

FEES AND CHARGES THE VETERAN-BORROWER CAN PAY

The veteran may pay any or all of the following itemized fees and charges in amounts that are reasonable and customary.

CHARGE	DESCRIPTION
APPRAISAL AND COMPLIANCE INSPECTIONS	<ul style="list-style-type: none"> The veteran can pay the fee of a VA appraiser and VA compliance inspectors. The veteran can also pay for a second appraisal if he or she is requesting reconsideration of value.
CREDIT REPORT	The veteran can pay for the credit report obtained.
FLOOD ZONE DETERMINATION	<p>The veteran can pay the actual amount charged for a determination of whether a property is in a special flood hazard area, if made by a third party who guarantees the accuracy of the determination.</p> <p>The veteran can pay a charge for a life-of-the-loan flood determination service purchased at the time of loan origination.</p> <ul style="list-style-type: none"> A fee may not be charged for a flood zone determination made by LHFS or a VA appraiser.
HAZARD INSURANCE	<ul style="list-style-type: none"> The veteran can pay the required hazard insurance premium. This includes flood insurance, if required.
MORTGAGE ELECTRONIC REGISTRATION SYSTEM (MERS) FEE	<ul style="list-style-type: none"> The veteran may pay a fee for MERS. MERS is a one-time fee for the purpose of electronically tracking the ownership of the beneficial interest in a loan and its servicing rights.
OTHER FEES AUTHORIZED BY VA	<ul style="list-style-type: none"> Additional fees attributable to local variances may be charged to the veteran only if specifically authorized by VA. LHFS may submit a written request to the Regional Loan Center for approval if the fee is normally paid by the borrower in a particular jurisdiction and considered reasonable and customary in the jurisdiction.
PREPAID ITEMS	<ul style="list-style-type: none"> The veteran can pay that portion of taxes, assessments, and similar items for the current year chargeable to the borrower and the initial deposit for the tax and insurance account.
RECORDING FEES	<ul style="list-style-type: none"> The veteran can pay for recording fees and recording taxes or other charges incident to recordation.
REFINANCING ALLOWABLE FEES	<ul style="list-style-type: none"> A maximum of two discount points can be rolled into the loan. <p>If the borrower pays more than two points, the remainder must be paid in cash.</p>
SPECIAL MAILING FEES FOR REFINANCING LOANS	<ul style="list-style-type: none"> For refinancing loans only, the veteran can pay charges for Federal Express, Express Mail, or a similar service when the saved per diem interest cost to the veteran will exceed the cost of the special handling.
SURVEY	<ul style="list-style-type: none"> The veteran can pay a charge for a survey, if required by the LHFS or veteran. Any charge for a survey in connection with a condominium loan must have the prior approval of VA.
TITLE EXAMINATION AND TITLE INSURANCE	<ul style="list-style-type: none"> The veteran may pay a fee for title examination and title insurance, if any. If LHFS decides that an environmental protection lien endorsement to a title policy is needed, the cost of the endorsement may be charged to the veteran.
VA FUNDING FEE	<ul style="list-style-type: none"> Unless exempt, each veteran must pay a Funding Fee to VA.

*** In addition, the borrower may not pay a duplicate fee for services that have already been paid for by another party.*



FEES AND CHARGES THE VETERAN-BORROWER CANNOT PAY

The following items cannot be charged to the veteran:

- Broker Fee
- Real Estate Agent/Brokerage Fees/Commissions—including Short Sale Negotiation/Transaction Coordinator Fees
- Any portion of the seller's lien(s) on short sale purchases (no short sale fees of any kind may be paid by the Veteran)
- Pre-payment penalties financed through the refinance transaction—Veteran MAY pay for this fee out of their own funds only—these fees may NOT be financed
- VA Inspection Fees for builders (Normal new construction inspection fees may be paid for by the Veteran when required by the VA Appraiser)
- Purchases (including REO purchases): Cost of required repairs/inspections must be paid for by the seller. The Veteran is only allowed to pay for MINOR termite damage repairs

NON-ALLOWABLE VETERAN-PAID CLOSING COSTS

(The sum of the non-allowables may not exceed 1% of the base loan amount)

- 3rd Party Fees, regardless of affiliation with the lender
- Assignment Fees
- Attorney Fees
- Commitment Fees or Marketing Fees of Secondary Purchasers
- Escrow Fees
- Fax, Email, Copying, Postage, Stationary, Telephone, or Other Overhead Charges
- Interest Rate Lock-In Fees
- Lender's appraisal (I.E. secondary appraisals for reconsiderations of value)
- Lender's inspections (except for construction loan inspections as required by the appraiser/NOV)
- Loan Closing/Settlement Fees
- Notary Fees
- Tax Service Fees
- Termite Report
- Trustee Fees

****The Non-Allowable Fees that are listed above can ONLY be paid for by the Veteran IF there is NO ORIGINATION FEE CHARGED—AND—the fee(s) is/are NOT listed as one of the fees that the Veteran may never pay, up to a MAXIMUM aggregate of 1% of the purchase price.**

HELPFUL LINKS:

LAND HOME FINANCIAL ADDITIONAL RESOURCES:

- [eScenarios](#)
- [LHFSWholesale.com](#)
- [VA - Submission Checklist](#)
- [VA - Matrix](#)
- [VA - IRRRL Matrix](#)
- [VA - Manufactured Housing Matrix](#)

VA DAP PROGRAMS:

- [Within ReachTM](#)
 - [Within ReachTM VA Guidelines Summary](#)
 - [Within ReachTM VA Income and Mortgage Limits](#)
 - [Within ReachTM Submission Checklist](#)
 - [Within ReachTM - Lock Instructions](#)

AGENCY GUIDELINES:

- [VA Lenders Handbook](#)
- [VA Maximum Mortgage Worksheet](#)
- [Certificate of Eligibility](#)
- [Appraiser Fee Schedule](#)
- [Instructions ordering VA Appraisals](#)
- [VA 2019 & 2018 County Loan Limits](#)
- [Guaranty Calculation Example](#)

