



## VA Non-Allowable Fees

VA loan non-allowable fees are costs and fees the Department of Veterans Affairs says Veteran homebuyers cannot pay. VA non-allowable fees are typically paid by the seller or lender.

<b>Non-Allowable Fees</b>	<b>Allowable Fees</b>
Application Fees	Appraisal Fee
Attorney Fees	Credit Report Fee
Document Preparation Fees	Flood Determination Fees
Escrow Fees	Homeowner's Insurance Mailing Fee
Lender Ordered Appraisals	MERS Tracking Fee
Lender Ordered Inspections	Recording Fee
Mortgage Rate Lock Fees	VA Funding Fee
Mortgage Broker Fees	Lender Origination Fee
Notary Fees	Discount Points
Property Tax Service Fees	-
Postage Fees	-
Prepayment Penalties	-
Real Estate Agent Fees	-
Settlement Fees	-

The allowable fee rules are slightly different when it comes to refinances of VA loans. For example, a mailing fee may be passed on to the borrower if refinancing. This fee covers costs like FedEx, Express Mail or similar services needed to mail out loan documents. If a borrower is refinancing through a VA Interest Rate Reduction Refinancing Loan (IRRRL), it's even possible to close with no money out of pocket. Certain restrictions may apply.

Allowable fees commonly associated with an IRRRL include:

- The original fee (no more than 1% of the loan amount)
- Prepaid taxes
- Title insurance fees
- Flood zone determination
- VA funding fee
- Recording fees
- Discount points
- Title examination fee
- Title endorsements