

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

HOUSE BILL NO. 1401
(Representatives Warrey, Longmuir, Mitskog, Motschenbacher, Schneider, Stemen)
(Senators Axtman, Davison, Thomas)

AN ACT to amend and reenact section 40-11-04.2 of the North Dakota Century Code, relating to the transfer of real property by exclusive and nonexclusive listing agreements.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 40-11-04.2 of the North Dakota Century Code is amended and reenacted as follows:

40-11-04.2. Transfer of real property by exclusive and nonexclusive listing agreements.

1. As an alternative to the procedure established under section 40-11-04.1, the governing body of a city may by resolution describe:
 - a. Describe the real property of the city which is to be sold; provide
 - b. Provide a maximum rate of fee, compensation, or commission; and provide
 - c. Provide that the city reserves the right to reject any and all offers determined to be insufficient.
2. After adoption of the resolution, and publication of the resolution on the city website for at least fourteen days, if the city maintains a website, the governing body of a city may engage licensed real estate brokers to attempt to sell the described property by way of nonexclusive listing agreements or by way of an exclusive listing agreement if the real estate broker is selected through a competitive process.
3. A proposal from a licensed real estate broker to enter an exclusive listing agreement with the governing body of a city must be based on the:
 - a. Experience of the licensed real estate broker;
 - b. Experience of the licensed real estate broker selling similar property;
 - c. Marketing strategy the licensed real estate broker intends to use; and
 - d. Rate of fee, compensation, or commission the licensed real estate broker intends to accept.
4. In the negotiation of a purchase agreement with a buyer represented by a real estate broker, the governing body of a city may agree to pay compensation to the buyer's real estate broker. In the negotiation of a listing agreement, the governing body of a city shall consider the financial impact of paying compensation to the buyer's real estate broker on the total fees, compensation, or commission that may become payable by the city.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1401.

House Vote: Yeas 89 Nays 0 Absent 5

Senate Vote: Yeas 44 Nays 0 Absent 3

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State