Claude Loan

2026 STATE GUIDE

Conventional Loans in Louisiana: The Numbers

Conforming limit, down payment and monthly cost on the state median at 3%, 5%, 10% and 20% down, the month PMI ends, and the Louisiana rules that touch the loan.

A conventional loan in Louisiana follows Fannie Mae and Freddie Mac's national rules; the state supplies the prices, the taxes and the closing customs. This guide works the numbers on the state median and lists the Louisiana rules that touch the loan.

Louisiana at a glance

Conforming limit (2026, one unit)	$832,750 baseline — higher in any FHFA high-cost county
Median home price (approx.)	$200,000
Property tax (effective)	about 0.55% — roughly $1,100 a year on the median
Closing practice	Attorney closing state
Transfer / recording taxes	Louisiana has no state real estate transfer tax; New Orleans levies a flat documentary transaction fee per instrument, and parishes charge recording fees.

Conforming or jumbo?

A one-unit loan above $832,750 is jumbo in Louisiana in 2026. With 20% down you can buy up to about $1,040,938 and stay conforming; with 5% down, up to about $876,579. On the $200,000 median, a 20% down loan of $160,000 is inside the limit. Check your county on FHFA's lookup (fhfa.gov); two- to four-unit homes have higher limits.

What it costs on the Louisiana median

Illustrative 6.5% 30-year fixed rate, principal and interest; mortgage insurance at typical market rates by down payment (credit score moves it); property tax at the state's approximate 0.55% effective rate. Add homeowners insurance and any HOA. Not an offer.

Down payment	Cash down	Loan	P&I	PMI (est.)	Tax	Monthly total
3%	$6,000	$194,000	$1,226	$146	$92	**$1,464**
5%	$10,000	$190,000	$1,201	$119	$92	**$1,412**
10%	$20,000	$180,000	$1,138	$75	$92	**$1,305**
20%	$40,000	$160,000	$1,011	—	$92	**$1,103**

When PMI ends

Under the federal Homeowners Protection Act you may request cancellation at 80% of the original value; the servicer must cancel at 78% and, if you are current, at the loan's midpoint. On scheduled payments alone at

6.5%:

Down payment	Monthly PMI (est.)	80% reached (request)	78% reached (automatic)	PMI paid by then (est.)
3%	$146	about 11 years and 1 months	about 12 years	$19,418
5%	$119	about 10 years and 4 months	about 11 years and 3 months	$14,756
10%	$75	about 7 years and 11 months	about 9 years and 1 months	$7,125

> **Shorten the clock.** Extra principal payments, or a cancellation request based on a new appraisal after enough seasoning (Fannie Mae and Freddie Mac typically allow 75% LTV after two years or 80% after five on current value), end PMI sooner than the schedule.

Closing in Louisiana

Louisiana closings follow civil-law practice: the act of sale and the mortgage are authentic acts passed before a notary public and two witnesses, and the closing is conducted by a notary who is almost always an attorney or an attorney-owned title company. Title examination is an attorney function, and the lender's title policy is issued by a title agency backed by that examination. Funding is wet and buyer-side costs are ordinary, but the notarial structure is unique in the country and the parish recorder will reject a mortgage that is not properly executed.

Louisiana imposes no state mortgage tax, intangible tax or documentary stamp on the note, and no state transfer tax on the act of sale; parish clerks of court charge recording fees by page. Orleans Parish is the exception: New Orleans levies a flat documentary transaction tax on each document recorded, including the mortgage, which adds a few hundred dollars to a city closing. Outside Orleans, recording a Louisiana mortgage costs only the clerk's fees. Louisiana closings are conducted by attorneys or notaries; buyer costs of about 2% to 3% include title insurance and lender fees, and homeowners and flood insurance premiums are a large prepaid item in much of the state.

Louisiana rules that touch a conventional loan

Prepayment. Louisiana has no general statute forbidding prepayment penalties on first-lien residential mortgages, so the note controls within federal limits. The Louisiana Consumer Credit Law restricts penalties on the consumer loans within its scope, and the Office of Financial Institutions can act against licensees who hide the term. A borrower should read the note and the Loan Estimate line rather than rely on a state ban.

Spouses and title. Louisiana is a community property state under the Civil Code, and property acquired during the marriage is presumed community. The concurrence of both spouses is required to mortgage community immovable property (Civil Code article 2347), so both must sign the mortgage even when only one signs the note, unless a recorded matrimonial agreement has opted out of the regime. Because debts incurred during the marriage are generally community obligations, FHA and VA lenders count the non-borrowing spouse's debts in the qualifying ratios.

Homestead. Louisiana's homestead exemption against general creditors is $35,000 of equity, bounded by five acres in a municipality or 200 acres outside, and becomes unlimited when the debt stems from a catastrophic or terminal illness (Louisiana Revised Statutes 20:1). It can be waived in a mortgage, and it never applies against purchase-money debt, property taxes, or a mortgage the owner signed. For property taxes, the constitution exempts the first $75,000 of a home's fair market value ($7,500 of assessed value) from parish taxes but not, in most parishes, from municipal taxes, and owners 65 and older can freeze their assessment.

Your Louisiana checklist

- [ ] Pull a tri-merge credit report; conventional pricing steps at 680, 700, 720, 740 and 760 — know your middle score before you shop.
- [ ] Decide the down payment with the table above: the monthly total, not the cash down, is what the lender qualifies you on.
- [ ] Confirm the conforming limit for your county on FHFA's site; structure the loan to stay under it if you can.
- [ ] Get three Loan Estimates on the same day at the same rate and zero points; compare Section A fees line by line.
- [ ] Ask whether the automated underwriting returned an appraisal waiver — it saves money and time.
- [ ] Calendar the month your balance reaches 80% of the purchase price and send the PMI cancellation request in writing.
- [ ] Read the Louisiana closing customs above and budget the recording and transfer taxes.
- [ ] After closing, file the homestead exemption with your county if the state has one.

The method, in five steps

1. Find your county's conforming loan limit on FHFA's site; above it, you are shopping jumbo rules.
2. Know your middle credit score from a tri-merge pull — pricing steps at 680, 700, 720, 740 and 760.
3. Compute your back-end DTI with the full housing payment (taxes, insurance, PMI, HOA), not just principal and interest.
4. Compare three Loan Estimates at the same rate and zero points; compare Section A fees line by line.
5. If you put less than 20% down, calendar the month your balance reaches 80% of the original value — that is when you can request PMI cancellation.

Keep reading on Claude Loan

- Conventional loan requirements: credit, down payment, DTI, reserves, property — https://claude-loan.com/guides/conventional-loan-requirements/

- Conventional vs FHA vs VA vs USDA: the four loan types compared — https://claude-loan.com/guides/conventional-vs-fha-vs-va-vs-usda/
- Conforming loan limits: how the FHFA number works and what happens above it — https://claude-loan.com/guides/conforming-loan-limits/
- 30-year vs 15-year mortgage: the real trade-off, with the numbers — https://claude-loan.com/guides/30-year-vs-15-year-mortgage/
- ARM vs fixed-rate mortgage: when an adjustable rate makes sense — https://claude-loan.com/guides/arm-vs-fixed-rate/
- Jumbo loans: requirements, rates and how they differ from conforming — https://claude-loan.com/guides/jumbo-loans/

Sources

- Fannie Mae — Selling Guide — https://selling-guide.fanniemae.com/
- Freddie Mac — Seller/Servicer Guide — https://guide.freddiemac.com/
- FHFA — Conforming loan limits — https://www.fhfa.gov/data/conforming-loan-limit-cll-values