

This is an amendment to 13.14.8.9 and 13.14.8.16 NMAC.

13.14.8.9 USE OF LEASEHOLD ENDORSEMENTS: The Leasehold Owner's and Leasehold Loan Endorsements ~~[may]shall~~ be attached to Owner's Policies and Loan Policies to insure leasehold estates ~~[as an alternative to the printing or use of Leasehold Owner's Policies and Leasehold Loan Policies. This regulation grants]~~ and shall provide the same options to the Insurer and agent as are provided in 13.14.8.8 NMAC.
[6-16-86; 13.14.8.9 NMAC - Rn, 13 NMAC 14.8.9, 5-15-00; A, 3-1-02]

13.14.8.16 RESTRICTIONS, ENCROACHMENTS, AND MINERALS ENDORSEMENTS:

A. Upon being furnished with a satisfactory survey, and where the underwriter determines the risk to be acceptable~~[;]~~:

(1) NM Form 50, ~~[the]~~ Restrictions, Encroachments and Minerals Endorsement, ~~[NM Form 50,]~~ may be attached only to a loan policy but shall not be issued where the intended use of the property is 1-4 Family Residential;

(2) NM Form 56, Restrictions, Encroachments and Minerals Endorsement-Unimproved Land, may be attached only to an owner's policy covering unimproved land; and

(3) NM Form 57, Restrictions, Encroachments and Minerals Endorsement-Improved Land, may be attached only to an owner's policy covering improved land.

B. ~~[This]~~Each endorsement is to be issued only in conjunction with or following:

(1) the issuance of survey coverage, as authorized by 13.14.6.14 or 13.14.7.13 NMAC; ~~[-and only in conjunction with or following]~~

(2) the modification of Standard Exception 7~~[;]~~; and

(3) the mention in a special exception of any applicable patent and acts authorizing the issuance thereof, as authorized by paragraph 7 of subsection A of 13.14.5.9 NMAC.

C. The coverage relating to minerals provided under paragraph 3(b) of NM Form 50, paragraph 2 of NM Form 56, or paragraph 2(b) of NM Form 57, as appropriate ~~[the endorsement]~~ shall not be issued where minerals have been severed, unless there has been a waiver of the right of entry or surface usage of the mineral reservation.

D. The coverage provided by any part of ~~[the]~~each endorsement may be deleted ~~[(a)]~~ but may not be increased by:

(1) crossing out the part on the form of endorsement~~[;]~~; ~~[(b) by]~~

(2) retyping the form leaving out the part~~[;]~~; or ~~[(c) by]~~

(3) special endorsement. ~~[Coverage under the endorsement may not be increased by any such change.]~~

E. ~~[This]~~Each endorsement may be issued only upon the written authorization of the underwriter. The issuing agent shall retain such written authorization of the underwriter for a period of not less than two years following ~~[the]~~ issuance of the endorsement. ~~[This endorsement shall not be issued where the intended use of the property is 1-4 Family Residential.]~~

[6-1-98; 13.14.8.16 NMAC - Rn, 13 NMAC 14.8.16, 5-15-00; A, 3-1-02]