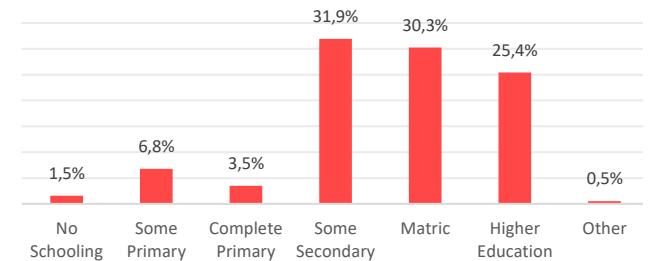
2,0%
are migrants from
other countries

EDUCATION PROFILE

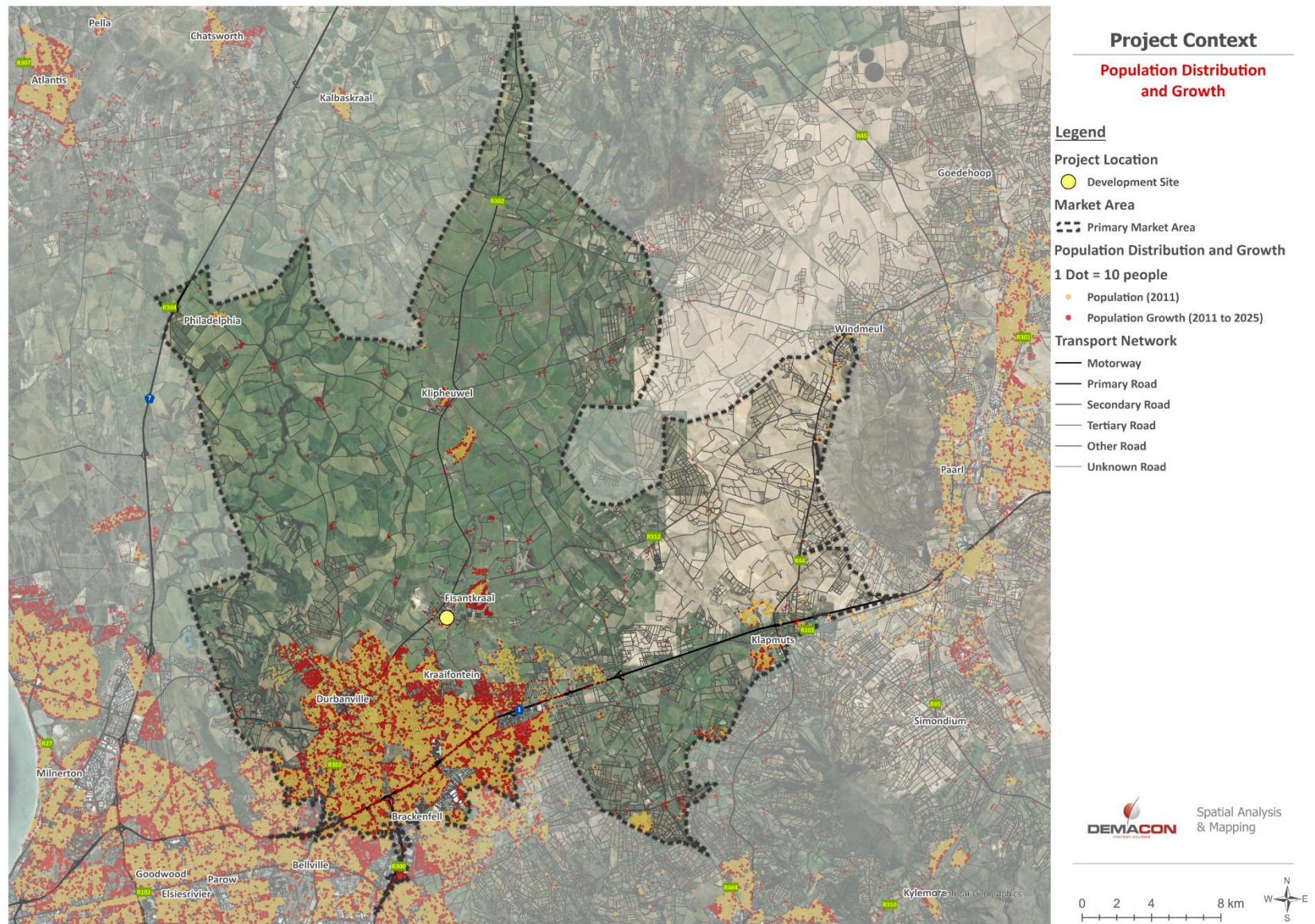
Educational Institution Attendance (20+ Years)

51,7% attend UNIVERSITIES	13,1% attend ABET FACILITIES	12,4% attend FET COLLEGES
--	---	--

Highest Level of Education Obtained (15-64 Years)



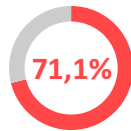
Map 4.2: Market Area Population Distribution and Growth



4.4 EMPLOYMENT PROFILE

ECONOMICALLY ACTIVE SEGMENT

ECONOMICALLY
ACTIVE
Population

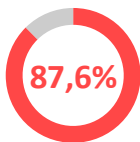


28,9% Not Economically Active

Economically active population refers to a person of working age 15 to 65 who are either employed or unemployed.

Not economically active population refers to ages 0 to 14 and 65 and older, persons unable to work or persons engaged in educational activities or are home-makers.

EMPLOYMENT PROFILE



Employed
Economically Active

12,4% Unemployed Economically Active

Employed and unemployed persons are considered to be economically active and thus is a segment of the economically active percentage.

OCCUPATIONAL PROFILE

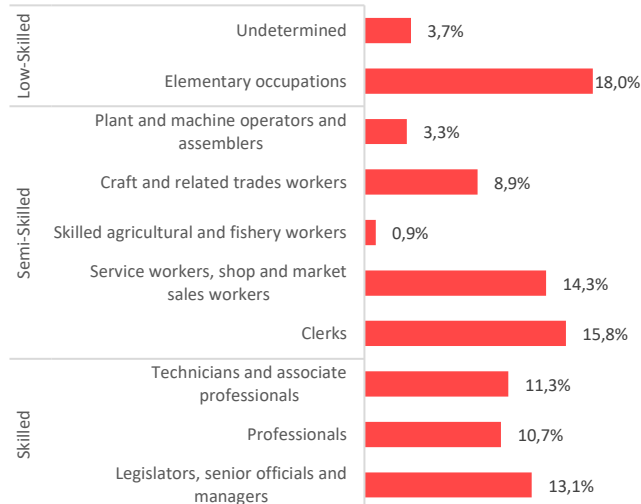
Skilled
Occupations
35,2%



Semi-Skilled
Occupations
43,2%



Low-Skilled
Occupations
18,0%



**ELEMENTARY
OCCUPATIONS**
ARE MOST POPULAR

18,0%

CLERKS
ARE THE SECOND MOST
POPULAR
15,8%

**SERVICE WORKERS, SHOP
AND MARKET SALES
WORKERS ARE THE THIRD
MOST POPULAR**
14,3%

EMPLOYMENT PER INDUSTRY

5,6%

Employed in the
Primary Sector



18,2%

Employed in the
Secondary Sector

68,0%

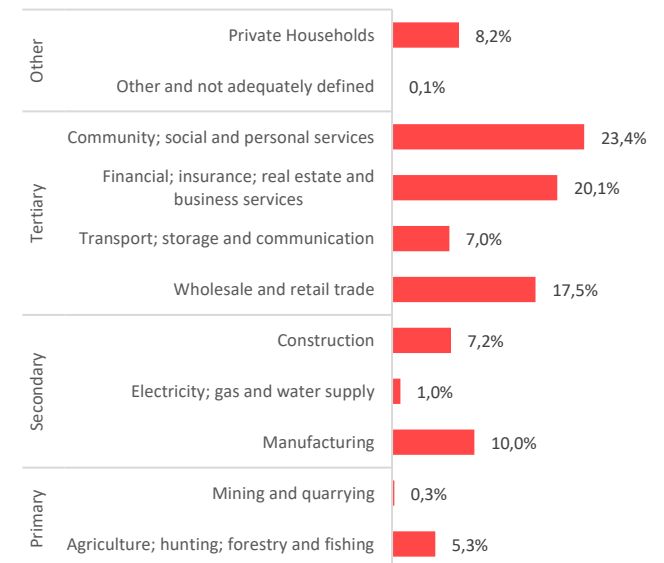
Employed in the
Tertiary Sector

**Biggest Employing Economic Sectors in
the Primary Trade Area**

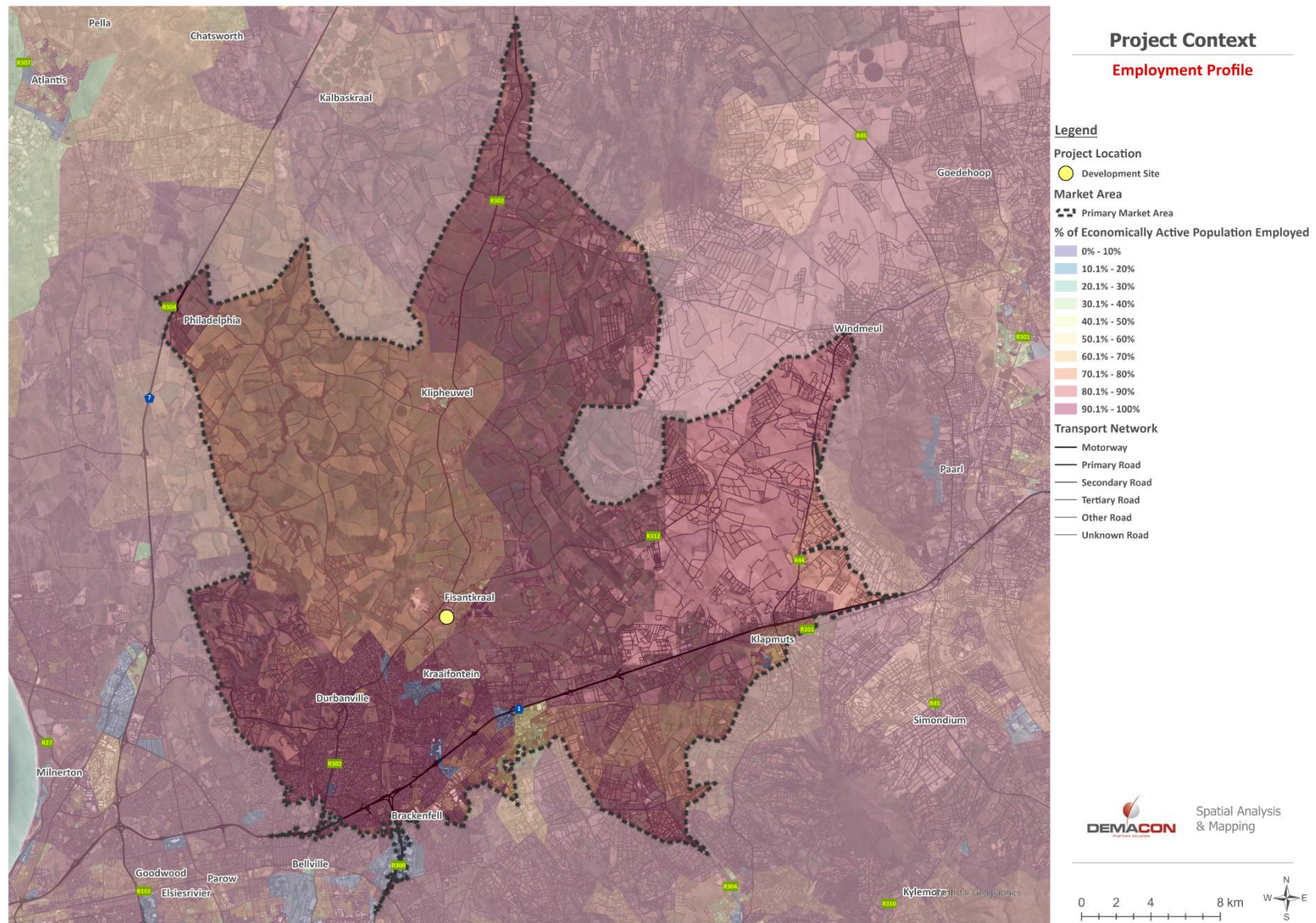
23,4% Community and Personal Services

20,1% Finance and Business Services

17,1% Wholesale and Retail Trade



Map 4.3: Market Area Employment Profile



4.5 HOUSEHOLD PROFILE

DWELLING TYPOLOGY

Majority of Households Reside in an **Formal Dwelling** **90,3%**

9,3% of households reside in a **informal dwelling**

0,4% of households reside in a **traditional dwelling**

Caravan/tent	0,1%
Traditional	0,4%
Other	0,4%
Flatlet	0,6%
House/flat/room in backyard	0,9%
Semi-detached house	1,4%
Cluster	2,2%
Townhouse	4,1%
Informal (Main)	4,1%
Informal (Backyard)	5,1%
Flat / Apartment	8,4%
House	72,1%

TENURE STATUS



27,4% of households **own** and have **paid** for the property where they reside

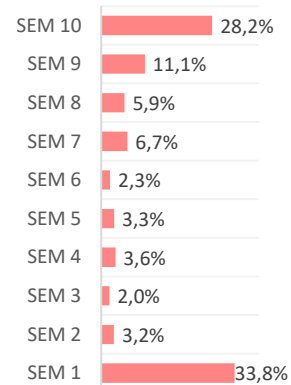
30,6% of households **own** but have **not finished paying** for the property where they reside

31,7% of households **rent** the property where they reside

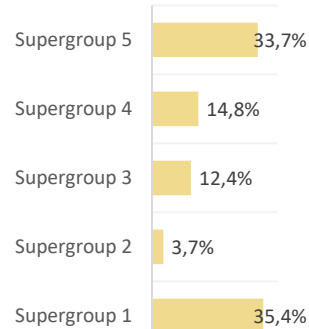
10,3% of households **occupy** the property where they reside **rent free**

SEM PROFILE

SEM Distribution



SEM Supergroup Distribution



HOUSEHOLD INCOME PROFILE

Average annual household income for all SEM groups (2026)

R353 459

Average annual household income for SEM Groups 2+ (2026)

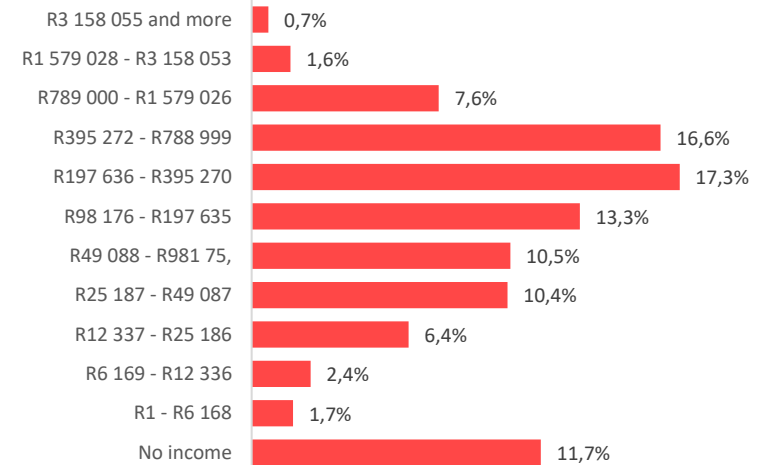
R550 669

Average monthly household income for all SEM groups (2026)

R29 462

Average monthly household income for SEM Groups 2+ (2026)

R45 889



4.5.1 LSM TO SEM

The discontinuation of the All Media Products Survey (by the South African Audience Research Foundation (SAARF)), on which the Living Standard Measure (LSM) classifications were based, gave way to a new measurement system called The Socio-Economic Measure model (SEM). The newly released SEM model is a more accurate reflection of South African society in terms of how people live and is not dependent solely on durables, as the historical LSMs have been. The new SEM offers marketers a statistical and technical solution that depicts how our citizens are living, not only what they have in their homes.

LSM

VS

SEM

LATEST VARIABLES:

- Hot running water
- Fridge/freezer
- Flush toilet in house/on plot
- VCR in household
- Vacuum cleaner/floor polisher
- Have a washing machine
- Have a computer at home
- Have an electric stove
- Have TV set(s)
- Have a tumble dryer
- Have a Telkom telephone
- Hi-Fi or music centre
- Built-in kitchen sink
- Home security service
- Have a deep freeze
- Water in home/on stand
- Have M-Net and/or DSTV
- Have a dishwasher
- Metropolitan dweller
- Have a sewing machine
- DVD player
- House/cluster/townhouse
- 1/more motor vehicles
- No domestic worker
- No cellphone in household
- 1 cellphone in household
- None or only one radio
- Living in a non-urban area



FINAL VARIABLES:

- Post office nearby
- Police office nearby
- Built-in kitchen sink
- Home security service
- Motor car
- Deep freezer which is free standing
- Microwave oven
- Floor polisher or vacuum cleaner
- Washing machine
- Floor material
- Water source
- Type of toilet
- Roof material
- Number of sleeping rooms

LIMITATIONS OF LSM



LSM is not related to any specific brand or category



LSM cannot accurately determine spending power



Consumers have changed, LSM hasn't

ADVANTAGES OF SEM



Focus on structural items



Low reliance on durables

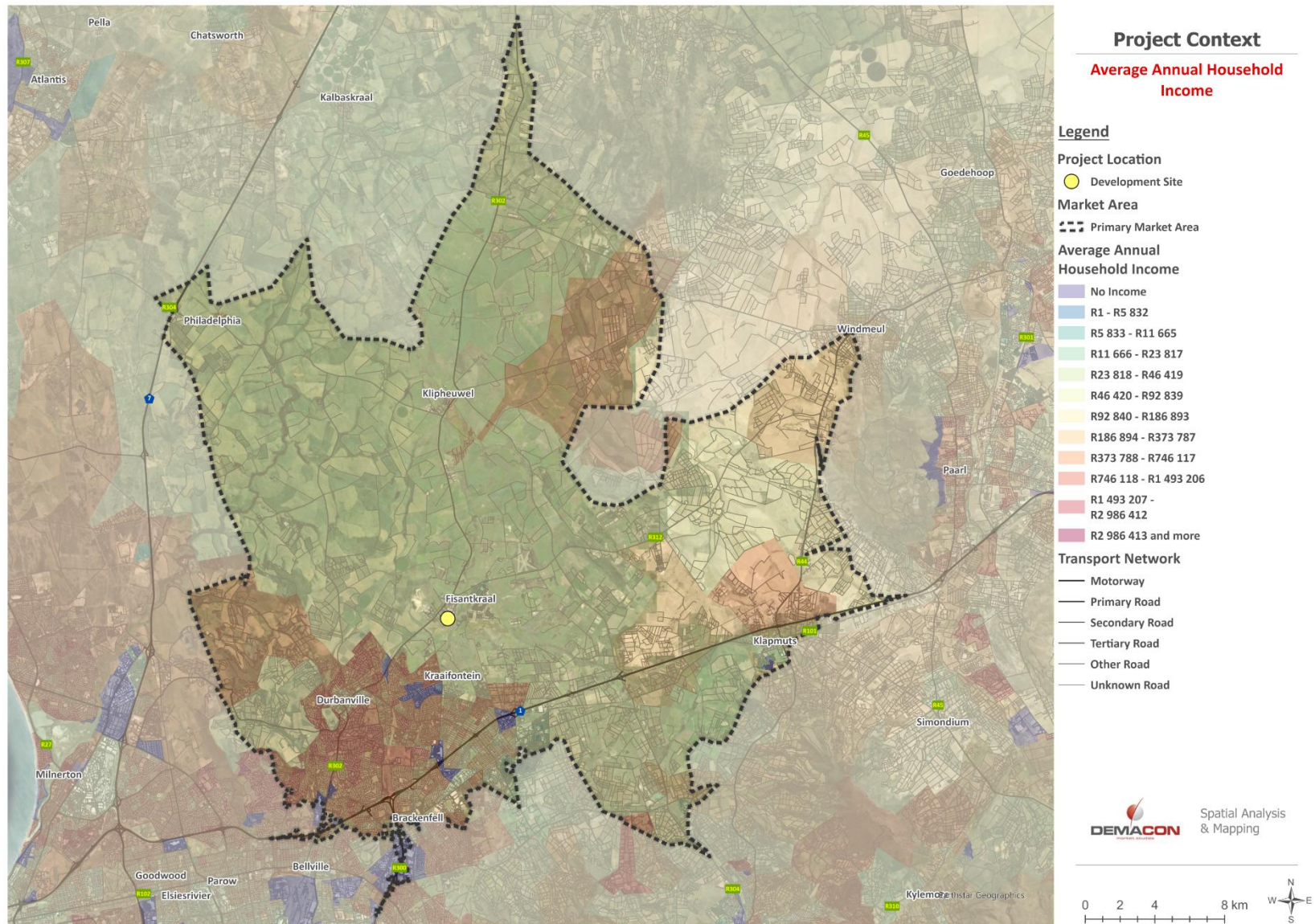


No reliance on technology items

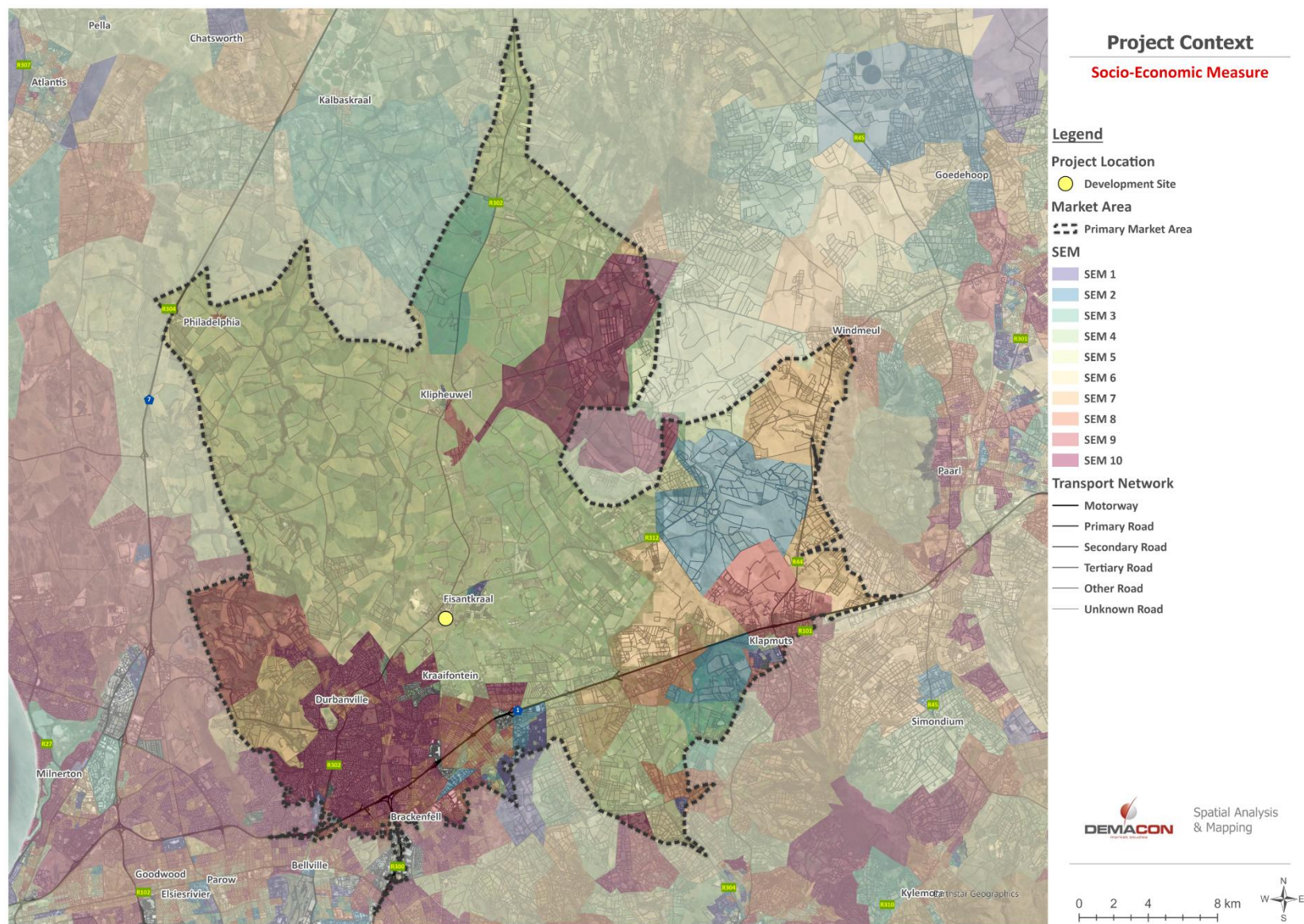


Short and easy to use

Map 4.4: Market Area Household Income Profile



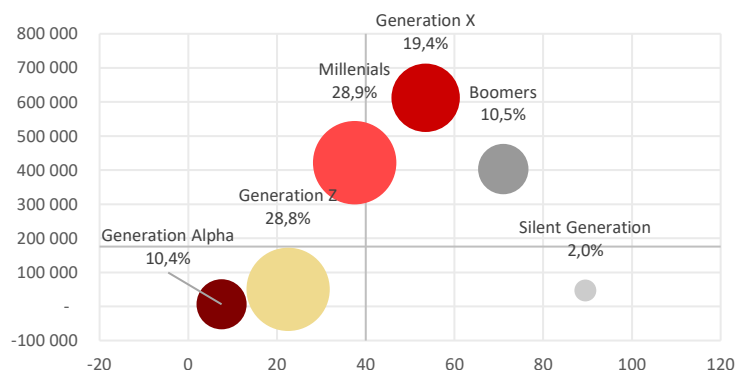
Map 4.5: Market Area SEM Profile



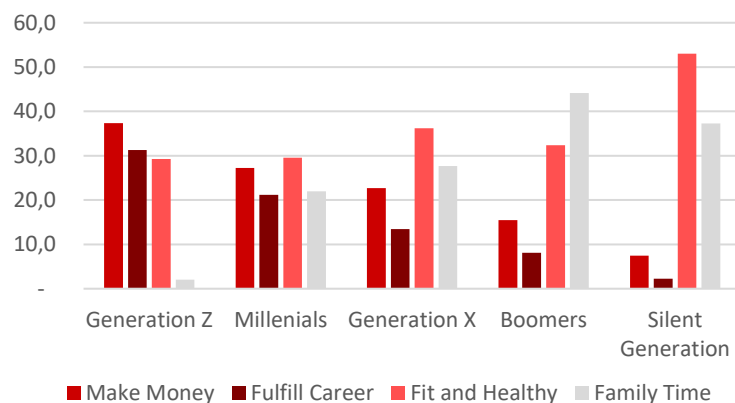
4.6 GENERATIONAL PROFILE

CONSUMER MARKET SEGMENTS

Changes have been taking place within shopping centres, largely due to changes in their market segment's lifestyles. Increased emphasis is being placed on the creation of spaces and atmospheres within malls where people feel comfortable and are encouraged to linger longer. Focus is turned towards the experience and convenience of centres, offering consumers the opportunity to relax and interact with friends and family.



MAIN ASPIRATIONS OF CONSUMER SEGMENTS



MARKET SEGMENTS DESCRIPTIONS



Aged 2 To 15

Generation Alpha is a growing and lucrative consumer market. They are expected to be the wealthiest, most highly-educated and technologically-connected group to date. Collectively, their spending power is huge. From a young age, Alphas would have been widely exposed to multiple digital platforms. Businesses will have to adapt to radically new ways of interacting and communicating with alphas, compared to their parents. Generation Alpha's consumer experience will have to be seamless and integrated, with personalised online experience. This will provide new opportunities for marketers.



Aged 16 To 29

The labels being attached to this generation include 'realistic', 'highly connected' and 'digital natives'. Generation Zs are seen to be wary with their money, having seen their parents lose jobs and their older siblings move back home because housing is so expensive. Via expert use of social media and the internet, they have already become demanding purchasers. They research diligently, are marketing savvy and are much less likely to make impulse purchases. They will find the best deals and will expect to test out products physically or virtually before they commit to buy. Generation Z will, apparently, want brands to show their long-term value.



Aged 30 To 45 Years

The majority of this generation has never known a world without mobile phones, laptops and cable television. This cohort is the one that tends to cop most criticism at the moment, with labels such as 'used to instant everything', 'believe they can separate effort from reward', 'do not live to work but work to live'. This segment is the most formally educated and most sophisticated of all the generations before it. Detailed research has shown that they are looking for brands that resonate with their peers. They are very image driven and so value, for example, electronic toys, piercings and tattoos. Other research shows that they pay less attention to quality than other generations.



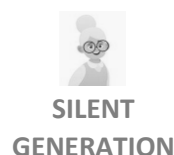
Aged 46 To 61 Years

A bridging generation, which joined the workforce generally during periods of economic prosperity (the mid to late 1980s onwards). Generation X's are highly educated but more questioning of convention than the Baby Boomers. They are also generally more interested in balancing family, life and work, and much less inclined to sacrifice time, energy and relationships for career advancement like the Baby Boomers did.



Aged 62 To 80 Years

Influenced in their upbringing by strong economic growth and generally full employment, they are generally considered to be adaptive and flexible. Baby Boomers are regarded as having defined themselves largely by their careers, with a high proportion considered to be workaholics. They are increasingly moving into the retirement phase of their life, but many plan to continue working.



Aged 81 & older

Shaped by major influences including the Great Depression and two world wars. Not surprisingly, this cohort values savings, morals and ethics, and tends to be very patriotic. Family togetherness and conformity are also very important attributes for them.

GENERATIONAL CHARACTERISTICS

	 ALPHA GENERATION	 GENERATION Z	 MILLENNIALS	 GENERATION X	 BABY BOOMERS	 SILENT GENERATION
Current Age	2-15 years	16-29 years	30-45 years	46-61 years	62-80 years	81+ years
Percentage of Target Market	10,4%	28,8%	28,9%	19,4%	10,5%	2,0%
Characteristics	• Raised in homes with smart speakers & devices • Technology is built into everyday items • Many attend schools virtually – gravitating towards online schooling	• Flexible work environments • Clear directions & transparency • Seek personal growth in reaching performance goals • Value offline relationships and person-to-person interaction • Prioritise authenticity, truth & connectivity in their relationships & expect it from society	• Seek meaningful work • Want to grow and use creative skills • Technology savvy • Yearn to grow professionally • Skills training, mentorship & feedback necessary to stay at company • Self-confident • Not afraid to challenge the status quo/ management	• Laid back • Low-key & independent • Entrepreneurial spirit • Value friendly, flexible workplaces & productivity over hours spent at work • Seeks out efficiency & innovation • Value autonomy to make own choices • Create relationships with mentors • Effectively manage work-life balance	• Hardworking • Ambitious • Seek luxury status symbols in their personal lives • Take risks to pursue goals • Dedicated to their jobs • Attribute self-worth to their occupations • Finding work-life balance is challenging	• Traditional values • Financial prudence • Interpersonal respect • Determination • Resilience • Work ethic • Analog sensibilities • Loyal • Financially conservative
Shaping Events	• Global pandemic, social justice movement, Brexit	• Smartphones, social media, seeing financial struggles of parents	• The Great Recession, Technological Explosion of the Internet, Social Media	• End of the Cold War, Rise of personal computing, lost between the two generations	• Post-WWII, Cold War, Hippie Movement	• World War II
Finances	• Digital natives that will expect fully integrated, personalised consumer experiences. Expected to be one of the most educated and wealthy generations.	• Like GenX (their parents) in financial attitudes but wanting to avoid debt after seeing Millennials' struggles	• Massive student debts delay major life purchases	• Carrying the highest debt load while still raising children and saving for retirement	• Managing retirement with life expectancies on the rise	• Retired & financially vulnerable • Lack of financial stability • Think of finances in terms of the rest of their lives
Workforce readiness	• Future labour force, not yet economically active	• Entering the workforce • Entrepreneurial and digitally fluent • Suited to logistics and tech-enabled operations	• Largest workforce cohort • Experienced, tech-savvy • Often in supervisory or mid-management roles	• Seasoned professionals • Balances autonomy and leadership • Often in managerial or technical specialist positions	• Declining share of active workforce, but still present in senior management or advisory roles	• Largely retired

4.7 SYNTHESIS

This chapter provided insight into the delineated resident market area surrounding the proposed development site, defined by a 20-minute drive-time isochrone. The analysis highlighted demographic size and composition, employment profile, household characteristics and generational structure, offering a comprehensive view of the socio-economic context in which the development will be embedded.

Demographic Size and Composition:

- Resident population of 395 000 people in 146 129 households (2026)
- Strong growth: 2,61% population CAGR and 3,96% household CAGR since 2016
- Youthful age profile, with Millennials (28,9%) and Gen Z (28,8%) forming the majority of the labour pool.
- Diverse racial composition: 42,8% White, 31,0% Coloured, 25,5% Black African.
- Education levels relatively high: 25,4% higher education, 30,3% matric – supporting workforce readiness.

Employment Profile:

- 71,1% labour force participation, above national averages
- 87,6% employed, 12,4% unemployed
- Balanced occupational mix: 35,2% skilled, 43,2% semi-skilled, 18,0% low-skilled
- Sectoral distribution: 68,0% tertiary, 18,2% secondary, 5,6% primary
- Industrial and logistics-relevant skills present in construction, manufacturing and transportation sub-sectors.

Household Profile:

- 90,3% of households in formal dwellings, with 9,3% informal.
- Tenure mix: 27,4% own outright, 30,6% paying off mortgages, 31,7% rent, 10,3% rent-free.
- Average annual household income: R353 549 (±R29 462/month)
- Dual socio-economic structure: affluent suburbs alongside lower-income settlements, ensuring diverse labour supply.

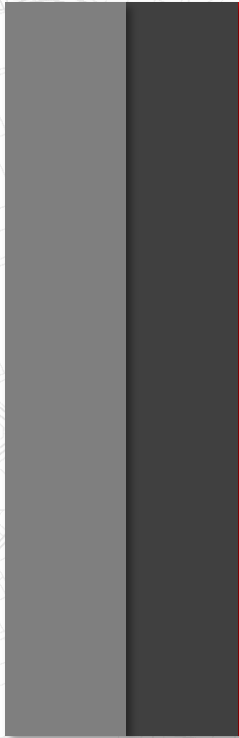
Generational Profile:

- Millennials and Gen Z together comprise 57,7% of the population, forming the core of the current and emerging workforce.
- Generation X (19,4%) provides experienced mid-career professionals; Baby Boomers (10,5%) are gradually exiting the workforce.
- Younger cohorts demonstrate strong digital adoption, supporting logistics and tech-enabled industrial operations.
- Generational mix ensures both immediate labour supply and long-term sustainability.

The trade area and demographic profile confirm that the proposed Mixed Industrial development is supported by a growing, youthful and diverse resident population, with high labour force participation and a balanced occupational mix. The socio-economic contrast within the catchment ensures access to both skilled and semi-skilled labour, while generational dynamics point to long-term workforce sustainability. Together, these factors provide a solid foundation for industrial and warehousing investment, aligning with regional economic priorities and reinforcing the site's strategic location.

The background of the slide is a light gray map of a city grid, showing streets and building footprints. A large, solid red rectangle is positioned on the left side of the slide, partially overlapping the map. The text "CASE STUDIES" is written in a bold, red, sans-serif font, centered vertically within the red rectangle.

CASE STUDIES

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5

5 CASE STUDIES

5.1 INTRODUCTION

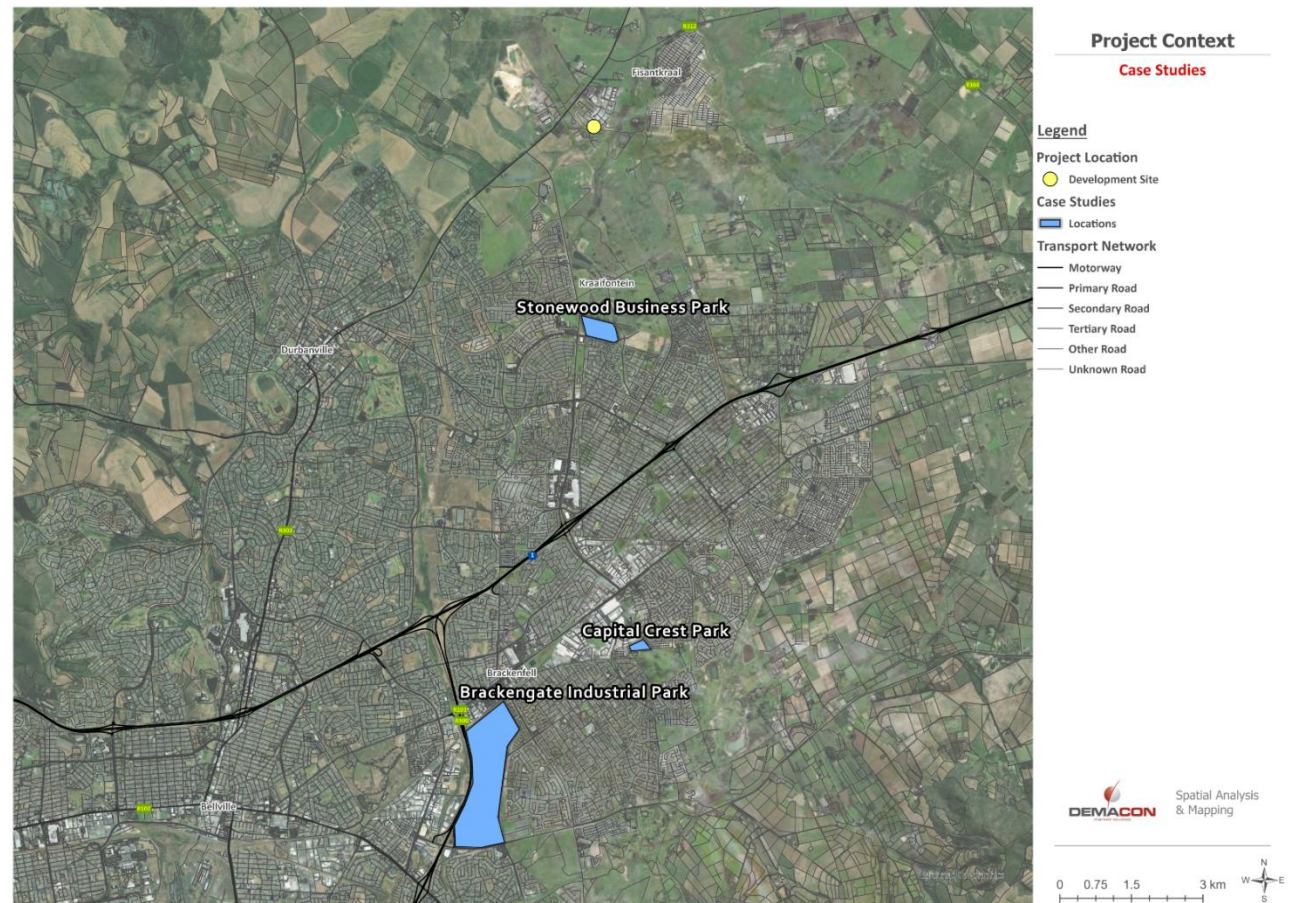
Industrial and mixed-use precincts in the Northern Suburbs of Cape Town have evolved in response to growing demand for modern logistics, warehousing and light manufacturing facilities. These developments are strategically positioned along major transport corridors, offering adaptable unit sizes, integrated office components and secure environments that cater to a diverse tenant base ranging from small and medium enterprises to national distribution operators.

Case studies provide valuable insight into how developers are responding to market demand, what product offerings are being prioritised, and how location and design influence competitiveness. By examining examples such as **Capricorn Crest Park**, **Stonewood Business Park** and **Brackengate Industrial Park**, this chapter highlights the range of industrial development models currently shaping the Northern Suburbs.

In addition to the local context case studies, four national context case studies located along key routes/high activity spines are also provided – **N4 Gateway**, **Longmeadow Business Estate**, **Linbro Park** and the **R21 Corporate Park**.

The purpose of these case studies is to establish benchmarks for scale, pricing, configuration and strategic positioning, thereby informing the assessment of the proposed Durbanville Mixed Industrial development. Together they illustrate both the diversity of tenant demand and the broader regional and national trends driving industrial investment.

Map 5.1: Local Context Case Studies



5.2 CASE STUDY 1: CAPITAL CREST PARK

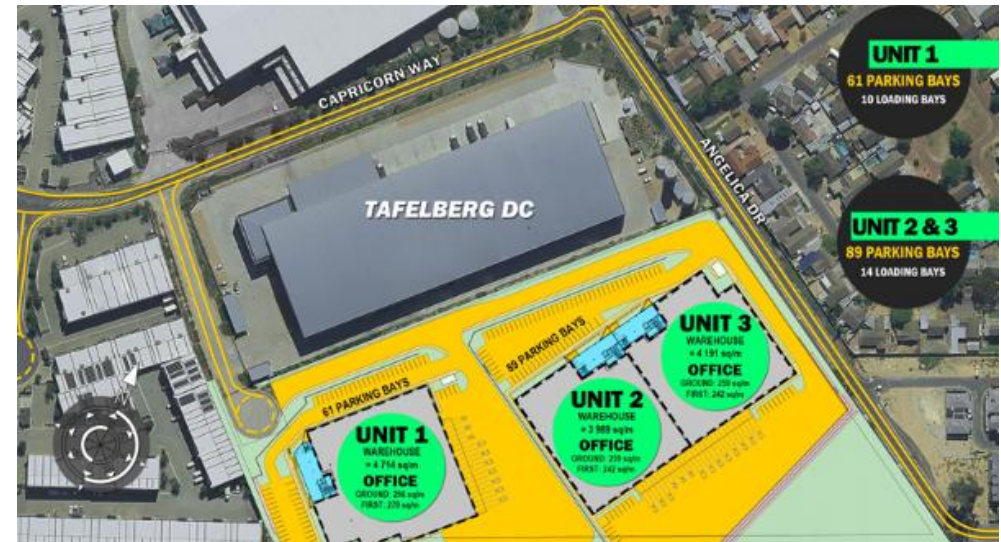
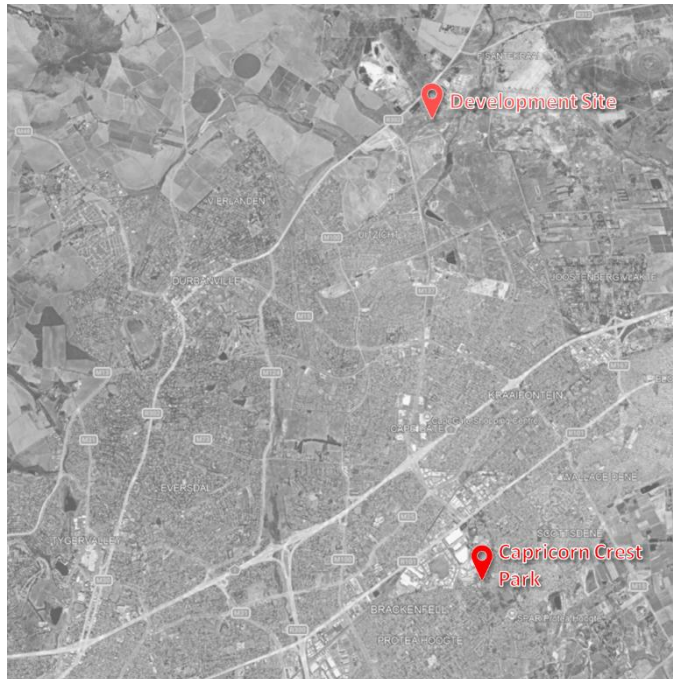
DESCRIPTION:

Location: Capricorn Drive, Brackenfell

Description: Capricorn Crest is a new industrial development located within Brackenfell Industria, one of the Northern Suburbs' key industrial nodes. The park has been designed to accommodate warehousing, logistics, distribution, e-commerce and light manufacturing operations, reflecting the growing demand for modern, adaptable facilities in the Cape Town metropolitan area.

PRICING

- Rental range: R516 350 – R608 235
- Approximate rental price: ± R115 per m²



PRODUCT OFFERING

- Three warehousing units

Unit Number	Warehouse (m ²)	Office (m ²)	Total GLA
Unit 1	4 714	575	5 289
Unit 2	3 989	501	4 490
Unit 3	4 191	501	4 690



5.3 CASE STUDY 2: STONEWOOD BUSINESS PARK

DESCRIPTION:

Location: Stonewood Drive, Kraaifontein

Description: Stonewood Business Park is a secure industrial estate catering to light manufacturing, warehousing and distribution. The park is designed to support operational efficiency for small to medium enterprises, offering functional units with direct vehicle access, shared yards and modern facilities. Its appeal lies in combining cost-effective rentals with a secure, access-controlled environment, making it an attractive alternative to more expensive central Cape Town industrial nodes.

PRICING:

- Rental range: ±R105 – R115 per m²
- *Example: A 428 m² warehouse in Stonewood Business Park is marketed at ±R54 000/month*

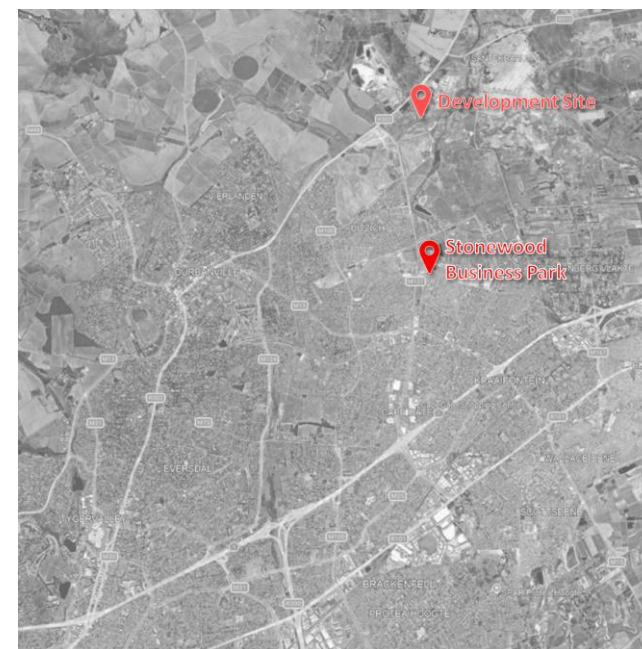
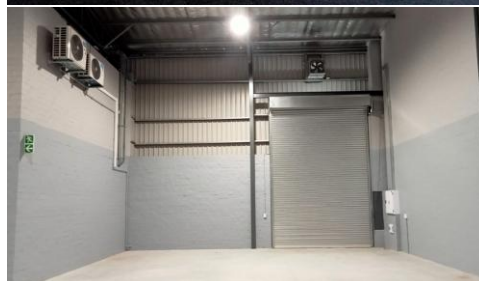


PRODUCT OFFERING

- Various industrial unit sizes: 300 – 500 m²
- ±50 light industrial units

FEATURES:

- Roller-door access for loading/unloading
- Shared yard space for vehicle circulation
- Ample parking bays
- 24-hour security



5.4 CASE STUDY 3: BRACKENGATE INDUSTRIAL PARK

DESCRIPTION:

Location: R300, Brackenfell

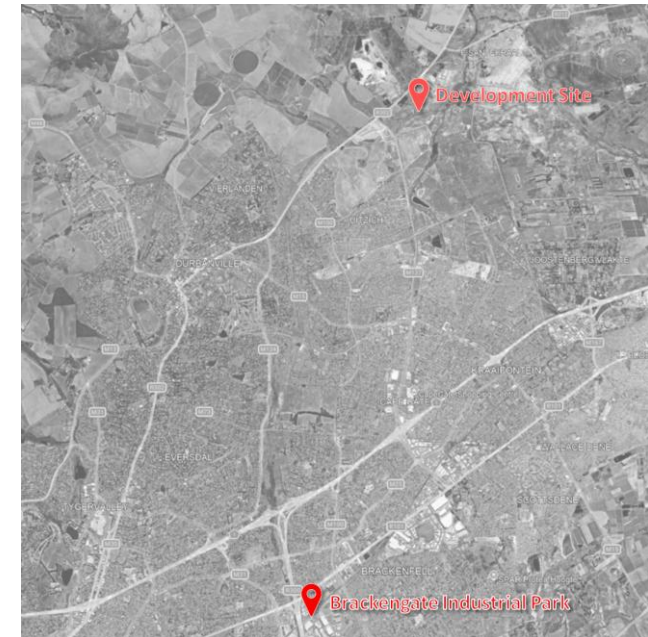
Description: Brackengate Industrial Park is one of the largest and most prominent industrial precincts in the Northern Suburbs. It has been developed to accommodate large-scale logistics, warehousing and distribution centres, attracting major national tenants such as Shoprite and Fruit & Veg City. The park is characterised by A-grade facilities, expansive yard areas and modern design standards, making it a benchmark for logistics-oriented industrial development in Cape Town.

PRICING:

- Rental rates typically range between R110-125 per m², depending on unit size and specifications.
- Large distribution centres command premium rentals due to their scale, accessibility and visibility from the R300.

PRODUCT OFFERING

- Large format warehousing units ranging from 12 561 m² to 14 949 m², with integrated office components
- Facilities include:
 - Multiple loading docks and large yard areas for truck circulation
 - Ample parking and secure access control
 - Modern architectural design suited to national logistics operators
- Tenants include Shoprite Distribution Centre and other major logistics players, reinforcing its role as a national supply chain hub.



5.5 CASE STUDY 4: N4 GATEWAY INDUSTRIAL PARK

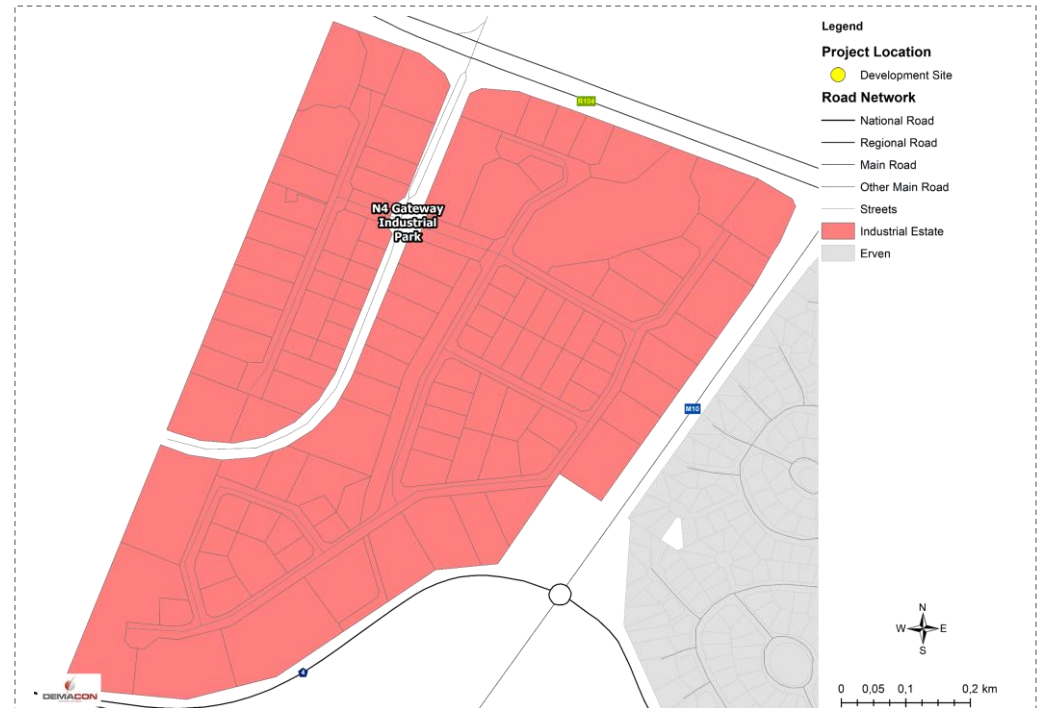
DESCRIPTION:

Location: Willow Park Manor X65, Pretoria East

Description: The N4 Gateways is a Light Industrial Security Park surrounded by very important strategic roads – i.e. the N4 highway to Witbank; the M10 Solomon Mahlangu Road and the R104 Bronkhorstspuit Road. The Industrial Park has many safety and security features, making this a sought-after industrial setting, such as Access Control System, Electric Fence Alarm System, Perimeter CCTV System, Electrical & Back-up System and Security Control Room

PRICING

- Approximate asking price:
 - Developed: ± R5 000 – R6 000 per m²
 - Undeveloped (no plans): R975 per m²
- Approximate rental price: ± R70 per m²



PRODUCT OFFERING

- Average industrial erf size: 4 144m²
- 111 industrial erven

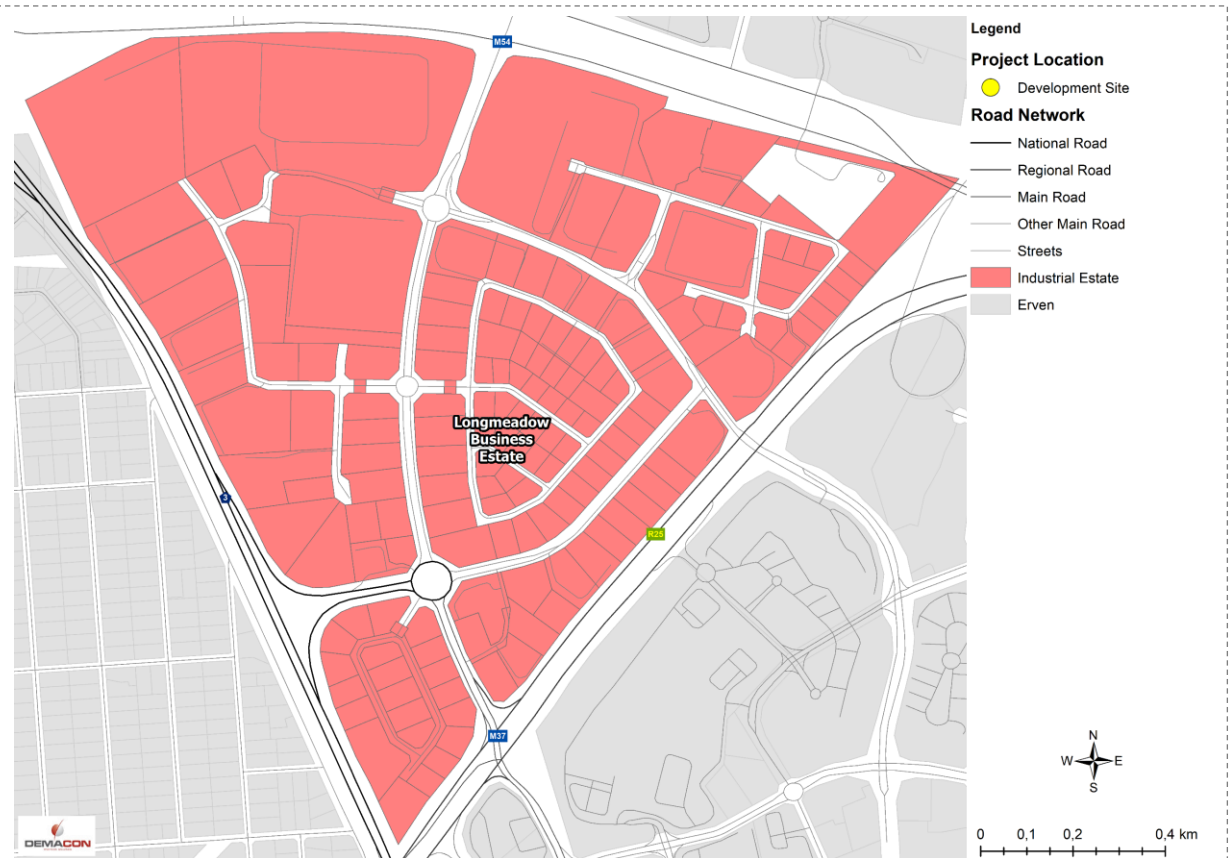
Size Category (m ²)	Number of erven	Average erf size in category (m ²)	Percentage of Total
1 000 – 2 000	20	1 641	18%
2 000 – 3 000	23	2 484	21%
3 000 – 4 000	25	3 386	23%
4 000 – 5 000	20	4 420	18%
5 000 – 7 500	9	5 910	8%
7 500 – 10 000	8	8 099	7%
10 000+	6	13 174	5%

5.6 CASE STUDY 5: LONGMEADOW BUSINESS ESTATE

DESCRIPTION:

Location: Lethabong, Johannesburg

Description: The business estate occupies an area of approximately 200 hectares and is considered as being a very popular and niche industrial park within Johannesburg – accommodating two distinctive uses: Offices and Industrial. The locality of this property is extremely favourable; the on and offramp to and from the N3 National Highway is located approximately 2 km from the property. The property enjoys easy access to the R25, Angus Crescent and Modderfontein Road which is considered as a major arterial route between Longmeadow, Edenvale and Kempton Park.



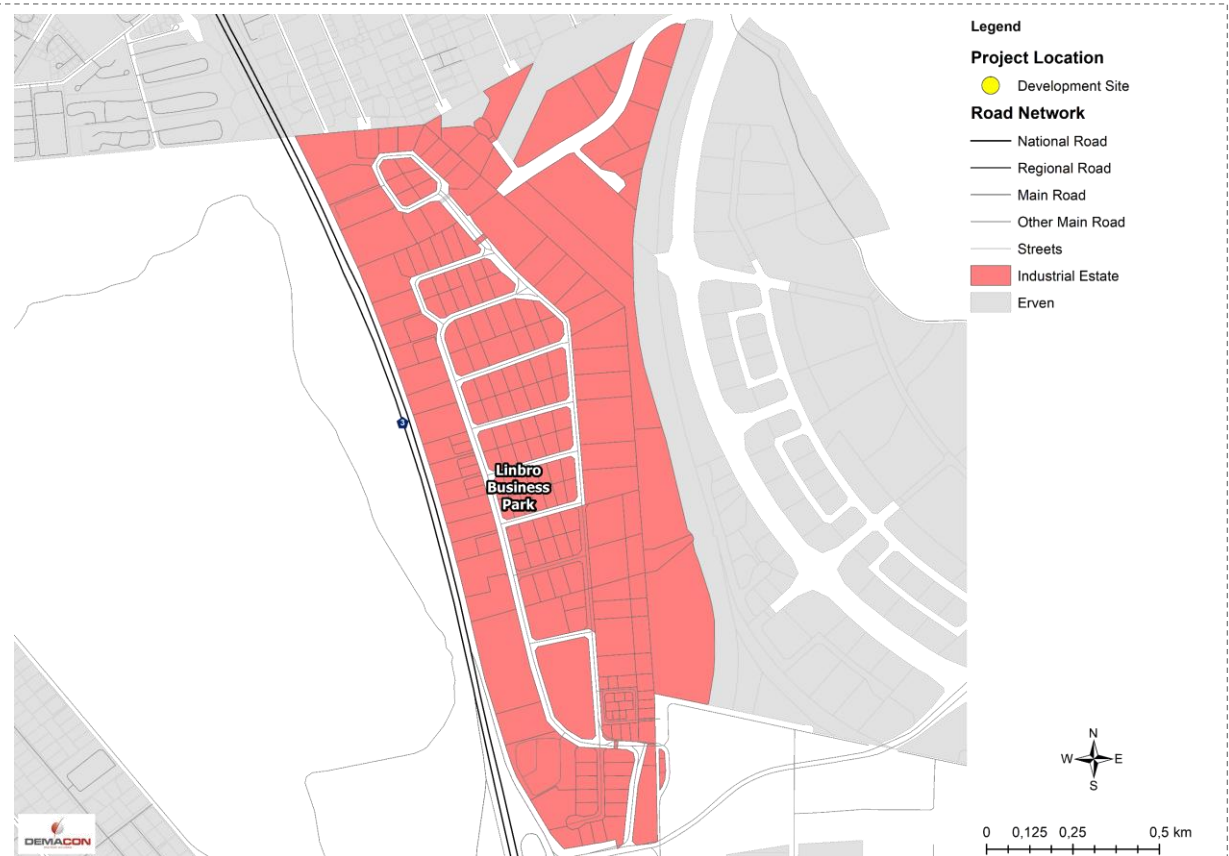
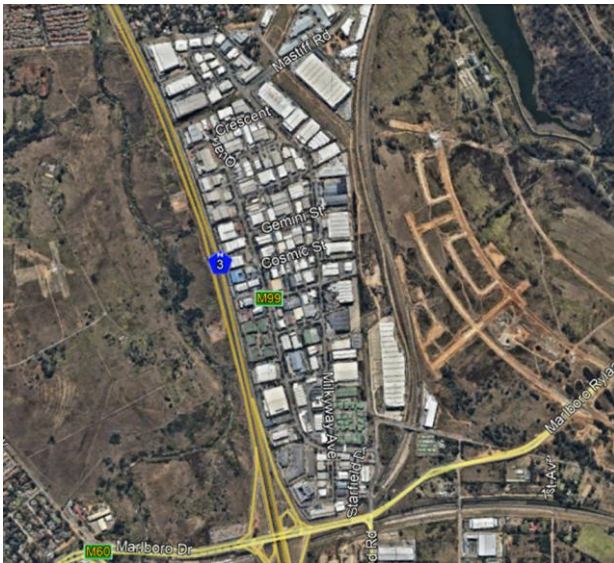
- Approximately 160 industrial stands
- Varying sizes
- Smaller stands towards the inner part of the estate, with larger stands on the outer edge

5.7 CASE STUDY 6: LINBRO PARK

DESCRIPTION:

Location: Linbro Park, Johannesburg

Description: The Linbro Business Park is considered a premium grade industrial park with blue chip multinational tenants. It is comprised of small, medium and large warehouse and industrial facilities. The area has generated strong returns for many investors and has been the area of choice for many tenants in the past. The park is safe and secure and controlled by 24 hour security. A multitude of road networks contribute to the success of Linbro Business Park, ensuring accessibility into Linbro Business Park using Marlboro Drive via the M1 North and South, using Marlboro Drive via the N3. An arterial route (Marlboro Drive) runs alongside Linbro Business Park. The park offers excellent highway access and frontage for many of the properties.



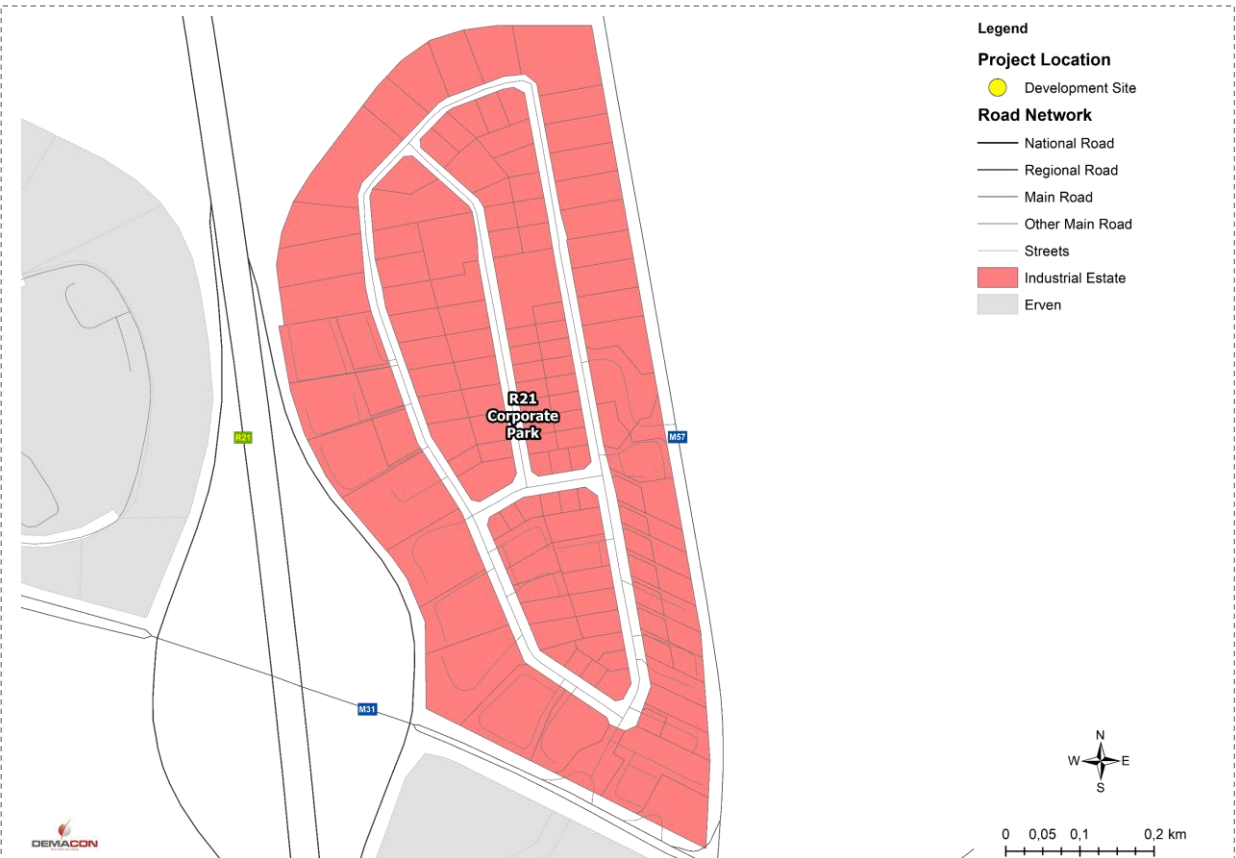
- Approximately 200 industrial/commercial stands
- Varying sizes
- Smaller stands towards the inner part of the estate, with larger stands on the outer edge

5.8 CASE STUDY 7: R21 CORPORATE PARK

DESCRIPTION:

Location: Irene X30, Centurion

Description: Route 21 Corporate Park is a well-established office park in Irene. An exciting aspect to the development is the fact that there are a handful of buildings within the Route 21 complex that are focused on sustainability and green living. The park provides office spaces to around 300 businesses and over 8000 employees. The businesses in the park range from small SMMEs to large, multinational, JSE-listed companies. Route 21 is situated on the R21 highway, which allows tenants easy access to both Pretoria and Johannesburg. The area of Irene is centrally located and is just 30 minutes from both Lanseria International Airport and OR Tambo International Airport. On top of premium A-grade office spaces, Route 21 also provides small warehouses as well as other industrial spaces on its property. Making it a multi-use and multi-purpose venue that offers businesses more than just your usual office space.



- Approximately 150 industrial/commercial stands
- Varying sizes
- Smaller stands towards the inner part of the estate, with larger stands on the outer edge (especially along the R21)

5.9 FINDINGS

From the preceding case studies the following key findings can be made:

Variables	Detail
Industrial Stand Sizes & Product offering	• Smaller estates (e.g. Stonewood) typically provide units between 300m² and 500m², catering to SMMEs and light industrial users. • Mid-sized developments (e.g. Capricorn Crest) offer warehousing units of 4 500 m² – 5 300 m², balancing logistics and light manufacturing needs. • Large precincts (e.g. Brackengate) accommodate distribution centres exceeding 12 000 m², designed for national logistics operators.
Rental Pricing & Market Positioning	• SMME-focused estates (Stonewood) achieve competitive rentals of ± R105 – R115/m², appealing to cost-sensitive tenants. • Mid-sized logistics parks (Capricorn Crest) command ±R115/m², reflecting adaptability. • Large logistics hubs (Brackengate) achieve premium rentals of ±R110-R125/m², driven by scale, visibility and connectivity.
Composition	• Hybrid: ○ Low key/non noxious manufacturing and assembly lines. ○ Packing and distribution. ○ Offices.

Variables	Detail
Configuration & Facilities	• Secure estate models and modern logistics park emphasise 24-hour security, shared yards and roller-door access, while integrating office components, loading docks and flexible layouts. • Large precincts provide multiple loading docks, expansive yards and premium A-grade facilities, attracting national tenants. • Bigger boxes/high-sight value along primary axis; smaller business units (including offices) on secondary axes.
Strategic value	• Smaller estates strengthen the SMME base and provide affordable entry points for light industry. • Mid-size parks demonstrate adaptability to logistics, e-commerce and light manufacturing. • Large precincts anchor the regional logistics network, reinforcing Cape Town's role as a national distribution hub.

The case studies collectively illustrate the range of industrial development models in the Northern Suburbs – from secure SMME-orientated estates to mid-sized logistics parks and large-scale distribution centres. This layered market structure highlights both the diversity of tenant demand and the strategic importance of location and accessibility. For the proposed Durbanville Mixed Industrial development, the findings confirm strong potential to position the site as a **hybrid logistics and warehousing hub**, bridging the gap between SMME-focused estates and large national distribution centres, while leveraging regional growth drivers and workforce availability.

**INDUSTRIAL MARKET
DEMAND ANALYSIS**

6

6 INDUSTRIAL MARKET DEMAND ANALYSIS

6.1 INTRODUCTION

This section of the report focuses on the light industrial/commercial market, with the objective of estimating the development potential within the designated area. In order to reach this objective, the demand for development within the market area should be identified and assessed in light of current trends.

6.2 GENERAL INDUSTRIAL MARKET TRENDS

6.2.1 MOST IMPORTANT CHARACTERISTICS OF INDUSTRIAL PARKS

- ✓ It should be developed according to a predetermined master plan
- ✓ Management is governed by a single management body, whether the owner or an association of occupiers
- ✓ Control is exercised over the uses and activities, by means of zoning, title conditions and mutual agreements
- ✓ The compatibility of uses is protected to the advantage of the occupiers and the owner as well as the community in which the industrial park is located.
- ✓ Roads (in many cases also railway facilities), parking, services, as well as eating and recreation facilities and related services are provided.

6.2.2 ADVANTAGES AND LIMITATIONS OF INDUSTRIAL PARKS

Advantages and limitations for the developer:

- ✓ The development of an industrial site increases the value of adjacent sites. In an industrial park, the developer owns the adjacent sites and therefore enjoys the advantage of appreciation in value.
- ✓ The developer hopes for greater returns from the development of an industrial park than from sales of the underdeveloped land.
- ✓ The industrial park offers the possibility of scale advantages from a planning and cost viewpoint.
- ✓ Sites and buildings in an industrial park are usually easier to market than individual sites or buildings.
- ✓ Financing an industrial park may be easier and better terms may possibly be obtained.

- ✓ The developer can determine the pace of development by phasing. The development success of an earlier phase also affects the success of later phases- he therefore controls his own future to a great extent.
- ✓ The developer of an industrial park requires exceptional skill and high capital cost. Capital often has to be invested for long periods before a return is obtained.
- ✓ The cost of improvements may be higher than in the case of individual sites, which are often served by existing roads and services.
- ✓ Requirements set by local authorities may be more restrictive than in the individual sites.
- ✓ If certain services (like access roads) must be provided by the local authorities, it may happen that they are not provided according to schedule with the accompanying embarrassments and costs to the developer.
- ✓ The sustained enforcement of park standards and control measures is time-consuming and expensive. The developer is not involved in the short-term, but remains involved until the whole industrial park is completed and often afterwards as well.
- ✓ The developer cannot adjust easily to changing market circumstances.

Advantages and limitations for the industrialist/occupier:

- ✓ Immediate availability of a variety of full-equipped spaces
- ✓ Possible scale benefits of development costs, as well as operating costs
- ✓ A choice of different site sizes, shapes and locations is usually possible in the industrial park.
- ✓ A wide variety of services (e.g. security, landscaping) is usually available.
- ✓ Pleasant working conditions and usually nearby-situated eating and recreation facilities for employees.
- ✓ Stability of environment and character
- ✓ Sites and buildings in an industrial park are usually easier to market, lease or sublet in the future, than individual sites or buildings.
- ✓ High cost. In spite of possible scale benefits, a specific industrialist may not always need all the services supplied in the industrial park.
- ✓ Control measures, which were initially acceptable, may later prove to be unnecessarily restrictive.
- ✓ Industrial parks are not suitable or acceptable for all industries (e.g. large chemical, steel or cement factories)

- ✓ Possible loss identity, especially in the case of large, nationally known enterprises.
- ✓ Traffic problems may arise if access roads prove to be insufficient.

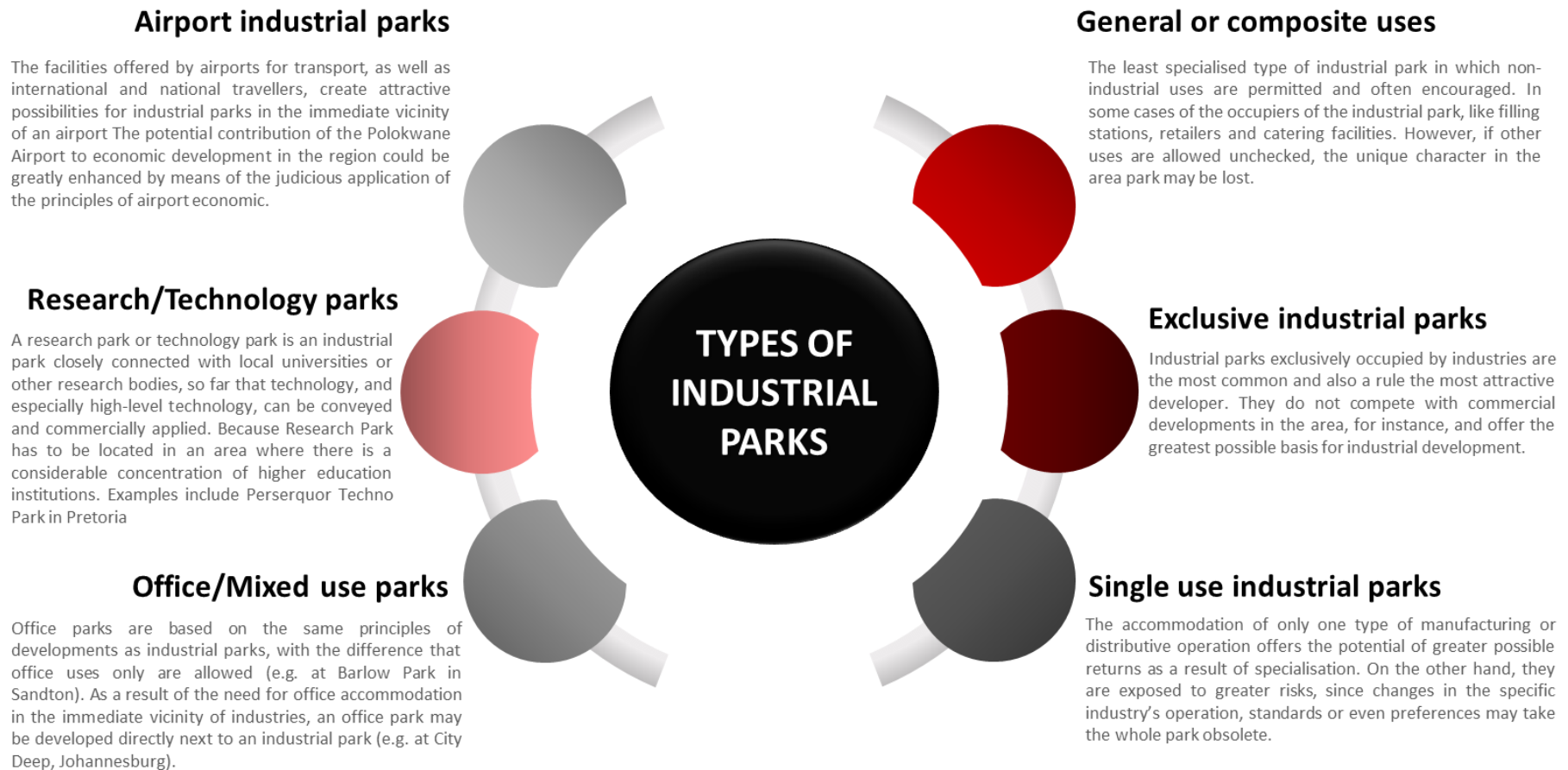
Advantages and limitations for the community:

- ✓ Increased job opportunities, income and taxes.
- ✓ Orderly industrial development, with the least negative effort on the community.
- ✓ Diversification of the local economy.

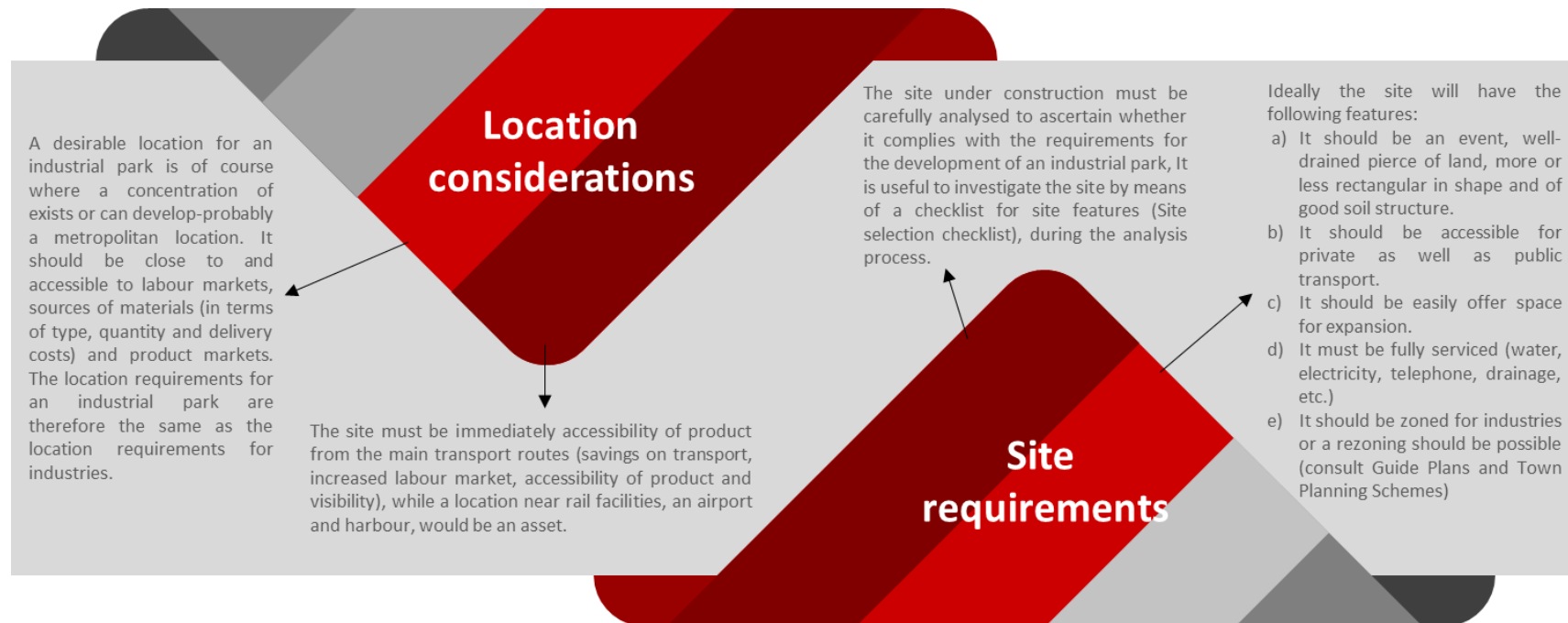
- ✓ More economic utilization of municipal infrastructure.
- ✓ Insufficient planning of access roads may cause traffic problems
- ✓ Future growth of the industrial park may cause an overloading of municipal services

6.2.3 TYPES OF INDUSTRIAL PARKS

The diagram below presents the different types of industrial parks.



6.2.4 SELECTION OF THE SITE



6.2.5 INDUSTRIAL BUILDING CLASSIFICATIONS

INDUSTRIAL BUILDING TYPES



High-tech industrial: Modern buildings with office components accounting for between 25% to 50% of the gross market rental.



High grade industrial: Eaves height greater than 6 metres with good yard/circulation space.



Light manufacturing: Office component accounts for less than 15% of market rental. Eave heights are less than 6m or limited yard / circulation space or restricted access.



Warehousing: Eave heights are greater than 6 metres with good circulation, docking space and multiple access portals.

INDUSTRIAL BUILDING SIZES



Maxi-units: Modular units with a majority of rentable areas being greater than 1,000m² per unit.



Midi-units: Modular units with a majority of rentable areas measuring between 500m² and 1,000m² per unit.



Mini-units: Modular units with a majority of rentable areas being less than 500m² per unit.

**According to definitions et out by the Investment Property Databank (IPD)*

6.3 LOCAL MARKET INDICATORS

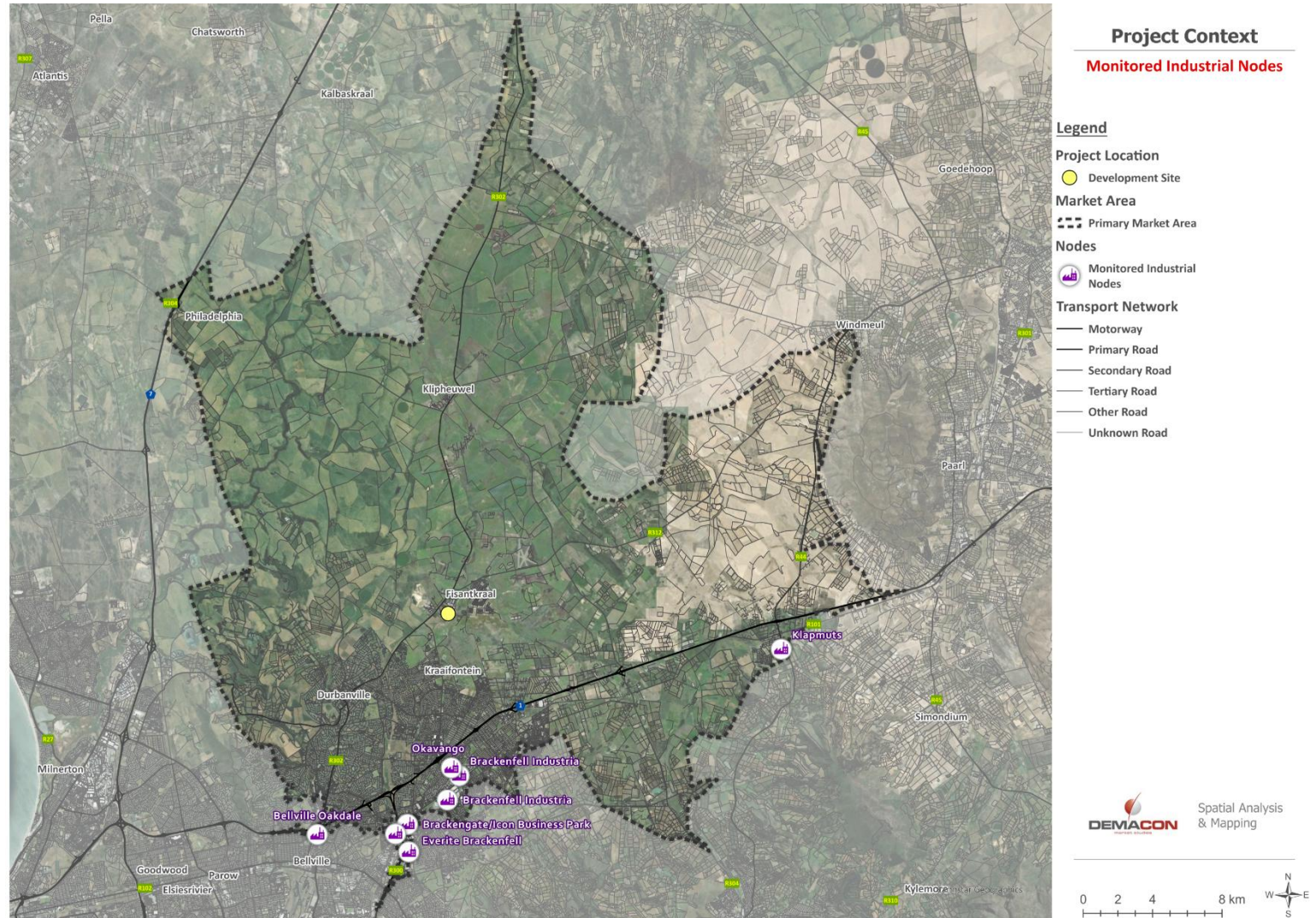
6.3.1 LOCAL INDUSTRIAL NODES & TRENDS

Map 6.1 illustrates the industrial nodes in close proximity to the site.

For the purposes of analysing trends within the industrial sector in the area, the following industrial nodes (within relative proximity to the site) will be taken into account:

- Bellville Oakdale
- Everite Brackenfell
- Brackenfell Industria
- Okavango
- Brackengate/Ikon Business Park
- Klappmuts

Map 6.1: Industrial Nodes



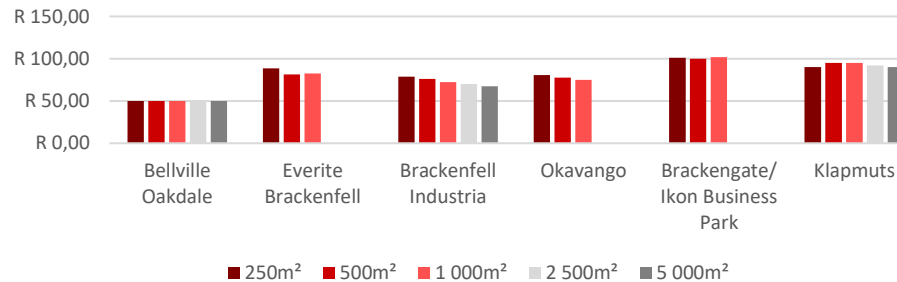
LOCAL INDUSTRIAL MARKET TRENDS – 2025:Q4

MEAN PRIME INDUSTRIAL MARKET RENTALS (R/m²)

Industrial Node	250m²	500m²	1 000m²	2 500m²	5 000m²	Vacancy
Bellville Oakdale	R50.00	R50.00	R50.00	R50.00	R50.00	-
Everite Brackenfell	R88.75	R81.25	R82.50	-	-	1.5
Brackenfell Industria	R78.75	R76.25	R72.50	R70.00	R67.50	1.0
Okavango	R80.83	R77.50	R75.00	-	-	1.3
Brackengate/ Ikon Business Park	R101.00	R100.00	R102.00	-	-	2.0
Klapmuts	R90.00	R95.00	R95.00	R92.00	R90.00	3.0



MEAN PRIME INDUSTRIAL MARKET RENTALS

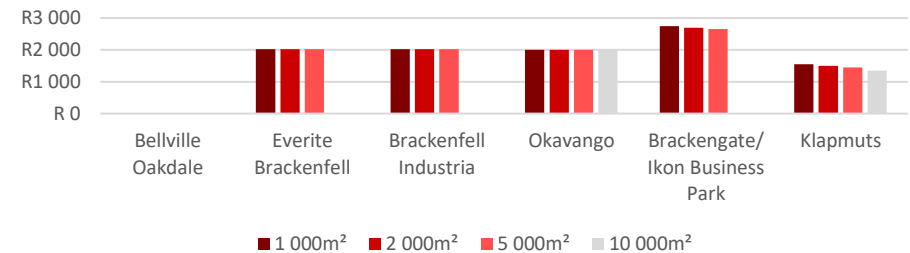


MEAN MARKET VALUES FOR SERVICED AND LEVEL STANDS (R/m²)

Industrial Node	1 000m²	2 000m²	5 000m²	10 000m²	Land Availability
Bellville Oakdale	-	-	-	-	-
Everite Brackenfell	R2 017	R2 017	R2 017	-	1.0
Brackenfell Industria	R2 017	R2 017	R2 017	-	1.0
Okavango	R2 000	R2 000	R2 000	R2 000	1.0
Brackengate/ Ikon Business Park	R2 750	R2 700	R2 650	-	1.0
Klapmuts	R1 550	R1 500	R1 450	R1 350	7.0

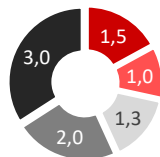


MEAN MARKET VALUES FOR SERVICED AND LEVEL INDUSTRIAL STANDS



LAND AVAILABILITY

VACANCY - MARKET RENTAL RATES

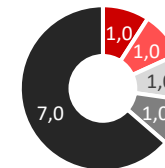


Vacancy scale for industrial townships. The vacancy levels are based on a scale of 1 to 9 as shown below:

1	2	3	4	5	6	7	8	9
Low				Medium				High

BUILDING VACANCY SCALE

VACANCY - STAND VALUES



- Bellville Oakdale
- Everite Brackenfell
- Brackenfell Industria
- Okavango
- Brackengate/ Ikon Business Park
- Klapmuts

6.3.2 INDUSTRIAL SUPPLY IN THE MARKET AREA

The subsequent section provides industrial supply within the market area. At the time of this study, there were 5 industrial units for sale and 63 units up for rent in the market area.

The different types of industrial units have been segmented into the following:

- Mini units being 500m² and smaller
- Midi units being between 501m² and 1 000m²
- Maxi units being larger than 1 001m²

Subsequent tables provide industrial property activity in the market area. The tables summarise the industrial supply data (both sales and rentals) in terms of industrial units, quantity, average prices and classification.

The infographics on the overleaf illustrate the trend in industrial sales and rentals within the market area.

Table 6.1: Industrial Units Sale Prices

Classification	Size (m ²)	Minimum Sales Price	Maximum Sales Price	Average asking Price	Number of Properties	% of Supply
Mini units	<500	R6 995 000	R6 995 000	R6 995 000	1	20,0%
Midi units	501-1 000	R7 995 000	R7 995 000	R7 995 000	1	20,0%
Maxi units	>1 001	R15 750 000	R28 000 000	R22 916 667	3	60,0%
Average Price				R16 748 000	5	100,0%

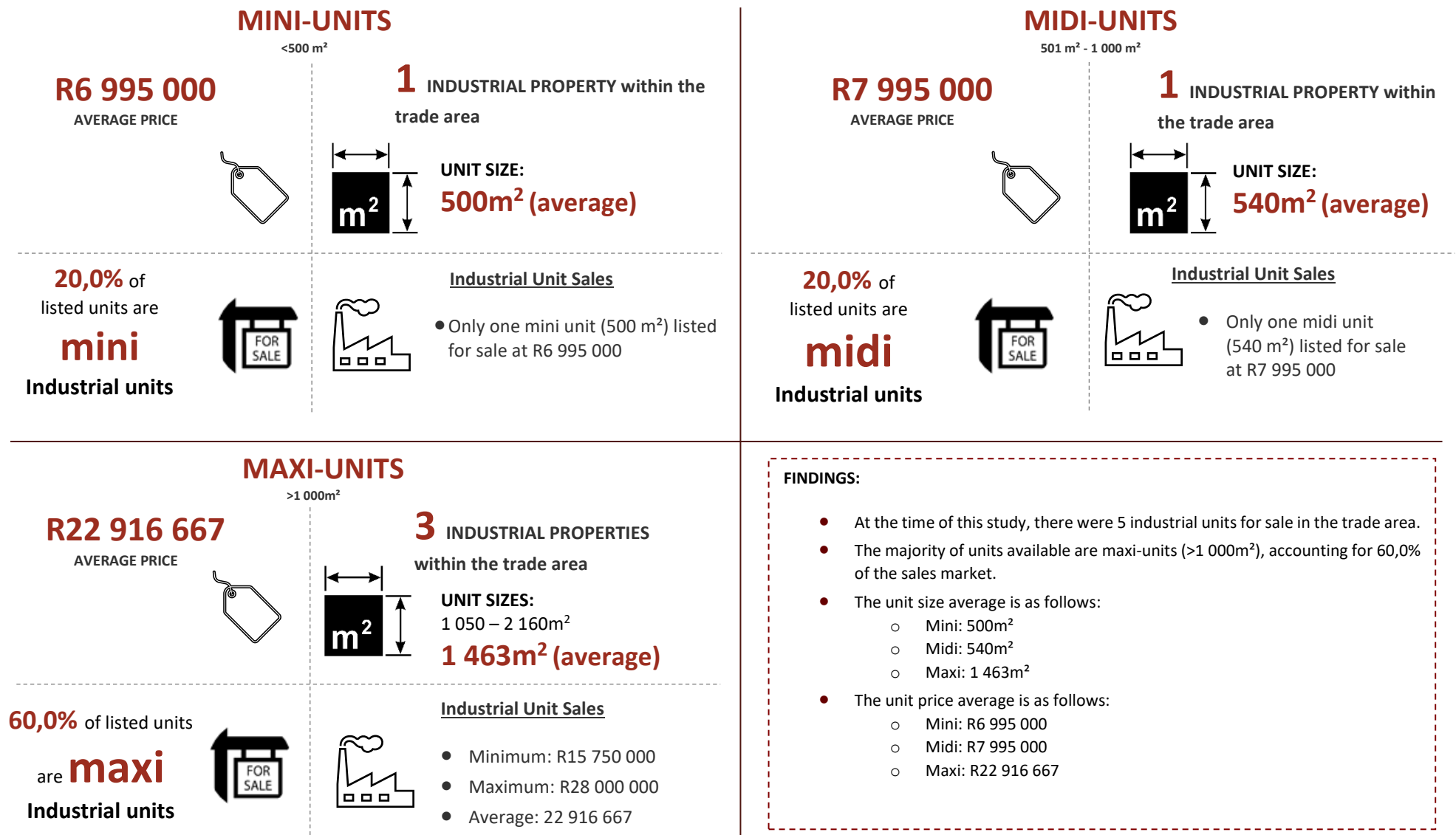
Source: Demacon ex Property24, 2021

Table 6.2: Industrial Units Rental Rates (R per Month)

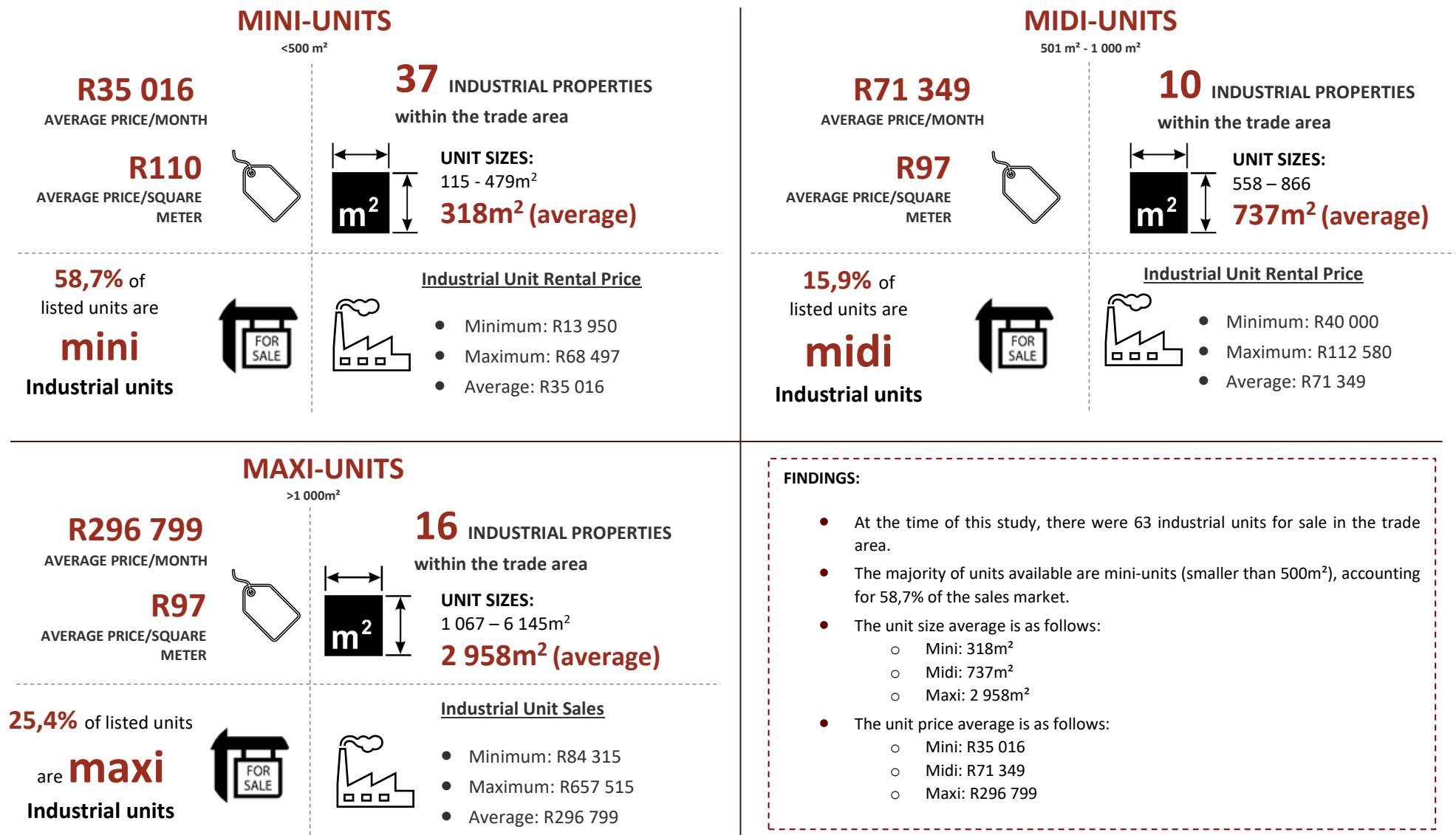
Classification	Size (m ²)	Minimum Rental Price	Maximum Rental Price	Average Rental Price	Number of Properties	% of Supply
Mini units	<500	R13 950	R68 497	R35 016	37	58,7%
Midi units	501-1 000	R40 000	R112 580	R71 349	10	15,9%
Maxi units	>1 001	R84 315	R657 515	R296 799	16	25,4%
Average Price				R134 388	63	100,0%

Source: Demacon ex Property24, 2026

INDUSTRIAL SALES (MARCH 2026)



INDUSTRIAL RENTALS (MARCH 2026)



6.4 INDUSTRIAL NET SPACE DEMAND MODELLING

The following paragraphs provide definitions of respectively demand and supply for the industrial market.

Definition

Demand for industrial space in the Durbanville-Fisantekraal corridor is driven by population growth, household income, rental levels and retail/logistics flows. Supply is shaped by competition, vacancies, infrastructure availability and construction costs. Together, these factors determine the scale and composition of industrial land absorption.

DEFINING DEMAND

The demand in the industrial market is dependent on the following aspects:

$D_{whole} = f \{P_o, P\%, Q_w, R, T_x, Y; R_s, R_{s\%}\}$

Where:

P_o	=	Population size
$P\%$	=	Population growth
Q_w	=	Quality of existing facilities
R	=	Rental levels
T_x	=	Property rates and taxes
Y	=	Household income
R_s	=	Retail sales
$R_{s\%}$	=	Retail sales growth

DEFINING SUPPLY

The supply of industrial land users can be described as being the following:

$S_{whole} = f \{D_{whole}, C_w, V_w, L_u, I_a, GLA_w, C_c\}$

Where:

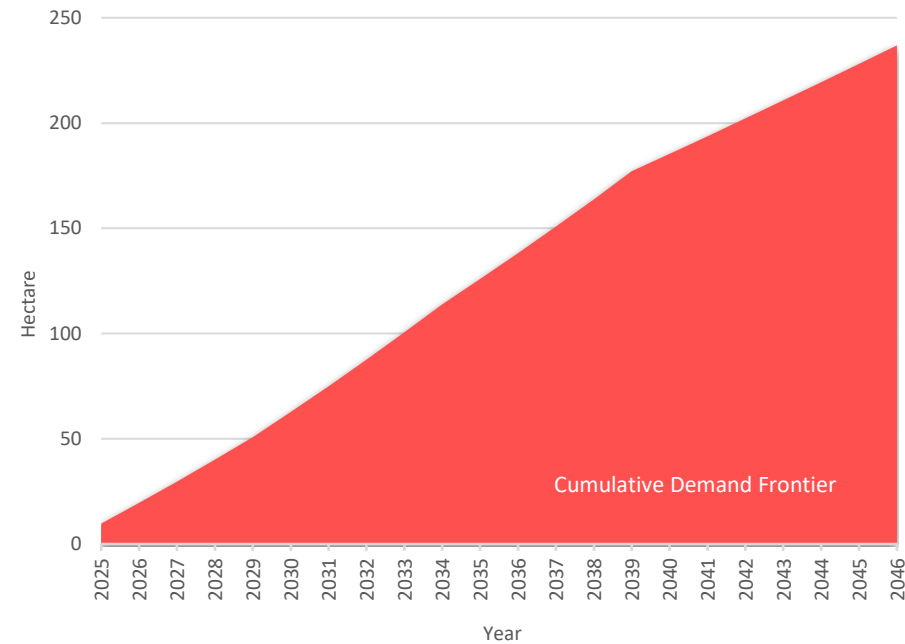
D_{whole}	=	Demand
C_w	=	Competition
V_w	=	Vacancies

L_u	=	Surrounding land uses
I_a	=	Infrastructure availability
GLA_w	=	Current usable / rentable area
C_c	=	Construction cost

SPACE DEMAND MODELLING

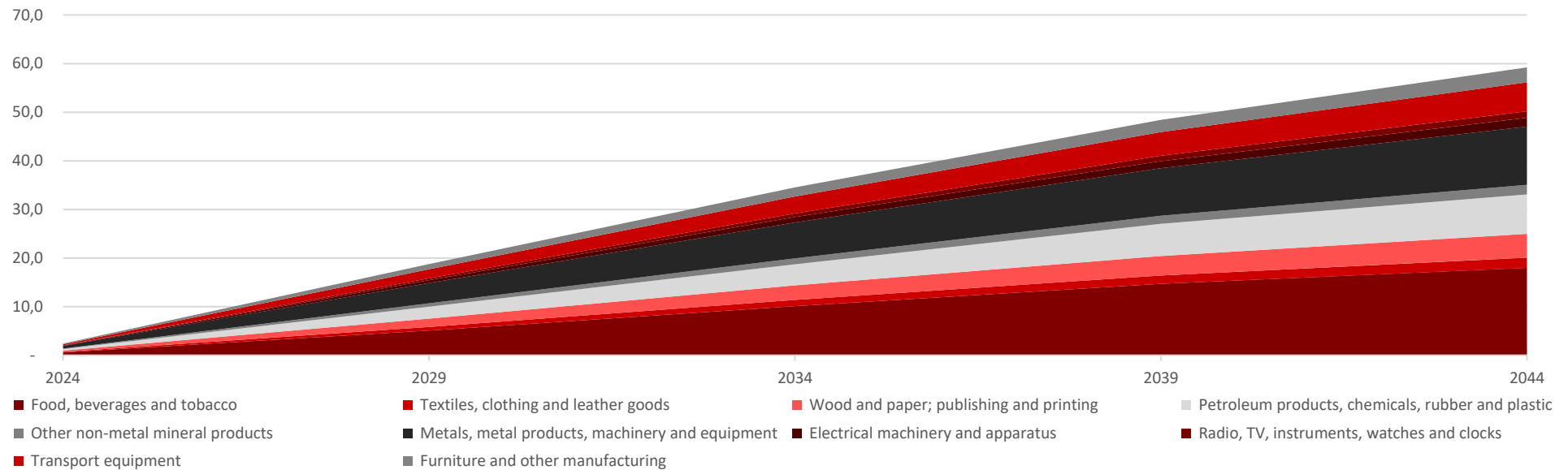
It is known that the demand for industrial / commercial space depends on the production of goods within a specified area. The following figure illustrates cumulative additional land demand for the specified area. Subsequent demand modelling indicators provide insight to the performance of current and future demand of the industrial market of the *City of Cape Town Northern Sub-region*.

Figure 6.1: Cumulative Additional Land Demand (Hectares)



Source: Demacon Industrial Demand Modelling, 2026

Figure 6.2: Cumulative Space Demand Distribution per Manufacturing Subsector



Source: Demacon Industrial Demand Modelling, 2026

SPACE DEMAND MODELLING

The following tables provide a synthesis of the space demand modelling results presented in this chapter.

Table 6.3: Synthesis of Space Demand Modelling Results, 2026-2046

Cumulative Additional Land Demand	Up to 2031	2032-2036	2037-2041	2042-2046
Manufacturing	29,9	53,8	74,2	90,0
Warehousing	45,1	84,4	119,6	146,9
Total: CoCT Northern Sub-Region	75,0	138,2	193,8	236,9
Minimum share	15,0	27,6	38,8	47,4
Maximum share	22,5	41,5	58,1	71,1
Average: Nodal Share	18,8	34,5	48,4	59,2
Project share (25-35%)	5,8	10,7	15,0	18,4

Source: DEMACON Industrial Demand Model, 2026

Table 6.4: Site Specific Long-term Take-up Forecast Summary

Forecast	Hectares
Up to 2031	4 - 8 ha
2032 to 2036	9 - 13 ha
2037 to 2041	14 - 17 ha
2024 to 2046	18 - 25 ha

Source: DEMACON Industrial Demand Model, 2026

This take-up specifically applies to developers and relates to the forecast rate at which developers are expected to acquire and complete development. The rate at which the land is expected to transact (i.e. land sales) to individual development companies would occur at a more rapid rate.

Table 6.5: Site Specific Sizing

Recommended sizes	Rand per m ²
Estimated capital investment (2026 constant values)	R1 070 892 360
Employment opportunities	974
Parking	1 071
Parking infrastructure & landscaping costs	R23 987 989
Optimum point of market entry	2027+
Size of Bulk Developable Industrial Land	53 545m²

The industrial space demand modelling revealed the following results:

- The total long-term (2046+) industrial take-up forecast for the City of Cape Town Northern Region amounts to approximately **236.9 hectares**
- The long-term industrial take-up potential for the trade area amounts to approximately **50-70 hectares** by 2046.
- The medium-term (5-10 years) industrial take-up for the proposed development amounts to approximately **9 -13 hectares**
- Optimum point of market entry for the development is 2027+
- The recommended type of development: **Light industrial/warehousing/distribution/ storage**

- In the context of the above, it is evident the efficient demand exists, and will continue to grow incrementally, to sustain a mixed industrial development in the Durbanville-Fisantekraal area.

As is evident from the case studies, industrial/commercial parks typically position larger stands adjacent to highways/ main roads to optimise exposure and visibility. Stands closer to the entrance are typically configured as sectional title offices.

Smaller stands are internalised and provide more affordable space for smaller business enterprises. Such business parks are often configured as hybrid industrial / business parks and may contain a component of office space. The office space in such office parks, tend to perform well as these facilities can be brought to the market at rentals that are far more competitive when compared with conventional office parks. Proximity to upmarket estates is considered to be a distinct benefit and secure business premises tends to attract business / industrial occupancy from residents of these high-end business owners residing in these high-end estates.

The demand modelling reveals a strong incremental absorption potential in the Northern Sub-Region, with warehousing emerging as the dominant driver (146,9 ha by 2046) and manufacturing providing complementary demand (90 ha by 2046). This profile directly supports the proposed mixed-industrial concept: large format warehousing and cold storage facilities align with the warehousing demand trajectory, while the maintenance workshop, precooling facility and SMME mini/midi units are sustained by manufacturing demand. Office components, though not modelled separately, are recommended at 10-25% of GLA depending on function, positioned at the park entrance and integrated into both streams. The phased development strategy (4-8 ha up to 2031, 9-13 ha by 2036, etc.) aligns with the projected absorption curve, ensuring efficient market entry and sustainable growth.

RECOMMENDED SIZES/PRICES FOR THE PROPOSED DEVELOPMENT

Table 6.6: Industrial Sizes/Prices

Variable	Detail
Recommended Stand Sizing	25% - 30% of stands → up to 1 000 m ² 15% - 20% of stands → 1 000 to 3 000 m ² 20% - 25% of stands → 3 000 to 5 000 m ² 15% - 20% of stands → 5 000 to 10 000 m ² < 5% of stands → > 10 000 m ²
Recommended Stand Prices (flat, zoned, serviced)	< 1 000m ² : R750 to R1 100/m ² 1 000 - 3 000m ² : R700 to R1 000/m ²
* Benchmarking	3 000 - 5 000m ² : R675 to R950/m ²
Recommendation	5 000 - 10 000m ² : R650 to R900/m ² > 10 000 m ² : R625 to R850/m ²
Recommended Gross Industrial Building Rentals	Mini units (<500m ²) → R55 to R60/m ² Midi units (500m ² -1 000m ²) → R50 to R55/m ² Maxi units (> 1 000m ²) → R45 to R50/m ² Large distribution centres (> 10 000m ²) → R45 to R48/m ²
Office component	Manufacturing units: 10% - 15% office integration
* Benchmarking	
Recommendation	Warehousing units: 15% - 25% office integration

*Note on Rental Positioning:

The recommended gross rentals (R45-R60/m²) are intentionally set below the benchmark levels observed in established nodes such as Brackengate (±R100-R102/m²) and Brackenfell Industria (±R70-R78/m²). This reflects the emerging nature of the Durbanville-Fisantekraal node, the hybrid mix of light industrial/warehousing/SMME units of the proposed development, and the need for a competitive entry strategy to secure absorption in the early phases. By positioning rentals at this level, the development can attract tenants away from more established precincts, while still allowing for future escalation towards benchmark levels as the precinct matures and proves its market viability.

6.5 SYNTHESIS AND GAP ANALYSIS

Demand modelling results confirm that the Durbanville-Fisantekraal corridor has the capacity to sustain a mixed-industrial development over the medium to long term. Warehousing emerges as the dominant driver of demand, with cumulative absorption projected at approximately 147 hectares by 2046, while manufacturing provides complementary demand of around 90 hectares over the same period. This dual trajectory directly supports the proposed development concept, which combines large-format warehousing with light industrial workshops (maxi-units) and SMME-orientated mini and midi units. The phased take-up forecast of 4-8 hectares up to 2031, 9-13 hectares by 2036 and 14-17 hectares by 2041 aligns with the incremental release of bulk envisaged in the development plan, ensuring sustainable absorption and competitive market entry. Recommended stand sizes and pricing are benchmarked against established nodes such as Brackenfell, Okavango, Brackengate and Klapmuts, with smaller units positioned to attract SMMEs and larger stands catering to logistics and distribution operators. Gross rentals are deliberately set below prime benchmarks to provide a competitive entry point, with scope for escalation as the precinct matures. Office components, though not modelled separately as it is a complementary function, are recommended as integrated and stand-alone facilities to enhance operational efficiency and reinforce the hybrid character of the precinct. Collectively, these findings demonstrate that the proposed development is well aligned with market demand, offering a balanced mix of industrial, warehousing and office space that can be absorbed incrementally and sustainably over the long term.

Development Type	Effective Market Gap	Development Prospects
•Mixed Industrial (Light industrial, Warehousing & Distribution)	•Yes	•Moderate - High

The demand analysis demonstrates that the Durbanville-Fisantekraal corridor is well positioned to accommodate a multi-functional industrial park. Warehousing and distribution facilities will anchor long-term demand, while light industrial workshops and SMME units provide diversification and resilience. Office components, though not

modelled separately, are recommended as integrated and/or stand-alone facilities to enhance competitiveness. The identified market gap is real and sustainable, with moderate to high prospects, confirming that the proposed development can enter the market competitively, absorb efficiently, and mature into a strategic logistics and industrial node for the Northern Sub-Region.

**KEY FINDINGS AND
RECOMMENDATIONS**

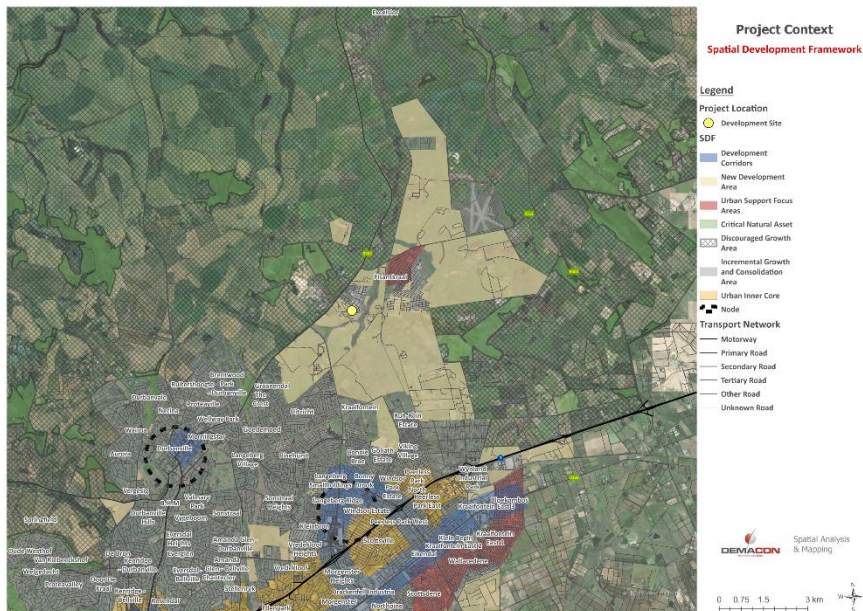
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7 KEY FINDINGS AND RECOMMENDATIONS

7.1 INTRODUCTION

The proposed Durbanville-Fisantekraal mixed industrial development is strategically located within the Northern Sub-Region of the City of Cape Town Metro, an area characterised by strong demographic growth, high labour absorption and increasing demand for logistics and light industrial facilities. Its proximity to major transport corridors and residential catchments positions it as a competitive alternative to established nodes such as Brackengate and Klapmuts.

Map 7.1: Development Location



The development concept – combining warehousing, distribution, pre-cooling facilities, workshops, offices and SMME-orientated mini/midi units – responds directly to market demand drivers. By integrating sustainable infrastructure, the project is designed to absorb efficiently over time.

7.2 PROJECT SWOT ANALYSIS

Strengths

- Strategic location near major transport corridors (N1, R300, Cape Town International Airport, Cape Wineland airport)
- Mixed industrial concept diversifies risk and tenant base.
- Strong demographic and household growth in the Northern Sub-Region.
- Sustainable infrastructure design.

Weaknesses

- Emerging node status may initially limit rental levels compared to prime precincts
- Higher upfront infrastructure costs (roads, stormwater, services)
- Reliance on phased absorption – slower uptake in early years possible.

Opportunities

- Rising demand for logistics and distribution facilities driven by e-commerce and agri-logistics
- Competitive positioning against higher-priced nodes
- Potential to attract SMMEs through mini/midi units and affordable rentals
- Integration of office components enhances hybrid appeal

Threats

- Competition from established industrial hubs with proven track records
- Economic volatility and energy constraints may affect uptake
- Infrastructure delivery risks (timing, municipal approvals)
- Market saturation if absorption rates are overestimated.

It is evident that overall, the development site is characterised by notable strengths and opportunities. This bodes well for the proposed development and suggested development concept of industrial land use activity.

7.3 KEY FINDINGS AND RECOMMENDATIONS

This section provides a summary of **key findings and recommendations** pertaining to the proposed development. **Overall, it is evident that the location and development concept is deemed feasible and suitable.**



Overall, the market exhibits adequate market demand for the development of a light industrial/warehousing/office development. Development prospects are rated as moderate.

KEY FINDINGS

- Warehousing is the dominant demand driver with Manufacturing providing complementary demand
- Phased take-up forecast aligns with incremental release of bulk
- Recommended stand sizes and pricing are competitive against benchmarks, ensuring feasibility
- Gross rentals are positioned below prime benchmarks to secure early absorption, with scope for escalation as the node matures
- Office components are recommended as integrated and/or stand-alone facilities

RECOMMENDATIONS

- Position the development as a competitive alternative to other established industrial nodes, leveraging affordability and hybrid design
- Phase land release carefully to match absorption forecasts, avoiding oversupply
- Market mini/midi units aggressively to SMMEs, ensuring early uptake and diversification
- Integrate office components strategically at the entrance or within warehousing facilities
- Maintain flexibility in stand sizing to accommodate both large logistics operators and smaller industrial tenants



