R1 differential services drive desirability: it was suggested that differential property prices are driven by the differential quality of schools, services and infrastructure (e.g. public transport). Price differentials in turn tend to increase tenure and social segregation by locality, and this reinforces the differential quality of schools and services particularly.
B1 early gentrification increases social mix: the early stages of gentrification were described as positive for community social mix, as some young families, or “trail-blazing” house buyers become attracted to areas where property prices are cheaper (perhaps in particular where there is perceived to be underlying architectural heritage), increasing the range of different tenures and incomes in the area and balancing out the differential quality of schools and services.
In R2 (social housing and landlords respond to the market), early gentrification leads to rising property market prices, encouraging speculative investment, and the sale of more affordable houses by social and private landlords. This reduces tenure and social mix, counteracting any early reduction in differential service and school quality.
In R3 (gentrification reduces affordability), the gentrification of changes to shops and services to attract wealthier customers makes them less affordable to low income families, who then move or travel further to purchase affordable goods and services. It was noted that this loop is important in some rural communities where large numbers of second homes stand empty, reducing both affordability and viability of local goods and services.
Over time, shops, services and schools in the area begin also to be gentrified and differences in quality between localities reduces (B2 - gentrification could equalise service quality).