

**OLD REPUBLIC National Title Insurance Company**  
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**Houston, Texas 77056-3203**  
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**Home Office: Minneapolis, Minnesota 55401-2499**

**BULLETIN 0001**

**TO:** All Agents and Attorneys in the State of New Mexico  
**FROM:** David W. Rhodes  
**DATE:** April 17, 2000  
**Subject:** Results of the 1999 Annual Title Insurance Hearing

The New Mexico Superintendent of Insurance has issued a Final Order for the 1999 Title Insurance Hearing that affects the title insurance industry in a number of ways.

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**Insurance Fraud Fund Assessment**

Despite vigorous opposition by the New Mexico Land Title Association, the Superintendent accepted a proposal to tax title insurers at the same rate as all other types of insurers. This rate will be .000120 times the amount of New Mexico gross premiums written but not less than \$200.00.

This assessment applies to title insurers only.

**New Mexico Form 51 - Land Abuts Street Endorsement**

This new endorsement insures that the insured property has access to and from a particular street. It may be issued for either an Owner's policy or a Loan policy. The premium for this endorsement is \$32.00.

The endorsement may not be issued on a policy that insures residential property of 4 or fewer dwelling units so it cannot be issued on your typical 1-4 family property. You should require that the person requesting the endorsement specify what street the property abuts.

This endorsement should not be issued unless the abutting street is a State or County Road or a Street that has been properly dedicated to the public on a subdivision plat and accepted by the City or County. Private roadways are probably not insurable.

A copy of the Endorsement form is attached.

### **New Mexico 52 - Designation of Improvements, Address Endorsement**

This endorsement is restricted to Loan policies where you have a recent survey. This endorsement insures against loss or damage to a lender because the improvements are not located on the land insured in the policy. This endorsement may not be issued as to residential loan policies on 1-4 family dwelling units. The fee for this endorsement is \$32.00.

This endorsement requires that the issuing agent insert a general description of the improvements in the first blank and the street address of the insured property on which the improvements are located in the second blank. A recent survey showing the endorsements **must** be in your file. The survey should also contain the street address of the property.

A copy of the form of this Endorsement is attached.

### **New Mexico Form 53-Same As Survey Endorsement**

This Endorsement applies to Owner's policies only where a Survey coverage is being provided and the appropriate premium for this coverage has been paid. The Endorsement may not be attached to policies insuring 1-4 family residential units. The Endorsement insures that the property described in Schedule A of the policy is the same property shown on a recent survey attached to that policy. The charge for this endorsement is \$32.00

You must have an acceptable recent survey and a copy of the survey must be attached to the endorsement. Note that you must have amended the survey exception in the Owner's policy and collected the premium for same.

A copy of the endorsement form is attached.

### **New Mexico Form Contiguity of Parcels Endorsement**

This new endorsement form applies to both Owners' policies and Loan policies and insures that the land insured in Schedule A of the policy is contiguous to property already owned by the purchaser.

Owner's policy requirement-the insured owner must have an interest (fee, leasehold or easement) in all parcels referred to in the endorsement.

Loan policy requirement - the insured lender must have a mortgage lien securing an interest in all parcels referred to in the endorsement.

This endorsement is designed for commercial property and may not be issued on policies insuring 1-4 family residential units. The premium for this endorsement is \$100.00.

The endorsement only insures ownership and that the parcels are contiguous to each other and the issuing agent is required to describe the contiguous parcels in the endorsement. The endorsement language requires this description to be a legal description or by reference to a recorded instrument; a street address may not be used. The issuing agent will need to check ownership of the contiguous parcels to attach the endorsement to an Owner's policy. An endorsement to a loan policy requires a check to determine if the insured lender has a lien on all the parcels described in Schedule A of the policy and in the endorsement.

### **Recent Survey**

The definition of recent survey was amended by adding, language in the Regulations as follows:

"25.4.3 for improved land, the term also includes the most recent survey made which shows the improvements on the land."

### **New Rate for deletion of Standard Exception 6**

The Superintendent also changed the charge of deleting the Navigable Streams, Lakes, Etc. - Standard Exception 6 to \$32.00.

### **Rate Decrease**

There has been a reduction in the rates to be charged for original Owner's policies of 5%. The fixed fees and other title insurance premium rates were not changed.

### **Split Change**

The Superintendent also reduced the current agent retention rate from 80% to 78%.

The new rates and new forms are all effective May 1, 2000.

1999 ANNUAL TITLE INSURANCE HEARING  
DOCKET 99-179-IN

Submitted by: Sue Ackleson, President  
On behalf of: New Mexico Land Title Association  
Address: 2601 Louisiana Blvd., N.E.,  
Albuquerque NM 87110  
Telephone No. (888) 65NMLTA (505) 883-2683 Fax (505) 872-3759

PROPOSAL TO AD NEW RULE 13 NMAC 14.8.17

**13 NMAC 14.8.17 "LAND ABUTS STREET" ENDORSEMENT** A "Land Abuts Street" Endorsement, NM Form 51, may be attached to Owner's Policies and Loan Policies only issued in connection with commercial transactions (non-one-to-four family dwellings) and provided the premium in 13 NMAC 14. 10. \_\_\_\_ is paid. Each Insurer shall establish written instructions and underwriting standards concerning the use of this endorsement.

JUSTIFICATION

This Endorsement provides coverage to Commercial lenders and buyers that the insured property has access to a particular street. This is one of many endorsements that consumers frequently request from agents and direct operations, but are refused, in part, because they are not a promulgated form.

ENDORSEMENT  
Attached to Policy No.  
Issued by  
BLANK TITLE INSURANCE COMPANY

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the, land to abut upon a physically open street known as (insert name of street)

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

BLANK TITLE INSURANCE COMPANY

Dated:

By: \_\_\_\_\_

CLTA Form 103.7 (Rev. 6-14-96)  
ALTA or CLTA - Owner or Lender

1999 ANNUAL TITLE INSURANCE HEARING  
DOCKET 99-179-IN

Submitted by., Sue Ackleson, President  
On behalf of, New Mexico Land Title Association  
Address: 2601 Louisiana Blvd., N.E.,  
Albuquerque, NM 87110  
Telephone No. (888) 65NMLTA (505) 883-2683 Fax (505) 872-3759

PROPOSAL TO ADD NEW RULE 13 NMAC 14.8.18

13 NMAC 14.8.19 "DESIGNATION OF IMPROVEMENTS, ADDRESS" ENDORSEMENT.  
The "Designation of Improvements, Address" Endorsement, NM Form 52, may be attached to Loan Policies only issued in connection with commercial transactions; (non-one-to-four family dwellings), provided a recent survey is furnished and provided the premium in 13 NMAC 14.10.\_\_\_\_ is paid. Each Insurer shall establish written instructions and underwriting standards concerning the use of this endorsement.

JUSTIFICATION

This Endorsement provides coverage to commercial lenders by generally describing the improvements that exist on an insured property. This endorsement is frequently requested by commercial leader's counsel and refusal by agents and direct operations is often a result of it's not being a promulgated form.

ENDORSEMENT  
Attached to Policy No.  
Issued by  
BLANK TITLE INSURANCE COMPANY

The Company hereby insures the owner of the indebtedness secured by the insured mortgage against loss or damage which the insured shall sustain by reason of the failure of a (description of improvement e.g. "single residence") known as (street address), to be located on the land at Date of Policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

BLANK TITLE INSURANCE COMPANY

Dated: \_

By: \_\_\_\_\_

1999 ANNUAL TITLE INSURANCE HEARING  
DOCKET 99-179-IN

Submitted by: Sue Ackleson, President  
On behalf of: New Mexico Land Title Association  
Address: 2601 Louisiana Blvd., N.E.,  
Albuquerque NM 87110  
Telephone No. (888) 65NMLTA (505) 883-2683 Fax (505) 872-3759

PROPOSAL TO ADD NEW RULE 13 NMAC 14.8.19

13 NMAC 14.8-19 "SAME AS SURVEY" ENDORSEMENT, The "Same As Survey" Endorsement, NM Form 53, may be attached only to Owner's Policies issued in connection with commercial transactions (non-one-to-four family dwellings), provided the Policy is being endorsed to furnish survey coverage pursuant to 13 NMAC 14.6.14, and provided the premium in 13 NMAC 14.10. \_\_\_ is paid. Each Insurer shall establish written instructions and underwriting standards concerning the use of this endorsement.

JUSTIFICATION

This Endorsement provides coverage to Commercial buyers that the property described in Schedule A in the policy is the same property delineated by a recent survey that is attached to the policy. This endorsement is frequently requested and often refused, in part, because it is not a promulgated form.

ENDORSEMENT  
Attached to Policy No.  
Issued by  
BLANK TITLE INSURANCE COMPANY

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the land to be the same as that delineated on the plat of a survey made by \_\_\_\_\_ on \_\_\_\_\_, designated Job No. \_\_\_\_\_, a copy of which is attached hereto and made a part of hereof.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior, endorsements thereto. Except to the extent expressly stated, is neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

BLANK TITLE INSURANCE COMPANY

Dated:

By \_\_\_\_\_

1999 ANNUAL TITLE INSURANCE: HEARING  
DOCKET 99-179-IN

Submitted by: Sue Ackleson, President  
On behalf of- New Mexico Land Title Association"  
Address: 2601 Louisiana Blvd, N.E.,  
Albuquerque NM 87110  
Telephone No. (888) 65NMLTA, (SW M-2683 Fax (505) 877,37!9

PROPOSAL TO ADD NEW RULE 13 NMAC 14.8.20

13 NMAC 14.8.20 "CONTIGUITY OF PARCELS" ENDORSEMENT. The "Contiguity of Parcels" Endorsement, NM Form 54, may be attached only to Lender's Policies and Owner's Policies issued in connection with commercial transactions (non-one to four family dwellings), provided the premium in 13 NMAC 14.0.\_ is paid. Each Insurer shall establish written instructions and underwriting standards; concerning the use of this endorsement. The issuance of this endorsement is further subject to the: following requirements.

13 NMAC 14.8.20.1 For owner's policies, the insured owner must have vested interest in the all parcels referred to in the endorsement.

13 NMAC 14.8. 20.2 For Loan Policies the insured lender must have a mortgage lien that secures an interest in all parcels referred to in the endorsement,

JUSTIFICATION

This Endorsement provides coverage to Commercial buyers and lenders that the insured land is contiguous to property already owned by the purchaser, where the new, property is intended to be used in connection with the land already owned by the purchaser. If a third party owns a strip of land between the two, the purpose of the purchase of the insured property could be frustrated., This is one of many endorsements that agents and direct operations are frequently requested to issue, but are unable to because it is not a promulgated form.

CLTA Form 116.4 (Rev. 6-14-9Q)  
ALTA or CLTA - Owner or Lender

Contiguity of Parcels

ENDORSEMENT  
Attached to Policy No.  
Issued by  
BLANK TITLE INSURANCE COMPANY

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the I and described in Schedule \_\_\_\_ to be contiguous to.

This endorsement. is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the term and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

BLANK TITLE INSURANCE COMPANY

Dated:

By\_\_\_\_\_

Describe land contiguous to subject land by legal description or by reference to a recorded instrument.

CLTA Form 1116.4 (Rev. 6-14-96)  
ALTA or CLTA - Owner or Lender