5 Signs Your Neighbourhood Is Being Gentrified in Cape Town



Figure 1: Snapshot of Bo-Kaap in Cape town. Photographed by Anelisa Mzimela

1. Lockboxes are popping up everywhere (homes acting like hotels)

What you'll notice: keypad lockboxes on gates, laminated "house rules" in foyers, luggage vans.

Data check: Cape Town's planning rules <u>allow short-term</u> **letting from a house or flat for up to 30 consecutive days per guest**, formalising transient stays in ordinary buildings.

Independent trackers counted 29,575 active short-stay listings across <u>Airbnbs</u> in the city in September.

When returns from <u>short stays</u> outcompete leases, long-term rental supply tightens on your block.

2. Your lease jumps (and so do your neighbours')

What you'll notice: larger rent increases at renewal; more "to let" signs with higher asking prices.

Data check: Western Cape rental escalations ran hot in **2024**, seeing **7.10% in Q1**, easing to **6.98% in Q2**.

Rising rents squeeze existing tenants first; combined with short-stay demand, it accelerates turnover in mixed-income streets.

3. "For Sale" boards multiply (price bands leapfrog)

What you'll notice: multiple mandates on one street; new listings resetting the going rate.

Data check: Western Cape house-price inflation <u>accelerated</u> to **+8.3% year-on-year (June 2025)** on Pam Golding's index, which is faster than other major provinces.

Faster price growth rewards flipping and buy-to-let strategies, appealing to an international audience, making it harder for local incomes to keep pace.

4. CID/SRA signboards and more private security

What you'll notice: City Improvement District (CID) or Special Rating Area (SRA) signage; uniformed patrols; "top-up" cleaning and branding.

Data check: SRAs let property owners in a defined area levy additional rates to fund extra safety, cleaning and placemaking beyond normal <u>municipal services</u>. Cape Town's CCID runs across the CBD as a public-private partner managing a 1.6 km² area.

SRAs can improve streets and help prime areas for investment, often followed by higher rentals and a changing retail mix.

5. Tourist flow shapes daily life

What you'll notice: large tour coaches rerouted; more visitor-facing storefronts; short-stay flats. (Bo-Kaap as a warning sign)

Data check: After resident pushback, the City <u>restricted</u> 36-seater+ tour buses from entering Upper Wale Street in April 2025, shifting drop-offs to the periphery. More to note, the city already permits 30-day short stays in houses/flats, enabling tourist use of residential stock.

Tourism brings jobs, but unmanaged volumes and short stays can convert homes into "micro-hotels" and erode liveability for residents.

How to conduct a quick self-audit for your street:

Step 1: Count lockboxes and check short-stay density with <u>public datasets</u> on the neighbourhood of your choice.

Step 2: Compare this year's rent to last year's renewal using <u>TPN (Tenant Profile Network)</u> <u>benchmarks</u>, as it is a credit bureau focused on South Africa's residential and commercial rental markets.

Step 3: Track new sale mandates and closing prices versus last year's average using the <u>PGP</u> index signal.

Step 4: Note CID/SRA signage and services, and then watch if retail and prices shift in the following months.

Step 5: If tourism is reshaping traffic or housing, check recent City notices.