Claude Loan

2026 STATE GUIDE

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

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

Massachusetts at a glance

Conforming limit (2026, one unit)	$832,750 baseline — higher in any FHFA high-cost county
Median home price (approx.)	$640,000
Property tax (effective)	about 1.14% — roughly $7,296 a year on the median
Closing practice	Attorney closing state
Transfer / recording taxes	Massachusetts charges deed excise stamps of $4.56 per $1,000 (0.456%; higher in Barnstable County and on Nantucket and Martha's Vineyard, which add land bank fees), paid by the seller.

Conforming or jumbo?

A one-unit loan above $832,750 is jumbo in Massachusetts 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 $640,000 median, a 20% down loan of $512,000 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 Massachusetts 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 1.14% effective rate. Add homeowners insurance and any HOA. Not an offer.

Down payment	Cash down	Loan	P&I	PMI (est.)	Tax	Monthly total
3%	$19,200	$620,800	$3,924	$466	$608	**$4,998**
5%	$32,000	$608,000	$3,843	$380	$608	**$4,831**
10%	$64,000	$576,000	$3,641	$240	$608	**$4,489**
20%	$128,000	$512,000	$3,236	—	$608	**$3,844**

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%	$466	about 11 years and 1 months	about 12 years	$61,978
5%	$380	about 10 years and 4 months	about 11 years and 3 months	$47,120
10%	$240	about 7 years and 11 months	about 9 years and 1 months	$22,800

> **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 Massachusetts

Massachusetts requires an attorney to conduct the closing: the Supreme Judicial Court held in 2011 that examining title, preparing the deed and presiding over the settlement constitute the practice of law, so a Massachusetts lawyer acts as closing attorney on every mortgage. The lender's attorney typically represents the bank, and the buyer may hire separate counsel for the purchase and sale agreement. Funding is wet and the attorney's fee, the title examination and the registry fees make buyer costs run toward the higher end of the 2 percent to 4 percent range.

Massachusetts does not tax the mortgage; the registry of deeds charges a flat statutory recording fee per instrument, around $200 for a mortgage, regardless of the loan amount. The deeds excise of $4.56 per $1,000 of consideration is paid by the seller on the deed, with higher rates in Barnstable County and separate land-bank fees on Nantucket and Martha's Vineyard. Borrowers pay only the registry fee on a refinance. Massachusetts buyers face attorney and title fees, lender fees and prepaids — roughly 2% to 3% of the price — while the deed excise falls on the seller; a buyer's attorney is customary.

Massachusetts rules that touch a conventional loan

Prepayment. Massachusetts allows a prepayment penalty on a first mortgage of an owner-occupied one- to three-family home only within the first three years and only up to the lesser of three months' interest or the balance of the first year's interest (General Laws chapter 183, section 56). High-cost loans under chapter 183C may carry no penalty at all. The federal QM rules narrow even the permitted window further for most loans.

Spouses and title. Massachusetts is a separate-property state where married couples commonly hold as tenants by the entirety and a non-owner spouse need not sign a mortgage. Under the 2011 rewrite of the Homestead Act (General Laws chapter 188), a mortgage automatically takes priority over a declared or automatic homestead, so lenders no longer require a spouse to sign a homestead release at closing. Community-property debt rules do not apply to FHA or VA underwriting here.

Homestead. The Massachusetts Homestead Act (General Laws chapter 188) gives every owner-occupied home an automatic $125,000 of protection against unsecured creditors and $500,000 if the owner records a declaration of homestead, with owners 62 or older or disabled each able to claim the $500,000 amount. The homestead is subordinate to any mortgage, to taxes, to liens recorded before the declaration and to child support, so it is a shield against judgment creditors rather than the lender. Property tax relief is local: a residential exemption adopted by some cities such as Boston and Cambridge, senior exemptions under chapter 59 section 5, and Proposition 2½ limits on total levy growth rather than on individual assessments.

Your Massachusetts 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 Massachusetts 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