Claude Loan

2026 STATE GUIDE

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

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

Mississippi at a glance

Conforming limit (2026, one unit)	$832,750 baseline — higher in any FHFA high-cost county
Median home price (approx.)	$180,000
Property tax (effective)	about 0.75% — roughly $1,350 a year on the median
Closing practice	Attorney closing state
Transfer / recording taxes	Mississippi has no real estate transfer tax and no mortgage tax; only recording fees apply.

Conforming or jumbo?

A one-unit loan above $832,750 is jumbo in Mississippi 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 $180,000 median, a 20% down loan of $144,000 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 Mississippi 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 0.75% effective rate. Add homeowners insurance and any HOA. Not an offer.

Down payment	Cash down	Loan	P&I	PMI (est.)	Tax	Monthly total
3%	$5,400	$174,600	$1,104	$131	$113	**$1,348**
5%	$9,000	$171,000	$1,081	$107	$113	**$1,301**
10%	$18,000	$162,000	$1,024	$68	$113	**$1,205**
20%	$36,000	$144,000	$910	—	$113	**$1,023**

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%	$131	about 11 years and 1 months	about 12 years	$17,423
5%	$107	about 10 years and 4 months	about 11 years and 3 months	$13,268
10%	$68	about 7 years and 11 months	about 9 years and 1 months	$6,460

> **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 Mississippi

Mississippi closings are customarily conducted by attorneys, who examine title, prepare the deed of trust and closing documents and disburse the funds, often through a title agency they own or work with. The state bar treats title examination and closing as legal work, so a non-attorney title company will have a Mississippi lawyer behind the file. Funding is wet and buyer closing costs are moderate, partly because the state levies no transfer or mortgage tax.

Mississippi levies no tax on the deed of trust or the note and no real estate transfer tax on the deed; the chancery clerk charges a recording fee by page. Every instrument must show the name and address of the preparer and the grantor and grantee indexing information or it will be rejected. A Mississippi refinance costs only the clerk's fees to record and to cancel the old deed of trust. Mississippi buyer closing costs are among the lowest in the country — typically 2% to 3% of a low price — with attorneys or title companies handling closings; homeowners insurance in the Gulf Coast counties is a significant prepaid.

Mississippi rules that touch a conventional loan

Prepayment. Mississippi has no general statute prohibiting prepayment penalties on first-lien residential mortgages, so the note governs within the federal QM limits. The Mississippi S.A.F.E. Mortgage Act lists prohibited practices for licensees but does not ban the penalty itself, and loans under the small loan statutes have their own rules. Borrowers should read the Loan Estimate's prepayment line rather than assume a state ban.

Spouses and title. Mississippi is a separate-property state, yet a deed of trust on the homestead signed by only one spouse is void: Mississippi Code 89-1-29 requires the signature of both spouses to convey or encumber the homestead of a married person who is living with that spouse. Lenders therefore obtain the non-titled spouse's signature on the deed of trust, while the note may be signed by the borrower alone. No community-property rule exists, so the spouse's own debts do not affect FHA or VA ratios.

Homestead. Mississippi exempts up to $75,000 of homestead value and 160 acres from execution by general creditors under Mississippi Code 85-3-21, with owners 60 and older able to keep the exemption after moving under certain conditions. The exemption does not block a deed of trust the owner signed, purchase-money claims, property taxes or construction liens. On the tax side, the homestead exemption in Mississippi Code 27-33 gives a credit of up to $300 on the first $7,500 of assessed value (about $75,000 of true value) for owner-occupants under 65, and a full exemption on that same assessed value for owners 65 and older or totally disabled, claimed once at the tax assessor's office.

Your Mississippi 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 Mississippi 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

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