

# VA LOAN EXPENSES

WHILE THE MORTGAGE IS 100% FUNDED (IF IT APPRAISES) THERE ARE SOME MISC EXPENSES

## EARNEST MONEY DEPOSIT #1

The first deposit goes with the offer, otherwise known as an earnest money deposit (EMD1). In Massachusetts you need a financial consideration for a valid contract in MA 99% of the time. Personal check or bank check.

## HOME INSPECTION WEEK 1

Home Inspection (recommended, but optional) \$400-\$700, depends on sqft. Any auxiliary tests, go beyond the home inspection. Check, Cash, or Credit Card. See page to for optional testing expenses

## EARNEST MONEY DEPOSIT#2 WEEK 2

With the purchase and sale agreement (sales contract). Bank check, generally the more you do, the stronger the offer.

## REAL ESTATE ATTORNEY/LAWYER AT THE CLOSE

\$675-\$1000 it is a closing cost, the lawyer does the title work, closing disclosure, deed, taxes, and other contractual paperwork. Paid at the closing.

## CLOSING COSTS AT THE CLOSE

Closing Costs can include all the items above, except the deposits. If the closing costs are covered by the seller. You should get back any surplus deposit. After all the closing costs are covered. The lender determines the precise closing costs, and line-items them on the closing disclosures. A precise number will be available a week before the closing.





### VA Loan Expense Chart, have at least \$2000-\$3000, on hand.

- 1. Deposit # 1. \$500-\$1000.** The first deposit goes with the offer, otherwise known as an earnest money deposit (EMD1). In Massachusetts you need a financial consideration for a valid contract in MA 99% of the time. Personal check or bank check.
- 2. Home Inspection** (recommended, but optional) **\$400-\$700**, depends on sqft. Any auxiliary tests, go beyond the home inspection. Check, Cash, or Credit Card. See below;
- 3. Pest Inspection.** The pest inspection is complimentary, with home inspection most of the time in MA. Normally they cost **\$150-\$200**. Multi-families cost more, due to the sqft. (WOOD BORING INSECT REPORT) Check, Cash, or Credit Card.
- 4. Water Test. \$150-\$200** If a water test is applicable (no test for town supplied water service). Water test required by the VA, tests for Nitrites, Nitrates, Coliform, E Coli, essentially runoff from farms and/or bacteria, in wells. (If the well is the only source of drinking water) Check, Cash, or Credit Card.
- 5. Deposit # 2. \$1000+** With the purchase and sale agreement (sales contract). Bank check, generally the more you do, the stronger the offer.
- 6. Appraisal**, about **\$540**, depends on property type. If the appraiser finds items that need repair, and additional **\$100+** for a return visit, to verify repairs, and amend appraisal. Check, Cash, or Credit Card.
- 7. Real Estate Attorney/Lawyer, \$675-\$1000** it is a closing cost, the lawyer does the title work, closing disclosure, deed, taxes, and other contractual paperwork. Paid at the closing.

#### Optional Testing

- a. Radon Testing \$80-\$200** depending on type of test. Radon is a radiological gas, pools in basements. Check, Cash, or Credit Card
- b. Lead Paint Testing**, \$400-800 by sqft. The tester maps surfaces in the home, and lead locations. This report is uploaded to the State of MA, and becomes a public record. Check, Cash, or Credit Card.
- c. Mold Testing \$375-\$600** Check, Cash, or Credit Card
- d. Title V**, ( if not connected to municipal septic) \$600-\$1200, seller pays for this 99% of the time. New septic systems, issue a certificate of compliance.

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