

This is an amendment to 13.4.5 NMAC, Section 10 effective 7/16/2024.

13.14.5.10 STANDARD EXCEPTIONS IN SCHEDULE B:

- A.** All commitments shall contain each of the following exceptions in the order stated herein.
- (1) Rights or claims of parties in possession not shown by the public records.
 - (2) Easements, or claims of easements, not shown by the public records.
 - (3) Encroachments, overlaps, conflicts in boundary lines, or other matter which would be disclosed by an accurate survey and inspection of the premises.
 - (4) Any lien, claim or right to a lien, for services, labor or materiel heretofore or hereafter furnished, imposed by law and not shown by the public records.
 - (5) Community property, survivorship, or homestead rights, if any, of any spouse of the insured (or vestee in a leasehold or loan policy).
 - (6) Water rights, claims or title to water.
 - (7) Taxes for the year _____, and thereafter. (See 13.14.5.12 NMAC)
 - (8) Defects, liens, encumbrances, adverse claims or other matters, if any, created first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.
- B.** Additionally, each commitment may contain the following statement when said commitment is issued to commit for both an owner's policy and a loan policy or a loan policy only: "Exceptions _____ will not appear in the loan policy but will appear in the owner's policy, if any."
- C.** If the commitment is for a loan policy containing a two-year claims made limitation, the following statement must be added: "The loan policy containing a two-year claims made limitation will contain an exception limiting its coverage to two years duration."
- D.** Each commitment shall contain the following statement: "Standard exceptions 1, 2, 3, and or 4, may be deleted from a policy upon compliance with all provisions of the applicable rules, upon payment of all additional premiums required by the applicable rules, upon receipt of the required documents and upon compliance with the company's underwriting standards for each such deletion."
- E.** Standard exception 5 may be deleted from the policy if the named insured in the case of an owner's policy, or the vestee, in the case of a leasehold or loan policy, is a corporation, a partnership, or other artificial entity, or a person holding title as trustee."

[13.14.5.10 NMAC – Rp, 13.14.5.9 NMAC, 1/1/2021; A/E, 1/24/2024, N, 07/16/2024]