

Chicago Title's **INTERIM BINDER**

Save Your Investors Hundreds of Dollars

Let's look at an example, assuming that the seller is paying for the owner's insurance in favor of the buyer in both cases:

- FACTS:**
- ✓ Property was last insured 4 1/2 years ago
 - ✓ Mr. A sells the property to Mr. B for \$500,000
 - ✓ In less than 2 years, Mr. B sells to Mr. C for \$600,000

Without an Interim Binder:

Original Sales Price:	\$500,000
Homeowner's Title Fee:	\$1,509
Sells within 2 Years:	\$600,000
Homeowner's Title Fee:	\$1,683

Mr. B pays \$1,683 to resell his property

With an Interim Binder:

Original Sales Price:	\$500,000
Homeowner's Title Fee:	\$1,509
Buyer Pays Additional 10%	\$151
Sells within 2 Years:	\$600,000
Homeowner's Title Fee:	\$1,683
Less the Original Fee:	\$1,509
Interim Binder Fee for Conversion:	\$174

*Mr. B pays \$325 to resell his property
(\$151 + \$174)*

SAVED \$1,358

If the buyer decides to hold the property for more than 2 years, he can extend the already active Interim Binder for another 2 years for an additional 10% (\$151.00) provided the extension is requested prior to the expiration date of the binder.

The Interim Binder is not, in itself, a policy of title insurance but is an Interim Binder issued on the property. When issued, however, it binds Chicago Title, if requested within the 2-year period, to issue a policy of title insurance. The fee is a mere 10% of the basic policy fee to the requesting party.

When the deed of the final purchase is recorded, the Interim Binder is exercised and a policy of title insurance is issued to the final purchaser. The only additional fee at the time would be a liability charge based upon the difference between the original selling price and the selling price to the final buyer.

