



## DIMINISHED VALUE CLAIMS: **NORTH DAKOTA**

### **SUMMARY** North Dakota Claims

**Statute of Limitations:** 6 years

**Third Party Diminished Value Claim:** No

**First Party Diminished Value Claim:** No, most insurance policies will exclude diminished value

**North Dakota Property Damage  
Minimum Limits:** \$25,000 in coverage

**Uninsured Motorist Coverage for  
Diminished Value:** No coverage

**Underinsured Motorist Coverage for  
Diminished Value:** No coverage

**North Dakota Small Claims Court Limit:**  
\$15,000, Not appealable.

Currently, North Dakota code N.D.C.C. § 32-03-091. prohibits diminished value compensation. Accident victims in North Dakota are limited to the cost of repairs and loss of use.

#### **NORTH DAKOTA DIMINISHED VALUE LAW**

North Dakota is not a diminished value recovery state.  
N.D.C.C. § 32-03-091.

[¶ 8] Section 32-03-091, N.D.C.C., states:

The measure of damages for injury to property caused by the breach of an obligation not arising from contract, ... is presumed to be the reasonable cost of repairs necessary to restore the property to the condition it was in immediately before the injury was inflicted and the reasonable value of the loss of use pending restoration of the property, unless restoration of the property within a reasonable period of time is impossible or impracticable, in which case the measure of damages is presumed to be the difference between the market value of the property immediately before and immediately after the injury and the reasonable value of the loss of use pending replacement of the property.

Restoration of the property shall be deemed impracticable when the reasonable cost of necessary repairs and the reasonable value of the loss of use pending restoration is greater than the amount by which the market value of the property has been diminished because of the injury and the reasonable value of the loss of use pending replacement.

Court case against diminished value compensation:

Sullivan v. Pulkrabek, 611 N.W.2d 162, 2000 ND 107 (2000)

May 25, 2000 · North Dakota Supreme Court · No. 20000017

Because Sullivan has already, chosen to receive the cost of repair over the diminution in value, he has received the full measure of damages under § 32-03-091. The statute also allows for recovery for loss of use.