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From housing wealth to well-being?

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Abstract

The positive health effects of owner-occupation, compared to renting, are well documented. But home ownership is itself heterogeneous, as is the health profile of its incumbents, and this is less well recognised. Drawing from a mixed-methods study, which includes 150 qualitative interviews with a cross-section of UK mortgage holders, this paper examines the health implications of a definitive feature of owned housing: its role as a financial tool. In particular, we ask whether there is anything about the process of accumulating wealth into housing or spending from this resource, that enhances well-being (or that adds to psycho-social stress). This question is timely, coming at the end of a long-wave of house-price appreciation, in a setting where it is easy to borrow from housing wealth, under a policy regime that looks increasingly to owned homes as an asset base for welfare. The answer casts light on whether, in what circumstances, to what extent, and by what mechanism, home ownership – the dominant housing tenure of the English-speaking world – might enhance the well-being of individuals, communities and societies.

Introduction

There are a number of indicators in the housing-studies literature which point broadly to the well-being of home owners, usually by contrasting this with the poorer health and quality of life of renters (Filakti and Fox 1995). This is accounted for by some key differences between the dominant tenure sectors, including the quality and condition of the housing stock (Ellaway and Macintyre 1998, Ineichen 1993); the character of residential neighbourhoods (Macintyre *et al.* 2003); the distribution of psycho-social attributes such as self-esteem or ontological security (Hiscock *et al.* 2001, Macintyre *et al.* 1998); and the effects of health discrimination (Smith and Easterlow 2005). However, in the UK (the focus of this article), as in most other regions of the English-speaking world, owner-occupation is a large, heterogeneous sector. It accommodates between two-thirds and three-quarters of the population, and is diverse in every way: property styles, ages, and conditions; the demographic and socio-economic attributes of home occupants; the costs of acquisition, insurance, maintenance and repair, and so on (Burrows and Wilcox 2000, Burrows 2003). Owner-occupiers also exhibit an uneven health profile, which has still to be adequately accounted for (Easterlow and Smith 2004, Smith *et al.* 2004). Addressing this, the analysis that follows unpacks the uneven experience of home ownership, in order to better appreciate what it is about this style of accommodation, that may (and may not) be health promoting overall.

Focusing on the sector – owner-occupation – most often associated with positive health, we draw theoretical inspiration from the concepts of 'health assets' and 'health capital' developed respectively by Morgan and Ziglio (2007) and Smith *et al.* (2003). Both these approaches build from Antonovsky's (1979, 1987) notion of salutogensis and make the broad argument that a 'deficit' model of health (focusing on what puts health at risk) could usefully be complemented by an 'assets' approach (focusing on what keeps people well or secures their resilience). Health assets thus refer to 'any factor (or resource) which enhances the ability of individuals, groups, communities, populations, social systems, and/or institutions to maintain and sustain health and well-being and to help reduce health inequalities' (Morgan and Ziglio 2007: 2). Health capital is, likewise, 'a store of resilience that is built up or depleted as part of the trajectory individuals, households, and communities take through the changing networks of things, people, environments, events and relationships that shape their lives' (Smith *et al.* 2003: 504). These frameworks place as much emphasis on what keeps people well, as they do on what makes them ill, and we take this as a cue to embrace the theme of well-being.

Well-being is high on the agenda of governments who are increasingly inclined to measure policy not only in terms of economic inputs and outcomes, but also with reference to initiatives that impact in less tangible ways on quality of life (DEFRA 2005). But although there is a growing literature documenting the underpinnings of social and subjective well-being (Blanchflower and Oswald 2002, Diener 1984, Layard 2005, Searle 2008) there are, as yet, few attempts to explore this theme in relation to housing. To help bridge the gap, we take as a starting point the one thing that all owner-occupiers share, and which differentiates them from renters, namely, the possibility to use their home as a financial tool. Accumulating wealth into housing, using mortgages to spread incomes across the lifecourse, and spending from home assets in middle and older age (often by consolidating debts against them) are the core ingredients of home ownership in the Anglo-American world (Smith 2005). At the same time, the unequal distribution of housing wealth, the uneven patterning of house price appreciation, and variations in the quality, quantity and availability of mortgage finance are one key to the diversity of experiences *within* owner-occupation (Thomas and Dorling 2004). This paper raises the possibility that variations in the extent, availability and utility of housing wealth help account for the uneven experience of well-being among owner-occupiers.

This emphasis on whether housing wealth promotes well-being links directly into key policy debates on the merits and limitations of using private assets to secure public welfare. There is already a presumption among politicians that home ownership might perform a welfare role (Smith 2008), and research indicates that home equity, to an extent, already does provide a financial buffer against adverse economic shocks or disruptive life events (Benito 2007, Smith *et al.* 2007, Wood and Nygaard forthcoming). It has also been argued that accumulating assets – in particular housing assets, which form the single major financial resource for the majority of UK households – has psycho-social benefits which can be a boost to well-being (Sherraden 1991, Sherraden and Youngdahl 2001). It is, however, hard to access home ownership without also incurring debt, and while mortgage borrowing has, for more than a decade, given relatively cheap, well-regulated access to home assets, it is also true that unsustainable debts put health, as well as financial well-being, at risk (Nettleton 1998, Nettleton and Burrows 1998, 2000). At best, then, the link between the financial tools comprising home ownership and the well-being of home occupiers is complex.

Addressing this complexity, we are concerned to specify what, if anything, about the process of accumulating wealth into housing assets and spending from this resource might be associated with well-being. Mindful of the diversity of home ownership, we are also interested in what it is about these practices that could, in some circumstances, add to psycho-social stress. These questions are timely, posed towards the end of the fourth phase of house-price appreciation in the last half century, in a period where liberal lending regulations combined with mortgage product innovations have made it increasingly easy to spend from home equity, and in a policy regime which is increasingly intrigued by the potential to use housing as an asset base for welfare (Smith 2008, Smith and Searle 2008).

To this end, the remainder of the paper falls into three sections. First, we outline the data, using their broad shape to justify the focus of the paper. Next, we explore the quantitative and qualitative links between the accumulation of housing wealth and the attainment of well-being. Then, we turn to the implications for well-being of the possibilities borrowers now have to spend, or borrow, from housing wealth, to meet a range of wants and needs.

Banking on housing; spending the home

The analysis draws on data collected for the project *Banking on Housing: Spending the Home* (BoH), which was funded as part of the ESRC/AHRC Cultures of Consumption Programme. This is a mixed-methods study, drawing from both quantitative (statistical) and qualitative (narrative) data, but placing high priority on working with lay perspectives and experiences. This paper draws on one component of that research – a qualitative survey by telephone of 150 mortgage holders. Interviewees were purposively selected from two earlier quantitative surveys (Ford *et al.* 2004, Smith *et al.* 2002) to ensure a spread across levels of housing wealth and mortgage types. Study participants span a range of ages (22–73), with an even gender mix (49% men; 51% women), representing households who occupy a spread of property styles and locations. Just over one in four (27%) are first-time buyers, two in five (42%) have dependent children, and nearly two-thirds (60%) are two-income households. Overall, household incomes (before tax) range from less than £15,000 to more than £100,000, and unmortgaged housing equity ranges from less than £10,000 to £600,000+. The telephone interviews were guided by a check-list, recorded with participants' explicit consent, transcribed and coded for computer-assisted retrieval.

Each interview included a short, quantitative, questionnaire including a measure of self-assessed subjective well-being – the GHQ12. This is a well validated and reliable measure of the complexity of psychological distress (Goldberg 1972), which taps into the effects of being under strain, feeling unhappy or depressed, or unable to overcome difficulties. It also captures more positive aspects of physical and psychological health, and, following Searle (2008), we use it here as a proxy for well-being. To this end, we have reversed the conventional scale so that high scores capture high well-being, framing the analysis in a metric which acknowledges that positive mood is not simply the flip side of poor health, and directs attention to attributes (feeling useful, capable of making decisions, and happy) conducive to contentment. Low well-being on this scale measures the extent to which people feel worse than normal; high well-being signals that people feel better than usual. While, potentially, people could report feeling better than usual and still feel grim (or vice versa), previous research shows there is a significant association between this measure of well-being and satisfaction with different aspects of life (Searle 2008).

Well-being scores are grouped to reflect the spread of well-being across the British population – or at least across that sample represented in the British Household Panel Survey (Searle 2008). While any cut-off point is to an extent arbitrary, we note that 22 per cent of the BoH sample say they feel worse then usual across a number of measures (scoring 0–22 and falling into the bottom quintile nationally). In the same vein, 56 per cent report moderate well-being (scoring 23–29, along with the middle three quintiles nationally), and 22 per cent fall into the top quintile (scoring 30–36). So the distribution of well-being across BoH mortgagors more or less matches that across the owner-occupiers in the BHPS.

Much of the analysis below concentrates on the contrasting housing experiences of home buyers reporting the highest and lowest quintiles of well-being. As a first cut through the data, however, invoking the principle of exploratory data analysis (Tukey 1977), we reviewed a suite of simple cross tabulations looking for associations between a range of socio-economic, demographic and housing variables and well-being. The arguments that follow elaborate the strongest links, [1] which reflect structural (particularly housing finance) variables rather than demographic (gender and age) divides. There is no space to present the full set of results here, so we simply note two points of connection between these data and the existing literature, before concentrating on two much more insistent themes.

The first general point is that although home buyers' experiences span the entire well-being spectrum, this spread is not accounted for in a straightforward way by incomes. Medium incomes and moderate well-being generally do go together, but high and low income groups do not cluster towards the top and bottom of the well-being scale, respectively. Rather, they are split across these well-being categories so that high income groups have nearly the same tendency to report low well-being (23%) as low income groups (28%), and low income groups are just as likely as those with high incomes (25%) to report scores at the top end of the range. This muted link with income is consistent with other work on the underpinnings of health and well-being in the more developed world (Inglehart 1990, Wilkinson 1996).

Secondly, there is a marked association between people's experience of *inequalities* in income and status, and their well-being. Social position was measured in this study in two ways. First, interviewees placed themselves on a social scale running from one (bottom) to 10 (top); secondly, they indicated whether their own incomes would increase, decrease or stay the same if Britain became a more equal society. These responses were combined: [2] they show that mortgagors who believe they live at the lower end of a materially unequal society are twice as likely to report low well-being (32%) as those who locate themselves in a more privileged position.

These broad findings are consistent with a substantial literature linking health inequalities with unequal societies more generally, and a number of mechanisms have been proposed to account for it. Marmot (2004), for example, blames 'status syndrome', Wilkinson (1996) looks to psycho-stress, and Smith and Easterlow (2005, forthcoming 2009) refer to health discrimination. But a finer-grained trawl of the data points to a further mechanism through which inequality and well-being may be linked, exposing a suite of (sometimes counter-intuitive) relationships between subjective well-being, housing wealth and mortgage debt, and suggesting that the role of housing as a financial tool might help account for the uneven reporting of well-being among home buyers.

These ideas structure the remainder of the paper, which focuses on two key financial components of home ownership: the role of home purchase in the accumulation of wealth; and the relevance of housing assets as a resource for consumption. Each of these sections begins with a summary of the relevant descriptive statistics, before turning to the qualitative narratives in search of plausible explanations for them [3] . Throughout, attention centres on the question of what, if any, of the signature financial features of home ownership account for both the high overall levels of subjective well-being, and its marked variability, within the housing tenure de rigueur of the more developed world.

Asset building: from wealth to well-being?

Housing has become the single most important component of personal wealth for the majority of households in the more developed, and especially the English-speaking, world (Muellbauer 2006, Smith 2006). Although housing wealth is distributed less unequally than most other types of asset (Smith 2005), its distribution is nevertheless highly skewed, and increasingly so (Dorling *et al.* 2007). Yet there is no marked tendency in the BoH data for high well-being to be associated with high or increasing property values. In fact, those whose home increased most in value (by £152,500 or more) are over-represented among those with low well-being (they account for 33% of the sample overall, but 42% of the low well-being group). In contrast, those whose home prices have increased more moderately (between £96,000–£152,499) are disproportionately likely to report high well-being (this group account for 34% of study participants, but 42% of people with high well-being).

It could be argued that a wealth estimate more salient for well-being is the net equity people own – the difference between the value of a home and any outstanding mortgage. But again, there is no marked tendency for high well-being and high levels of unmortgaged housing equity to go together. Those with least housing wealth (less than £105,000) are, as might be expected, under-represented among those reporting high well-being, but those with most housing equity (£170,000 or more) are almost as likely to score low on well-being (33%) as they are to score highly (39%).

A third approach to the link between housing wealth and well-being concerns the question of what proportion of their wealth households invest in their homes. There is a growing, mainly economics, literature documenting the steady concentration of wealth into housing, and questioning the wisdom of such a narrow investment portfolio (Muellbauer 2006, Quigley 2006, Shiller 2005). To explore this, study participants were grouped according to whether or not they hold the majority of their wealth in their home. About half (48%) are *housing investors* of this type. The remainder are either *general investors* (22%) whose assets are deliberately spread more widely; or *homebodies* (30%) who may or may not concentrate their wealth into housing (just over half of them do), but who generally do not regard their home explicitly as a financial resource.

Although most people's well-being is (by definition) ‘moderate’, a striking statistic from the extensive data underpinning this study is that those conscious of having all their eggs in one financial basket – the housing investors – are only half as likely as general investors, and a third as likely as homebodies, to score high on the well-being scale; and they are more likely than either of the other groups to report low well-being (Figure 1).

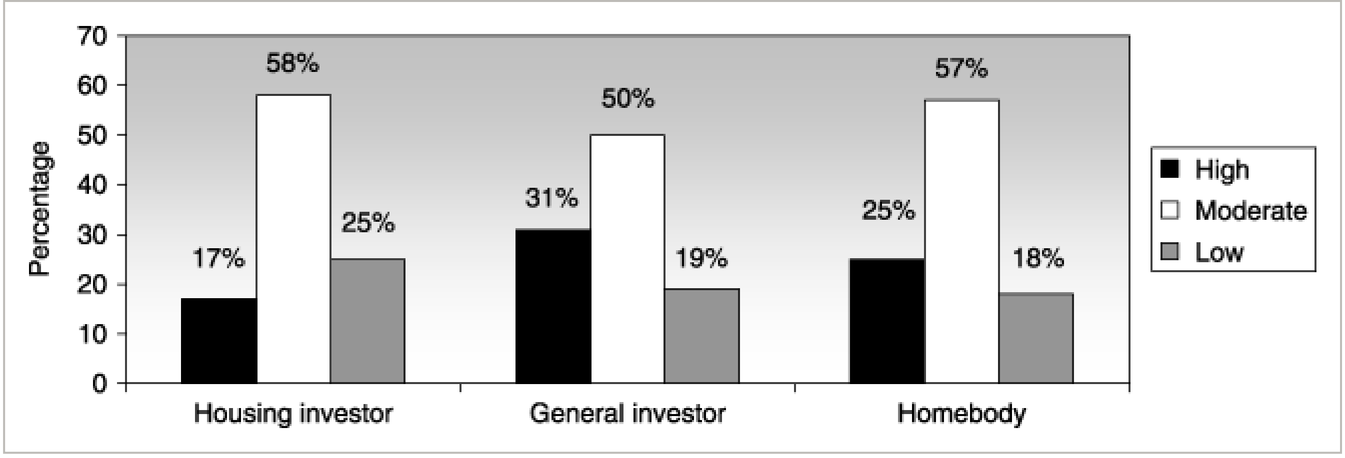

Figure 1

Open in figure viewer | PowerPoint

*Subjective well-being among investor figures**

This raises an awkward question for the governments of 'home ownership' societies such as the UK. At the zenith of a long wave of price appreciation, why would those whose financial interests are squarely located in the nation's best-performing asset be over represented amongst those whose well-being is low? One answer is rooted in fundamental differences in the way owned homes are valued (for their financial worth and for qualities money cannot buy) by mortgagors at different ends of the well-being spectrum. Key points of contrast are illustrated in the following table of quotations (Table 1).

Table 1. *Home values and well-being*

Home values and low well-being	*Home values and high well-being*
Home ownership is about . . .	
Rational tactics	**Affective ties**
'I view property now . . . as a pure financial investment, as opposed to erm an emotional home'[housing investor]	'home rather than a house . . . it's the ambiance the house has; it's the people living in it'[general investor]
'It doesn't hold any sentimental values or memories'[housing investor]	'It's a family home, so it has a lot of memories'[housing investor]
'It's brick and mortar . . . I don't get sentimental about it . . . It's just been a good investment'[housing investor]	'It's just the sentimental value of it . . . no amount of money could change that'[homebody]
Home purchase is driven by . . .	
Financial investment	**Emotional returns**
'I wanted to make sure it was a good investment . . . I was always aware of the value I was buying it for, and if I wanted to move on, what it would be worth'[housing investor]	'I wasn't looking for making investments, I was looking to buy a home I was happy with'[homebody]

Home values and low well-being	*Home values and high well-being*
Owned homes represent . . .	

The first column captures the clustering of low well-being among investor figures, especially those whose wealth is concentrated into housing. The second column profiles the *homebodies*, who are more likely to report high well-being. It also identifies some of the factors discriminating between high and low well-being for *housing* and *general investors*. The trend is that the *housing investors* most often report low well-being, and this goes hand in hand with a tendency to value housing primarily in financial terms. Those *general investors* who report low well-being also regard their home almost exclusively as a financial asset (and at times as a financial burden). This is in marked contrast to the *homebodies* who – like those investors who do prize the emotional returns on property – report higher levels of well-being and an attachment to the attributes of home that money cannot buy. The remainder of the section unpacks these differences.

A key question hinges around the way buying into owner-occupation as an investment might detract from rather than add to health assets. Some answers are triggered by the prompt, *what is it about your home as a financial asset that you particularly value?* In response to this, both groups of (housing and general) investors, at all points on the well-being scale, say they regard 'bricks and mortar' as a wise financial strategy; a buffer between them and an uncertain future. This is consistent with a key finding of the BoH project which indicates that a store of newly acquired housing wealth is replacing an older welfare ideal as the touchstone for both social and financial security in the UK (Smith *et al.* 2007). What is intriguing for this paper is that among the *investor* figures, housing wealth is a quality which means something rather different for those whose well-being is high, compared to those whose well-being is low.

Among *general investors* with high well-being, housing assets simply represent a safe place to store money for the long run – an enduring resource whose value can be taken for granted and which will be there for the longer term; 'it's not going to go anywhere'. *Housing investors* reporting low well-being, on the other hand, more often pepper their comments on housing wealth with references to the risks and uncertainties that may force them to dip into it: 'it's a safeguard, if the worst happened'. Overall, *investors* of both kinds whose well-being is low are twice as likely as those whose well-being is high to regard their homes as a financial resource of last resort: something to turn to in the 'worse scenario' which, by implication, is already on the cards.

Furthermore, the well-being of these *investors* tends to vary with a mix of views on how easy, or difficult, it is to grasp, preserve and enhance the value of home assets. One in five BoH participants see their housing wealth as something that may never materialise because it is 'false', 'dead', 'fun', or simply 'pretend' money. *Housing investors* are (as might be expected) least likely to hold this 'paper money' view, but it is notable that, when they do, they are almost three times more likely than their counterparts in the other two groups to report low well-being. Those whose financial security most depends on their housing wealth not only worry that, in the wake of some future emergency, there will *only* be housing wealth to rely on, but are further distressed by the belief that this resource may, in the end, be more apparent than real.

Home buyers' views on house price appreciation add to this argument. The higher overall levels of well-being reported by *general investors* tends to be coupled with the view that their own housing investments are neutral to house price appreciation. These home-buyers say that, if house prices were to rise, they would be in more or less the same position: ‘If I wanted something of equivalent value it's going to cost me the same’; ‘if you were thinking of moving, everything's gone up the same’. In contrast the lower levels of well-being reported by *housing investors* are often associated with the anxiety of being ‘left behind’ as the housing escalator gathers speed: ‘we'd have the problem that all the others in the area have all gone up’; ‘I'd have to spend even more money to move, to move up in the world’. This group of home buyers feels vulnerable precisely because they hold most of their wealth in a home whose value may not be appreciating in line with other properties in a market whose rewards are unevenly spread. Uncertainty of all kinds may undermine resilience or detract from health assets, but the evidence here is that uncertainty around housing wealth – caused, for example, by house price volatility or uneven price appreciation – may compound the problem. The low well-being reported by some *housing investors* thus supports the idea that ‘inequality hurts’ (Wilkinson 1996) – that psychological distress arises because resources are unevenly distributed and may be compounded by a sense of being left behind as others move ahead (Orton and Rowlingson 2007).

This also underpins a sense of urgency among *housing investors* to find ways to enhance and preserve the value of home assets. Fully nine out of ten (89%) *housing investors* (n = 63), compared with just three-quarters (76%) of *general investors* (n = 26) and fewer than seven out of ten (69%) *homebodies* (n = 31) regard the value of their property as something they themselves can, and crucially, should, influence by their own efforts. The *housing investors* who most explicitly attribute the value of their property to vigilant upkeep – repair, maintenance and improvement – are acutely conscious of the hard work this requires, and are likely to couple this with reports of low well-being. Their experience is captured in statements like these, made when accounting for the financial value of their home: ‘we have made a lot of improvements to it over the years’; ‘It's big, it's spacious, it's well maintained’; ‘our property is a lot more stylish than lots of others . . . I think I've probably invested more in the interior than the rest of the street’. *General investors*, in contrast, couple higher well-being scores with a more relaxed approach to the quality and condition of their property, often attributing any financial gain to their wise choice of location and canny approach to investment more generally: ‘It's in a good residential area’; ‘It's central . . . it's got accommodation which is very flexible’. The *homebodies* meanwhile add a further perspective: their better than average well-being scores seem linked to the fact that they are more than twice as likely as *housing investors* to be resigned to the ‘invisible hand’ of the market; ‘That's how much they [properties] are’.

So housing assets do not easily map onto health assets. Rather, health capital is sensitive to a new suite of risks associated with home ownership in contexts – as in the UK – where households’ welfare is linked disproportionately to the financial rewards, or investment returns, of owner-occupation (Smith *et al.* forthcoming). The stress of depending on, and the effort of attending to, the asset value of home ownership, as well as the constant reminder this contains of how uncertain the future could be, all conspire to wear down people's resilience and undermine their quality of life. The clear indication is that prizing or relying on housing assets, especially when these comprise the entire wealth portfolio, may be an effective way to shore up wealth, but is an insufficient route to high well-being.

Nevertheless, owner-occupation and well-being often do go together, and the Table of quotations introduced earlier indicates that some elements of home ownership have a more positive or protective effect. Column two of the Table in fact captures one of the more striking findings of the study, namely a link between well-being and answers to the prompt: *‘Are there things you value about* *this home that money simply could not buy?'* Overall in this study, a third of those reporting low well-being express few affective ties to home. In contrast, eight of the ten general investors with high well-being, eight of the twelve comparable housing investors, and eight out of the eleven homebodies who report the highest well-being scores emphasise their sentimental attachment to qualities that money cannot buy; they value their home not as an asset but for its non-financial attributes.

Emotional attachment is an increasingly well-documented driver in the housing market. Recent work shows how the prospect of emotional gains may take priority over financial return in buying, selling and occupying homes (Munro and Smith 2008, Christie *et al.* forthcoming). The steer from the current analysis is that these 'feeling rules' could also be relevant for well-being. Mortgagors who prize the asset value of housing at the expense of emotional attachment to home tend to score low on the well-being scale. On the other hand, valuing housing as 'home' provides the social attachment, and feelings of security that are a boost to positive mood and make for an improved sense of well-being.

Wealth effects: home assets, mortgage debt and consumption

The link between housing wealth and well-being may, in part, be accounted for by the way homes are valued, and by the place of housing assets in households' wider investment portfolios. But the more people rely on the wealth in their homes, the more their thoughts turn to the practicalities of accessing it. In this section, therefore, we consider the implications for well-being of what economists refer to as 'the wealth effects' of housing (Case *et al.* 2005). This refers to a widely observed statistical association between house prices and consumption, which is accounted for by a variety of mechanisms, including the practice of mortgage equity withdrawal (MEW). MEW occurs when people borrow against housing, not just to buy a home, but to fund a range of other expenditures. This type of financial behaviour has become increasingly common, even routine, in recent years, thanks to a combination of financial deregulation, mortgage product innovation, and an easing of credit constraints more generally (Smith and Searle 2008).

The still-small literature addressing the health implications of debt rightly draws attention to the high levels of stress and adverse psycho-social effects of arrears (Brown *et al.* 2005, Bridges *et al.* 2006, Nettleton and Burrows 1998). Among the broad cross-section of mortgage holders in BoH, however, two-thirds (105/150) are comfortable with their loan and feel they have it under control, while just one-third (45/150) express concerns. As many as one in four (n = 26) of the former, compared with less than one in ten of the latter, score high on the well-being scale. To give a sense of how the legibility of financial products and the capabilities of their consumers might disrupt the translation of housing wealth into well-being, we have identified four wealth and well-being 'types' within the highest and lowest quintiles of well-being, and among those holding the biggest and smallest stores (the top and bottom third) of unmortgaged home equity. Their experiences are broadly as follows.

The first group of 12 hold limited unmortgaged housing equity, and report low levels of well-being, which we attribute to a mix of factors associated with life in an unequal, indebted society. The second – a group of 13 mortgagors – possess high levels of home equity and report high well-being, generally reflecting their comfortable lifestyles. The link between home equity, mortgage debt and well-being is more complex for the other two groups. As Table 2 shows, even high levels of debt can be supported without a dip in well-being if that borrowing 'works'– if products are legible, manageable, and under control. Likewise, even small loans against large assets can erode health capital if they are hard to handle.

Table 2. *Housing wealth and mortgage debt: implications for well-being*

1. High well-being despite high loan-to-value mortgages (n = 9)

Mortgages are easy . . .
'. . . because they look after themselves'

. . . . they can work in your favour.
'you can train it to do what you want'

are not a cause for concern . . .
'it's very easy to manage, and it doesn't bother me one little bit'

. . . and remain in control
'It's big enough to worry me, but I feel that I can handle it'
'I don't worry about it no . . . It's as under control as, as it can be'

2. How miscreant mortgages turn high home equity into low well-being (n = 10)

Lack of control . . .
'I'm tied into it
'I'm more worried about the debt than I am the equity . . . That debt makes me feel a bit constrained really . . . a bit scary'

Limited legibility . . .
'I just didn't understand what she [financial advisor] was talking about'
'I think it's still quite a maze . . . I think it's only eclipsed by pensions . . . In terms of understanding it all'.

Constant attention . . .
'it's like some sort of pet . . . if you go away on holiday you've still got to . . . sort of think about it and make provisions for it'

There is at least a hint in Table 2 that mortgage management – the challenge of putting credit to work – mediates between housing wealth and well-being. This is borne out in a closer examination of practices around MEW: that new set of financial behaviours enabled by the option to borrow from as well as pay off secured loans. Nearly two-thirds of the BoH sample (n = 94; 63%) have engaged in MEW, and they are twice as likely as the rest to report low well-being. Although some speak positively about their experience as borrowers, this group tends to worry most about the risks of slipping too deeply into debt. They refer repeatedly to the importance of 'not being silly', being 'sensible', being 'careful' and needing 'to be reasonably confident of what you are doing' in order to avoid things getting 'seriously out of hand'. They also provide quite clear accounts of the negative aspects of the new deregulated borrowing regime: these are people who with 'hindsight' thought it 'too easy to get money', would 'rather not have done it', and have been 'scared off' to the point that they 'wouldn't do it [access equity] again'.

Paradoxically, however, the group of 'mortgage spenders' as a whole is also over-represented among those whose well-being is high. The flexibility to spend from, as well as inject funds into, mortgages has added to the resources available to many households to manage their wealth, and a third of those mortgage spenders with high well-being speak positively of the difference that accessing housing wealth has made, providing them with ‘a psychological boost’; and a ‘sense of well-being’. None of these home buyers would have been able to fund their consumption in any other way, and they are unlikely to regret their borrowing or to express reservations about their purchase: ‘I still enjoy it, so money well spent’.

So those most actively spending from housing wealth report extremes of well-being, in contrast to two-thirds of ‘mortgage savers’ (those more inclined to pay off than extend their borrowings) who sit in the middle of the well-being scale. This suggests that a traditional approach to mortgage holding is neutral to well-being while there is a more complex story behind the way accessing and using MEW impacts on well-being states. This tale is elaborated further by considering what the proceeds of MEW are spent on.

Utilitarian economic theory regards consumption in its own right as an indicator of well-being. So from the point of view of classical economics as well as from a ‘cultures of consumption’ perspective, there is a sense that consumption – whether it involves the purchase of clothes, furniture, holidays or cars – equals satisfaction. Every new purchase is a boost to subjective well-being; and anything that adds to this (high house prices, innovations in mortgage finance) might have the same positive effect. This was certainly the expectation of one study participant who experienced a frisson of pleasure at the prospect of ‘buying what I want . . . when I actually haven't got the money’. But this is coupled with low well-being, suggesting that the benefits of hedonism – of ostensibly care-free consumption – may be limited or short-lived. To explore this further, we classified those who have used their mortgage to facilitate spend from housing wealth as ‘sassy’ (they spend in an astute, calculating, knowledgeable way), ‘credit culture’ (whose spending wants or needs, as in the above example, take priority over rising debt) and ‘care-full’ (people who spent from their housing wealth explicitly to secure welfare outcomes – broadly defined – for themselves or others).

Most mortgage spenders in this study (69/94) fit the criteria for ‘sassy spender’, which in itself is an interesting comment on the competencies of mortgage holders (who more often appear as duped debtors than competent consumers in the financial services literature). Reflecting the dominant tendency among mortgage spenders, just one in five of these sassy shoppers report high well-being. Equally notable is that, while only five mortgage holders are in each class of ‘credit culture’ and ‘care-full’ spenders, two of the former and all of the latter evince high levels of well-being.

Although (as with all qualitative research) the numbers are small, the differences between the (generally lower) well-being of credit culture figures compared to that of care-full spenders show that there is more than one kind of association between consumption and well-being. Study participants whose spend from housing wealth is associated with low well-being challenge the equation of consumption with happiness, consistent with a literature recognising the many ways in which unhappiness, anxiety, depression and low self-esteem flow from materialistic lifestyles (Kasser 2002). ‘Credit culture’ figures entangled in a housing market whose rapid price appreciation has increased the funds potentially available for consumption, find that the hedonistic element of this is not always emotionally sustainable. Intriguingly, the two people in this group who report high well-being are most restrained in the expectations they attach to housing assets, emphasising the importance of keeping within budget, and resisting the temptation to cash in on house price appreciation.

The care-full spenders, all of whom experience high levels of well-being, are (by definition) more altruistic in their consumption behaviour. They are contented to be able (by virtue of their options to draw from housing wealth) to help family members, for example, with whatever resources they have. One-third of those whose high well-being is coupled with limited housing equity have drawn from that equity to fund ‘care-full’ acts, valuing the positive rewards of helping others now, over concerns for their own future. There is already a literature suggesting that securing support from others in times of difficulty enhances the well-being of those who are cared for (Searle 2008). These new findings suggest that the benefits can flow both ways: those *offering* support gaining the same emotional rewards as those receiving it:

> . . . knowing that he's secure for the rest of his life has given me, I feel a lot more at peace with myself knowing that he won't have any problems . . . it's all so simple and sorted out I'm really pleased about that (care-full spender, high well-being).

A broad welfare orientation also helps account for differences in well-being among the ‘sassy spenders’. Spending patterns among this group have many things in common: funding home improvements, consolidating loans, buying luxury items and so on. However, among those with high well-being (n = 12), there are notably more care-full elements; one in three, for example, use MEW to secure some kind of welfare return for themselves or other family members. In contrast, only one of the 15 sassy spenders reporting low well-being have any altruistic entry on their shopping list.

One explanation for all this might be that among those with high well-being there is a sense that MEW opens up a range of new *options*, whether to move abroad, downsize or secure the future welfare of children. On the other hand, low well-being is more often reported by those who feel their futures are closing down, not least because their housing resource is spoken for. These contrasts are illustrated in the selection of quotations in Table 3.

Table 3. *Well-being and MEW*

Constrained futures; low well-being	*Open options; high well-being*
A home for later life . . .	
‘In care’ ‘. . . you do hear of people who have to go into OAP homes when they, you know they’re forced to sell their house, then use that money to keep them in a home so, that I presume would be a possibility’.	**Abroad** ‘I might sell it and move abroad or whatever. I don't know’. ‘We've sometimes thought about buying a place in [country]’
Move down market and release equity . . .	
For necessity ‘I mean I've got a phobia about my pension letting me down at the moment . . . and at the end of the day I think at least if I've got my home if I need to down-size and release capital I've got that. . . .’	**For additional income** ‘sell it and move down market and use that money either to supplement our em, incomes. . . .’
Pass it on to the children . . .	

Constrained futures; low well-being	*Open options; high well-being*
They'll get it one way or another 'when my children get to the point of looking to go buy a house, they'll probably have no money . . . and I may choose to help them for my sins. They'll get it one way or another I suppose'.	**To set them on their way** 'I think they need as much help as they can get, so, the more I can pass on to them, the better really'.

To summarise, this section suggests that the extent to which consumption practices are tied to well-being is more complex than the question of how much people have to spend. While economic models presume the positive effects of consumption across the board, these data suggest that it is the *type* of consumption, and the motivation for spending from housing wealth, that is critical. If people choose or are forced to draw from housing wealth to meet lifestyle wants, or subsistence and 'insurance' needs, and where this exceeds people's long-term ability to service housing debt without any compensating factors, engaging in MEW can easily become a source of psychological distress. On the other hand, having the option to draw from housing wealth in ways that were not possible even five years ago can, imaginitively and resourcefully applied, by those fortunate enough to have the option to do so, turn home assets into a well-being resource.

Conclusion

Researchers often ask what it is about owner-occupation that makes it score so well on health, well-being and overall quality of life, when compared with renting. We have enlarged this debate by focusing on the diversity within owner-occupation, at a time when there is growing interest in the role of housing wealth as an asset base for welfare. We argue that whether or not people can use financial products to exploit the value in property, whether this strategy works when it is most needed, how manageable and sustainable it is, all helps elaborate a link between housing wealth and health assets (whose complexity is highlighted by Gram-Hanssen and Bech-Danielsen 2004).

The findings indicate that home buyers who choose, or are forced, to be pre-occupied with the financial returns on housing – the *housing investors*– cluster disproportionately towards the bottom of the well-being scale. Not only are they emotionally detached from the affective values of home, but they are nervous of leaning so heavily on the returns of a single investment, and they are conscious of how demanding it is to conserve and accumulate housing wealth effectively. The toll this takes on well-being places a question mark over the extent to which an individual housing asset-led approach to welfare is compatible with the assets model of public health discussed at the outset (Morgan and Ziglio 2007).

General investors, who cluster disproportionately towards the top of the well-being scale are, to an extent, protected from this by their other investments. They are relaxed about the financial returns on their home and, like the '*homebodies*', feel free to enjoy the psycho-social boost associated with attachment to home. Being in a position to value owned housing for a range of affective and practical qualities may more readily be associated with well-being than banking on property as an asset base for welfare.

So, there is a tension where well-being is concerned between property as asset and housing as home. As an investment, owned homes have performed well in recent years, but the stress of relying on this and the effort of maintaining it, can be costly for well-being. Valuing housing as home, on the other hand, may not secure the best financial returns, but may add to resilience, boosting health capital as described in Smith *et al.* (2003).

As for the role of housing wealth in consumption, the findings indicate no straightforward link between debt and depression, or between spending and satisfaction. It is rather the subtle ups and downs of mortgage management – the legibility of financial products, the capabilities of borrowers, and janus-face of credit – that mediate the impact of housing wealth on well-being, and temper the utility of housing wealth as a financial buffer. There is however a suggestion that what we call 'care-free' spending – pursuing high days and holidays with few restraints – is inspired by, or conspires towards, low well-being; just as there are reasons for 'care-full' consumption to be associated with enhanced well-being. This raises the intriguing possibility that a more collective – or at least a relational rather than individualised – approach to harnessing housing wealth, perhaps inspired by an ethic of care, could be one step towards a revitalised welfare ideal.

Above all, the research in this paper underlines three key points. First, owner occupation is not a single condition: it is a heterogeneous sector whose multiple forms impact variously on health outcomes. There is no simple way to incorporate the 'healthy housing' sector into an assets approach to health. Secondly, the definitive characteristic of home ownership – its role as a financial tool – is by no means the feature that most readily promotes health capital. Therefore, and thirdly, to the extent that well-being is a trade-off between the financial and emotional qualities of dwelling, policies which de-emphasise the former and enhance the latter, may be preferable: prioritising house wealth may not be the best investment for public health.

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Notes

1 These were identified using a common descriptive statistic (Cramer's V), since the strength of associations rather than attributions of statistical significance are the appropriate tactic for these (purposively assembled) data.

2 Those who placed themselves on the bottom three rungs of the social scale *and* believe their incomes will be higher in a more equal society have a *low* self-assessed social position; those who placed themselves in the top three points of the social scale *and* think their income would decrease with increased equality have a *high* self-assessed position. The rest are classed as medium.

3 The quotations are selected to illustrate the depth and breadth of the data, though not necessarily the frequency with which specific themes occur. The words of 43 (of 150) study participants are presented, only 11 of whom are quoted more than once. Unique identifiers are not given in this paper; instead, each quotation is used to represent the views of a particular figure or 'type' of home buyer.

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