

National Association of Exclusive Buyer Agents Cautions Consumers on 50-Year Mortgage Trade-Offs

Longer loans can lower monthly payments but may sharply increase total interest and slow equity growth, NAEBA leaders say.

MESA, AZ, UNITED STATES, November 19, 2025 /EINPresswire.com/ -- [The National Association of Exclusive Buyer Agents](#) (NAEBA) is urging home buyers to look beyond lower monthly payments and carefully weigh the long-term costs of proposed 50-year mortgages.



While a longer loan term can make a monthly payment more manageable, NAEBA warns that the structure may significantly increase total interest paid, slow equity building, and fail to address the root causes of the nation's housing affordability challenges.

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*Benjamin Clark, NAEBA
President*

Home buyers presently do not have a 50-year mortgage option. Recent discussions in Washington have focused on whether federal support for 50-year mortgages could help more households qualify for a home loan.

The idea comes at a time when home prices hover around record highs in many states, inventory remains tight in parts of the country, and many home buyers are struggling to enter the market. However, analysts note that simply stretching payments over more years does not create more homes or reduce borrowing costs; it primarily reshapes when consumers pay those costs.

Today's standard 30-year, fixed-rate mortgage loan emerged during the New Deal era, designed to be paid off during a borrower's working life. By contrast, a 50-year mortgage would extend payments by two decades. Under current federal rules, mortgages longer than 30 years cannot

be insured by Fannie Mae and Freddie Mac, meaning 50-year loans would likely remain a niche “non-qualified” product unless Congress changes existing law.

Industry research shows why the idea has attracted attention. In one recent analysis, the National Association of Realtors examined a hypothetical \$420,000 home with a 20 percent down payment. At a 6.3 percent interest rate on a 30-year loan, the principal and interest payment is about \$2,080 per month. Assuming a 6.8 percent rate for a 50-year loan, that payment falls to roughly \$1,970, a difference of about \$110 per month. That change reduces the income needed to qualify. It could help an estimated 3.4 million additional households afford a median-priced home.

"It's critical for buyers to weigh the short-term benefits against the long-term ramifications. A lower monthly payment is appealing, but the slow equity buildup and high total interest can ultimately undermine their investment," noted Benjamin Clark, president of NAEBA and owner of [Homebuyer Representation, Inc.](#) in Salt Lake City, Utah. "Choosing a 50-year loan instead of a 30-year mortgage means committing to 20 more years of payments. How old will they be when they finally pay it off? Borrowers should let that sink in before making a decision."

The additional costs that accumulate over those years can be substantial. For example, with a \$400,000 loan amount, a 6.3 percent mortgage interest rate, and a 30-year note, the monthly

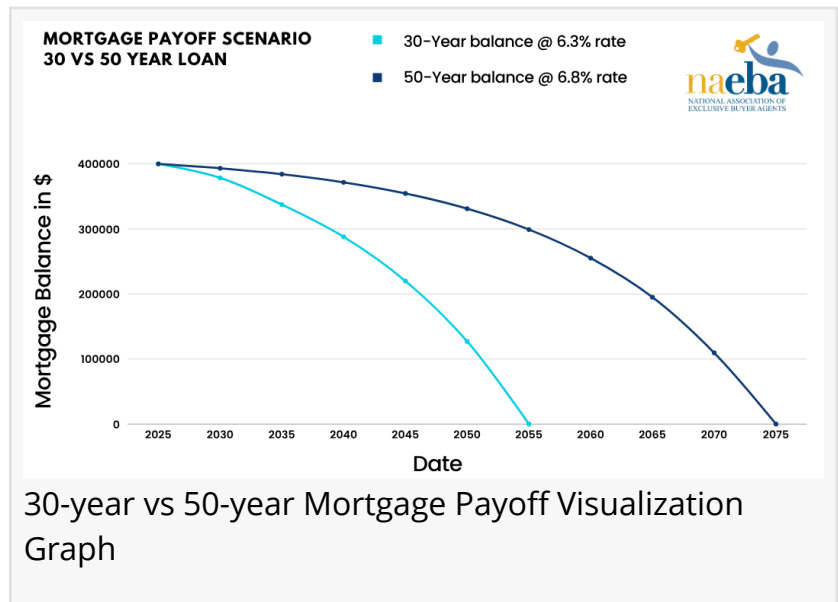


Jon Boyd, former president of NAEBA



Benjamin Clark, NAEBA President

payment would be \$2,476, and the total cost would reach \$891,321. A 50-year mortgage likely would have a higher interest rate. Assuming the same \$400,000 loan and a 6.8 percent mortgage interest rate, the monthly payment would be \$2,346, and the total cost would reach \$1,407,423. In the above scenario, the borrower would pay \$130 per month less but would pay more than \$500,000 in additional interest over the life of the loan.



Equity will build more slowly with a 50-year loan. Using the numbers above, it could take almost 30 years on a 50-year mortgage to reach equity milestones that a 30-year borrower might achieve in about 13 years. Meanwhile, the average age of first-time buyers has climbed to roughly 40, raising questions about carrying mortgage debt into older age.

"The real answer depends on what kind of rate premium lenders will charge," said Jon Boyd, a past president of NAEBA and broker of [The Home Buyer's Agent of Ann Arbor](#) in Michigan. "If the 50-year loan is at the same interest rate as a 30-year loan, it would allow buyers to have about a 14 percent larger loan at the same payment and would be fantastic. On the other extreme, if the loan has a 1 percent higher interest rate, the loan would be about the same size as a 30-year loan, so no upside and a terrible downside (20 years of additional payments). We won't have any conclusions until we actually see some pricing from lenders. That is why unbiased guidance is so important."

The experts at NAEBA also caution that longer terms do nothing to address the primary driver of today's affordability strain: an ongoing shortage of homes, especially at lower price points. Industry analysis suggests the market lacks roughly half a million listings priced at or below \$260,000 to reach a more balanced supply. In the current environment, easier financing may increase competition for the same limited inventory, putting upward pressure on prices.

NAEBA is not for or against 50-year mortgages as a concept. Instead, the association is asking policymakers, lenders, home builders, and consumers to recognize both the opportunities and the trade-offs of stretching home loans over half a century.

NAEBA recommends that any consumer considering a 50-year mortgage:

- Compare the total interest cost over 30, 40, and 50 years, not just the monthly payment.
- Determine how long they realistically expect to stay in the home and in the loan.

- Consider the risks of slower equity growth (especially if home prices level off or they might need to move before significant growth has occurred).
- Discuss potential refinance or prepayment strategies with a trusted, independent adviser.
- Work with an Exclusive Buyer Agent (EBA) who does not accept listings and can focus solely on the buyer's best interests.

"Homeownership is still one of the most reliable ways for American individuals and families to build long-term wealth," Clark said. "Our message is simple: whatever the term of the mortgage, buyers deserve clear information, straightforward math, and representation from professionals with their best interest at heart."

About NAEBA:

The National Association of Exclusive Buyer Agents (NAEBA) is a nonprofit professional organization founded in the mid-1990s to give homebuyers a true advocate in an industry long shaped by seller-centric traditions and dual-agency conflicts. NAEBA ensures its members represent home buyers exclusively - never sellers - eliminating the divided loyalties and conflicts of interest common in brokerages where agents work both sides of the transaction. As dedicated fiduciaries, NAEBA agents provide expert negotiation, transparent guidance, and unbiased advice through every step of the home-buying process, upholding the highest professional and ethical standards in the industry. By focusing on member education, consumer protection, and ethical excellence, NAEBA has become nationally recognized for advancing transparency and genuine exclusive buyer agency.

Homebuyers can learn more or find a verified Exclusive Buyer Agent at <https://naeba.org>.

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