

# Don't Forget THE INTERIM BINDER



From time to time we like to remind our clients about the Interim Binder from Lawyers Title. The Interim Binder is not a policy of title insurance but rather a contract to issue a policy at a later date. If you have a homebuyer who is planning on reselling his/her property within the next two years, then purchasing an Interim Binder before the close of escrow could provide him/her with a substantial savings of title insurance fees. The following is a summary of initial costs with an example of your homebuyers' projected savings.

## Example of Savings

### ORIGINAL SALES PRICE \$400,000

CLTA Owner's Policy - Title Charge Paid by Seller	\$1202.00
Binder - Paid by Buyer (10%)	+ 120.00
Total Cost in Escrow Now	\$1322.00

### RESALE PRICE \$475,000

Homeowner's Policy (Title Charge for \$475,000)	\$1462.00
Less Title Charge on Original Sale (\$400,000)	-1202.00
Total Amount to Upgrade Policy From \$400k to \$475k	\$ 260.00

Original Cost to the Buyer (10%)	\$120.00
Resale Costs	+260.00
Total Cost to Buyer	\$380.00

Usual Homeowner's Policy for \$475,000	\$1462.00
Initial Binder and Resale Costs	- 380.00
<b>Total Savings</b>	<b>\$1080.00</b>

At the end and prior to the 24th month period, the Binder may be extended for an additional term of 24 months for an additional charge of 10% of the applicable rate.

"OTHER TERMS AND CONDITIONS MAY APPLY"

**Rate effective January 10, 2010**

