

# WHAT IS AN INTERIM BINDER?

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An Interim Binder is a written agreement committing the insurer to issue the applicable title policy anytime within 3 years; subject to intervening matters.

Parties who plan to sell or “turnover” their properties within 3 years should consider the Interim Binder to save on title insurance premiums.

When the deed to a subsequent purchaser is recorded, the binder may be exercised and a policy of title insurance is issued to the new purchaser. The only additional fee at the time would be an additional liability charge based upon the difference between the original selling price and the selling price to the new buyer.

## Without A Binder:

Original Sales Price: \$500,000.00  
Basic Title Rate: \$1,220.00  
Resale Within 3 years: \$570,000.00  
Basic Title Rate: \$1,386.00

Jones pays 1,346 in title fees for a new owner's policy upon sales or property.

## With A Binder:

Original Sales Price: \$500,000.00  
Basic Title Rate: \$1,220.00  
Buyer Pays Additional 10%: 122.00  
Resale Within 3 Years: \$570,000.00  
Basic Title Rate: \$1,346.00  
Less The Original Rate: \$1,220.00  
Binder Rate on Conversion: \$126.00