Claude Loan

2026 STATE GUIDE

Conventional Loans in Maine: 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 Maine rules that touch the loan.

A conventional loan in Maine 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 Maine rules that touch the loan.

Maine at a glance

Conforming limit (2026, one unit)	$832,750 baseline — higher in any FHFA high-cost county
Median home price (approx.)	$400,000
Property tax (effective)	about 1.2% — roughly $4,800 a year on the median
Closing practice	Mixed practice
Transfer / recording taxes	Maine's real estate transfer tax is $2.20 per $500 (0.44%), split equally between buyer and seller by statute ($1.10 per $500 each).

Conforming or jumbo?

A one-unit loan above $832,750 is jumbo in Maine 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 $400,000 median, a 20% down loan of $320,000 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 Maine 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 1.2% effective rate. Add homeowners insurance and any HOA. Not an offer.

Down payment	Cash down	Loan	P&I	PMI (est.)	Tax	Monthly total
3%	$12,000	$388,000	$2,452	$291	$400	**$3,143**
5%	$20,000	$380,000	$2,402	$238	$400	**$3,040**
10%	$40,000	$360,000	$2,275	$150	$400	**$2,825**
20%	$80,000	$320,000	$2,023	—	$400	**$2,423**

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%	$291	about 11 years and 1 months	about 12 years	$38,703
5%	$238	about 10 years and 4 months	about 11 years and 3 months	$29,512
10%	$150	about 7 years and 11 months	about 9 years and 1 months	$14,250

> **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 Maine

Maine closings are handled by title companies and by attorneys in roughly equal measure, and no statute requires a lawyer to preside. Lenders frequently retain a Maine attorney to examine title under the Maine Title Standards and to certify it, while the title agent or the same attorney conducts the signing and disbursement. Funding is wet, and buyer costs in the 2 percent to 3 percent range are typical, with the transfer tax split with the seller.

Maine does not tax the mortgage or the note; the registry of deeds charges a per-page recording fee for the lien. The real estate transfer tax (36 Maine Revised Statutes 4641-A) is $2.20 per $500 of consideration, split equally between buyer and seller on the deed. A borrower who refinances therefore pays recording fees only. Maine buyer closing costs — the buyer's half of the transfer tax, title, attorney and lender fees — typically total 2% to 3% of the price.

Maine rules that touch a conventional loan

Prepayment. Maine's Consumer Credit Code (Title 9-A) generally allows a consumer to prepay in full without penalty and forbids prepayment penalties on the high-rate, high-fee mortgages defined in Article 8-A. For a conventional first mortgage outside those categories, federal QM limits govern any remaining penalty, and supervised lenders must disclose it on the Loan Estimate. A borrower should verify any penalty term with the Bureau of Consumer Credit Protection.

Spouses and title. Maine is a separate-property state that abolished dower and curtesy, so a spouse who is not on the deed does not need to sign a mortgage of the other spouse's property. Married couples usually take title as joint tenants with survivorship, and every titled owner must sign the mortgage. No community-property rule applies, so FHA and VA lenders in Maine count only the borrower's own obligations.

Homestead. Maine's creditor homestead exemption (14 Maine Revised Statutes 4422) was raised substantially in recent years to $80,000 of equity, doubled for owners who are 60 or older, disabled, or living with a minor dependent; verify the current figure because the Legislature revisits it. It does not bar a mortgage the owner signed, property taxes, or liens for child support. For property taxes, the Homestead Exemption under 36 Maine Revised Statutes 683 removes $25,000 of just value from a permanent residence after 12 months of ownership, and a refundable Property Tax Fairness Credit helps lower-income owners.

Your Maine 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 Maine 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