

FUNDING FEE TABLES

The VA funding fee paid by borrowers and is calculated as a percentage of the loan amount. It must be paid at time of closing **or** included in the loan balance.

The following do **NOT** pay the VA funding fee:

- Veteran receiving VA compensation for a service-connected disability;
- Veteran entitled to receive VA compensation for a service-connected disability, but receives military retirement pay in lieu of compensation or active duty pay;
- Surviving spouse of one who died in service, from a service-connected cause, or totally disabled; and receiving [Dependency and Indemnity Compensation \(DIC\)](#);
- Servicemember with a proposed or memorandum rating from VA, **prior** to loan closing, as eligible to receive compensation as a result of a pre-discharge claim;
- Servicemember on active duty who provides, **on** or **before** the date of loan closing, evidence of having been awarded the Purple Heart.

For all other borrowers, Congress has established the funding fee rates for loans closed **on** or **after January 1, 2020**, at the levels listed below:

Purchase and Construction Loan

Note: Reduced fees only apply to loans made to purchase or construct a home with a down payment of at least 5 percent.

Military Service	Down payment	First-time Use	Subsequent Use
Active Duty**, Reserves, & National Guard	None	2.30 %	3.60 % *
	5% or more	1.65 %	1.65 %
	10% or more	1.40 %	1.40 %

Cash-Out/Regular Refinance Loan

Military Service	First-Time Use	Subsequent Use
Active Duty**, Reserves, & National Guard	2.30 %	3.60 % *

* If the Veteran's only prior use of entitlement was for a manufactured home loan, the higher subsequent use fee does **not** apply.

** Active service includes Reserves and National Guard ordered to active service that meets the eligibility requirements for their era of service (https://www.benefits.va.gov/homeloans/purchaseco_eligibility.asp). Active service does **NOT** include active duty for training or Active Guard Reserve.

Native American Direct Loan (NADL) ***

Type of Use	VA Funding Fee
Purchase	1.25%
Refinance	0.5%

***The VA funding fee rate for this loan doesn't change based on your military category, your down payment amount, or whether you've used the VA home loan program in the past.

‡ **Note:** A list of Tribes participating in the NADL Program is at https://www.benefits.va.gov/homeloans/nadl_mou.asp

Other Types of Loans	First-Time and Subsequent Use
Interest Rate Reduction Refinance Loan (IRRRL)	0.5 %
Loan Assumption	0.5 %
Manufactured Home Loan (<i>NOT permanently affixed</i>)	1.0 %
<u>Vendee Loan</u> (for purchasing VA-acquired property)	2.25 %