

New Mexico FAIR Plan — Consumer Guide

Updated: January 27, 2026

If you cannot get property insurance from a regular insurance company, the New Mexico Property Insurance Program—also called the NM FAIR Plan—may be able to help. It is a market of last resort for eligible New Mexico properties.

At a glance

What it is: Basic property coverage when you cannot get coverage in the normal market.

How to apply: A licensed insurance producer submits your application.

Important: Coverage is limited and generally based on **Actual Cash Value** (not replacement cost).

Who the FAIR Plan is for

- Your property is in New Mexico.
- You (or your lender) have an insurable interest in the property.
- You were denied coverage in the voluntary (regular) insurance market.
- You meet Fair Plan eligibility and underwriting requirements.

Vacant property: FAIR Plan does not allow vacant property to be written.

What coverage does it provide?

Fair Plan provides limited property coverage. The program's eligibility standards state that no broader coverage than **fire**, **extended coverage**, and **vandalism/malicious mischief** will be provided.

- Fire (including lightning and internal explosion)
- Extended coverage perils such as windstorm/hail, explosion, riot/civil commotion, aircraft, vehicles, smoke, volcanic eruption
- Vandalism / malicious mischief

The FAIR Plan guidelines state: No replacement cost insurance will be provided, and property is not insured for more than its actual cash value.

Coverage limits (maximum amounts)

Limits can depend on your fire protection class (Protection Class 1–7 vs. 8–10). Below are common maximum limits shown in the FAIR Plan published guidelines.

Policy type	Protection Class 1–7	Protection Class 8–10
Residential (1–4 family dwellings)	\$750,000	\$500,000
Commercial (fire-resistive / masonry / frame)	\$2,000,000	\$2,000,000

Commercial total cap: Fair Plan guidelines also note a \$5 million total coverage limit per policy for commercial policies.

How to apply (step-by-step)

- 1 **Try the normal market first.** The Fair Plan eligibility requires that you were denied coverage in the voluntary insurance market.
- 2 **Work with a licensed insurance producer.** The Fair Plan states that all new business applications must be submitted by a licensed producer.
- 3 **Complete the application.** Your producer submits the application and required documents.
- 4 **Submit the Insured and Producer Affidavit.** Effective 11/4/2025, The Fair Plan requires an affidavit at application and again at renewal confirming a declination from the voluntary market.
- 5 **Address hazardous conditions, if required.** If the initial inspection identifies hazardous conditions, they must be corrected before policy issuance.
- 6 **Pay the premium.** Coverage is issued after underwriting requirements are met and the required premium is received.

Special situations

Active wildfire or Moratorium: The Fair Plan states it will not accept new business for a property within 50 miles of an active fire. Once the fire is at least 90% contained, the application may be re-submitted.

Liability: The Fair Plan FAQ states the program does not offer premises liability coverage and liability cannot be added for an additional fee.

Frequently Asked Questions (FAQ)

Is this full homeowners insurance?

No. The Fair Plan is designed as a market of last resort and provides limited property coverage (fire, extended coverage, and vandalism/malicious mischief).

Do I need a licensed producer to apply?

Yes. The Fair Plan states that all new business applications must be submitted by a licensed producer.

Need to verify if your Producer is licensed?

Click [here](#) to check.

You will need to use the following criteria to search

- “Jurisdiction” = New Mexico
- “Search Type” = Licensee
- “Entity Type” = Individual

What do I need to prove I tried the normal market?

NMPIP requires a denial in the voluntary market. Effective 11/4/2025, NMPIP requires an insured and producer affidavit at application and again at renewal confirming a declination.

Does The Fair Plan cover replacement cost?

NMPIP’s published requirements state that no replacement cost insurance will be provided and coverage is based on actual cash value.

Does The Fair Plan cover liability?

No. The Fair Plan does not offer premises liability and liability cannot be added to the policy.

Will The Fair Plan write coverage during an active wildfire?

No. The Fair Plan will not accept an application for new business within 50 miles of an active fire. When the fire is at least 90% contained, the application may be re-submitted.

Are vacant properties eligible?

No, the Fair Plan does not allow for coverage of a vacant property. Eligibility standards also include a detailed definition of vacancy (including buildings with no tenant for more than 60 days).

How do I file a claim?

You should notify your producer, who forwards the claim information. If you cannot reach your producer, you may contact Fair Plan at their website <https://www.nmpropertyinsurance.com/contact-us> .

Contact

New Mexico Property Insurance Program

7601 Jefferson St. NE, Ste. 380, Albuquerque, NM 87109

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<https://www.nmpropertyinsurance.com/contact-us>

Sources (public)

- Fair Plan Home (affidavit notice, program overview): <https://www.nmpropertyinsurance.com/>
- Fair Plan Requirements (ACV, no replacement cost, coverage limits):
<https://www.nmpropertyinsurance.com/underwriting-guidelines/requirements>
- Fair Plan Eligibility Standards (declination + affidavit, vacancy definition):
<https://www.nmpropertyinsurance.com/underwriting-guidelines/eligibility-standards>
- Fair Plan FAQs (vacancy, active wildfire rule, liability): <https://www.nmpropertyinsurance.com/faqs>
- NM OSI Bulletin 2025-004 (residential property limits): <https://www.osi.state.nm.us/en/news/bulletin-2025-004/>
- NM Legislature handout (NMPIP FAIR Plan perils, ACV forms):
<https://www.nmlegis.gov/handouts/WNR%20070125%20Item%209%20NMPIP%20FAIR%20Plan.pdf>