

2026 STATE GUIDE

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

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

Virginia 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 0.82% — roughly \$3,280 a year on the median
Closing practice	Mixed practice
Transfer / recording taxes	Virginia’s recordation tax on the deed and mortgage is \$0.25 per \$100 (0.25%) each, paid by the buyer, plus a grantor tax of \$0.50 per \$500 (0.1%, more in Northern Virginia and Hampton Roads for regional transportation) paid by the seller.

Conforming or jumbo?

A one-unit loan above \$832,750 is jumbo in Virginia 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](https://www.fhfa.gov)); two- to four-unit homes have higher limits.

What it costs on the Virginia 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 0.82% 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	\$273	\$3,016
5%	\$20,000	\$380,000	\$2,402	\$238	\$273	\$2,913
10%	\$40,000	\$360,000	\$2,275	\$150	\$273	\$2,698
20%	\$80,000	\$320,000	\$2,023	—	\$273	\$2,296

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 Virginia

Virginia closings are conducted either by attorneys or by licensed non-attorney settlement agents, a choice the Consumer Real Estate Settlement Protection Act (Code of Virginia § 55.1-1000 and following, formerly CRESPA) gives to the buyer, who must be told in writing that they may select their own settlement agent. Settlement agents register with the Virginia State Bar or the Bureau of Insurance depending on their category. Funding is wet, and settlement fees typically run from a few hundred dollars to around a thousand.

Virginia taxes the deed of trust: the state recordation tax under Code § 58.1-803 is 25 cents for every \$100 of the secured debt, and cities and counties may add a local recordation tax of up to one-third of the state amount (§ 58.1-3800), bringing the combined charge to roughly 33 cents per \$100, paid by the borrower at recording. A refinance with the same lender is taxed only on new money under § 58.1-803(D). The grantor's tax on the deed (§ 58.1-802) and the regional congestion relief fee in Northern Virginia are the seller's transfer taxes, separate from the loan. Virginia buyers pay recordation taxes on both the deed and the mortgage — roughly 0.5% combined — plus title, attorney or settlement agent fees and lender costs, for a typical 2.5% to 3.5% of the price.

Virginia rules that touch a conventional loan

Prepayment. Virginia caps rather than bans prepayment penalties: Code § 6.2-423 limits the penalty a lender may charge on first-mortgage loans secured by a one-to-four family home, generally to a small percentage of the balance prepaid, and the subordinate-mortgage chapter (§ 6.2-407 and following) restricts charges on

junior liens. Federal qualified-mortgage limits apply on top. Ask the Bureau of Financial Institutions to confirm the cap for the loan size involved rather than relying on the note alone.

Spouses and title. Virginia is a common-law property state, so a spouse who does not sign the note or the deed of trust has no ownership claim to a home titled to the other spouse. Spouses usually take title as tenants by the entirety, which shields the home from the individual creditors of either spouse, and lenders require both spouses to sign the deed of trust whenever both are on title. Only the borrower's debts enter the Virginia loan's debt-to-income calculation.

Homestead. Virginia's homestead exemption in Code § 34-4 is modest: \$5,000 of any property plus, since 2020, an additional \$25,000 in real or personal property used as the principal residence, with small add-ons for dependents and for owners 65 and older; it must be claimed by recording a homestead deed (§ 34-6) before the sale or in bankruptcy, a procedural step many homeowners miss. Deeds of trust, taxes and mechanics' liens are unaffected. For property tax there is no statewide homestead exemption, but localities may grant relief to elderly and disabled owners under § 58.1-3210, and totally disabled veterans are fully exempt under the Constitution.

Your Virginia 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 Virginia 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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