

**IN THE DISTRICT COURT
OF DAKOTA COUNTY, NEBRASKA**

STATE OF NEBRASKA, ex rel.
MICHAEL T. HILGERS,
ATTORNEY GENERAL,

Plaintiff,

v.

FIRST STREET TECHNOLOGY,
INC.,

Defendant.

Case No. CI 26 - _____

COMPLAINT

COMES NOW, the State of Nebraska, ex rel. Michael T. Hilgers, Attorney General, and in support of the Complaint states the following:

INTRODUCTION

1. First Street Technology, Inc. (“First Street”) passes off inflated and inherently speculative predictions about every Nebraska property’s flood risk as concrete, objective facts. But they are not. First Street does not disclose that its predictions are significantly higher than historical claims data and predictions made by other models. First Street does not disclose that its models fail to consider certain mitigating factors Nebraskans take to protect their property, and that there is no meaningful way for Nebraskans to dispute First Street’s findings. The result is catastrophic to Nebraska homeowners—once a Nebraska property has been labeled a climate risk by First Street, Nebraskans face an unexpected and unsolicited burden in selling their property for full value.

2. Prospective home buyers see First Street's Risk Factor scores through real estate portals like Zillow and Redfin. First Street provides those scores without the benefit of material qualifying information about their limitations and uncertainty, all while claiming that it is being "transparent." As a result, Nebraskan homeowners have been unable to sell their homes or have had to accept significantly reduced offers for their homes because prospective home buyers are spooked by First Street's speculative scores.

3. In addition to being inherently speculative, First Street's scores are frequently based on objectively inaccurate facts about a particular property's characteristics. And First Street's expressly stated policy is to refuse to consider consumer complaints regarding such inaccuracies. As a result, First Street's errors go uncorrected, causing significant financial harm to the maligned homeowner whose property has been defamed. In some of the rare instances in which First Street does address an inaccuracy, First Street may direct a homeowner to First Street's underlying data, which First Street either withholds as proprietary or hides behind a paywall.

4. First Street knows its scores are speculative, inflated, and frequently inaccurate. Indeed, scientific studies have demonstrated precisely those faults. First Street has largely failed to respond to scientific criticisms of its prediction models, and regardless, does not disclose those concerns to consumers. Industry has taken notice, with some companies like Zillow, reducing their reliance on First Street's scores and removing those scores from real estate listings.

5. Everyone agrees that careful and sensible risk prediction is a worthwhile endeavor for multiple industries, including the real estate and insurance industries. But First Street's for-profit business model does not yield careful or sensible results. Instead, First Street's predictions are a scare tactic that drum up additional business for First Street while destroying the value of many Nebraskans' most important asset: their home.

6. The State of Nebraska, ex rel. Michael T. Hilgers, Nebraska Attorney General, by and through the undersigned attorneys (hereinafter “Attorney General” or “State of Nebraska”), brings this action against First Street, to address an ongoing pattern of deceptive, unfair, and unlawful business practices by First Street that has left Nebraskans unable to sell their homes or has forced them to sell at a discounted price. The State of Nebraska seeks to obtain injunctive relief, the refund of monies paid, civil penalties, and other equitable relief to address First Street’s violations of the Consumer Protection Act, Neb. Rev. Stat. § 59-1601 et seq. (“CPA”) and the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-301 et seq. (“UDTPA”).

FACTUAL BACKGROUND

7. Nebraskan home buyers have relied on First Street’s climate risk financial models to inform their decision on whether to buy a particular home. In many instances, however, First Street’s models provide faulty information. As a result, First Street’s models have misled home buyers into thinking that, because of climate change, a particular home is a riskier purchase than it actually is. In turn, many Nebraskan homeowners have been unable to sell their homes or have had to sell their homes at reduced prices because of First Street’s risk scores.

8. Nonetheless, First Street holds out its financial models as “validated” because, as First Street represents, the models are “reviewed, transparent, and against real-world events.”¹ However, in many instances the models are based on faulty assumptions about a particular property, which causes the model to provide false information. In other instances, the models are based on fundamentally flawed assumptions about the likelihood of a particular event occurring, like a flood or fire. And comparison against “real-world events” shows that many of First Street’s projections are wildly

¹ <https://tinyurl.com/ypunf988>

high.

9. To be clear, the State understands prediction models inherently will include error and does not seek to impose on First Street a duty of absolute accuracy. Rather, First Street’s conduct rises to the level of unlawfulness by inducing consumer reliance on fundamentally flawed prediction models without communicating such limitations.

10. Home buyers have relied on this false information when making purchasing decisions. For example, Zillow, a major real estate site, directs home buyers to First Street’s website to “[e]xplore flood, wildfire, and other predictive climate risk information for this property.”

The screenshot displays a Zillow property page for a home in the South Salt Creek neighborhood. The page is divided into several sections providing key insights for potential buyers:

- Down payment assistance:** A section stating that a program may be available to provide up to 5% of the purchase price in down payment assistance, depending on specific information. A "Check eligibility" button is provided.
- Climate risks:** A section titled "Explore flood, wildfire, and other predictive climate risk information for this property on First Street®." It includes a "Flood zone" section indicating the property is in FEMA Zone X (unshaded), a minimal-risk flood area.
- Neighborhood: South Salt Creek:** A map view showing the property's location within the neighborhood, with surrounding streets and other properties visible.
- Getting around:** A section with three scores: Walk Score® (72 / 100, Very Walkable), Transit Score® (27 / 100, Some Transit), and Bike Score® (91 / 100, Biker's Paradise).
- Nearby schools:** A section showing the GreatSchools rating (4/10) for Everett Elementary School (Grades PK-5, Distance: 0.4 mi) and a list of schools provided by the listing agent: Elementary: Everett, Middle: Irving, and High: Lincoln High.

11. Prospective home buyers who follow Zillow’s link to First Street’s website arrive at a page offering “key insights for this

property.”² Those key insights include a score from one to ten on “flood factor,” “fire factor,” “wind factor,” “air factor,” and “heat factor.” Though First Street teases its product by providing these base line numerical scores to home buyers for free, additional, critical information on each of those factors is hidden behind a paywall.

12. In addition to these numerical scores, First Street’s “key insights” may include qualitative claims about the property. For one Omaha property, for example, First Street claims that “[t]here are facilities near this property that release toxic pollution into the air” and that “[r]esidents of this property breathe worse air quality than others.”³ Despite these claims, First Street rates the property as just a two out of ten on its “air factor” scale, which First Street classifies as “minor.” Any additional information about these inherently contradictory claims is hidden behind the paywall. Thus, a prospective home buyer is forced to either take First Street at its word, even where that word is facially contradictory, or provide additional personal information and potentially payment to learn the basis of First Street’s claims about the property. And even then, First Street may withhold material underlying data as proprietary.

13. Homeowners are without meaningful recourse if First Street has misrepresented the risks of their property or has publicized inaccurate information about their property. In fact, it is First Street’s *express policy* to deprive homeowners of any recourse for First Street’s misrepresentations.⁴

14. On its “Disputing Property Scores” page, First Street claims that it is “committed to providing accurate and reliable information” through its scores, and that it “understand[s] the importance of this data to homeowners and realtors alike.” Indeed, First Street “acknowledge[s] that homeowners and realtors may occasionally have concerns or questions about their Climate Factor

² <https://tinyurl.com/49axhynu>.

³ <https://tinyurl.com/49axhynu>.

⁴ <https://tinyurl.com/4uh9srsww>.

scores.” Nonetheless, “[a]s a rule” First Street does “not update Factor scores based on individual requests or disputes.” Thus, a homeowner whose property has inaccurately been maligned by First Street’s representations “should not expect a personalized response” to any attempt to dispute First Street’s information.

15. As a result, homeowners who are selling their home may be forced to take a lower price, or wait longer for offers that may never come, all because First Street is unwilling to correct the risk scores for their property.

16. Instead of providing homeowners with an avenue to request a correction to inaccurate information, homeowners whose property information and risks have been misrepresented are directed back to the *misrepresentations themselves*. First Street’s Disputing Property Scores page directs consumers who believe their scores are inaccurate to “explore the detailed information provided with the score, which outlines the factors contributing to the assessment.” According to First Street, this circular exercise “can help provide clarity on how the score is calculated and why it may have been assigned to your property.” But the “detailed information” that may provide the promised “clarity” is hidden behind a paywall, meaning First Street’s advice to a homeowner seeking to correct an inaccuracy is first to *make a payment to First Street* in order to learn more about the inaccuracy. This business practice is unjustified exaction, and in any event, belies First Street’s claims that it is “dedicated to providing reliable data” and that its results are “accurate” and “transparent.”

17. First Street’s inaccurate information, as well as its unwillingness to even consider the possibility that certain information may be inaccurate, causes immediate financial harm to Nebraska’s property owners. Indeed, numerous homeowners have complained about objectively inaccurate and facially implausible claims, which have gone uncorrected and unaddressed by First Street.

18. First Street’s financial models suffer from other, more global defects. As studies have shown, First Street’s models predict

significantly higher probabilities for loss events, as well as damage resulting from those loss events, than other climate models do. First Street's models also predict significantly higher probabilities for loss events than historical claims data can support, even though First Street's Founder and CEO has stated that historical measures are the best means of validating a climate model. First Street does not disclose these discrepancies, nor does First Street disclose the inherently uncertain nature of such predictions, to prospective home buyers. These unfair and deceptive trade practices are unlawful.

19. The Nebraska Attorney General is responsible for enforcement of the CPA and UDTPA. Neb. Rev. Stat. §§ 59-1608, 87-303.05.

20. The Attorney General has cause to believe that First Street has violated and continues to violate the CPA and UDTPA. The Attorney General brings this action in the public interest because First Street has deceived, misled, and caused financial harm to Nebraska homeowners.

PUBLIC INTEREST

21. The Attorney General believes this action to be in the public interest of the citizens of the State of Nebraska and brings this lawsuit pursuant to the CPA and UDTPA, and his statutory and common law authority, powers, and duties.

PARTIES

22. The State of Nebraska, by and through its Attorney General and on behalf of all of Nebraska's citizens and consumers, is the Plaintiff in this action.

23. The Attorney General of Nebraska is Nebraska's Chief Law Enforcement Officer. The Attorney General is expressly authorized to enforce Nebraska's consumer protection laws, including both the CPA and UDTPA. Neb. Rev. Stat. § 59-1608(1); 87-303.05(1).

24. In addition to his express statutory authority, the

Attorney General has standing to bring a legal action in the name of the State when the object of that action is a suit to vindicate the public interest. *See State ex rel. Meyer v. Peters*, 188 Neb. 817, 819-21, 199 N.W.2d 738, 739-41 (1972); *State v. Pacific Express Co.*, Neb. 823, 115 N.W. 619, 620-23 (1908).

25. First Street is a public benefit corporation with its principal place of business in New York, New York. First Street does business in the state of Nebraska, including using its models to provide climate risk scores for all Nebraska properties and marketing those scores to real estate sites that display them to prospective home buyers in Nebraska.

JURISDICTION AND VENUE

26. This Court has jurisdiction over the subject matter of this action pursuant to Neb. Rev. Stat. §§ 24-302, 59-1608 and 87.303.05(1) because First Street has transacted business within the State of Nebraska at all times relevant to this Complaint.

27. Personal jurisdiction is proper under Nebraska's long-arm statute, Neb. Rev. Stat. § 25-536.

28. Specifically, this Court has personal jurisdiction over First Street because First Street has conducted business in Nebraska and the conduct and injuries from which the claims in this Complaint arise took place in Nebraska and affect Nebraska properties.

29. By purposefully researching, scoring, and publishing their findings, First Street has intentionally created substantial connections with Nebraska. First Street intended its services to be used in Nebraska, and therefore none of these connections are random, fortuitous, or attenuated.

30. Venue for this action properly lies in the District Court of Dakota County pursuant to Neb. Rev. Stat. §§ 59-1608.01 and 87-303.05(1). Venue is also proper in Dakota County because injury has occurred in Dakota County as a result of First Street's conduct.

FACTS

31. The State of Nebraska re-alleges and expressly incorporates by reference all facts set forth in the preceding paragraphs as though fully set forth here.

A. First Street's Transition from a Non-Profit to a For-Profit Enterprise

32. First Street started out as the First Street Foundation (the "Foundation"), a non-profit entity dedicated to climate change advocacy.

33. The Foundation publicly billed itself as a neutral research organization seeking to make "climate risk accessible, understandable, and actionable."

34. The Foundation was funded by major climate change activist groups, including the 2040 Foundation, the High Tide Foundation, and the Grantham Foundation.⁵

35. The Foundation's purportedly neutral non-profit mission quickly developed into a for-profit enterprise. Before transitioning to a for-profit model, the Foundation began developing proprietary databases and models, building licensing infrastructure, and entering into paid agreements with real estate platforms, insurers, banks, and asset managers.

36. In 2020, the Foundation formed Risk Factor, LLC, a licensing entity that was created to monetize the intellectual property that was being developed within the non-profit.

37. In 2024, the Foundation transferred its models, intellectual property, and other assets to Risk Factor, LLC. The Foundation then sold the newly-enriched Risk Factor, LLC to First Street Technology, Inc. for over \$16 million, which the Foundation

⁵ <https://tinyurl.com/yw7uxbwy>.

received both in cash and in stock in the newly-named First Street Technology, Inc.

38. Risk Factor, LLC is now First Street’s principal for-profit product through which it provides numerical and purportedly objective risk scores for individual properties.

39. The newly formed for-profit First Street Technology, Inc. shares many of the same executives as the non-profit Foundation did, including Matthew Eby, First Street’s Founder and CEO. Despite this, the Foundation did not list its sale of Risk Factor, LLC to First Street Technology, Inc. as a transaction involving interested persons on its 2024 tax filings.

40. Though both the Foundation and First Street Technology, Inc. still exist, First Street makes no attempt to distinguish its non-profit and for-profit entities. For example, in a 2024 press release—which was the first year of First Street’s for-profit entity’s existence—First Street stated that “[o]ver the past eight years, First Street has integrated the most advanced climate science with state-of-the-art engineering approaches.”

41. Also in 2024, First Street raised \$46 million in funding for its for-profit enterprise.

42. This investment proved worthwhile, and the venture-backed commercial enterprise is now apparently worth even more. On June 24, 2026, the global analytics firm MSCI Inc. announced an agreement to acquire First Street for \$120 million.⁶

43. Today, First Street exists as a squarely for-profit enterprise. Revenues from First Street’s weather predictions greatly exceed philanthropic funding from either First Street Technology, Inc. or from the Foundation.

⁶ MSCI Acquires First Street to Enhance Physical Climate Risk Capabilities for Financial Decision Making, available at <https://tinyurl.com/535t5hvv>. The announcement reflects an agreement to acquire; the transaction had not closed as of the date of this Complaint.

B. First Street's Risk Factor Product

44. Risk Factor purports to provide property-level risk data for every property in the United States, including scores on a scale of 1 to 10 for flood risk, fire risk, wind risk, air quality risk, and heat risk.

45. First Street advertises its Risk Factor outputs as “peer-reviewed,” “scientifically-validated,” and “accurate and reliable at the property level.” First Street also holds itself and its scores out as “transparent.”

46. First Street presents these scores, either explicitly or by implication, as objectively accurate assessments of an individual property's risks. First Street purports to make accurate predictions 30 years into the future.

47. First Street's Risk Factor scores are the result of the application of complicated mathematical models that First Street has developed to give predictions regarding flood, fire, wind, air, and heat risks.

48. First Street's principal modelling product is its flood risk model.

49. First Street's flood risk model's topographic and physical model for the earth's surface is at a 30-meter resolution, which is nearly 100 feet.⁷ First Street then “downscales” its 30-meter resolution inputs to a 3-meter resolution, which is nearly 10 feet.

50. First Street's “downscaling” approach is fancy wording for extrapolating 30-meter data down to a much more granular level, which is an inherently speculative process. And even after First Street's “downscaling,” its model is only sensitive to topographic changes within roughly 10 feet, subject to any errors introduced in the downscaling process. It is no wonder, then, that many Nebraska properties, which are unlikely to have topographic changes that would

⁷ <https://tinyurl.com/5fwutyn9>, at 9:00–9:15; 19:58–20:42.

register on a model with a 10-foot sensitivity, are inaccurately scored under First Street’s model.

51. First Street itself admits that much of its variation from government flood risk assessments occurs at this more granular level. For example, First Street admits that its model predicts over twice as many properties with 100-year flood risk as government data does.⁸ It also admits that its misalignment with government data is largely in its assessment of small waterways and tributaries, rather than the larger coastal waters and river channels.

52. First Street’s business model is subject to significant moral hazard. First Street’s fundamental modeling assumption is that climate change significantly increases flood and other weather- and climate-related risks for individual properties. First Street markets its product as relevant and necessary for its consumers to understand these climate risks. But First Street’s predictions effectively create their own demand—the higher the risk of climate-related losses, the more need there is for First Street’s products. This ouroboros creates a clear incentive for First Street’s models to maximize the likelihood of climate-related losses, thus creating greater demand for First Street’s loss-prediction products.

53. In September 2024, Zillow agreed to offer First Street’s purportedly objective assessments, most prominently its flood risk score, on its listings, including its listings in Nebraska. First Street described this partnership as “deliver[ing] accurate, reliable data to home shoppers.”⁹ Initially, First Street’s risk scores appeared on Zillow next to objective criteria about a home, like the number of bedrooms, the square footage, and the price.

54. Zillow described the tool as a “critical factor in home-buying decisions.” Zillow’s own analysis confirmed the market impact: homes listed in June 2024 with high flood risk were significantly less

⁸ <https://tinyurl.com/5fwutyn9>, at 36:45–37:55.

⁹ <https://tinyurl.com/2s459vzv>.

likely to sell by March 2025—only 52% of high-risk homes sold compared to 71% of low-risk homes. Real estate agents reported that the scores were “putting big, scary warnings on homes” that caused buyers to refuse to view or make offers on flagged properties.¹⁰

55. More recently, however, Zillow has removed Risk Factor scores from appearing on the face of real estate listings. Instead, Zillow now provides a link to First Street’s website, where Risk Factor scores may be viewed.

56. Additional information about the scores, however, is not immediately available to consumers on First Street’s website. Instead, clarifying information is accessible only behind a paywall. For example, First Street may assess that a particular property has a high flood risk. However, information under its “Flood Overview,” “Flood History,” “Flood Damage Forecast,” and “Flood Insurance & FEMA Zone” tabs, among other tabs, is inaccessible without providing additional information, starting a free trial, and/or paying First Street for access.

57. Redfin, a consumer-facing real estate platform similar to Zillow, took a different approach when confronted with concerns about the accuracy of Risk Factor scores. When Zillow removed the scores, Redfin then publicly *reaffirmed* its commitment to displaying the scores. In result, First Street’s scores still are not only applied to Nebraska properties statewide but are widely accessible and advertised on leading home sale sites.

58. The free distribution of Risk Factor scores through real estate platforms such as Redfin is integral to First Street’s commercial enterprise; it generates consumer exposure and market adoption that

¹⁰ CNN (Dec. 2, 2025) (reporting CRMLS CEO Art Carter stated First Street’s California flooding predictions were “very wrong” and homes showed high flood chances “despite having no flood activity for decades.”), <https://www.cnn.com/2025/12/02/climate/zillow-climate-data-extreme-weather-first-street-redfin>.

First Street leverages to sell other paid products, such as data licenses, API access, and enterprise products.

59. In addition to its Risk Factor product, First Street sells paid property reports that include damage forecasts, insurance information, event history, and the ability to customize home characteristics. It licenses data through APIs and bulk-data products to financial institutions, federal agencies, and insurers. Its data-licensing page lists institutional clients including Bank of America, Fannie Mae, HUD, CBO, Redfin, and Allstate. First Street places its scores on consumer-facing real estate platforms where they appear alongside listing prices, photographs, and school districts—presented not as academic estimates subject to revision and debate but as factual property attributes that consumers are expected to rely upon when making the largest financial decisions of their lives.

60. The blending of First Street’s nonprofit credibility with for-profit commercialization is itself part of the deceptive scheme: consumers encountering First Street’s Risk Factor scores on real estate platforms are led to believe they are relying on the product of disinterested scientific inquiry, when in fact they are relying on the product of a venture-capital-backed enterprise that profits from the scores it refuses to correct.

C. The Federal Government, Not First Street, Is the Industry Standard for Flood Loss Predictions

61. The Federal Emergency Management Agency (FEMA) flood maps are considered by industry as the “gold standard for understanding flood hazards at local scale.”¹¹ Even First Street itself recognizes that FEMA’s data is the gold standard.¹²

62. FEMA manages the National Flood Insurance Program (NFIP), which is the largest and most significant flood insurer in the United States.

¹¹ <https://tinyurl.com/vbcnsb2j>.

¹² <https://tinyurl.com/y6e23yfu>.

63. FEMA releases floodplain maps which delineate floodplains and flood risk zones. These floodplain maps represent the United States government's assessment of a property's flood risk.

64. As First Street itself acknowledges, its flood risk projections deviate enormously from the predictions of FEMA's floodplain maps. First Street considers this a feature of their product, rather than evidence that their model predictions are unreasonably high.

65. In June 2020, when the Foundation began offering its Risk Factor tool for flood risk, the Association of State Floodplain Managers (ASFM) issued a list of talking points expressing concern with First Street's data.¹³ Those talking points included the following concerns:

- a. That First Street's 30-meter resolution was "more course (sic) than the elevation data on a 7 ½ minute USGS Quad."
- b. "The analysis does not model roads and hydraulic structures like bridges, culverts and dams."
- c. "We are also concerned about the extent of the process and the reviewers used to validate the model."
- d. "The initial information available appears to over promise on the accuracy and appropriate use of large national data sets and models that appear to have been downscaled for use at the parcel level."
- e. The model "may lead property owners to believe that this can be a one-stop source for all flooding risk associated with a parcel and lead to more confusion."

¹³ <https://tinyurl.com/5xaf7fmz>.

- f. “The available pre-release information does not stress the continued need for FEMA produced floodplain maps for regulatory purposes.”
- g. The model “should not be used as the sole source for specific risk management decisions at the parcel level.” (emphasis in original)
- h. To the extent the model was useful, it could be used “in a non-consequential manner” and could be “complementary to the FEMA maps.”
- i. But the model “**would not be appropriate for** regulatory decisions that need to be based on flood map information that has been vetted and gone through due process.” (emphasis in original)

66. First Street has not made any public statements addressing the ASFM’s concerns.

67. First Street has not altered its marketing claims given the ASFM’s concerns and instead still markets its model predictions as accurate at the property level out to 30 years in the future. First Street’s marketing does not direct consumers to consider FEMA data before or in addition to its Risk Factor scores.

68. First Street identifies thousands of Nebraska properties as “at risk” over the next 30 years. Each of those properties carries a First Street score that appears on real estate platforms and is accessible to insurers, lenders, and government agencies.

69. Meanwhile, FEMA reported only approximately 9,100 NFIP flood insurance policies in force in Nebraska in 2021.¹⁴

¹⁴ FEMA Nebraska Risk Rating 2.0 State Profile (Mar. 2021) (9,100 NFIP policies in force; 750,000 properties not covered by NFIP policy), FEMA Nebraska Risk Rating 2.0 State Profile (Mar. 2021) (9,100 NFIP policies in force; 750,000 properties not covered by NFIP policy), https://www.fema.gov/sites/default/files/documents/fema_nebraska-state-profile_04-2025.pdf.

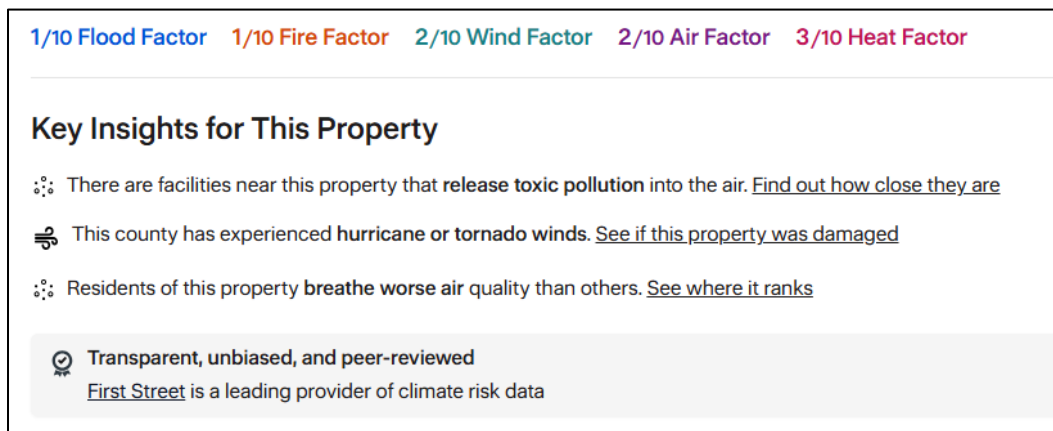
70. The American Flood Coalition (AFC) also issued its perspective on the Foundation’s data when it was released in 2020.¹⁵

71. The AFC cautioned that First Street’s data “complements but does not replace FEMA’s maps.” First Street’s data “should not be regarded as an authoritative source of flood hazard information for engineering design or for insurance ratings.” The data “should also not be used to set a Base Flood Elevation for permitting or determining local building codes and zoning ordinances.”

D. First Street’s Misleading Claims About its Risk Factor Scores

72. First Street claims that its Risk Factor scores are “peer-reviewed,” “scientifically validated,” and “accurate and reliable at the property level.” These claims are either misleading or outright false.

73. First Street’s Risk Factor pages include the following banner at the top of the page.



74. Given its proximity to First Street’s claims about a property’s risk profile, First Street’s statement that its results are “transparent, unbiased, and peer-reviewed” clearly is intended to refer back to the assessments that precede it. A reasonable consumer

¹⁵ <https://tinyurl.com/42bd6ukj>.

viewing this banner would understand the “peer-reviewed” claim to refer to the information that is presented in proximity to the claim. That information includes First Street’s Risk Factor scores for flood, fire, wind, air, and heat, as well as qualitative claims like “residents of this property **breathe worse air** quality than others.”

75. First Street’s peer-review claims are misleading. Contrary to the clear implication of First Street’s claim to peer-review, First Street’s property-level assessments are not peer-reviewed.

76. At a February 2023 launch event for Wind Factor, CEO Matthew Eby stated: “Everything we do, we publish, we put through the peer review process.”¹⁶

77. That statement was false. At a minimum, Wind Factor—the very product Eby was promoting at the February 2023 event—had not been peer-reviewed at the time of the statement.¹⁷

78. The chronology of First Street’s Wind Factor peer-review claims confirms that “peer-reviewed” was a marketing label, not a description of what had occurred. On February 27, 2023, the global engineering firm Arup published a press release announcing that a report produced “in partnership with Arup” “provides a peer-reviewed wind model” for all properties in the contiguous United States. Arup stated that it had “supplied vulnerability and consequence models for each specific building structure” and that the wind model would be incorporated into Risk Factor.¹⁸

¹⁶ Lee Harris, “Rise of the Climate Rating Agencies,” *The American Prospect* (Apr. 12, 2023), <https://prospect.org/2023/04/12/2023-04-12-rise-climate-rating-agencies/>.

¹⁷ *Id.*

¹⁸ Arup, “First Street Foundation and Arup Release Latest Report” (Feb. 27, 2023), <https://www.arup.com/news/first-street-foundation-and-arup-release-latest-report/> (announcing “peer-reviewed wind model”). First Street Foundation, “Launches Significant Model Enhancements” (July 2023), <https://assets.firststreet.org/uploads/2023/07/Press-Release-V3-Data.pdf> (describing “peer-reviewed ... hurricane wind models”). The relevant wind model paper (Kearns et al.) was submitted to MDPI’s *Climate* journal on

A new report from nonprofit science and technology group First Street Foundation, in partnership with Arup, provides a peer-reviewed wind model that uses open science to identify the likelihood and financial impacts of tropical cyclones for all properties in the contiguous United States today, and up to 30 years in the future under a changing climate.

79. On July 2023, First Street issued a press release describing significant updates to its “peer-reviewed ... hurricane wind models.”

80. Yet, according to the paper’s entry online, the relevant wind model paper was not even *submitted* to the MDPI-published journal *Climate* until August 14, 2023—six months after the Arup announcement and one month after the V3 press release. The paper was not accepted until October 29, 2023, and was not published until November 1, 2023—nine months after First Street first called the wind model “peer-reviewed.” First Street thus made the “peer-reviewed” claim publicly, repeatedly, months before any journal had even received the paper for review.

81. First Street’s own Chief Data Officer, Ed Kearns, acknowledged that Wind Factor had not been peer-reviewed, explaining that the model is based on work by Kerry Emanuel published in 2006 and stating: “Since the method itself was published back in 2006, we thought, ‘We don’t need to get the technique peer-reviewed, but we can go after getting the results peer-reviewed.’” Kearns added: “It’s on our list of things *to do*.”¹⁹

82. Kearns’s admission reveals what First Street’s consumer-facing marketing conceals: underlying *methods* or *components* used in

August 14, 2023, accepted October 29, 2023, and published November 1, 2023. See MDPI *Climate* 11(11), 217, <https://www.mdpi.com/2225-1154/11/11/217>.

¹⁹ *Id.* (emphasis added).

certain models may have been peer-reviewed by the original scientists who created them, but First Street’s *assembled product*—the nationwide model that generates property-specific scores marketed to consumers—has not undergone the same independent scientific review.

83. As recently as January 12, 2026, First Street’s press releases state: “our scientists have created transparent, peer-reviewed physical climate risk models that quantify the financial impacts of perils such as flooding, wildfire, and extreme wind events for every property in the world.” This is the most aggressive formulation of the peer-review claim—asserting the models themselves are peer-reviewed—and was made after the Zillow removal, as well as CRMLS accuracy complaints and a Bloomberg investigation described later.²⁰ *See infra*, ¶¶ 85-89.

About First Street: At First Street, we are on a mission to connect climate and financial risk. For nearly a decade, our scientists have created transparent, peer-reviewed physical climate risk models that quantify the financial impacts of perils such as flooding, wildfire, and extreme wind events for every property in the world. In December 2024, we launched the First Street Enterprise Suite, a global software platform that transforms our models into actionable financial signals for decision-makers worldwide. First Street is the standard for Climate Risk Financial Modeling, empowering asset owners, asset managers, governments, real estate investors, corporations, and millions of homebuyers every day to make climate informed decisions.

84. First Street’s website thus has statements on the one hand that the models have been validated and peer-reviewed, and statements on the other hand that there may be underlying inputs or sources that were submitted to peer review. A reasonable consumer browsing product pages encounters the boldest marketing version. Only a consumer who navigates to a specific FAQ and reads the answer to a specific question gets a more qualified version but there is

²⁰ Press Release, “New Research Shows Nearly 1 in 4 People Globally Faces Substantial Flood Risk,” First Street (Jan. 12, 2026), <https://firststreet.org/press/new-research-shows-nearly-1-in-4-people-globally-faces-substantial-flood-risk> (“our scientists have created transparent, peer-reviewed physical climate risk models that quantify the financial impacts of perils such as flooding, wildfire, and extreme wind events for every property in the world.”).

no overt qualification or disclaimer, even there. It is thus profoundly difficult to learn more about what precisely is peer-reviewed (by whom, when, where) and what is not.

85. First Street’s FAQ section tells a very different story about the extent to which its results are peer-reviewed. There, First Street clarifies that the “[m]ethods used and integrated into the Flood and Wildfire Models are founded upon other publicly available, peer-reviewed research.”²¹

86. That clarification diverges from First Street’s principal consumer-facing claim—which suggests that its property-level information is peer-reviewed. The FAQ makes clear that its “methods” may be peer reviewed, not its results. In other words, First Street’s property-level results *are not* peer-reviewed, despite First Street’s marketing claims carrying that clear implication.

87. First Street’s claim that its scores are “unbiased” is also unfounded. Scientific literature has demonstrated that First Street’s models predict significantly higher probabilities of loss events and damage suffered pursuant to a loss event when compared to other models and to historical claims data. That is unsurprising, given that First Street’s for-profit enterprise grew out of a non-profit climate activist group, and that market pressures incentivize First Street’s models to issue maximally alarming predictions.

88. First Street’s models suffer from at least two significant biases, which First Street does not disclose to consumers.

89. First, the models assume that climate change is going to significantly increase the rate of severe weather events, which First Street’s models purport to account for. But the degree and extent to which climate change will increase loss events into the future is an inherently speculative endeavor on which climate experts and other climate modelers disagree. First Street does not disclose this disagreement to consumers. Also, First Street’s models make

²¹ <https://tinyurl.com/3busnt83>.

predictions about *weather* events—short-term hourly to daily atmospheric changes—which are fundamentally different from *climate*, which is a description of long-term trends over centuries. First Street’s scores, which it suggests are warranted due to *climate* change, do not make any reference to this fundamental difference.

90. Second, First Street is a for-profit participant in a market that exists on the assumption that climate change has sufficiently destabilized existing climate and weather models such that new models are needed. First Street markets its Risk Factor product to fill that gap by providing modeling that accounts for climate risk. Thus, First Street has a clear pecuniary incentive to overstate the effects of climate change and to understate the relevance of existing models. First Street does not disclose this bias to consumers, instead misleadingly marketing its scores as “unbiased.”

91. Nor are First Street’s Risk Factor scores “transparent,” as First Street claims. Though consumers can see the baseline Risk Factor score for a property, which First Street provides for free, additional material information is hidden behind a paywall. Other material information is treated as proprietary by First Street and thus is categorically unavailable to consumers. Though some information about its models and data inputs is publicly available, consumers cannot verify all of First Street’s data inputs, audit assumptions, model assumptions, or independently test First Street’s models’ accuracy.

92. Illustrating this lack of transparency, in August 2024, the nonprofit CarbonPlan published the results of their attempt to obtain a minimal sample of First Street’s underlying data.²² CarbonPlan was unable to do so.

93. CarbonPlan, which is a non-profit dedicated to evaluating the scientific integrity of climate solutions, noted that inherent subjectivity and uncertainty in climate risk assessments demand

²² <https://tinyurl.com/4cf8jnr8>.

transparency from the industry. CarbonPlan noted that it is “not the case” that a “climate risk assessment means buying a singular truth.” That is because such assessments, like First Street’s “reflect a long chain of modeling and a variety of scientific and technical decisions.” Despite the “uncertainty” involved, a “growing industry of climate analytics companies claims to provide consumers with simple, easily interpretable predictions of the future.”

94. Because consumers “have the right to know where these numbers come from” and “how consistent or inconsistent they are across companies,” CarbonPlan requested risk assessments from nine different companies, including First Street.

95. CarbonPlan deliberately “limited our request so as to minimize burden on companies and respect any concerns about sharing large amounts of proprietary information.” Their request “ought to have been easy to fulfill, with data files small enough for email and requiring minimal documentation.” Because CarbonPlan is a non-profit “acting in the interest of the public,” not a competitor, it expected that “any company confident in its assessments would happily provide us with the data.”

96. First Street, however, did not provide CarbonPlan with any of its data. Instead, First Street stated that its data was available online. But, as CarbonPlan noted, “usage and reproduction of data across multiple addresses from RiskFactor.com appeared to be prohibited by that site’s terms of service.” As of the time of CarbonPlan’s article, First Street had not responded to CarbonPlan’s follow up for permission to use the data.

97. CarbonPlan’s conclusions are damning both for First Street and the industry more broadly. CarbonPlan concluded that the “industry is not invested in transparency,” contrary to First Street’s express transparency claims that accompany its Risk Factor scores. And for the companies that CarbonPlan did receive data from, none of which were First Street, they found, as others have, that a “detailed comparison of rankings at the level of individual addresses showed

only modest consistency [between models] and many systematic differences.”

98. CarbonPlan also observed that “typical consumers of climate risk data include insurance companies setting rates or publicly-traded companies disclosing risk.” An insurance company that received conflicting assessments of risk “might choose to report the assessment most in their financial interest . . . to justify premium rate hikes . . . or to select lower-risk estimates to assuage concerns from potential investors—all under the fiction that these numbers are absolute facts.”

99. CarbonPlan also observed the risk to homeowners operating in the real estate market. Because predictions like Risk Factor scores “influence home buying behavior,” “erroneous patterns in these data could have unintended adverse consequences for the public,” making “rigorous evaluation and transparency critical.”

100. First Street may monetize and treat its data as proprietary and withhold it from public view. But it may not lawfully or honestly market its model results as “transparent” if it does so.

101. First Street’s Risk Factor scores are subject to other deficiencies, which First Street itself recognizes but does not clearly or adequately convey to consumers.

102. For example, some First Street materials acknowledge that First Street’s Risk Factor scores are unable to account for property-specific mitigation steps. Mitigation steps, such as hardening a property to flood risk, materially change a flood risk analysis. At First Street’s own admission, however, its results do not and cannot account for that data, despite First Street’s claim to offer accurate property-level assessments.

103. First Street also acknowledges significant gaps in data. For example, First Street’s models compute Risk Factor scores even where they lack material data on elevation, drainage, and infrastructure.

104. First Street does not communicate those deficiencies to consumers who visit a property's Risk Factor profile page. Instead, consumers see quantitative claims regarding a particular property's risks and qualitative claims like residents "breath[ing] worse air quality than others," followed by the claim that this information is "transparent, unbiased, and peer-reviewed." First Street's property-level profiles do not identify gaps in its data or uncertainties regarding its claims.

E. Consumer Complaints and First Street's Refusal to Consider Errors in its Assessments

105. Compounding First Street's data gaps and misleading marketing claims is First Street's unwillingness to correct its own errors.

106. First Street's "Disputing Property Scores" page makes clear that First Street is not willing to consider any mistakes that it may have made in creating a Risk Factor score for a particular property. Though First Street claims that it is "committed to providing accurate and reliable information," First Street "clarif[ies]" that "[a]s a rule, we do not update Factor scores based on individual . . . disputes." That is because its "scores are based on rigorous scientific analysis and are intended to provide an objective assessment of climate risk." Therefore, a maligned homeowner "should not expect a personalized response" to any dispute about their property's score.

107. First Street's FAQ page currently states that consumers who purchase a full property report can customize details to obtain "the most accurate estimate of risk." This is the same FAQ that states that submitted information "will not change" the property's Flood Factor, Fire Factor, Wind Factor, or Heat Factor score directly. First Street thus promotes a more accurate private view to paying consumers while refusing to update the public-facing score that appears on real estate platforms and affects property values. A property owner can pay First Street for purportedly better data for their own use but cannot fix the score that prospective buyers, lenders,

and insurers see.²³

108. The Better Business Bureau website is replete with customer complaints regarding patently unreasonable and inaccurate flood risk ratings.²⁴

109. One consumer noted that her 113-year-old home, which had never flooded, had an 89% chance of three or more feet of flood waters in the next five years. The consumer stated that First Street's projection was purportedly due to flood water from an overpass over half a mile away, which had never caused flooding before. The consumer noted that "First Street has been repeatedly contacted and the only responses have come from automated emails" and that relevant information about how First Street came to its conclusions was behind a paywall on First Street's website. As of January 31, 2026, the consumer had not been contacted by First Street regarding the complaint.

110. Another consumer complained that their property had a Flood Factor score of 9/10, though "immediately adjacent properties with identical topography and exposure are scored 1/10." The consumer believed the score was the result of a "parcel-level modeling or location error," and they provided official flood zone documentation and comparative evidence to substantiate their assertion. Still, "First Street has not corrected or meaningfully addressed the inaccurate data."

111. Another consumer noted that their property had an 8/10 flood risk, whereas their neighbor, who was "at the same or lower elevation" received the lowest 1/10 for flood risk. Indeed, according to this consumer, their own property had previously received a 1/10 rating from Risk Factor as recently as the year prior, and there were

²³ <https://help.firststreet.org/hc/en-us/articles/9680350042903> ("You can customize some of these details ... to get the most accurate estimate of risk"; "Please note: submitting the above information will not change the property's Flood, Fire, Wind, or Heat Factor directly.").

²⁴ <https://tinyurl.com/4vww8ybh>.

no intervening changes that would justify the extraordinary jump to an 8/10 risk score.

112. Another consumer noted a high flood risk rating even though their home “is built intentionally elevated from the ground to avoid flooding,” demonstrating a failure to consider material, property-level information about this particular property.

113. Another consumer noted incorrect property lines in addition to a 9/10 flood rating despite their home not residing in a flood zone. In their view, their property, which was on the market, “should have had showings instantly yet not one inquiry has been received.”

114. First Street has responded to several complaints on the BBB website, largely with a boilerplate response. In September 2025, a consumer complained that their property received a 9/10 flood rating, while the neighboring 1875 home, which had never flooded, received a 1/10 flood risk. That was despite a recent rain event in which the property received 28 inches of rainfall without any flooding.

115. First Street’s response demonstrates the emptiness of First Street’s claims of transparency and accuracy. First Street’s response markets itself before addressing the consumer’s complaint, demonstrating First Street’s commitment to its own image and profits. To the extent First Street addressed the consumer’s complaint, First Street explained that “due to a changing climate, even a property that has not flooded in the past may have a relatively high Flood Factor if it is in an area where heavy rain events are expected to become worse, or more frequent, over the next 30 years.” First Street’s response did not address, however, how a neighboring property could have such a drastically different flood score, given that heavy rain events would fall equally on both properties. Instead, First Street concluded that “each property, even neighboring ones, will have individual probabilities and data inputs.”

116. The Better Business Bureau website notes numerous other complaints in which one home has a high flood rating whereas neighboring homes have minimal flood ratings. One such complaint

notes First Street's explanation that their rating is due to rainfall, though as that consumer rightfully observed, "my neighbor and I get the same amount of rainfall."

117. Other complaints note the difficulty in selling a property given inaccurate flood ratings. One consumer noted that they provided FEMA documentation regarding their minimal flood risk, but that despite "contacting your office on at least two occasions and supplying evidence, I have not received a response or acknowledgment. The failure to correct this misinformation is directly harming my ability to sell my home, as potential buyers are being misled into believing the property is at extreme flood risk. This matter is urgent." This complaint received the boilerplate response from First Street, including First Street's explanation that they have "review[ed] the complaint" and that their "data team found that the Flood Factor for his property was accurate based on our model and all available information." In response, the consumer noted that they have "lost 4 sales due to this inaccurate data."

118. Another complaint notes that it is "impossible to talk to a person at this business and using their e-mail support tool gets me nothing but a generic response, and any further e-mail communication goes nowhere."

119. Another complaint noted that First Street inaccurately showed a ditch running through their house, and that First Street's map had "significant misalignment showing roads and other ditches in the neighborhood running directly through houses." This consumer received a rare complicity response from First Street, who agreed to remove the property "from the First Street site as well as from any real estate portals." This is a clear admission that the company's data for this property was inaccurate, though the consumer had to resort to a BBB complaint, rather than direct company contact, to receive any meaningful correction from First Street.

120. Another complaint noted that, in response to submitting a dispute, First Street responded that they would not make corrections

and that the consumer could “view the source data to see how the score was calculated.” However, when the consumer attempted to do so, the consumer found that they “cannot see the details behind their data without signing up for a free trial; with no indication about how much such access may cost after the trial.” First Street responded to this consumer’s complaint with another canned response which in no way addressed the hollowness of their transparency claims when their source data is hidden behind a paywall.

121. Even other climate economists have concerns with First Street’s results. One consumer noted that they are “an economist who works on climate risk and have been working with multiple data sets on this.” Though their home has never flooded, First Street assigned them a 9/10 flood risk, which, “[a]ccording to First Street [means] our homes should be flooding every four years, which is absolutely ridiculous.” In this economist’s view, their model “misses the microtopography” and that though his home is “*near* a low-lying area” the home is “on a bluff above it.” In response to his contact, First Street gave their canned response that they do not respond to individual complaints.

122. There are numerous other complaints on the BBB website lodging concerns with First Street’s facially implausible flood ratings, their unwillingness to consider consumer complaints, their lack of transparency in providing their data, etc.

123. First Street’s Terms of Use further impose a New York exclusive forum selection clause and a one-year limitations period on any claims, effectively foreclosing relief for most consumers harmed by inaccurate scores.²⁵

F. First Street’s Arbitrary Risk Factor Scores Have Received Significant Negative Reporting

124. In addition to complaints on the BBB website, multiple

²⁵ First Street Terms of Use, §§ 14–15 (New York exclusive forum selection; one-year limitations period).

news outlets have covered the flaws in First Street's predictions.

125. For example, in July 2025 an Asheville news outlet reported on an Asheville, North Carolina property's Flood Factor rating in the wake of Hurricane Helene and the historic flooding that it caused in Asheville.²⁶

126. The owners, the Haldanes, listed their property for sale and had trouble selling it. Their realtor explained that the difficulty was a result of concern over high flood risk. Indeed, First Street had given Haldane's property a 10/10 extreme flood risk rating, which was displayed on real estate sites.

127. Haldane's property, however, had endured Hurricane Helene without any flooding. Whereas floods wiped out homes all over Asheville, Haldane's property did not flood at all during that historic storm.

128. The article provided a graphic noting the extreme differences in Flood Factor ratings for neighboring homes, including lower scores for homes that were lower in elevation than the Haldane's. As Laura Haldane noted, "Water flows downhill, so there's no way that we can have polar opposite flood risks."



²⁶ <https://tinyurl.com/ycypp5an>.

129. Haldanes received a rare substantive response from First Street, perhaps because of the attention the Haldane’s situation received in the press. Haldanes received a letter from First Street stating that their property is in an “area of known limitation within our model” and that as a result “they have reduced confidence in the flood results due to generous limitations.”

130. First Street’s “reduced confidence,” however, did not prevent First Street from issuing the flood rating in the first place, failing to disclose the limitations to consumers, or in maintaining it on the Haldane’s property until Haldanes complained to the press. Nor did First Street note its “reduced confidence” when it advertised the property’s flood risk score to prospective homebuyers.

131. Following Haldane’s complaint and the negative report, First Street removed the property’s extreme flood risk rating in a clear admission of that rating’s inaccuracy.

132. In January 2026, the Wall Street Journal ran an article titled “The Climate-Disaster Scores That Could Make or Break Your Home Sale.”²⁷

133. That article reported on the experience of John Simeone, a New Hampshire homeowner whose home received a 9/10 “extreme” flood risk score from First Street when it was placed on the market.

134. Simeone’s home, however, was “60 feet above the nearest river, and the flood rating shown on Zillow linked to a report with a different address.”

135. The Wall Street Journal inquired with First Street about the error in the address for Simeone’s home, and First Street issued a correction to the report to fix the address, reducing the flood rating to a 7/10. That correction is a clear admission of error, and it took inquiry from one of the world’s most prominent newspapers before First Street corrected the listing.

²⁷ <https://tinyurl.com/mprybkh5>.

136. As the Wall Street Journal article noted, different climate modelers have made very different predictions about Simeone’s home’s likelihood to suffer damage from flood and wind. First Street predicts severe flood risk while HazardHub predicts extremely low flood risk. First Street predicts minor wind risk while ClimateCheck predicts extreme wind risk.

137. The article observed the inherently misleading nature of First Street’s accuracy claims. “The seemingly pinpoint precision of First Street’s forecasts—to within a 1 percentage point chance of a disaster striking an individual property—can be misleading, according to some academics and insurers.”

138. Indeed, as James Doss-Gollin, an assistant professor of engineering and climate-risk specialist at Rice University has observed, “Accurately estimating future flood risk at every property in a single city or watershed—let alone the entire United States—is fundamentally not possible given current knowledge.”

139. The article also observed the inherent tension between the accuracy and granularity of a flood risk model. The more granular a prediction, the less accurate that prediction is likely to be. For example, predicting rainfall somewhere in the United States on any particular day is much more likely to be accurate than predicting rainfall in any particular city, much less on any particular block or for any particular property. First Street’s predictions are ludicrously granular—down to every individual property in the United States, and out to 30 years in the future.

140. The California Regional Multiple Listing Service (CRMLS) has questioned the accuracy of First Street’s data.²⁸ According to its CEO, Art Carter, First Street’s “future predictions ended up being very wrong” in terms of flood risk in California. The same CNN article noted that, “Even though Eby told CNN that his company’s models ‘are built on transparent, peer-reviewed science,’

²⁸ <https://tinyurl.com/2s38tpu2>.

independent scientists say it's hard to verify the accuracy of a private company whose data is not available to the public.”

141. For its part, Zillow is more honest about the meaning of a Risk Factor score than First Street is. After a New York couple sued both First Street and Zillow over their loss on a home sale, Zillow stated in a court filing that Risk Factor scores are “not a statement of verifiable fact,” but are rather a forecast. First Street, however, does not inform consumers that its scores are non-factual predictions. Instead, First Street presents concrete scores next to claims of accuracy, transparency, and peer review, which both expressly claim and implicitly suggest that its predictions are factual.

142. In December 2025, after Zillow removed First Street’s climate risk data from all listings nationwide following CRMLS complaints about accuracy, CRMLS CEO explained, “When we saw entire neighborhoods with 50% probability of the home flooding this year and a 99% probability of the home flooding in the next five years, especially in areas that haven’t flooded in the last 40 to 50 years, we grew very suspicious.”²⁹

143. In August 2024, Bloomberg published an article titled “The Risky Business of Predicting Where Climate Disaster Will Hit.”³⁰ The article’s byline recognized the significant variability in different modelers’ predictions—“Climate tech companies can tell you the odds that a flood or wildfire will ravage your home. But what if their odds are all different?” Indeed, “one telltale sign” of models’ uncertainty “can be seen in the startlingly different outcomes” from “models designed to measure the same climate risk.”

144. Bloomberg conducted an analysis of First Street and UC

²⁹ Mortgage Research Center / Yahoo Finance (Dec. 19, 2025) (CRMLS CEO Art Carter: “When we saw entire neighborhoods with a 50% probability of the home flooding this year and a 99% probability of the home flooding in the next five years, especially in areas that haven’t flooded in the last 40 to 50 years, we grew very suspicious.”).

³⁰ <https://tinyurl.com/2fdtenmv>.

Irvine’s flood models, finding that “when compared only on a single, relatively simple metric”—which Los Angeles areas face high flood risk—“the models match just 21% of the time.”

145. The article criticized the industry’s commitment to transparency by noting the “big catch” in modelers’ predictions—that “most private risk modelers closely guard their intellectual property, which means their models are essentially black boxes.” As a result, models are “often not transparent enough to allow for rigorous independent vetting.”

146. The article also noted the inherent uncertainty in making property-level predictions of risk. “[Z]ooming in closer with forecasting models, as the policymakers and insurers adopting these tools are already doing, could leave local communities vulnerable to unreliable data that can’t be double checked.”

147. In June 2025, the San Francisco Chronicle ran an article titled “Could this major California city see mass ‘abandonment’? New risk model predicts just that.”³¹

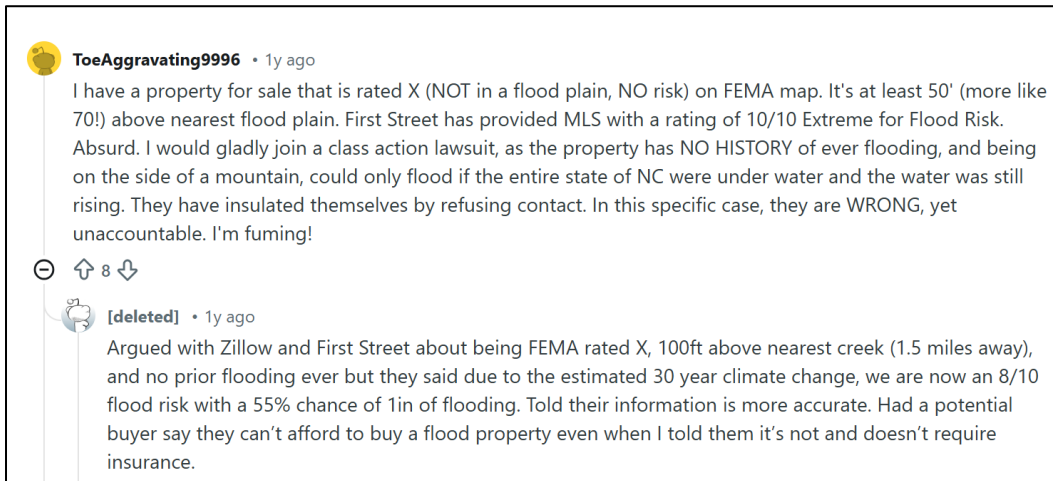
148. The article noted a First Street model prediction that San Francisco would lose 28 percent of its population by 2055 due to “climate abandonment.”

149. The article noted First Street’s for-profit model and the fact that “experts have been skeptical of First Street’s claim to offer predictions at that level of specificity” down to the property level.

150. Online message boards and complaints, among other sources, indicate that numerous homeowners and sellers have reason to believe that mistaken risk scores have derailed sales and valuations of their properties. For example, users on a Reddit subreddit, “r/RealEstate,” have described losing sales to a potential buyer’s concern about non-obligatory flood insurance, despite there being no documented, historic flood risk for the property and a minimal risk

³¹ <https://tinyurl.com/4cn6r35d>.

rating by FEMA.³²



G. First Street’s Flawed Models Arbitrarily Increase Insurance Premiums

151. First Street’s flawed models have nefarious effects beyond the housing market. They are also used by insurance companies to justify raising homeowner’s insurance premiums—a product which most homeowners must have before they can purchase a home.

152. First Street’s website brags that “Companies leverage First Street data across many industries, including insurance.”³³ And First Street lists Allstate, a home insurer, as one of the “industry experts” that “trust[s]” its data.

153. First Street transparently recognizes that insurance companies increase homeowners’ insurance rates on the basis of First Street’s predictions. First Street’s website observes that “In an effort to keep up with the increasing risk of natural disasters, insurance companies are raising premiums at a rapid rate.” Indeed, according to First Street, “In some places, properties are uninsurable.” First Street neglects to mention that its own incendiary climate predictions,

³²https://www.reddit.com/r/RealEstate/comments/1ftekxc/first_street_flood_factor_inaccuracies/;

³³ <https://tinyurl.com/yp5mxbn3>.

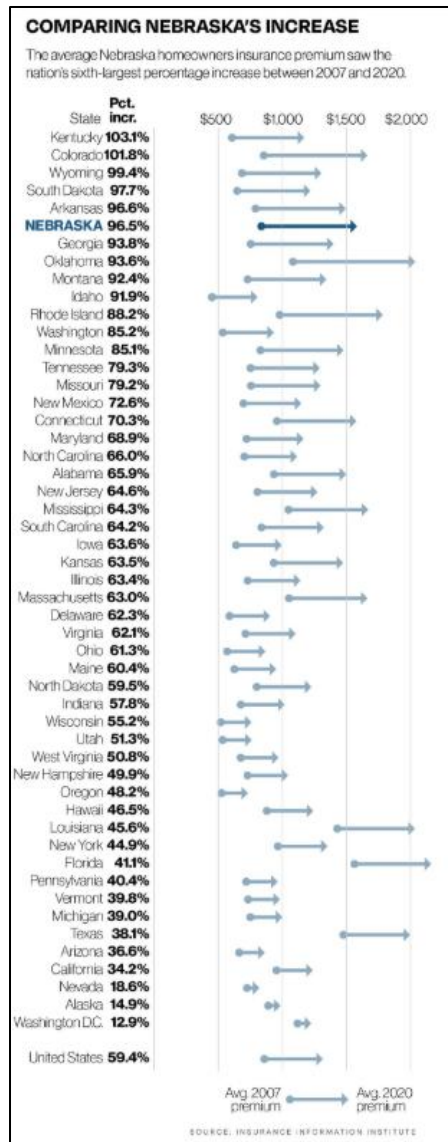
marketed to insurers as objectively accurate facts, are causing some of these premium increases.

154. First Street also transparently recognizes the cascading effects of increased insurance premiums. “When insurance premiums go up, property values go down.”

155. Nebraska has been hit particularly hard by homeowners’ insurance increases on the back of speculative projections about the effects of climate change. For example, the Nebraska Public Media published an article in September 2023 observing that “Unbelievable insurance increases are walloping Nebraska homeowners. Climate change is a big reason why.”³⁴

156. Indeed, Nebraska homeowners paid nearly twice as much in homeowners insurance premiums in 2020 as they did just 13 years earlier in 2007—the sixth largest increase in the United States.

³⁴ <https://tinyurl.com/3uvtu92e>.



157. In response, some prospective first-time buyers are unable to buy a home. Other homeowners who have paid off their mortgages are going uninsured, risking a catastrophic financial loss. And other homeowners are increasing their deductibles, putting them on the hook for greater out of pocket expenses in the event of a loss.

158. Conveniently, the Nebraska Public Media article contained an advertisement for First Street's Risk Factor product.

The nonprofit First Street Foundation has created an online tool called Risk Factor where people can type in an address and see estimates of that location's risk of wildfire, flood, wind and heat.

H. Scientific Literature Demonstrates First Street's Models' Failings

159. First Street repeatedly markets its models as “scientifically validated,” “accurate and reliable at the property level,” and “peer-reviewed” in an attempt to lend those models legitimacy. However, scientific studies demonstrate the inaccuracy of First Street’s models.

160. In October 2025, the Climate Financial Risk Forum published a study comparing the climate risk assessments of 13 different climate risk vendors.³⁵ The study’s express purpose was to “examine[] the extent to which third party data from vendors differ in their property-level risk assessments and projections.” First Street was one of the 13 vendors whose data and risk projections were considered.

161. Notably, the group that conducted the study agrees with and adopted First Street’s principal modeling assumption: that “the frequency and severity of physical risk will continue to increase due to rising concentrations of anthropogenic greenhouse gas emissions.”

162. Still, the CFRF recognizes that “it is not straightforward to translate this into how physical risks might impact individual firms, including those in the financial sector, or even individual assets.” As the study concluded, “the study findings show that, as with any forward-looking exercise, there is a great deal of uncertainty about the modelling of physical risk, arising from a range of factors, such as methodological and modelling choices, downscaling approaches, and

³⁵ <https://tinyurl.com/2m67r6xp>.

data used.”

163. The study also concluded that the “choice of scenarios, the granularity of hazard modelling, and the treatment of asset-level information can all substantially affect risk assessments and, consequently, strategic decision-making.” These findings “highlight the necessity for transparency and robust due diligence when selecting and working with third-party data providers.”

164. The CFRF study’s key takeaways are damning for First Street’s claims that its property-level assessments are accurate. Among its key findings are the following conclusions:

- j. There was large variation between the 13 vendors for both hazard and physical risk estimates, meaning that different modeling firms came up with significantly different probabilities for loss events like flood and wind, as well as significantly different predictions for the damages that would occur because of those events.
- k. The complex modelling that underlies First Street’s risk assessments, as well as those of other vendors, was sufficiently complex that different models’ prediction outputs were significantly different. “For example, a property can be assessed as either highly exposed to flooding (or a different hazard) by one or more vendors, but not at all exposed by other vendors.”
- l. Differences between models became more severe at longer time horizons.
- m. Accurate property-level information like location “can make a big difference to the results.” Indeed, “even small differences in location can make a difference to estimates for some perils — for example, flooding.”

165. The CFRF study evaluated the differences in flood risk assessments from different vendors. The study found “considerable dispersion in estimates of both flood depth and damage ratio.”

166. Taken together, these conclusions paint a clear and damning picture for First Street’s marketing. There is large variation in how different models predict property-level risk. That is because complex predictive modeling is inherently fragile—a fact that First Street belies by claiming that its property-level assessments are “accurate” without disclosing the inherent uncertainty in their predictions. For example, some models may predict significant property-level risk for a particular home, while other models predict nearly no risk for the same home. And particularly important to those predictions are accurate information on the property itself—exactly the type of information that First Street expressly refuses to consider when maligned homeowners seek to raise it with them. And though “transparency” and “robust due diligence” are key in curating an appropriate predictive model, both home sellers and home buyers are deprived of that opportunity by First Street’s conclusive and unexplained Risk Factor results, as well as First Street’s unwillingness to provide its underlying data outside the protection of a paywall.

167. First Street has not made any public statements addressing the shortfalls identified in the CFRF article.

168. First Street has not altered its marketing claims given the CFRF article’s findings, and instead still markets its model predictions as accurate at the property level out to 30 years in the future.

169. In February 2026, the Journal of Catastrophe Risk and Resilience published an article authored by Dominick Dusseau, Zachary Zobel, and Christopher Schwalm titled “Validation and Comparison of U.S. Loss Estimates from Catastrophe Flood Models.”³⁶

170. The Dusseau study also agrees with First Street’s fundamental modeling assumption that “climate change is increasing the risk of atmospheric perils” and notes that this phenomenon is “causing broader uptake of catastrophe models.”

³⁶ <https://tinyurl.com/mwcazu26>.

171. The Dusseau study analyzed the performance of seven catastrophe flood models, including First Street's.

172. The study evaluated flood models against historical NFIP claims data. First Street Founder and CEO Matthew Eby has explained that comparing models against historical data is the best means of verifying a model's validity.

173. The study found that three of the models that it considered, belonging to Verisk, KatRisk, and Moody's, "accurately represent historical flood losses with a 4% differential compared to NFIP claims data."

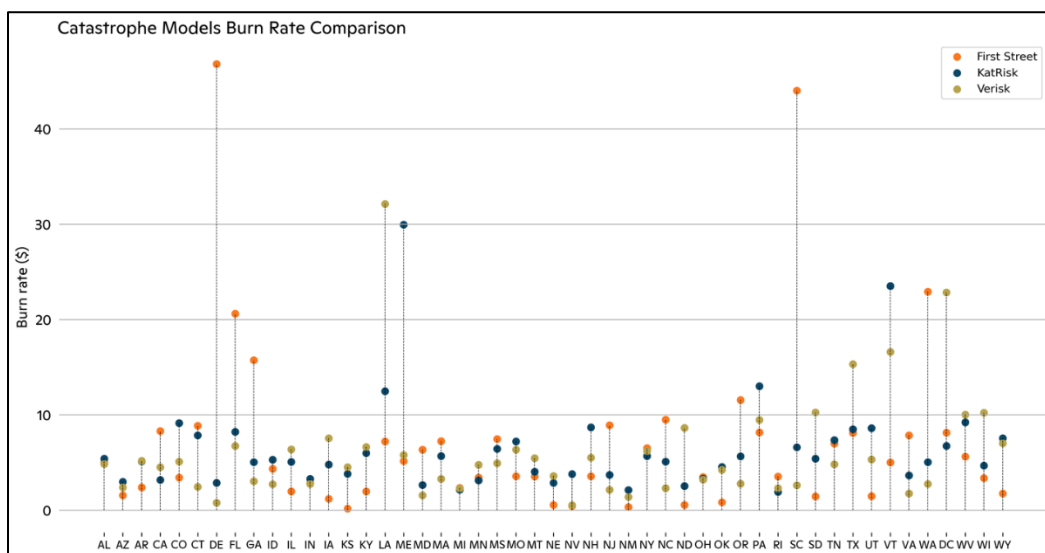
174. First Street's model, on the other hand, "reports flood damage estimates roughly twice as high" as the NFIP claims data would suggest. The study concluded that this "wide range of loss estimates from the state level to the asset level indicates methodologies vary significantly across modelers" and that therefore "further transparency of catastrophe model outputs and methodologies is necessary to ensure these models accurately price climate risk."

175. The article observed that First Street "provides climate risk information generated from their catastrophe models to more than 30 US federal agencies, state and local governments, real estate portals . . . and financial companies." Thus, First Street's modeling predictions "motivate market behaviour" and therefore "validating these models is crucial to ensure risk is not over or underpriced." Despite this, First Street's "geospatial and property specific data are hidden behind a paywall." Indeed, looking at the industry at large, the study concluded that "it is evident how little information on catastrophe model validation is available in the public domain." That is because "catastrophe modelers often rely on scientific literature to build models, but do not typically share data or methodologies with researchers."

176. The article's evaluation of First Street's flood model is damning. The study found that First Street's model estimated significantly more property-level flood events than historical NFIP

claims data supports. The study concluded that “these results indicate that First Street appears to be overestimating the number of properties flooded.”

177. The article also evaluated different models’ assessment of “burn rate”—a measure of insurance losses per \$1,000 of insurance coverage. The study found that “First Street estimates substantially more damage due to flooding than Verisk, RMS, and KatRisk.” Indeed, when evaluated on a state level, First Street had enormously higher predicted burn rates than KatRisk and Verisk, for reasons that were “not clear” to the researchers. The following graphs demonstrate the enormity of First Street’s variation from these models in certain states and on average annual loss predictions.



	First Street	NFIP Catastrophe Models Mean	KatRisk	Verisk
AAL (billions)	\$12.03	\$3.24	\$2.96	\$3.53
Coverage (billions)	\$1,029	\$413	\$413	\$413
Properties	4,118,154	1,627,549	1,627,549	1,627,549
Burn rate	\$11.69	\$7.82	\$7.14	\$8.52

178. The study found that the “First Street AAL [average annual loss] per damaged property is 2x greater than the KatRisk AAL . . . when aggregating all single family homes . . . across New Jersey, New York, and North Carolina.” The following graph illustrates those differences.

	Source	Total AAL (millions)	Total Properties	AAL per damaged property
New Jersey	First Street	\$415	94,146	\$4,412
	EB (2022)	\$213	120,306	\$1,679
New York	First Street	\$557	161,489	\$3,447
	EB (2022)	\$322	135,216	\$3,126
North Carolina	First Street	\$487	151,331	\$3,219
	EB (2022)	\$172	290,542	\$1,211

179. Because other models’ burn rates “are highly similar to the NFIP historical loss rate,” the study concluded “that the First Street burn rate appears to be inflated.” Indeed, the study conveyed “high confidence in our results showing that the First Street CONUS burn rate appears to be overestimated.”

180. That inflated burn rate prediction was likely driven by the fact that First Street also overestimated the number of flooded properties, which according to First Street’s model, would be 1.38 times higher than what is reflected in NFIP claims data. First Street projected a higher number of flooded properties when compared to NFIP claims data even though you would “expect the policies in the NFIP to be flooded at a higher rate than the properties examined by First Street” because “NFIP policies are concentrated in the SFHA [Special Flood Hazard Area].” That “suggests the First Street overestimate is higher than presented here.”

181. The study’s findings “strengthen our argument that climate risk products require public validation to be a beneficial service.” “Since catastrophe models have such a large impact on home prices . . . and drive household-level risk decisions, catastrophe output models should be more publicly accessible to foster robust validation of these models.” First Street’s black-box approach to its data and responsiveness to consumer complaints belies this needed public validation.

182. First Street has not made any public statements addressing the shortfalls identified in the Dusseau article.

183. First Street has not altered its marketing claims given the Dusseau article’s findings, and instead still markets its model predictions as accurate at the property level out to 30 years in the future.

184. In July 2024, Advancing Earth and Space Sciences published an article by Jochen Schubert, Katharine Mach, and Brett Sanders titled “National-Scale Flood Hazard Data Unfit for Urban Risk Management.”³⁷

185. The Schubert article evaluated the Foundation’s flood hazard data, including its agreement (or disagreement) with another

³⁷ <https://tinyurl.com/47prn682>.

flood prediction model.

186. The Schubert article's conclusions are damning for First Street's accuracy claims. Specifically, the Schubert article found only a 24 percent chance that the two models that it considered would agree on whether a particular property was at risk for flooding. "These results caution that national-scale model data at present may misinform urban flood risk strategies and lead to maladaptation, underscoring the importance of refined and validated urban models." Indeed, the Schubert article "caution[s] against overreliance of First Street Foundation data for urban flood management."

187. The article observed that "within the real-estate industry, [Foundation] data are increasingly relied upon for property-level risk assessment by buyers, realtors, and lenders." Still, "researchers have cautioned against over-reliance on large-scale hazard model data for flood management decision making needs, particularly at increasingly fine spatial scales . . . because of uncertainties stemming from the inadequate representation of topographic features, flood infrastructure, and other features known to affect patterns of flooding," citing four different scientific articles.

188. Indeed, some studies have shown that, at a nation-wide level, First Street's data agrees with FEMA's flood estimates only 55% percent of the time, with "decreasing accuracy with increasing levels of urbanization." That is likely because of the "complexity of interacting factors that affect flooding, including topography, urban drainage infrastructure, and flood defenses such as levees and flood walls." Those features lead to poor predictability because "data describing these features are not widely available to support more accurate modeling."

189. The article went on to conclude that the lack of the models' agreement on risk meant that "decisions related to specific properties could easily be misinformed." The article also observed that, at the municipal level, there were "four- to seven-fold differences in exposed population and five- to 18-fold differences in exposed property

value” predictions between models.

190. The article also observed that, in First Street’s model, “high levels of topographic relief and ground slopes appear to produce high bias, and high levels of dependence on assumed levels of protection from infrastructure do as well.”

191. The article concluded that the “false precision” of First Street’s data “mean that flood hazards, especially in urban areas, are not well represented at the scale purported (parcel, block, neighborhood).”

192. First Street’s founder and CEO, Matthew Eby, responded to the Schubert article’s criticisms. Eby attacked the Schubert article’s conclusions by stating that the best way to validate climate models is to check them against real-world flooding events, including historical FEMA flood damage claims. The Dusseau article—which was published after Eby made these statements—did exactly that, finding that First Street’s model predicts significantly more flood events than historical flood damage claims would suggest.

193. First Street has not altered its marketing claims given the Schubert article’s findings, and instead still markets its model predictions as accurate at the property level out to 30 years in the future.

194. Despite the body of scientific literature detailed above, First Street purports to rely on other scientific research as a basis for its products. For example, First Street operated a “Research Lab” page on its website claiming “180 leading academic and industry research partners” from “42 universities” working to “derive new insights and further understanding of climate risk.” The page created the impression of a large-scale, active scientific partnership underpinning First Street’s products.³⁸

³⁸ Wayback Machine, <https://web.archive.org/web/20240103191614/https://firststreet.org/research->

195. At least three scientists listed on First Street’s research pages had done little or no substantive work for the organization. Professor Brett Sanders of UC Irvine stated: “I haven’t done any work for them.” He was listed because First Street required him to put his name and face on the website as a condition of accessing data. Professor Thomas Wahl of the University of Central Florida, asked what work he had done with First Street, answered: “Not much, to be honest.” A third, unnamed academic “had never even used the data he accessed through First Street.”³⁹

196. Dr. Wahl was listed by name on First Street’s “Flood Lab Research Partners” page as a member of the “Flood Lab Research Teams,” described as “comprised of leading researchers from top academic institutions working to analyze the economic impacts of flooding in America.”⁴⁰

197. The Research Lab page at firststreet.org/research-lab now returns a 404 error. Website archives confirm the page existed as recently as January 3, 2024. First Street made no public

lab/ (Jan. 3, 2024) (“The First Street Foundation Research Lab is a collection of 180 leading academic and industry research partners working to derive new insights and further understanding of climate risk.” “Researchers from 42 universities in the fields of finance, economics, public policy, risk management, hydrology, and engineering are using the data from the First Street Foundation Climate Risk Model.”).

³⁹ Sammon, American Prospect (Apr. 12, 2023) (Professor Brett Sanders of UC Irvine: “I haven’t done any work for them.” He was listed because First Street asked him to put his name and face on the website as a condition of accessing data. Professor Thomas Wahl of University of Central Florida, asked what work he had done: “Not much, to be honest.” An unnamed third academic “had never even used the data he accessed through First Street.”).

⁴⁰ Wayback Machine, <https://web.archive.org/web/20210508075316/https://firststreet.org/flood-lab/research-partners/> (May 8, 2021) (listing Dr. Thomas Wahl of University of Central Florida among “Flood Lab Research Teams”).

announcement, correction, or explanation regarding the removal.

I. First Street's Deceptive and Unfair Trade Practices are Harming Nebraska's Homeowners

198. First Street's inaccurate ratings and unwillingness to correct inaccurate scores are unfairly prejudicing Nebraska homeowners' ability to sell and insure their homes, causing financial harm.

199. Until recently, Zillow published First Street's Risk Factor scores directly on the home listings for Nebraska homeowners.

200. In 2025, Zillow conducted an analysis on the effects of flood factor scores, finding that a high flood or fire score makes a house less likely to sell.⁴¹

201. Zillow found that over 80 percent of home buyers consider climate risks when purchasing a new home.

202. Zillow's study found that only 52 percent of homes given a high flood risk assessment eventually sold, whereas 71 percent of homes given a low flood risk eventually sold. Though that gap between sales has existed "since our analysis began in 2018, the gap has widened in recent years." Indeed, "Zillow's analysis shows that high-flood-risk homes have had a consistently lower chance of selling since at least 2018, the earliest data available."

203. Risk Scores impact more than just the likelihood that a home will sell. Even the homes with high flood risk scores that do eventually sell are more likely to have sold for less than the original price than homes that have low flood risk scores. And homes with high flood risk scores take longer to sell than those given a low flood risk.

204. Thus, inaccurate high flood risk scores are triply damaging to Nebraskan home sellers—they reduce the likelihood that a home will sell at all, and even where the home does sell, it sells after a longer period of time on the market and at a disproportionately

⁴¹ <https://tinyurl.com/mudkbd5s>.

reduced price.

205. Following its assessment, Zillow has removed First Street's Risk Factor scores from its listings. However, Zillow still provides a link to First Street's website, where base Risk Factor scores remain available for many Nebraska properties.

J. First Street Assigns Contradictory and Unsupported Risk Scores to Nebraska Properties

206. It takes but minutes to find bewildering examples of inconsistent data, if one knows to look for it. For example, a residential property in the 68130 ZIP code of West Omaha, Douglas County ("Property A") is designated by FEMA's National Flood Hazard Layer as **Zone X — Area of Minimal Flood Hazard**, the lowest federal flood risk classification. The applicable FIRM panels (31055C0301J and 31055C0302K, effective March 25, 2025) confirm this designation.⁴²

207. First Street assigns this same property a Flood Factor score of 6 out of 10, labeled "Major," which is displayed on Redfin alongside the listing price, photographs, and other standard property attributes.⁴³

208. First Street's own methodology documentation states: "Properties with at least a 99% chance of flooding over 30 years will have a Flood Factor of 6 or higher." Yet Redfin displays this property's 30-year probability as only 74%. This creates an *internal inconsistency*

⁴² FEMA National Flood Hazard Layer FIRMette for Property A, Omaha, NE 68130, exported from NFHL web services on March 16, 2026. FIRM panels 31055C0301J and 31055C0302K, effective 3/25/2025. The property is located in "Area of Minimal Flood Hazard, Zone X."

⁴³ Redfin listing for Property A (1422 S 190th Plaza, Omaha, Nebraska 68130) (Accessed Mar. 2026) (displaying Flood Factor 6/10, "Major," with attribution "Data is provided by First Street"). First Street listing: https://firststreet.org/property/1422-s-190th-plz-omaha-ne-68130/310245743_fsid/0#flood

within First Street’s own scoring framework: the Flood Factor score of 6 implies a $\geq 99\%$ cumulative chance, but the displayed probability is 74%—a 25-percentage-point gap that is unexplained on the listing page.⁴⁴

209. A second residential property in the same 68130 ZIP code and the same west Omaha suburban neighborhood (“Property B”) receives a Flood Factor score of 1 out of 10, labeled “Minimal.”⁴⁵

210. The two properties are located approximately 4,033 feet apart (less than three-quarters of a mile) in similar terrain at similar elevation, surrounded by residential development and a golf course. Terrain and topographic views show no intervening river, creek, floodplain boundary, or major drainage feature between the two properties that would explain a five-point spread on a ten-point risk scale.⁴⁶

211. A reasonable Nebraska consumer comparing these two properties on a real estate platform or First Street’s own site would conclude that one faces serious flood danger and the other does not. In fact, FEMA classifies the area encompassing both properties as minimal flood hazard. The owner of Property A faces foreseeably depressed buyer interest, longer time on market, and potential

⁴⁴ <https://help.firststreet.org/hc/en-us/articles/360047585694-How-is-my-Flood-Factor-calculated> (“Properties with at least a 99% chance of flooding over 30 years will have a Flood Factor of 6 or higher.”).

⁴⁵ Realtor.com listing for Property B (18205 Cedar Circle, Omaha, Nebraska 68130) (Accessed Mar. 2026) (displaying Flood Factor 1/10, “Minimal”) https://www.realtor.com/realestateandhomes-detail/18205-Cedar-Cir_Omaha_NE_68130_M77013-74789 . Zillow listing : https://www.zillow.com/homedetails/18205-Cedar-Cir-Omaha-NE-68130/75781868_zpid/

⁴⁶ Google Maps terrain view and distance measurement, showing 4,033 feet (1.23 km) straight-line distance between Property A and Property B in the 68130 ZIP code of west Omaha, in similar terrain and elevation with no intervening floodplain boundary, river, or drainage channel.

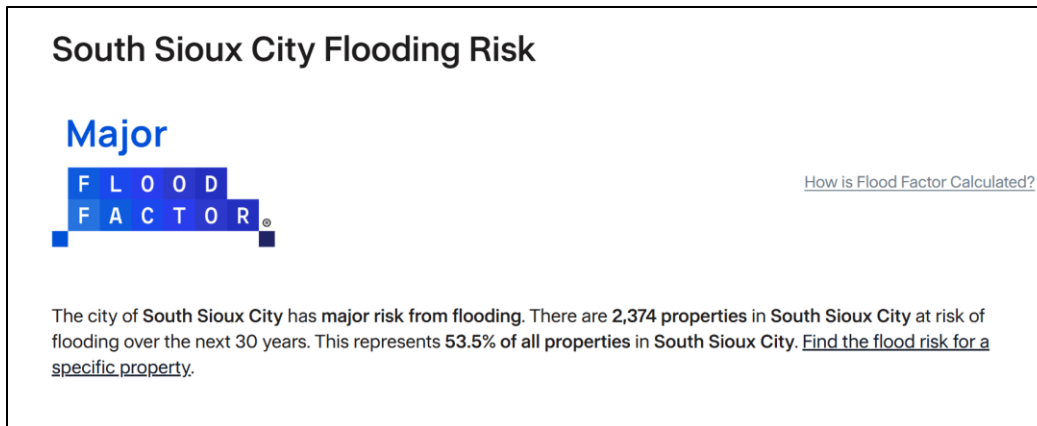
insurance cost impacts—all based on a score that contradicts the authoritative federal flood hazard determination and that First Street refuses to correct.

212. First Street operates dedicated city-level flood risk report pages for Nebraska municipalities, including Lincoln and Omaha, and all the way down to smaller cities like Chadron, or villages like Kenesaw (population estimated 921). These pages are targeted at Nebraska consumers, display Nebraska-specific property counts and flood maps, and include calls to action directing consumers to look up their individual property risk scores.

213. The municipal-level pages contain errors.

214. For example, First Street’s city-level report for South Sioux City, Nebraska (Dakota County) labels the city as having “Major” flood risk and states that 2,374 properties—53.5% of all properties—are “at risk of flooding over the next 30 years.” The report identifies 1,461 properties with “Major or Higher” flood risk. By comparison, FEMA identifies only 91 properties in South Sioux City as being in a Special Flood Hazard Area (Zone A or V). First Street thus identifies more than sixteen times as many properties as facing major flood risk as FEMA identifies as being in any flood hazard area. First Street displays these figures side by side on the same page.⁴⁷

⁴⁷ *Id.* (First Street identifies 1,461 properties with “Major or Higher” flood risk out of 4,438 total properties; FEMA identifies 91 properties in Special Flood Hazard Area (Zone A or V) out of the same 4,438 total).



215. First Street’s flood history section for South Sioux City identifies only a single major flooding event: “River Flood Near Sioux City, SD in 06/2014,” which impacted 20 properties. This sparse historical record underscores the gap between First Street’s forward-looking projections—which identify over 1,400 properties as facing major-or-higher risk—and the observed flood experience of the community.⁴⁸

216. Heavy rainfall is the dominant flooding mechanism in landlocked Nebraska—not coastal surge or tidal flooding. First Street’s own Historic Flood Methodology page concedes that “heavy rains are not included in recreated flood models” and events “with a lot of rain may not look exactly like what happened.” Yet First Street claims its models are “proven against real environmental events.” First Street’s “proven against real events” claim is materially misleading when applied to Nebraska, where the primary flood type is excluded from the very validation process that First Street holds out as proof of accuracy.⁴⁹

⁴⁸ *Id.* (“Based on First Street flood-recreation models, there have been 1 major flooding event in South Sioux City, NE. There were 20 properties impacted by River Flood Near Sioux City, SD in 06/2014.”).

⁴⁹ <https://help.firststreet.org/hc/en-us/articles/360050783973-Historic-Flood-Methodology-Which-properties-have-been-affected-by-floods> (“Heavy

217. Notably, First Street’s South Sioux City flood report lists **“Coastal”** flooding as a flood source for the city, described as “Flooding occurring when seawater inundates coastal areas, typically due to storm surges, high tides, or sea-level rise.” South Sioux City, Nebraska is a landlocked community on the Missouri River, approximately 1,000 miles from the nearest ocean coastline. There is no sea, no coast, no tidal influence, and no storm surge risk. The inclusion of coastal flooding as a listed flood source for a landlocked Nebraska city is either a templating error that was never reviewed for accuracy or a model output that was never validated against basic geographic reality. Either way, it contradicts First Street’s claims that its products are “accurate,” “validated,” “proven,” and the result of “scientifically rigorous” methodologies.⁵⁰

South Sioux City Flood Sources		
FLOOD TYPE	DESCRIPTION	PROTECTIONS AGAINST FLOOD TYPE
River	Flooding resulting from the overflow of rivers or streams due to heavy rainfall or snowmelt, inundating adjacent land areas.	Floodwall, Levee, Dikes, Dams
Precipitation	Flooding caused by excessive rainfall, leading to surface water accumulation in urban or rural areas.	Floodwall, Levee
Coastal	Flooding occurring when seawater inundates coastal areas, typically due to storm surges, high tides, or sea-level rise.	Seawalls, Living breakwaters

rains are not included in recreated flood models”; events “with a lot of rain may not look exactly like what happened.”).

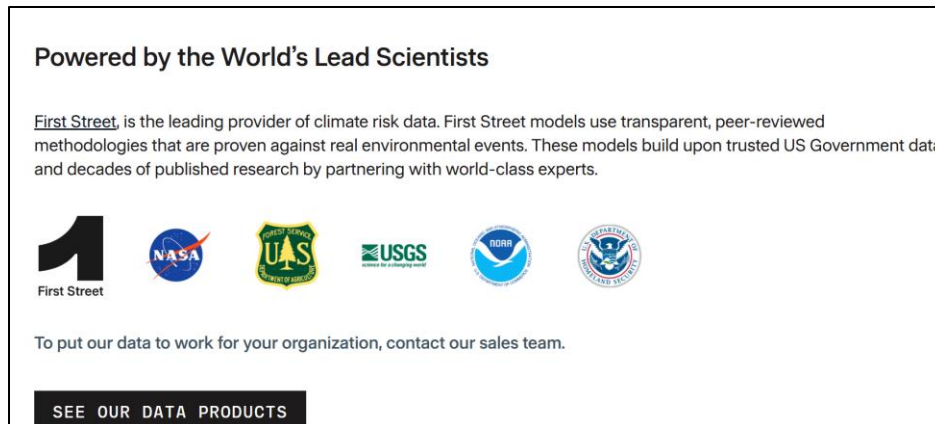
⁵⁰ *Id.* (listing “Coastal” as a flood source, described as “Flooding occurring when seawater inundates coastal areas, typically due to storm surges, high tides, or sea-level rise.” South Sioux City, Nebraska is approximately 1,000 miles from the nearest ocean coastline).

218. The South Sioux City report contains a “Pro tip” box advising consumers: “Homeowners insurance does not cover flood damage. Properties with a major or higher flood factor is recommended to get flood insurance.” First Street is thus directly advising Nebraska consumers to purchase additional insurance based on scores that identify sixteen times more high-risk properties than FEMA and that list ocean-based coastal flooding as a risk source for a city that is 1,000 miles from the ocean.⁵¹

219. The page footer displays the logos of NASA, the U.S. Forest Service, USGS, NOAA, and the U.S. Department of Homeland Security under the heading “Powered by the World’s Lead Scientists,” alongside the statement that “First Street models use transparent, peer-reviewed methodologies that are proven against real environmental events.” The juxtaposition of federal agency logos with First Street’s marketing claims creates the impression of government endorsement or partnership that does not exist for First Street’s assembled product.⁵²

⁵¹ *Id.* (“Pro tip: Homeowners insurance does not cover flood damage. Properties with a major or higher flood factor is recommended to get flood insurance.”).

⁵² *Id.* (displaying logos of NASA, U.S. Forest Service, USGS, NOAA, and U.S. Department of Homeland Security under the heading “Powered by the World’s Lead Scientists” alongside the statement that “First Street models use transparent, peer-reviewed methodologies that are proven against real environmental events.”).



220. First Street’s city-level errors are not limited to its flood product. First Street also operates a dedicated wildfire risk report page for McCook, Nebraska (Red Willow County), a southwestern Nebraska community of approximately 7,500 residents. As of at least March 20, 2026, the page assigned McCook a “Moderate” Fire Factor rating and stated that 4,090 properties, “100% of all properties in McCook,” “have some risk of being affected by wildfire over the next 30 years.”

221. As of that same date, the McCook wildfire report’s “Wildfire Protection Measures” section contained a geographic templating error comparable to the “Coastal” flood source on the South Sioux City page. The section stated: “**Seattle** is already investing in wildfire control projects, but more may be needed.” McCook, Nebraska is not Seattle, Washington. That boilerplate language from another city’s report indicates that the “report” was never reviewed, localized, or corrected before being published on a consumer-facing page directed at McCook residents.

222. First Street has since revised the page. As of June 30, 2026, the same page substitutes “McCook” for “Seattle.” That a templating error was ever published to consumers and corrected later without any explanation directly contradicts First Street’s claims that its products are “validated,” “accurate,” and the result of “scientifically rigorous” methodologies at the property level.

223. The same page, as of March 20, 2026, contained two separate mathematical impossibilities. The infrastructure section reported “**34 out of 32** facilities at risk.” The social facilities section reported “**15 out of 13** facilities at risk.” In both cases, more facilities are reported at risk than are reported to exist. These were basic arithmetic errors visible on the face of a page marketed to consumers as providing “accurate and reliable information regarding climate hazard risk.”

224. First Street has since revised these figures; as of June 30, 2026, the same sections report “18 out of 32” and “6 out of 13,” respectively.

225. The recurrence of the “Coastal” flooding error across multiple landlocked Nebraska communities and the “Seattle” wildfire error that persisted across Nebraska wildfire pages demonstrates that these are not isolated anomalies but the product of systemwide failures to review, localize, or validate the content of consumer-facing pages. These pages direct Nebraska residents to look up individual property risk scores and recommend purchasing insurance based on the scores displayed. First Street’s claims of “validated,” “proven,” and “accurate,” as well as hyperlocal, products do not survive even surface-level review of the pages First Street publishes for Nebraska communities.

COUNTS I THROUGH XIII:

VIOLATIONS OF THE CONSUMER PROTECTION ACT (Neb. Rev. Stat. § 59-1602 et seq.)

226. The State of Nebraska re-alleges the facts above and incorporates them herein by reference.

227. First Street is a “person” within the meaning of the CPA, Neb. Rev. Stat. § 59-1601(1).

228. First Street conducts “trade and commerce” within the meaning of the CPA, Neb. Rev. Stat. § 59-1601(2).

229. The CPA, Neb. Rev. Stat. § 59-1602, prohibits “unfair or

deceptive acts or practices in the conduct of any trade or commerce.”

230. An act or practice is deceptive if it possesses the tendency or capacity to mislead or creates the likelihood of deception.

231. First Street engaged in misleading or deceptive acts or practices in violation of the CPA, Neb. Rev. Stat. § 59-1602, by, without limitation:

- a. Representing, expressly or by implication, that its Risk Factor scores have certain characteristics or benefits that they do not have.
- b. Representing, expressly or by implication, that its Risk Factor scores are of a particular standard or quality that they are not.
- c. Using or employing deception, fraud, false pretense, false promise, misrepresentation, unfair practice, or concealment, suppression, or omission of any material fact in connection with its climate modeling and resulting Risk Factor scores.
- d. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate” predictions without disclosing the inherent uncertainty in those predictions.
- e. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate” predictions without disclosing the uncertainty and assumptions in their modeling.
- f. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate” predictions without disclosing their variance from other models’ predictions and from historical claims data.
- g. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate”

predictions by presenting concrete scores, rather than probabilistic scores, that give consumers a false sense of certainty in First Street's predictions.

- h. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "accurate" predictions where those predictions are based on objectively inaccurate property-level data.
- i. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "accurate" predictions after failing to correct those predictions after material inaccuracies have been brought to First Street's attention.
- j. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "transparent" while treating material underlying data as propriety and hiding other material underlying data behind a paywall.
- k. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "transparent" while failing to disclose their variance from other models' predictions and from historical claims data.
- l. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "peer reviewed" in such a way that a reasonable consumer would understand the individual, property-level Risk Factor scores to be peer reviewed.
- m. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "peer reviewed" without disclosing other scientific data that demonstrates the unreliability of those predictions.

232. First Street's conduct and deceptive acts affect the public interest by inducing consumers' reliance on faulty data, hindering Nebraskans from being able to sell their property for full value, and

leaving consumers no recourse to address harm.

233. First Street's actions constitute deceptive acts or practices in the conduct of any trade or commerce in violation of Neb. Rev. Stat. § 59-1602. Each and every advertisement, failure to disclose information, misrepresentation, deceptive representation, and fraudulent representation constitutes a separate and independent violation of the Consumer Protection Act. Neb. Rev. Stat. § 59-1602.

COUNTS XIV THROUGH XXVI:
VIOLATIONS OF THE UNIFORM
DECEPTIVE TRADE PRACTICES ACT
(Neb. Rev. Stat. § 87-301 et seq.)

234. The State of Nebraska re-alleges the facts above and incorporates them herein by reference.

235. Section 87-302(a) of the UDTPA specifies multiple practices, which when conducted during business, constitute a deceptive trade practice.

236. First Street is a "person" within the meaning of the UDTPA, Neb. Rev. Stat. § 87-301(19).

237. First Street, in the course of its business, has engaged in deceptive trade practices in violation of the UDTPA, Neb. Rev. Stat. § 87-302 by, without limitation:

- n. Representing, expressly or by implication, that its Risk Factor scores have certain characteristics or benefits that they do not have, in violation of Neb. Rev. Stat. § 87-302(a)(5).
- o. Representing, expressly or by implication, that its Risk Factor scores are of a particular standard or quality that they are not, in violation of Neb. Rev. Stat. § 87-302(a)(8).
- p. Using or employing deception, fraud, false pretense, false promise, misrepresentation, unfair practice, or

concealment, suppression, or omission of any material fact in connection with its climate modeling and resulting Risk Factor scores, in violation of Neb. Rev. Stat. § 87-302(16).

- q. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate” predictions without disclosing the inherent uncertainty in making such predictions, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).
- r. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate” predictions without disclosing the uncertainty and assumptions in their modeling, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).
- s. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate” predictions without disclosing their variance from other models’ predictions and from historical claims data, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).
- t. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate” predictions by presenting concrete scores, rather than probabilistic scores, that give consumers a false sense of certainty in First Street’s predictions, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).
- u. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate” predictions where those predictions are based on objectively inaccurate property-level data, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).
- v. Advertising and marketing, either expressly or by implication, its Risk Factor scores as “accurate”

predictions after failing to correct those predictions after material inaccuracies have been brought to First Street's attention, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).

- w. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "transparent" while treating material underlying data as propriety and hiding other material underlying data behind a paywall, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).
- x. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "transparent" while failing to disclose their variance from other models' predictions and from historical claims data, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).
- y. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "peer reviewed" in such a way that a reasonable consumer would understand the individual, property-level Risk Factor scores to be peer reviewed, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).
- z. Advertising and marketing, either expressly or by implication, its Risk Factor scores as "peer reviewed" without disclosing other scientific data that demonstrates the unreliability of those predictions, in violation of Neb. Rev. Stat. § 87-302(a)(5), (8), (16).

238. First Street's actions constitute deceptive trade practices in violation of Neb. Rev. Stat. § 87-302. Each and every advertisement, failure to disclose information, misrepresentation, deceptive representation, and fraudulent representation constitutes a separate and independent violation of the UDTPA. Neb. Rev. Stat. § 87-302.

PRAYER FOR RELIEF

WHEREFORE, the State of Nebraska requests that this Court:

A. Permanently enjoin and restrain First Street, its agents, employees, and all other persons and entities, corporate or otherwise, in active concert or participation with any of them, from engaging in the conduct described in the Complaint, which is in violation of the Consumer Protection Act, pursuant to Neb. Rev. Stat. § 59-1608(1).

B. Permanently enjoin and restrain First Street, its agents, employees, and all other persons and entities, corporate or otherwise, in active concert or participation with any of them, from engaging in unfair or deceptive acts or practices, in violation of the Consumer Protection Act, pursuant to Neb. Rev. Stat. § 59-1608(1).

C. Permanently enjoin and restrain First Street, its agents, employees, and all other persons and entities, corporate or otherwise, in active concert or participation with any of them, from engaging in conduct described in the Complaint, which is in violation of the Uniform Deceptive Trade Practices Act, pursuant to Neb. Rev. Stat. § 87-303.05.

D. Permanently enjoin and restrain First Street, its agents, employees, and all other persons and entities, corporate or otherwise, in active concert or participation with any of them, from engaging in deceptive acts or practices, in violation of the Uniform Deceptive Trade Practices Act, pursuant to Neb. Rev. Stat. § 87-303.05.

E. Order First Street to pay civil penalties for each violation of the Consumer Protection Act and the Uniform Deceptive Trade Practices Act, pursuant to Neb. Rev. Stat. §§ 59-1614, 87-303.11.

F. Order First Street to restore to every person any money acquired by First Street as a result of their violations of the Consumer Protection Act and the Uniform Deceptive Trade Practices Act, pursuant to Neb. Rev. Stat. §§ 59-1608(2), 87-303.05(1).

G. Order First Street to pay the State's costs and attorney's fees in this matter, pursuant to Neb. Rev. Stat. §§ 59-1608(1) and 87-303(b).

H. Order any other relief that the Court deems just and equitable.

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury on all issues so triable.

DATED this 27th day of August 2026.

STATE OF NEBRASKA, Plaintiff.

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