Cathy is one of millions of low- to moderate-income older adults living in similar situations. The number of children living with their parents and grandparents has nearly doubled since 1996, when more older adults were empty nesters.1 Today, the share of grandparents living with their grandchildren is still growing – especially since the 2008 recession. About 7 million grandparents lived with at least one grandchild in 2013, up from 5.8 million in 2000.2 Among grandparents living with their grandchildren, nearly two in five are primary caregivers.3

Being grandpa in a multigenerational household is worth the trade-offs for Ronald. The 66-year-old military veteran, who lives with his wife, son, and granddaughter, is taking on the lion’s share of child-rearing. To help his son, who works round-the-clock shifts at an auto factory, Ronald says, “When he does a picture at school, he’ll draw a mommy, daddy, him, and grandma.” He includes his wife, Laura, and his son, Jack, in the picture, but not his daughter, Sarah, who lives with her own family in another city.

After moving in with one of her daughters more than two years ago, Cathy has embraced the role of grandma and is now a caregiver to her youngest grandchild, Carmello. Despite struggling to pay her own bills, since she has found it difficult to find full-time work, being with her grandson is the best part of Cathy’s day. But the three generations often do a balancing act when it comes to covering monthly expenses.

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3. Ibid.
about 70 miles away, Ronald has assumed the responsibilities of being a primary caregiver to 4-year-old Paisley and takes care of most household tasks. “We instill values in [our granddaughter] and teach her right from wrong,” says Ronald, who lives in rural Eutaw, Alabama.

Although Ronald is looking for work so he can contribute more to the household expenses, he’s had to be mindful of his child-rearing responsibilities and hopes to work evenings or weekends so it will be less disruptive to the household. He’s willing to do whatever it takes.

“My wife will be home with our grandchild, and I’ll be able to work at night. It doesn’t really matter what type of job it is, as long as it pays a decent salary,” he says.

**Laughs, Bills, and Compromises**

Those who are part of multigenerational families are quick to point out that financial security is something everyone can work on together. For Joyce, living in a home with 10 family members, including her brother, son, daughter-in-law, and their children, takes away some of the uncertainty of being able to afford monthly expenses on her own. After relocating to Las Vegas from Milwaukee, she is leaning on her family to help her find steady income.

“Everybody needs help one way or another, and just because I’m the mother doesn’t make me any different,” the 61-year-old says.

“When [my] money comes in, that little extra stuff that we couldn’t get or we couldn’t buy, we’re going to buy.”

While she is unable to work, Joyce gives back by helping to run the household. That means cooking most of the family meals, doing school runs, and helping around the house, even as she looks for additional income outside the home. Currently, she receives about $200 a month in Supplemental Nutrition Assistance Program (SNAP) benefits that she uses to buy essentials for the house, and she is eager to contribute even more.

“When [my] money comes in, that little extra stuff that we couldn’t get or we couldn’t buy, we’re going to buy,” she says.

Multigenerational living can also make it difficult to put money aside for individual financial security and retirement goals, as larger family systems may create outsized family obligations or costs. Low- to moderate-income women over 50, for example, are more likely to be single, which also makes them twice as likely as men to have children living in the same household. As a result, it can be even more challenging to balance their own financial needs with those of a multigenerational household. For example, data shows that older adults are increasingly taking on financial responsibilities for their adult children or grandchildren, such as paying for school. At the end of 2018, borrowers over age 50 owed $276.1 billion in federal student loans, a $28.8 billion increase over the previous year.²

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Other low-to-moderate earners tout the benefits of multigenerational living. About a quarter of low- to moderate-income individuals said they borrowed from friends or family in the last year, which may be easier to do for families living under the same roof, according to 2018 data from the Financial Health Network. There are health benefits too, including longevity and lower risk of depression, associated with grandparents who are taking care of grandchildren.

For Cathy, sharing a home with her daughter and grandson has enabled her to feel more financially stable during those months when she is unable to chip in as much financially. Each month, she and her daughter, Cheyenne, determine how they will cover their shared costs depending on the month’s fluctuating income and expenses. Since Cheyenne works as a server at a local pizza parlor, income can differ significantly from month to month.

“It’s hard to figure out what she’s going to have at the end of the month, so sometimes I have to kick in a little bit more. Sometimes if I have stuff going on, I have to kick in less and she’s got to help me cover it,” Cathy says.

There’s one thing that remains constant: splurging on the grandchildren — even when there’s not money to spend. For Cathy, that often means that only one of them eats at their favorite place: McDonald’s.

“There’s times when I just have enough for that little Happy Meal...and I’ll grab a Coke,” she says.

Ultimately, she feels the sacrifices are worth it: “He’s happy and we have a good time.”