Claude Loan

2026 STATE GUIDE

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

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

Oregon at a glance

Conforming limit (2026, one unit)	$832,750 baseline — higher in any FHFA high-cost county
Median home price (approx.)	$500,000
Property tax (effective)	about 0.91% — roughly $4,550 a year on the median
Closing practice	Escrow closing state
Transfer / recording taxes	Oregon's constitution bans new real estate transfer taxes; only Washington County levies a grandfathered tax of $1 per $1,000 (0.1%). Recording fees apply statewide.

Conforming or jumbo?

A one-unit loan above $832,750 is jumbo in Oregon 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 $500,000 median, a 20% down loan of $400,000 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 Oregon 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 0.91% effective rate. Add homeowners insurance and any HOA. Not an offer.

Down payment	Cash down	Loan	P&I	PMI (est.)	Tax	Monthly total
3%	$15,000	$485,000	$3,066	$364	$379	**$3,809**
5%	$25,000	$475,000	$3,002	$297	$379	**$3,678**
10%	$50,000	$450,000	$2,844	$188	$379	**$3,411**
20%	$100,000	$400,000	$2,528	—	$379	**$2,907**

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%	$364	about 11 years and 1 months	about 12 years	$48,412
5%	$297	about 10 years and 4 months	about 11 years and 3 months	$36,828
10%	$188	about 7 years and 11 months	about 9 years and 1 months	$17,860

> **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 Oregon

Oregon closings are conducted by escrow agents licensed by the Oregon Real Estate Agency under ORS chapter 696, almost always inside a title company; attorneys are absent from the typical transaction. Oregon is a dry-funding state: documents are signed, the deed of trust is recorded, and only then does the lender release funds, so a day can pass between signing and keys. Escrow fees are usually split between buyer and seller, and each side pays for its own title policy by custom.

Oregon charges no mortgage or intangible tax, and article IX, section 15 of the state constitution, adopted in 2012, bars new real estate transfer taxes, leaving only Washington County's pre-existing $1 per $1,000 transfer tax on deeds. A deed of trust is recorded at the county clerk for a flat fee plus per-page charges and a state housing surcharge. Refinances owe recording fees only. Oregon closings run through escrow companies; buyer closing costs of about 2% to 3% cover escrow, lender's title policy, lender fees and prepaids, and sellers customarily pay the owner's title policy.

Oregon rules that touch a conventional loan

Prepayment. Oregon has no general statute barring prepayment penalties on residential loans, so the federal qualified-mortgage limits do most of the work and penalties are uncommon on agency loans. Licensees under the Oregon Mortgage Lender Law must disclose any penalty before the borrower commits, and the Division of Financial Regulation has treated undisclosed penalties as an unfair practice. Read the note, and confirm with the Division if a penalty survives the first years of the loan.

Spouses and title. Oregon is not a community property state; only the borrowing spouse's debts and income are underwritten, and the non-borrowing spouse signs nothing unless on title. Oregon does apply the Uniform Disposition of Community Property Rights at Death Act to property a couple acquired while living in a community property state, which can matter for relocating retirees. Married buyers usually take title as tenants by the entirety, which requires both signatures on any deed of trust.

Homestead. ORS 18.395 exempts $40,000 of equity for a single owner and $50,000 for joint owners from judgment creditors, small figures in Portland's market and unchanged for years. The exemption is no defense to a deed of trust, property taxes, or a construction lien. Oregon has no homestead tax exemption, but Measure 50 in the state constitution caps the growth of a property's assessed value at 3 percent a year, and ORS 311.666 offers a property-tax deferral for seniors and disabled owners that becomes a lien on the home.

Your Oregon 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 Oregon 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