In the Nest

Did the Pandemic Push Young Adults to Live With Their Parents?

By Sara Srygley, Research Analyst, PRB | December 2023

Acknowledgments: This research was funded by the Annie E. Casey Foundation. We thank them for their support but acknowledge that the findings and conclusions presented in this report are those of the author(s) alone and do not necessarily reflect the opinions of the Foundation. Separately, the author would like to thank Celena Mijares (PRB) for her help with fact checking and Diana Elliott (PRB) for her help with editing and content development for this brief.

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PRB's analysis of the Survey of Household Economics and Decisionmaking revealed that young adults who lived with their parents during the 2017–2022 period were more economically strained than those who did not. For example, compared with peers in other living arrangements, young adults living at home with their parents were more likely to earn below the median income for their age group, to have difficulty paying bills, and to have a small (or nonexistent) emergency fund.

While many headlines proclaimed a trend of young adults "returning to the nest" during the pandemic, an examination of living arrangements before and during the pandemic reveals a more nuanced story.[1] We found that the characteristics of young adults who lived with their parents during the pandemic were very similar to those of young adults who lived at home before COVID-19 struck the United States in 2020.

And while young adults who lived at home during the pandemic reported feeling that their financial circumstances were worsening, in many ways their personal economic conditions improved during this time. While they remained behind their peers on important measures of financial health, they were more insulated from worsening financial circumstances throughout the pandemic years.

Our dive into the demographic and financial characteristics of young adults and their living arrangements revealed four key findings:

- **Overall, the pandemic did not significantly increase the likelihood of young adults living with their parents**; in fact, despite a spike at the start of the pandemic, the share of young adults who lived with their parents did not change significantly when comparing the full three-year pandemic period with the years just before.
- **The pandemic did not significantly alter the demographics of the young adults who lived with their parents.** Both before and during the pandemic, Hispanic young adults, young men, and those earning below the median income were the most likely to live at home in young adulthood.
- **Fewer young adults married or cohabited during the pandemic**, despite living with a spouse or partner being linked to overall better financial well-being than living with parents.
- **Young adults who lived with their parents enjoyed a degree of protection from unforeseen financial blows** that their peers living elsewhere did not, despite their overall more strained financial status.

These findings suggest that media reports claiming that the economic downturn during the pandemic prompted new living arrangements for young adults did not reflect the reality of who actually lived with their parents, and that, for many young adults, living with parents during the pandemic did indeed pay off.

Introduction

Concern over the milestone fulfillment of American young adults is nothing new. In the 1980s, the term "Peter Pan Syndrome" was used to describe young men who did not adopt the responsibilities of adulthood.[2] Throughout the 1980s and 1990s, researchers identified trends in young adults leaving home later, living with roommates instead of spouses, and returning home to live with their parents more than previous generations did.[3] Today, headlines about "boomerang children" and "failure to launch" are prevalent, and COVID-19 is often cited as a driver for young adults remaining in their parental homes more than ever before.[4]

While this concern over American youths' ideal transition to adulthood is not unique to post-pandemic culture, the pandemic's effects may have changed the popular perception of why young adults live at home. Media sentiments toward these young adults ranged from sympathetic to scolding.[5] Other narratives suggested that young adults lived with their parents during the pandemic to shore up their finances during the pandemic-induced recession.[6]

Consequently, there is a need for research that explores young adults' living arrangements and financial situations to understand how those who lived with their parents during the pandemic differed from those who "left the nest." Did the pandemic fundamentally change who lived with their parents in early adulthood? Were the young adults living with their parents more financially disadvantaged than those who lived apart?

Using the Survey of Household Decisionmaking (SHED), we examined the living arrangements of Americans ages 18 to 29, from 2017–2022, to understand the characteristics of these young adults, the reasons they lived with their parents, how they have changed since the pandemic, and how they are different from their peers who left the parental home.

Our Methods

The Survey of Household Economics and Decisionmaking (SHED) is a nationally representative survey conducted annually by the U.S. Federal Reserve. The SHED provides cross-sectional data, capturing the financial characteristics of respondents at a given point in time.

Our analysis relies on six years of SHED survey data, including the three years immediately before the pandemic (2017–2019) and the three years after its onset (2020–2022). We combined all selected years and analyzed a subsample of respondents between ages 18 and 29, creating a total sample of 10,363. We grouped these young adults by their responses to living arrangement questions. The presence of children in the home was not a factor in determining any of the living arrangement categories.

BOX 1. LIMITATIONS OF THE SHED SURVEY DATA

While the SHED survey is conducted annually, it is not a longitudinal study. The SHED's cross-sectional design can present challenges when analyzing trends over time, since we are not comparing the responses of the same respondents over the period of time in our analysis (2017–2022).

Because the SHED is not designed for longitudinal analysis, question wording and design have changed over the years. To account for such changes, we intentionally designed our analysis to capture consistent meaning in the variables used for our indicators over time.

Comparing unmarried respondents to married or partnered respondents is also challenging. For example, the SHED asks unmarried respondents for individual information on income and unemployment, yet married or partnered respondents are asked for this information for both themselves and their spouse/partner. As a result, married or partnered young adults in our analysis may often be reporting dual income, or the income sources (e.g., unemployment) of both their partners and themselves. Throughout our analysis, we note where these differences may contribute to our findings and cross-reference data with external sources to confirm our findings.

Glossary

Throughout this brief, we will use key terms and acronyms to describe the groups of young adults and the time periods we analyzed.

Young adults: 18- to 29-year-olds in the United States.

Living alone: Young adult respondents who did not report living with their parents, a spouse or partner, roommates, or extended family. They may or may not have lived with their own children.

Partnered: All young adults who reported residing in a household with a spouse or partner and did not report living with their parents.[7] Referred to in tables and figures as "Living With Spouse/Partner."

YALPs: All young adults who reported living with their parents, regardless of any other household members reported. Referred to in tables and figures as "Living With Parents."

Roommates: Young adults who reported living with roommates, extended family, or other types of adults but not with a spouse or partner or their parents. Referred to in tables and figures as "Living With Others."

Overall: Refers to analysis and findings of the entire six-year period from 2017–2022.

Pre-pandemic: Refers to analysis and findings for the combined three-year period immediately before the COVID-19 pandemic, from 2017–2019.

Pandemic: Refers to analysis and findings for the combined three-year period after the onset of the COVID-19 pandemic in the United States, from 2020–2022.

The Myth of the Pandemic Boomerang Generation

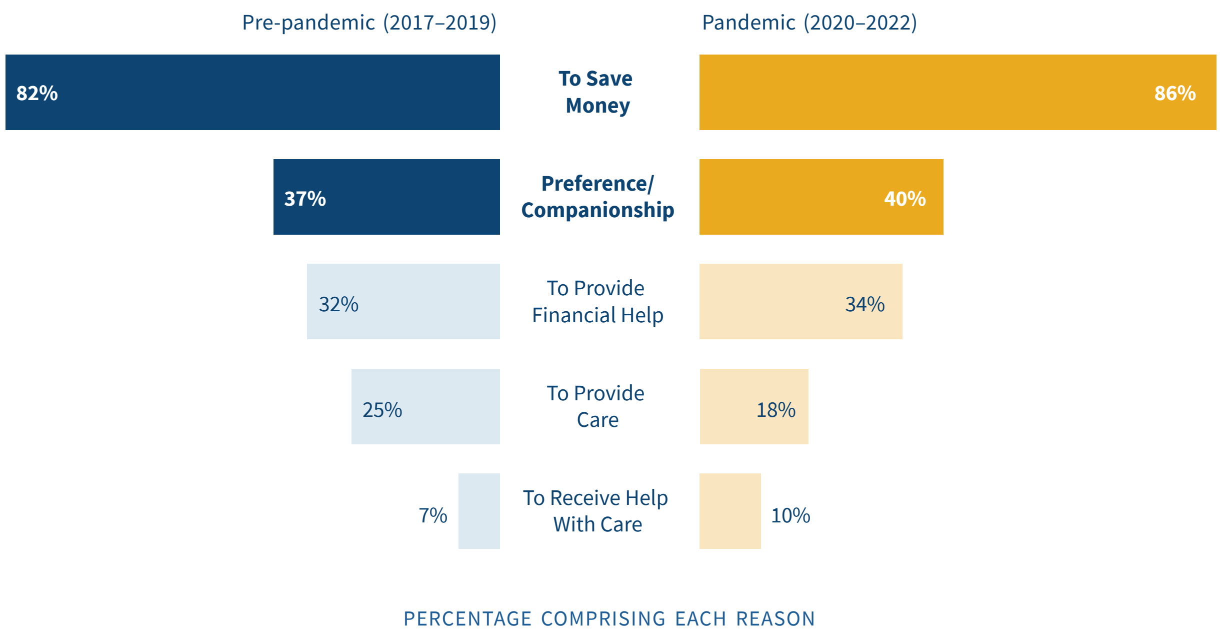
Living with parents is the most common living arrangement among young adults and has become more common since the 1960s.[8] A slightly larger share of young adults lived with their parents during the pandemic than in the three years just before it (Figure 1; Appendix, Table 1). However, this increase is not statistically significant after accounting for other socioeconomic and demographic characteristics, our model shows (Appendix, Table 3).[9]

Benchmarking these findings with data from the U.S. Census Bureau's Current Population Survey (CPS) indicates that while in 2020 the share of young adults living with their parents rose to its highest point in over 50 years (41%), the share who lived with their parents decreased slightly by 2022 (39%) and was just one percentage point higher than in 2017 (38%).[10]

Saving money was the most popular reason young adults said they lived with their parents, followed by preference, and lastly by wanting to help their parents out financially, according to SHED data (Figure 1). Each reason was cited at a similar rate in both the pre-pandemic and pandemic period, suggesting that media coverage on COVID-19 changing the frequency and rationale for young adults living with their parents may have been exaggerated (Appendix, Table 2).

FIGURE 1. PERCENTAGE OF YOUNG ADULTS LIVING WITH THEIR PARENTS, BY REASON

While saving money is the most common reason, about 2 in 5 young adults living with their parents say they do so due to preference



Notes: Respondents in the SHED were able to select more than one reason for residing with their parents. As a result, percentage totals may exceed 100. Differences between 2017–2019 and 2020–2022 are statistically significant at the p<0.05 level for "To Save Money," "To Provide Care," and "To Receive Help With Care."

Source: PRB analysis of the Survey of Household Economics and Decisionmaking.

Young Adults Living With Their Parents Are More Likely to Be Male, Hispanic, and Lower-Income

The demographics of young adults who live with their parents (YALPs) differ from those of their peers who live in other household arrangements. To answer the question of who lives with their parents during young adulthood and how they differ from peers who live alone, with a partner, or in other co-living situations, we compared the demographic composition of people in each living arrangement side-by-side with the overall demographics of young adults who lived with their parents (Appendix, Table 4). We also looked at which individual factors increased the odds that a young adult would live with their parents, rather than in some other living arrangement.[11]

Compared with their peers in other living arrangements, YALPs were significantly more likely to have below-median annual incomes and to be male, Hispanic, and/or younger. They were also significantly less likely to have attained a bachelor's degree or higher.

WHY DO SO MANY YOUNG MEN LIVE AT HOME?

Overall, the share of young men living with their parents was more than 13 percentage points higher than for women of the same age, and this did not change significantly between the pre-pandemic and pandemic years (Appendix, Table 4).[12] The high share of young men living with their parents may be partially explained by other demographic differences between young men and young women, particularly marital status and educational attainment.[13] Controlling for other factors, young men were 56% more likely to live with their parents than their female peers (Appendix, Table 3).

LATER, AND LESS, MARRIAGE CONTRIBUTES TO YOUNG MEN LIVING WITH PARENTS

Overall, about 2 of every 5 partnered young adults were male (Appendix, Table 4). Two key factors contribute to this pattern: both later and less marriage for men. The median age of first marriage for men in the United States (just above 30) is higher than for women (just above 28).[14] Meanwhile,

HOW DO YOUNG ADULTS WHO LIVE WITH THEIR PARENTS COMPARE TO PEERS WHO DON'T?

2.34 YEARS YOUNGER on average

MORE LIKELY to be **MALE**

LESS LIKELY to be **WHITE**

LESS LIKELY to earn **ABOVE THE MEDIAN INCOME***

MORE LIKELY to be a **FULL- OR PART-TIME STUDENT**

LESS LIKELY to have earned a **BACHELOR'S DEGREE OR HIGHER**

*Based on age-specific median income range obtained from PRB analysis of U.S. Census Bureau Current Population Survey data.

young adults living with their parents were significantly younger than those with other living arrangements, and those living with parents during the pandemic were even younger than those who did so in the years just before (Appendix, Table 5).

It is not surprising that, overall, more than 90% of married young adults lived with their spouse, not with their parents.[15] And more than half of young adults living with a partner were married, rather than cohabiting.[16] While the SHED data show that the share of young women who were married fell by as much as 5 percentage points during the pandemic (from 27% to 22%), young women were more likely to be married than their male peers both before and during the pandemic.

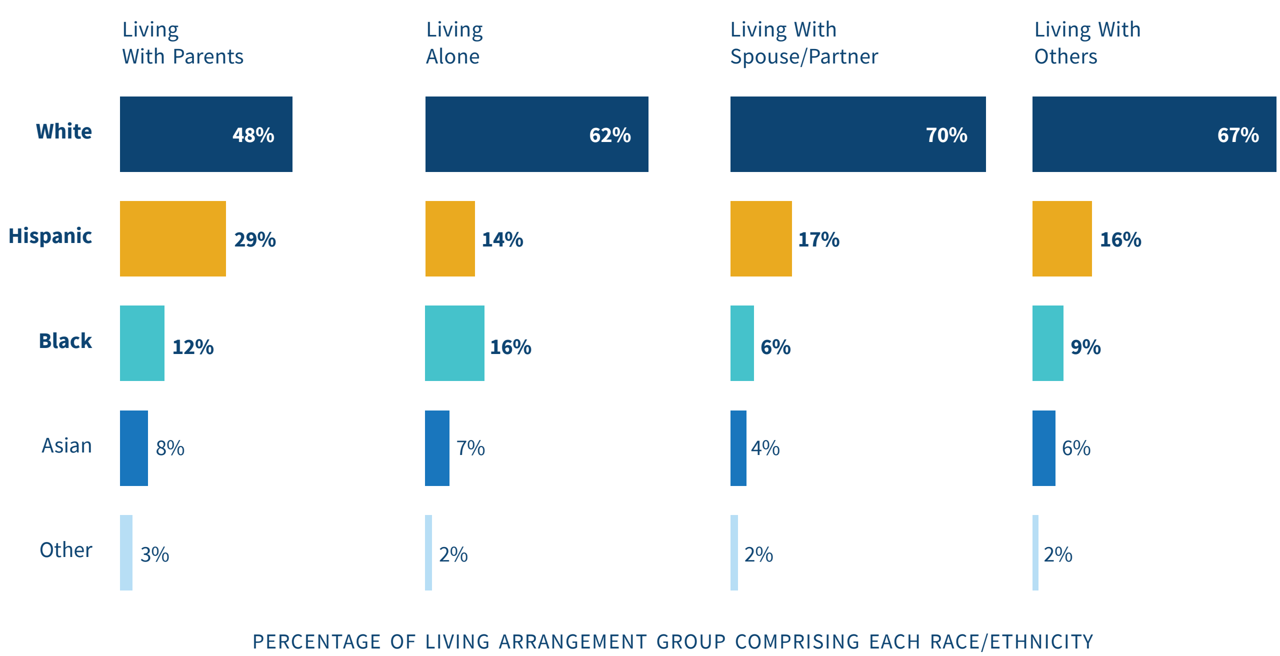
Yet, even when marital status is held constant between the genders, young men are still more likely to live with their parents than young women (Appendix, Table 3). While marital status may contribute to the high rate of male YALPs, it is unclear what other factors may be driving this trend.

WHAT DO RACE AND ETHNICITY HAVE TO DO WITH IT?

Significant racial and ethnic differences exist among young adults who live with their parents and those who do not. Other demographic and financial characteristics held constant, identifying with a race or ethnicity other than white (non-Hispanic) increased the likelihood of a young adult living with their parents. In fact, Hispanic young adults were more than twice as likely to live with their parents than their white peers (Appendix, Table 3). And compared to peers in other household arrangements, YALPs were significantly more likely to be Hispanic and significantly less likely to be white (Figure 2).

FIGURE 2. RACE AND ETHNICITY OF U.S. YOUNG ADULTS (18–29) BY LIVING ARRANGEMENT, 2017–2022

Young adults who live with their parents are less likely to be white and more likely to be Hispanic than their peers living elsewhere



Notes: The difference between "Living With Parents" and all other groups is statistically significant for white, Black, and Hispanic race/ethnicity at the p<0.05 level. The difference between "Living With Parents" and "Living With Spouse/Partner" for Asian and Other is statistically significant at the p<0.05 level.

Source: PRB analysis of the Survey of Household Economics and Decisionmaking.

FAMILY TIES, IMMIGRATION STATUS, ECONOMIC BARRIERS KEEP HISPANIC YOUNG ADULTS AT HOME

The transition from high school to college is a catalyst for “leaving the nest” among many young adults. While the gap is narrowing, the higher rate of college completion among white young adults may, in part, explain why they are less likely to live with their parents than their Hispanic peers.

Completing a bachelor’s degree or higher was associated with a 30% lower likelihood of living with parents according to the SHED data.[17] And just 23% of Hispanic young adults in the United States have at least a bachelor’s degree, compared with 45% of white and 72% of Asian young adults.[18]

Hispanic young adults also face several economic challenges, including lower incomes, higher rates of unemployment, and higher likelihood of being “disconnected” from both employment and education compared with white non-Hispanic peers.[19]

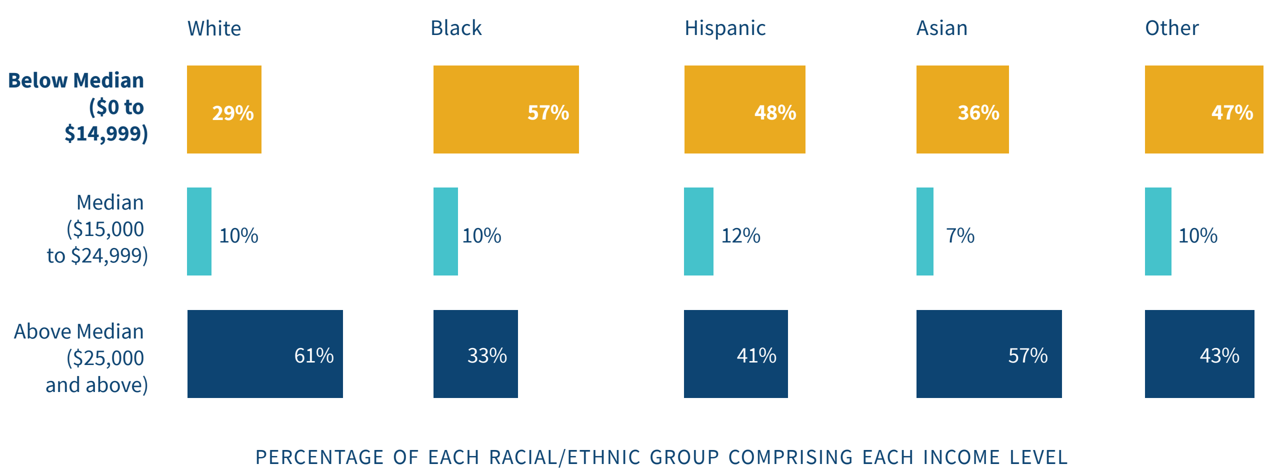
YALPs are more likely to have incomes below the median for their age group relative to others (Figure 3). And while from 2017–2022 the median income for all 18- to 29-year-olds was just under $20,000 per year (in adjusted 2021 dollars), non-white young adults earned less than their white peers. Throughout this time period, Hispanic young adults earned 76 cents for every dollar earned by their white non-Hispanic peers.[20]

However, economic and educational factors alone do not fully explain the relatively high share of Hispanic young adults living with their parents. Black young adults faced similar financial challenges, including earning lower median incomes than both their white and Hispanic peers.[21] And like Hispanic young adults, they were less likely to have attained a bachelor’s degree than white young adults.[22] Yet a higher share of Black young adults live alone than with their parents (Appendix, Table 3).

Family relationship dynamics in Hispanic communities may also play a role. Hispanic young adults who immigrated to the United States or who are second generation (one or both parents were born outside the United States) may delay leaving the parental home.[23] Cultural norms around family connection, caregiving, and interdependence may also have an effect.[24] In fact, in the SHED data Hispanic ethnicity was associated with living with parents to help out financially or to provide care, which may reflect some influence of cultural differences in generational interdependence.[25]

FIGURE 3. INCOME LEVELS OF U.S. YOUNG ADULTS (18–29) BY RACE/ETHNICITY, 2017–2022

More Hispanic and Black young adults earn below the median income than white and Asian young adults



Notes: Median income refers to age-group specific median income levels for 2017–2022 (in adjusted 2021 dollars) based on PRB analysis of the Current Population Survey.

Source: PRB analysis of the Survey of Household Economics and Decisionmaking; PRB analysis of the Current Population Survey.

MORE MONEY, LESS LIKELY TO LIVE AT HOME

It is not surprising that having a lower income increased the likelihood young adults would live with their parents, rather than move out into their own residence or live with a partner or roommates (Figure 4). Overall, nearly 2 in 3 YALPs had below-median income for their age group.

Financial crisis periods, from the Great Recession to the COVID-19 pandemic, have disproportionately impacted young people's financial well-being and their future economic prospects.[26] Compared with workers of other age groups, young people who were working during and after these periods were more vulnerable to job loss and underemployment.[27]

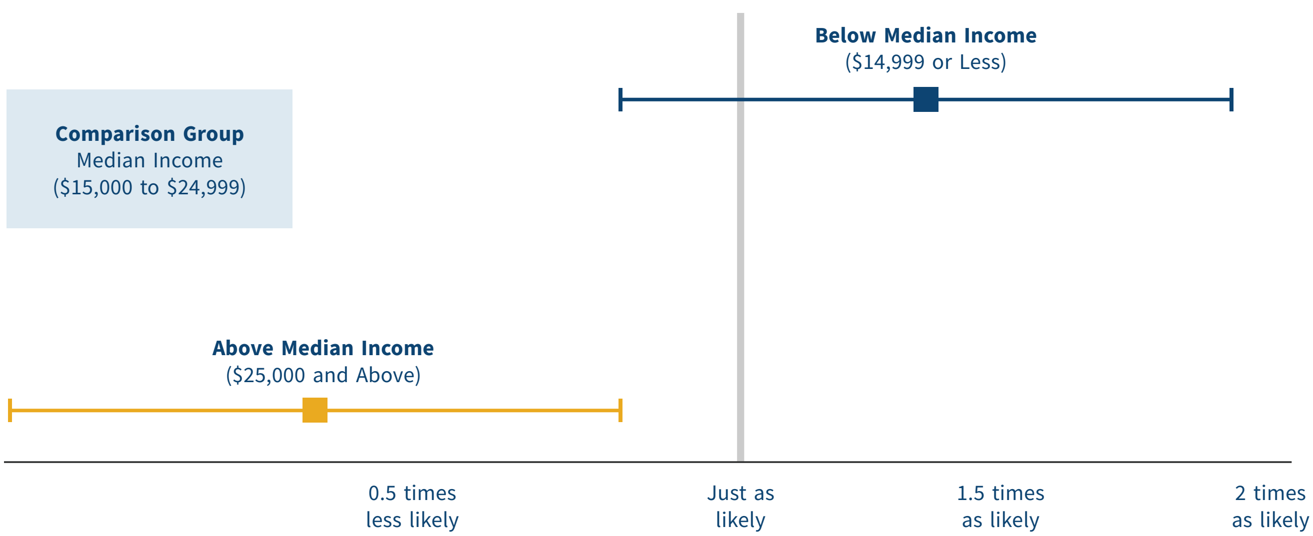
Young adults leaving the parental home are most likely to seek rental housing versus buying a home, and the unaffordability of rent for low-income earners presents barriers to independence.[28] From 2017–2021, high rent costs resulted in more than 40% of American households experiencing housing cost burden and among those ages 25 and under, rent burden affected nearly 60% in 2018.[29] Even before the pandemic brought soaring housing costs, rent burden was a growing issue, particularly among low-income households.[30]

Yet, the SHED data suggest that both before and during the pandemic, young adults with worsening financial circumstances—such as those who said they were worse off financially than 12 months ago—were less likely to live with their parents.

Overall, young adults who reported declining financial well-being had 20% lower odds of living with their parents than those who did not report financial decline (Appendix, Table 3). This means the young adults whose finances were most affected during the pandemic were not living with their parents, either before or during the pandemic. This is perhaps because young adults who remained in their parents' homes were insulated from financial crisis, while those

FIGURE 4. ODDS OF U.S. YOUNG ADULTS (18–29) EARNING ABOVE OR BELOW AGE-GROUP MEDIAN INCOME LIVING WITH THEIR PARENTS, COMPARED TO AGE-GROUP MEDIAN INCOME PEERS (2017–2022)

Young adults earning below the median income are nearly 1.5 times more likely to live with their parents compared to median income peers



Notes: Median income refers to age-group specific median income levels for 2017–2022 (in adjusted 2021 dollars) based on PRB analysis of the Current Population Survey.

Source: PRB analysis of the Survey of Household Economics and Decisionmaking; PRB analysis of the Current Population Survey.

who "boomeranged" or returned to the parental home may have been relieved of certain financial stressors, like rent. In fact, those who boomeranged home may have found themselves better off financially than in previous years thanks to increased parental support.

Finally, young adults who reported receiving public assistance or applying for credit in the past 12 months were significantly less likely to live with their parents. While such young adults have lower personal income, qualifying for public assistance typically relies on household income, and parental income and assets may preclude many from participating in public assistance programs. Meanwhile, securing credit requires a history of personal income, which such young adults may not yet have, thus reducing their inclination to apply for credit.

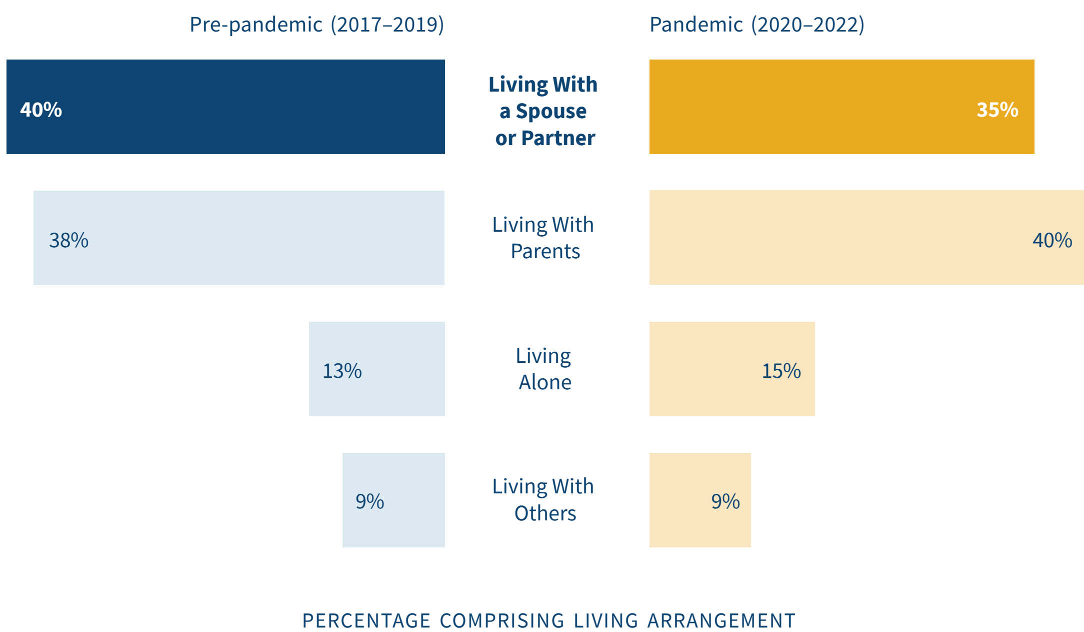
Living With a Partner Makes 'Getting By' Easier for Young Adults—But Fewer Married or Cohabited During the Pandemic

Contrary to the idea that moving back into the parental home is the best path for young adults to save money and improve their financial prospects, those young adults who lived with a partner reported better overall financial well-being than those who stayed with Mom or Dad.[31]

Being married, more so than cohabiting, is associated with increased wealth and reduced debt burden.[32] And financial security has an impact on marriage rates; those who are already more financially secure may be more likely to marry than those who are struggling.[33] This pattern

FIGURE 5. LIVING ARRANGEMENTS OF U.S. YOUNG ADULTS (18–29), 2017–2019 AND 2020–2022

Living with a spouse or partner declined significantly for young adults during the pandemic, but other living arrangements did not change significantly



Notes: Change between pre-pandemic and pandemic is statistically significant for "Living With a Spouse or Partner" group at the p<0.05 level. Other groups' changes are not statistically significant.

Source: PRB analysis of the Survey of Household Economics and Decisionmaking.

reinforces economic divides between married young people and their single peers and limits access to the financial benefits of marriage for people with lower incomes, compounding their economic strains.[34] Recently, marriage has become even more economically divided, as both middle- and lower-income marriage rates have declined while the rate of marriages among high earners has held steady.[35]

Yet, between the pre-pandemic and pandemic years, the share of young adults living with a partner decreased by nearly 5 percentage points (Figure 5). This decline parallels a broader decline in U.S. marriage rates among young adults that began before the pandemic.[36]

Even among partnered young adults, the share who were currently married (rather than cohabiting) declined significantly, by more than 6 percentage points, during the pandemic.[37]

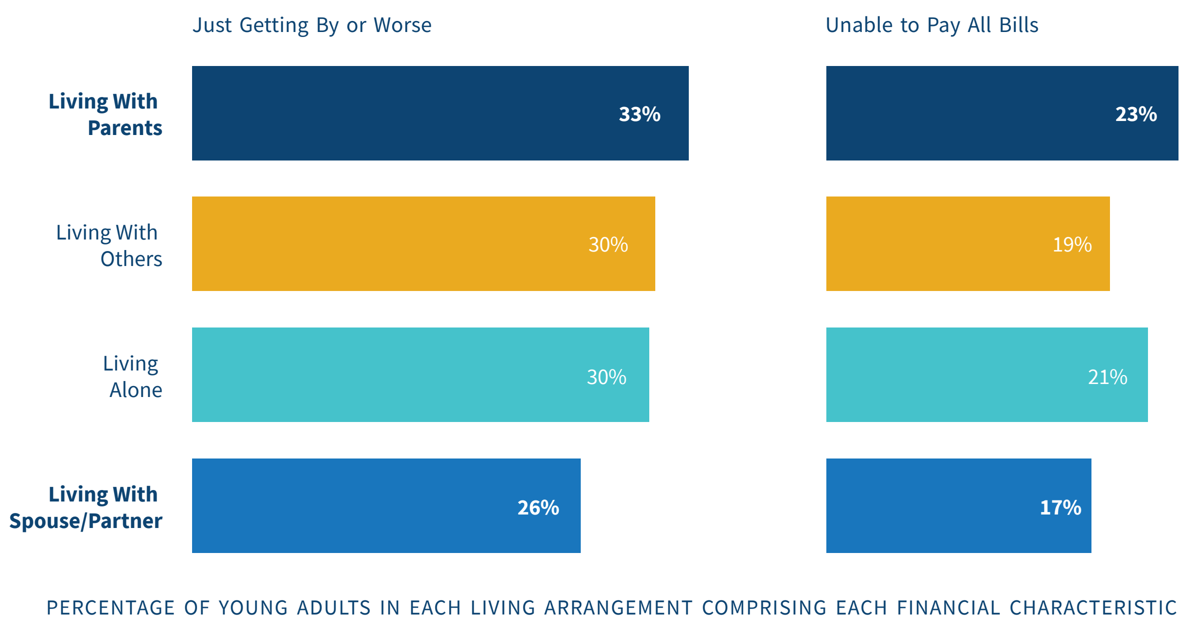
These declining partnership rates have financial implications for young adults, as those living with a partner had better overall financial well-being than their peers. Nearly half of cohabiting households and 87% of married households in the United States pool some or all their finances, with younger married couples doing so slightly more than their older counterparts.[38] Further, those who partner are more likely to do so with people who share similar demographic and financial characteristics, conferring additional advantages to those with college degrees, for example.[39]

In the SHED data, partnered young adults were less likely to report that they were "just getting by" or worse or that they were unable to pay all their bills than YALPs (Figure 6). And these advantages persisted throughout the pandemic, despite new hardships faced by young adults who lived outside the parental home.

Compared with YALPs, partnered young adults were also much more likely to report higher income for their age group. While the SHED survey asks married or partnered respondents about combined income (rather than individual income), data from the CPS confirm that the median

FIGURE 6. FINANCIAL WELL-BEING OF U.S. YOUNG ADULTS (18–29) LIVING WITH THEIR PARENTS COMPARED WITH LIVING WITH A SPOUSE OR PARTNER (2017–2022)

Young adults living with their parents report financial hardships more than peers who live with a spouse or partner



Notes: Differences between "Living With Parents" and "Living With Spouse/Partner" are significant at the p<0.05 level. Differences between "Living With Parents" and "Living With Others" are significant at the p<0.05 level only for "Unable to Pay All Bills." There are no significant differences between "Living With Parents" and "Living Alone" for either characteristic. Percentages will not sum to 100 as comparisons are between groups.

Source: PRB analysis of the Survey of Household Economics and Decisionmaking.

individual incomes of married young adults are also higher than for their unmarried peers.[40]

And while YALPS were significantly more likely to have been laid off or fired from a job in the past year, they were significantly less likely to have received unemployment income or to have an emergency fund able to cover three months of expenses than their partnered peers. In contrast, partnered young adults were less likely to encounter these hardships and had more financial insulation to handle them.[41]

CPS data confirm that young adults who were living with a spouse or partner were less likely to be unemployed than their peers from 2017–2022.

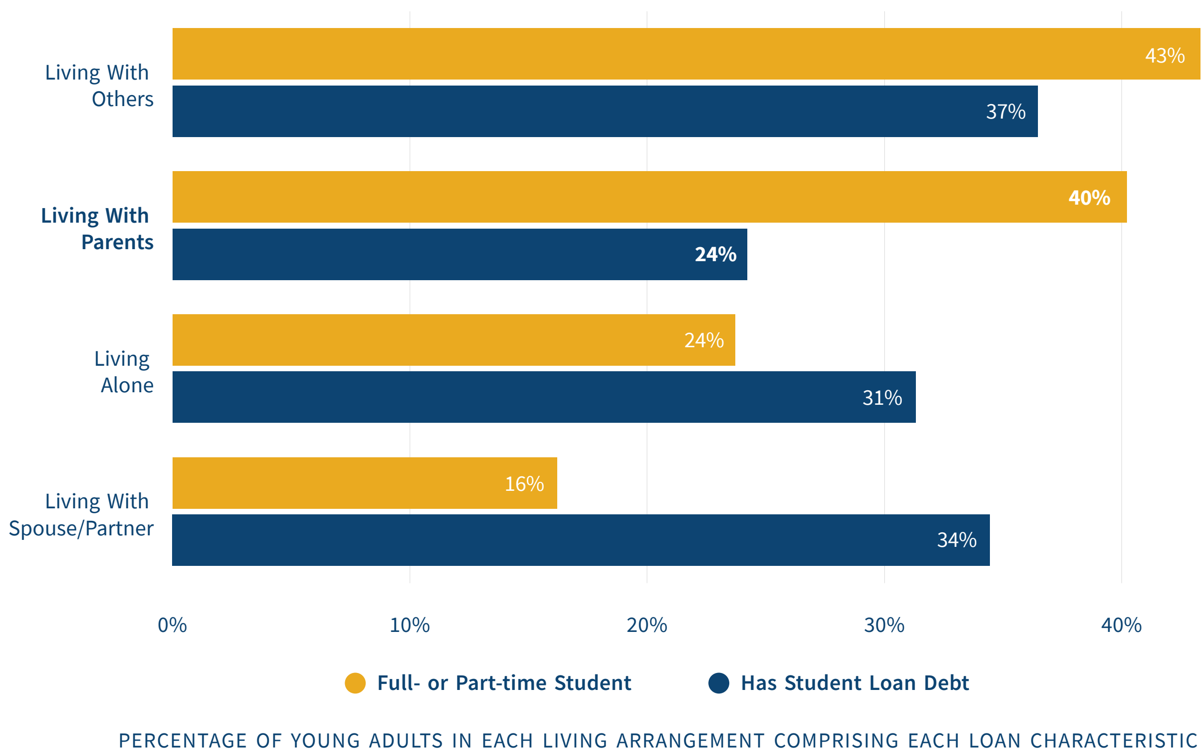
During the Pandemic, Young Adults Living With Their Parents Were More Insulated From Financial Declines

Young adults living with their parents during the pandemic had fewer financial stressors than YALPs in the pre-pandemic period. While they saw significantly higher rates of job loss during the pandemic than in the years before, living with parents may have buffered some of the worst economic effects of the pandemic.

A greater share of YALPs reported a job loss in the last year during the 2017–2022 period relative to those in other living arrangements. However, all young adults reported more job losses during the pandemic—regardless of whether they lived with their parents (Appendix, Table 7). Yet, YALPs during the pandemic were more financially stable than they were in the pre-pandemic years, less often saying

FIGURE 7. SHARE OF U.S. YOUNG ADULTS (18–29) WHO WERE STUDENTS AND WHO HAD STUDENT LOAN DEBT DURING THE COVID-19 PANDEMIC, 2020–2022

Although many were students, young adults living with their parents during the COVID-19 pandemic were least likely to have student loan debt



Notes: Differences between "Living With Parents" and all other groups are statistically significant at the p<0.05 level.

Source: PRB analysis of the Survey of Household Economics and Decisionmaking.

they were “just getting by (or worse)” or unable to pay their bills. This was not the case among young adults in other living arrangements, who did not see similar improvements on these financial metrics.

LIVING WITH PARENTS DURING THE PANDEMIC MAY HAVE HELPED YOUNG ADULTS REDUCE OR AVOID DEBT, FEEL MORE CREDITWORTHY

Research on the spending patterns of young adults in 2019, just before the pandemic, revealed that those living with their parents spent less money than those who moved out, and did not spend that savings on other items.[42]

Despite some media narratives that young adults living with their parents in recent years have been spending recklessly, overall, the SHED data show that they were the least likely to have applied for credit or to have increased their credit card debt over the past year relative to those in other living arrangements (Appendix, Table 6).[43] Even as they navigated the pandemic, those who lived with their parents did not increase their credit card debt burden (Appendix, Table 7).

Credit is often difficult for young adults to attain without a job with reliable income.[44] And disparities in building credit history exist among racial and ethnic groups.[45] Given that YALPs are likely to be non-white, to be in school, and to have more precarious financial situations, it is not surprising that they were less likely to feel confident that they would be approved for credit than their peers (Appendix, Table 6). During the pandemic, the share of YALPs who lacked confidence in their ability to obtain credit (19%) was significantly lower than before the pandemic (23%) (Appendix, Table 7). While their confidence in their creditworthiness improved during the pandemic, YALPs still lagged behind their peers in this area. To transition out of their parental homes, young adults may need to further build or improve their credit to qualify for housing options, such as renting an apartment or buying a home.[46]

Forty percent of YALPs were full- or part-students, and they were also less likely to have high student loan debt or to be behind on payments than their peers (Figure 7).[47] YALPs with student loan debt significantly decreased (from 31% to 24%) during the pandemic, and the share with high student loan debt decreased nearly 2 percentage points (Appendix, Table 7).

Meanwhile, the share of YALPs who were students remained stable over the entire pre- and pandemic time period (Appendix, Table 7). Only those living with roommates were more likely to be students than YALPs, and that group was also more likely to have student loans.

The improvements to the financial circumstances for YALPs during the pandemic suggest that young adults who decided to live with their parents during the pandemic benefitted more economically than those who lived at home in the years just before the pandemic (Appendix, Table 7).

Conclusion

The living arrangements of young adults are often in the media spotlight. At what point they leave the parental nest—and how those who live at home spend their time and money—have been easy targets for criticism and sown divisiveness between the generations.

The share of young adults living with their parents has certainly grown since the 1980s, but for the most part this increase has been gradual. While the COVID-19 pandemic did bring a sharp increase in the share of 18- to 29-year-olds who lived with at least one parent, the years since the pandemic’s onset have seen a return to the pre-pandemic baseline.

Young adults who stay in their parental home, rather than move in with a partner or roommates or into their own place, face more economic disadvantage than their peers. In fact, living with a partner was associated with better financial well-being than remaining in the parental home. Both before and during the pandemic, those living with their parents earned less, were more likely to have trouble paying their bills, and were more likely to have lost a job in the past year.

As economic disadvantage among young people has increased, it is no surprise that living in a parental home has become more common over the years. Financial crisis periods, such as the Great Recession and the COVID-19 pandemic, disproportionately affect young people and reduce their ability to secure and afford independent living.

Yet, during the pandemic, young adults living with their parents saw some financial benefits compared with those who lived in a parental home before the pandemic. While the exact reason is hard to pinpoint, our analysis suggests that living with parents during the pandemic was financially advantageous for young adults compared with other living arrangements in a way that doing so pre-pandemic was not.

For more young adults to leave the nest, they must have access to opportunities to improve their financial outlook. Supporting access to jobs that provide decent wages and more stability, particularly during periods of economic recession, is an essential building block toward independent living for young people. And for young people of color, reducing barriers to education and economic opportunities is particularly critical to support their path toward independence. With increased stability, young adults may also be more likely to form relationships leading to marriage or cohabitation, increasing their pool of financial resources.

In the meantime, young adults who live at home in their late-teens and 20s benefit from companionship and the financial insulation of their parents' stability during periods of social and financial upheaval such as the COVID-19 pandemic—and many of them prefer it that way.

Appendix

TABLE 1. PERCENTAGE OF YOUNG ADULTS (18–29) BY LIVING ARRANGEMENT, BEFORE AND DURING THE PANDEMIC

	Total	Pre-pandemic (2017–2019)	Pandemic (2020–2022)	Change
Living alone	13.9	**12.5**	**15.2**	**2.8**
Living with others	9.4	**9.4**	**9.3**	**-0.1**
Living with parents	38.9	**37.8**	**40.1**	**2.3**
Living with a spouse or partner	37.8	**40.3**	**35.4**	**-4.9***

Notes: **Statistically significant change from pre-pandemic (2017–2019) to pandemic (2020–2022) period at the p<0.05 level.*

Source: PRB analysis of the Survey of Household Economics and Decisionmaking (2017–2022).

Baseline (pre-pandemic)

Significantly higher than pre-pandemic

Significantly lower than pre-pandemic

TABLE 2. REASONS U.S. YOUNG ADULTS (18-29) LIVED WITH THEIR PARENTS, BEFORE AND DURING THE PANDEMIC

Percentage of young adults living with their parents who answered "yes" to reasons provided in the Survey of Household Economics and Decisionmaking

	Pre-pandemic (2017–2019)	Pandemic (2020–2022)	Percentage point change
To save money	81.83	85.56	3.7*
To provide financial help	31.91	33.55	1.6
To provide care	24.51	17.96	-6.6*
To receive help with care	6.85	10.15	3.3*
Preference/companionship	37.42	40.32	2.9

Notes: **Statistically significant change from pre-pandemic (2017–2019) to pandemic (2020–2022) period at the p<0.05 level.*

Source: *PRB analysis of the Survey of Household Economics and Decisionmaking (2017–2022).*

Baseline (pre-pandemic)

Significantly higher than pre-pandemic

Significantly lower than pre-pandemic

TABLE 3. FACTORS AFFECTING LIVING WITH PARENTS AMONG U.S. YOUNG ADULTS (18–29), 2017–2022

Odds ratios for demographic and financial characteristics affecting likelihood of young adults living with parents

	Odds ratio	95% confidence limits	
SIGNIFICANTLY INCREASED LIKELIHOOD OF LIVING WITH PARENTS			
Male	**1.6***	1.4	1.7
Below median income (less than $14,999)**	**1.4***	1.2	1.6
Black***	**1.6***	1.3	1.8
Hispanic***	**2.2***	2.0	2.5
Asian***	**2.3***	1.8	2.9
Other Race/Ethnicity***	**1.8***	1.5	2.3
SIGNIFICANTLY DECREASED LIKELIHOOD OF LIVING WITH PARENTS			
Age (in years)	**0.9***	0.9	0.9
Bachelor's degree or higher	**0.7***	0.6	0.8
Above median income (more than $25,000)**	**0.3***	0.3	0.4
Received public Assistance in past 12 Months	**0.5***	0.5	0.6
Doing worse financially than 12 months ago	**0.8***	0.7	0.9
Applied for credit within the past 12 months	**0.8***	0.7	0.9
NOT SIGNIFICANTLY ASSOCIATED WITH LIKELIHOOD OF LIVING WITH PARENTS			
Surveyed during the pandemic (2020–2022)	**1.1**	1.0	1.2
Full- or part-time student	**0.9**	0.8	1.1
Not having an emergency fund	**1.0**	0.9	1.1
Laid off or fired from a job in past 12 months	**1.2**	1.0	1.4
Received unemployment income in past 12 months	**1.1**	0.9	1.3
Just getting by, or worse, financially	**1.0**	0.9	1.2

Notes: *Odds ratios indicate increased strength of likelihood the further they are from a value of 1, in either direction. *Statistically significant at the p<0.05 level in a logistic regression model. **Compared with age-specific median income earners ($15,000 to $24,999). ***Compared with white young adults.*

Source: *PRB analysis of the Survey of Household Economics and Decisionmaking.*

Increasing odds

Decreasing odds

TABLE 4. DEMOGRAPHIC CHARACTERISTICS OF U.S. YOUNG ADULTS (18–29) BY LIVING ARRANGEMENT, 2017–2022

Percentage of young adults with demographic characteristics, by living arrangement

	Total 2017–2022	Living with parents	Living alone	Living with spouse/ partner	Living with others
GENDER					
Female	51	43	52*	59*	49*
Male	49	57	48*	41*	52*
RACE/ETHNICITY					
White	60	48	62*	70*	67*
Black	10	12	16*	6*	9*
Hispanic	21	29	14*	17*	16*
Asian	6	8	7	4*	6
Other	3	3	2*	2*	2*
INCOME (PERSONAL OR PERSONAL AND SPOUSE/PARTNER)					
Below median income (less than $14,999)	40	63	32*	16*	50*
Median income ($15,000 to $24,999)	9	12	11	6*	10
Above median income ($25,000 or more)	51	25	57*	79*	40*
DEGREE ATTAINMENT					
Completed bachelor's degree	35	19	49*	46*	39*
STUDENT					
Full- or part-time student	29	40	23*	16*	45*

Baseline (living with parents)

Significantly higher than living with parents group

Significantly Lower than living with parents group

Notes: **Significantly different from “Living with parents” group at P<0.05 level; each living arrangement (living alone, with a spouse or partner or with others) was compared with those living with parents in a two-sample test for significance.*

Source: *PRB analysis of Survey of Household Economics and Decisionmaking Data.*

TABLE 5. AVERAGE AGE OF U.S. YOUNG ADULTS (18–29) BY LIVING ARRANGEMENT, 2017–2019 AND 2020–2022

	2017–2022	Pre-pandemic (2017–2019)	Pandemic (2020–2022)	Change
Living with parents	24	24	24*	-0.5*
Living alone	26	26	26	-0.2
Living with a spouse or partner	27	27	27	-0.1
Living with others	24	24	24	-0.1

Notes: **Statistically significant difference at p<0.05 level when comparing mean age for living arrangement pre-pandemic (2017–2019) to mean age during pandemic (2020–2022). "Average age" reflects mean age.*

Source: *PRB analysis of Survey of Household Decisionmaking Data.*

Baseline (pre-pandemic)

Significantly higher than pre-pandemic

Significantly lower than pre-pandemic

TABLE 6. FINANCIAL CHARACTERISTICS OF U.S. YOUNG ADULTS (18–29) BY LIVING ARRANGEMENT, 2017–2022

Percentage of young adults by living arrangement reporting financial characteristics in the Survey of Household Economics and Decisionmaking

	Total 2017–2022	Living with parents	Living alone	Living with spouse/ partner	Living with others
OVERALL FINANCIAL WELL-BEING					
Just getting by or worse	29	33	30	26*	30
Unable to pay all bills	20	23	21	17*	19*
Doing worse financially than 12 months ago	20	19	20	21	24*
FINANCIAL EMERGENCIES					
Has no emergency fund	59	66	54*	53*	62*
Has emergency fund, but could not cover three months of expenses	38	43	37*	33*	38*
A $400/$500 emergency would affect ability to pay all bills	16	18	13*	14*	18
FINANCIAL ASSISTANCE PROGRAMS					
Has received public assistance in past 12 months	21	18	21*	25*	17
Has received income from unemployment insurance	6	6	6	7*	5
EMPLOYMENT					
Has been laid off or fired from a job in past 12 months	9	11	8*	8*	9
CREDIT					
Has applied for credit in past 12 months	43	33	42*	54*	41*
Has been turned down for credit in Past 12 Months	11	10	11	12*	10
Has more credit card debt than 12 months ago	11	7	12*	15*	10*
Not confident could be approved for credit	18	21	17*	16*	18
STUDENT LOAN DEBT					
Has student loan debt	33	27	35*	36*	40*
Has paid off student loans	7	5	9*	9*	5
Behind on student loan payments	4	4	4	5*	3
Has high student loan debt ($40,000 or more)	8	6	11*	10*	10*

Baseline (living with parents)

Significantly higher than living with parents group

Significantly Lower than living with parents group

Notes: **Significantly different from "Living with Parents" group at p<0.05 level; each living arrangement (living alone, with a spouse or partner or with others) was compared with those living with parents in a two-sample test for significance.*

Source: *PRB analysis of Survey of Household Economics and Decisionmaking data.*

TABLE 7. FINANCIAL CHARACTERISTICS OF U.S. YOUNG ADULTS (18–29) BY LIVING ARRANGEMENT, 2017–2022

Percentage of young adults by living arrangement reporting selected financial characteristics

	LIVING WITH PARENTS			NOT LIVING WITH PARENTS		
	Pre-pandemic (2017–2019)	Pandemic (2020–2022)	Percentage point change	Pre-pandemic (2017–2019)	Pandemic (2020–2022)	Percentage point change
OVERALL FINANCIAL WELL-BEING						
Just getting by or worse	35	30	-5*	27	28	1
Unable to pay all bills	25	21	-4*	18	19	0.13
Doing worse financially than 12 months ago	15	23	7*	15	27	11*
FINANCIAL EMERGENCIES						
Has no emergency fund	66	66	0	58	51	-6*
Has emergency fund, but could not cover three months of expenses	41	46	5*	65	66	1
A $400/$500 emergency would affect ability to pay all bills	19	17	-5	16	13	-3*
FINANCIAL ASSISTANCE PROGRAMS						
Has received public assistance in past 12 months	21	15	-6*	24	22	-1
Has received income from unemployment insurance	S	9	S	2	11	8*
EMPLOYMENT						
Has been laid off or fired from a job in past 12 months	8	14	7*	5	12	7*
CREDIT						
Has applied for credit in past 12 months	35	31	-4*	52	46	-5*
Has been turned down for credit in Past 12 Months	11	8	-3*	13	11	-2*
Has more credit card debt than 12 months ago	8	7	-1	13	13	0
Not confident could be approved for credit	23	19	-4*	18	15	-3*

	LIVING WITH PARENTS			NOT LIVING WITH PARENTS		
	Pre-pandemic (2017–2019)	Pandemic (2020–2022)	Percentage point change	Pre-pandemic (2017–2019)	Pandemic (2020–2022)	Percentage point change
STUDENT LOAN DEBT						
Has student loan debt	31	24	-7*	39	34	-5*
Has paid off student loans	5	5	0	9	8	-1*
Behind on student loan payments	5	3	-2*	6	3	-3*
Has high student loan debt ($40,000 or more)	7	5	-2*	11	9	-3*

Notes: **Significantly different from "Living with Parents" group in 2017–2019 at p<0.05 level; young adults living with their parents during the pre-pandemic (2017–2019) period were compared with those living with their parents during the pandemic years (2020–2022) using a two-sample test for significance.*

Source: *PRB analysis of Survey of Household Economics and Decisionmaking data (2017–2019) and (2020–2022).*

Baseline (pre-pandemic)

Significantly higher than pre-pandemic

Significantly lower than pre-pandemic

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