Generations Living Together In One Home

STRATEGIES
JANET MORRISSEY

Builders are creating units to accommodate multiple households.

Bob and Myrna Conrad, both 65, share a house with their son Wade, 41, his wife Dana, 42, and their grandson Bryce, 21. Isn't it crowded? Don't they cramp one another's style? Actually, no.

"We just set some ground rules, and it's been working great," said Wade Conrad, who has been living with his extended family since late 2013 in a NextGen multigenerational home, built by the Lennar Corporation, in Spanaway, Wash.

The Conrads are among a growing number of families who are seeking specially designed homes that can accommodate aging parents, grown children and boomerang children under the same roof.

The number of Americans living in multigenerational households — defined as homes with more than one adult generation — rose to 56.8 million in 2012, or about 18.1 percent of the total population, from 46.6 million, or 15.5 percent of the population, in 2007, according to Pew Research. An estimated 28 million, or 12 percent, lived in such households in 1980.

"People lost jobs, and with tighter household budgets, a lot of homes consolidated," said Aaron Terrazas of Zillow, the home pricing website.

Most multigenerational families live in ordinary houses, but the homebuilding industry is responding quickly to this shifting demand by creating homes specifically intended for such families.

The Lennar homes don't offer just a spare bedroom suite or a room above a garage. The NextGen designs provide a separate entranceway, bedroom, living space, bathroom, kitchenette, laundry facilities and, in some cases, separate temperature controls and separate garages with a lockable entrance to the main house. Family members can live under the same roof and not see one another for days if they so choose.

Wade Conrad acknowledged he was initially skeptical when his father suggested they buy a home together. Along with his wife and two children, he had twice moved back home with his parents during job transitions and it did not go well, he said. Back then, they butted heads over food, parenting decisions and even TV programs.

"My dad watches the news 24/7, and I can't stand the news," Mr. Conrad recalled. "We'd gather for dinner and he'd just mute the TV, but the news would still be on. It drove us crazy," he said.

Mr. Conrad prefers shows like "The Walking Dead" and "Arrested Development," while his parents, he said, like "cheesy Hallmark feel-goody movies."

All these irritating memories came rushing back as Mr. Conrad pondered his father's suggestion. But once he saw the NextGen home, he was sold. Mr. Conrad moved his family from their crowded 1,000-square-foot townhome into the 5,000-square-foot NextGen home.

They set some rules: No TV in the large common area, food is bought separately, all other expenses are split down the middle.

For the grandparents, who had been living in St. Louis, the spacious new home was an ideal way to reconnect with family. "It ended up being the best decision we could ever envision," the elder Mr. Conrad said. "And my son can watch all the 'Walking Dead' episodes he wants."

So what's driving this trend?

The 2008 recession, high student loan debt, rising rents, and a tough job market for millennials caused many people ages 18 to 34 to delay leaving home, said Alex Barron of the Housing Research Center. And then there are boomerang children, adults who return to their parents' home because of a job loss, divorce or other reason.

On the flip side, baby boomers are living longer than previous generations. Many are planning ahead in hopes that they can devote more attention to their children and grandchildren — and spend little, if any, time in a nursing home.

Multigenerational living is "growing in popularity," said Robert Curran of Fitch Ratings. With roughly 10,000 baby boomers turning 65 each day for the next 17 years, interest in such arrangements is unlikely to wane soon.

Lennar was one of the first major builders to tap this market when it introduced its NextGen homes in 2012 in Phoenix. It has since expanded the model to more than 200 communities in 24 markets. It sold 1,100 NextGen homes in 2015, compared with 280 in 2012.

Other builders have jumped into the market as well.

Jim and Becky Cadd bought a Toll Brothers multigenerational home in Baltimore. After the couple married in June 2013, Ms. Cadd and her aunt, Barbara Spangler, moved into Mr. Cadd's home, where his mother, Terry Cadd, also lived. Suddenly having everybody living under the same roof was trying. The Toll Brothers multigenerational home resolved this. Now, the elder Ms. Cadd and Ms. Spangler each have their own bedroom, kitchenette and living area.

As for the Conrads, they say the arrangement has brought the family closer than ever. But they acknowledge it's not for everybody.

"For us, it was the right thing at the right place at the right time — and it works," Bob Conrad said.

T.J. KIRKPATRICK FOR THE NEW YORK TIMES
UNDER ONE ROOF **Jim and Becky Cadd share a Toll Brothers multigenerational home with her aunt and his mother.**

KEVIN D. LILES FOR THE NEW YORK TIMES
ILLEGAL CARD READERS **Criminals are using special devices to steal data from debit cards used at A.T.M.s. Nonbank A.T.M.s are increasingly targeted.**

A.T.M. Fraud Is Surging

YOUR MONEY
ANN CARRNS

Fraud using A.T.M. "skimming" devices is rising, new data shows.

Skimming involves stealing debit card numbers by putting an illegal card reading device on an A.T.M. Criminals use the devices in tandem with hidden cameras that record personal identification numbers entered onto the keypad. They then make duplicate cards.

FICO Card Alert Service reports a sixfold increase in the number of machines in the United States compromised in 2015, compared with 2014. It noted that the number of fraud incidents for all of 2015 was the highest the service had ever recorded. This month, a man in San Diego County, Calif., was charged with placing skimming devices on Wells Fargo A.T.M.s and creating counterfeit cards.

Banks are not immune, but nonbank A.T.M.s, like those in convenience stores, are increasingly targets, said T. J. Horan of FICO. In 2015, he said, 60 percent of the cases were at nonbank A.T.M.s, up from about 39 percent in 2014.

Q & A

¶ How can I tell if an A.T.M. has a skimmer?
Kurt Baumgartner, with the cybersecurity company Kaspersky Lab, said customers should take note of anything that looks unusual about an A.T.M., particularly the slot where the card is inserted. If the fixture wiggles, that's an indication a skimming device is attached.

¶ If my card is skimmed, will I get any stolen money back?
In most cases, yes. Under the Electronic Fund Transfer Act, consumers generally aren't liable for funds stolen from their bank account through fraud, as long as it's reported within 60 days.

Brighter Outlook for Grads

EDUCATION
TARA SIEGEL BERNARD

New college graduates looking for their first full-time job have reason to be optimistic. After a string of dismal to lackluster years, the job outlook brightened considerably for the class of 2015. And despite uncertainty about the strength of the economy, recruiters, on-campus career specialists and economists remain generally upbeat about prospects for this year's graduates.

Michigan State University's Collegiate Employment Research Institute projects that hiring will be up 15 percent across all degree levels from last year, part of a stuttering rebound from the Great Recession and its aftermath, 2009 to 2013.

Of course, applicants' experiences will vary, perhaps significantly, depending on their field of study and position sought.

Recent graduates who majored in civil engineering and nursing had some of the lowest unemployment rates — 2.8 percent and 2 percent, according to an analysis by the Federal Reserve Bank of New York that averaged figures from 2013 and 2014, the most recent available.

In contrast, anthropology, geography and mass media majors faced jobless rates upward of 8 percent. Liberal arts majors, whose studies emphasize critical thinking, communication and creativity, were nestled in between, at 5.8 percent.

"The occupation-specific majors tend to do much better," said Jaison Abel, head of regional analysis at the New York Fed, who conducted the analysis with Richard Deitz, senior economist there. "Even within business, the more specific majors — accounting or finance — tend to do much better than those with a general major."

Job conditions appear grimmer when viewed through the lens of another metric: the share of recent graduates (age 22 to 27 with bachelor's degree or higher) working in jobs that do not require degrees. That number hovered at 44 percent at the end of September, high by historical standards, according to the analysis. The low was about 38 percent in 2000.

The Recession's Aftermath

44.1%
Current percentage of graduates, age 22 to 27, with at least a bachelor's degree in jobs that typically do not require a degree.

4.9%
Current percentage of graduates, age 22 to 27, with at least a bachelor's degree without a job but actively looking for one.

+15%
Projected percentage change from 2015-2016 in average number of positions for new bachelor's degree recipients, according to a national survey of about 2,000 employers.

Job prospects and pay improve for those who are just starting out.

But this phenomenon, called underemployment, may not be unusual. The two economists point out that, through good and poor economic times, roughly one-third of all graduates occupy jobs that don't require a bachelor's degree.

And even during the depths of the recession, new graduates had an advantage: Most weren't cashiers and baristas. They held higher-paying positions in areas like office and administrative support.

What we're seeing, Dr. Abel said, are "fairly typical trends of transitioning from college to the job market," and many who start careers in a low-skilled service job transition to a better job after gaining experience in the labor market. Also, there's more than one way to define underemployment. Using the government methodology, which counts those who want a full-time job but don't have one, including part-time and "discouraged" workers, the outcome looks less severe.

Last year, the underemployment rate for 22- to 27-year-old graduates was 19.8 percent, according to the Center on Education and the Workforce at Georgetown University. That's down from a decade's peak of 23.4 percent, in 2013.

Paychecks have also edged higher. The median wage for recent graduates with only a bachelor's degree was $43,000 in 2015, up from $40,000 in 2014, according to the New York Fed report. (Individuals with only a high school diploma had a median wage of $25,000 in 2015.)

Meanwhile, the mood on campuses is encouraging. At Wake Forest University in North Carolina, the number of employers participating in recruiting events is holding steady with 2015, when attendees rose 33 percent compared with 2014.

And at Rutgers University in New Jersey, nearly 300 employers attended its February career fair, about as many as its venues can handle. "If these 290 employers weren't in a hiring posture," said Rick Hearin, executive director of career services at Rutgers, "they wouldn't invest their time and money to come to New Brunswick to recruit our students."

When Feelings Trump The Spreadsheet Math

SKETCH GUY
CARL RICHARDS

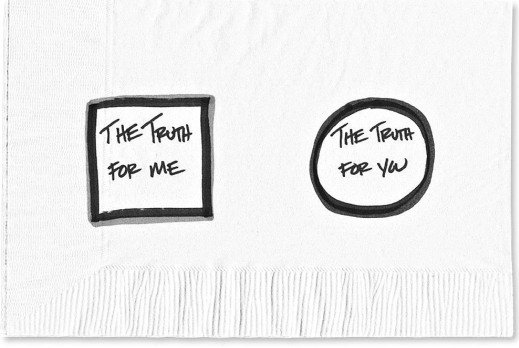
"Carl," my friend told me, "you need a new truck like you need a bullet in the head."

I fired something back about how off base she was. We went back and forth. It was unproductive, and we let our tempers get the better of us before we finally walked away to cool off.

With the benefit of some time and space, however, we figured out that it wasn't so much that she was wrong. And it wasn't so much that I was wrong. The argument boiled down to a matter of personal preference.

Truth is a pretty rare thing in personal finance. More often than not, what we call truth is simply an opinion. Even when the math points at what seems to be obvious truth, feelings can get in the way. For instance, take the common advice from some investment professionals to borrow as much as you can for your house at the lowest possible interest rate for the longest length of time. Then, take every extra dollar you have and invest it in the stock market instead of paying down your mortgage.

The sales pitch goes like this: The overall stock market earns roughly 10 percent annually over long periods if you reinvest the dividends and don't trade. Let's say your mortgage costs you around 4 percent. As long as you stick with your investment plan for the 30-year term of your mortgage, you'll end up with more money in your pocket than if you had paid off your home as quickly as possible.



CARL RICHARDS

If that's true, though, why is it that I have been to more mortgage-burning parties than portfolio celebrations? For many people, the comfort of having the home paid off as soon as possible is worth it — even if the spreadsheet says otherwise. There is security in being free of their largest debt, and that good feeling has real value.

So which one is truly better? The paid-off mortgage or the ever-growing stock portfolio backed by a spreadsheet proving you are better off investing the money?

And before you jump on the rationalist bandwagon and criticize emotion-driven, illogical behavior, ask yourself a simple question: What is money for? In the end, isn't the point of money to make us feel more comfortable, more secure, more at ease and happier? If so, it may not make a lot of sense for us to try to talk our friends (or ourselves) out of mathematically incorrect behavior.

We tend to forget that money is about feelings, and feelings don't always fit neatly into the "truth."

So the next time you find yourself in a heated debate about money, remind yourself that what you're debating is probably not a matter of right or wrong, but one of personal preference.