With the rapid growth in the Shanghai (PRC) economy in recent years, many traditional residences, known as lilong, have been torn down in favor of modern buildings. The structure, long-term residency patterns, and alley-based culture of lilong led to the creation of a strong sense of community for residents. Many former lilong residents have relocated to newly built high-rise structures, as neighborhoods are destroyed. This paper assesses sense of community attached to two types of neighborhoods commonly inhabited by residents in Shanghai, using a combination of open-ended interviews and a metric of sense of community quantitatively derived from surveys. While results indicate this displacement does generate a sense of community loss this loss is largely mitigated because new residences offer superior facilities and greater quality of life.