



Attorney General Doug Peterson

News Release

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Nebraska Attorney General Peterson Reaches Settlement with Omaha Builder

Celebrity Homes, Inc. to pay \$15,000 to settle Consumer Review Fairness Act claims

LINCOLN — Attorney General Doug Peterson announced today that his office has reached a settlement with Celebrity Homes, Inc. (“Celebrity Homes”), an Omaha homebuilder, to resolve allegations that the company violated the Nebraska Consumer Protection Act and the Consumer Review Fairness Act (CRFA). The CRFA is a federal statute which prohibits businesses from using form contract provisions to prohibit consumers from writing or posting negative reviews online, or threatening the consumers with legal action if they do. According to the Attorney General, Celebrity Homes used non-disparagement provisions in their contracts to sell and construct custom homes for consumers.

“In today’s information age, it is increasingly common for consumers to rely on customer reviews and ratings to compare merchants, which makes it critically important that all consumers be allowed to share their honest opinions. This company used non-disparagement clauses in its form contracts to discourage their customers from posting honest but negative feedback online,” said Attorney General Peterson. “These contract provisions are illegal, and companies that use them will be held accountable.”

Under the terms of the settlement, Celebrity Homes is prohibited from using contract terms that violate the Consumer Review Fairness Act. In addition, the settlement requires the company to notify customers whose contracts contained these illegal clauses that the provisions are void and cannot be enforced. Those customers can publish honest reviews on any social media or internet platform, even if their comments are negative.

Finally, the company has agreed to pay \$15,000 to the Attorney General’s Office.

Click [here](#) for a copy of the complaint and [here](#) for a copy of the settlement.

To obtain information about how to protect yourself as a consumer, file a consumer complaint, or report a scam, please visit the Nebraska Attorney General's Office, Consumer Protection Division website at www.protectthegoodlife.nebraska.gov or call (800) 727-6432.