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Risk exposure to natural disasters for John Simeone's New Hampshire vacation condo, by modeling company BEN WILSON/ RE/ MAX IN THE MOUNTAINS



John Simeone, above, was shocked by the flood rating for his vacation condo in New Hampshire, left. JOHN SIMEONE



(1)

Many homes flooded by Hurricane Helene in 2024 or burned by the 2025 Eaton fire in the Los Angeles area weren't deemed high risk on official maps. Above, a house in the Eaton Fire. DAVID SWANSON/ REUTERS

Climate-Disaster Scores Muddle Sales of Homes

BY JEAN EAGLESHAM AND NICOLE FRIEDMAN

John Simeone was sure his vacation condo, nestled in New Hampshire's White Mountains, would sell easily. Then the listing went live in August. "It was like a bolt of lightning hit me in the head," Simeone said.

The three-bedroom townhouse in Lincoln, N.H., was labeled on the home-listing site Zillow as an "extreme" 9 out of 10 flood risk. Simeone was shocked. The home is about 60 feet above the nearest river, and the flood rating shown on Zillow linked to a report with a different address. He thinks the rating spooked buyers. Despite a price cut, his \$769,000 home remains unsold.

Millions of sellers and buyers are caught in the battle over how to rate a home's exposure to natural disasters—and who gets to see that information.

Until November, all the major listing platforms showcased scores from First Street, a small but influential climateresearch company. It rates homes by their vulnerability to wildfire, flood, wind, heat and poor air quality.] Note

A backlash from the real-estate industry prompted Zillow in November to remove the scores from display, while still allowing buyers to click through to the data. Other listings sites show the scores, but some will suppress them if a seller objects. The flood score for Simeone's home no longer appears on Redfin or Realtor. com at his request.

A very high flood or fire score makes a house less likely to sell, according to a Zillow analysis last year. It can create a "disaster discount," with high-scored homes that do sell more likely to go for under the initial list price, the analysis found.

Some sellers said their First Street scores can be inaccurate and difficult to change.

First Street's report for Simeone's property in August showed a 97% chance of an inch of floodwater reaching the house within 15 years—part of its 9 out of 10 rating.

After The Wall Street Journal asked about the error in the address, First Street corrected the report, changing the score to 7 out of 10. The 15-year flood projection dropped to a 52% chance. Simeone said a "rating of 7 is an improvement but still ridiculous."

First Street said the address error was the fault of one of its data providers. The home's flood rating reflects the risk from rainfall and not the river, the company said.

The scores fill a gap left by federal and state government flood and wildfire maps, which can be outdated or exclude certain risks. Many homes flooded by Hurricane Helene in 2024 or burned by the 2025 Eaton fire in the Los Angeles area weren't deemed high risk on official maps.

Private climate-scoring companies such as First Street promise to do better. Their models are designed to reflect how climate change is increasing the frequency and ferocity of natural disasters. "The very existence of this industry is an indictment of the failure of the public sector to get a grip on the problem," said Oliver Wing, chief scientific officer at Fathom, a flood-risk modeling company owned by the reinsurer Swiss Re.

First Street dominates the supply of climate data for listings. The home-listing platforms pay to use its ratings and link through to its website. Its models combine detailed topographical and natural-disaster data with climatechange projections, forecasting risks 30 years into the future. This matches the duration of a standard home loan.

Models created by First Street and other providers are widely used by the insurance industry to help decide what properties to insure, and at what price.

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.

“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,” said James Doss-Gollin, an assistant professor of engineering and a climate-risks specialist at Rice University in Houston.

Models can be a good indicator of the risk of a given area, such as a neighborhood. But the “unfortunate reality is the more you zoom in, the more that accuracy decreases,” Wing of the flood modeler Fathom said.

The California Regional Multiple Listing Service, a database owned by local Realtor associations, pushed the listing platforms last year to stop displaying First Street's flood-risk data out of concern over accuracy.

Zillow removed First Street scores from its listing pages. Realtor.com, which is operated by the Journal's parent, News Corp, kept the scores but stopped showing percentage predictions for flood risk.

Redfin left the ratings up but will remove the scores at a home seller's request.

“If the home insurers are using these models to set rates today and project rates into the future, I think it makes sense that home buyers should be able to access that same information,” said Daryl Fairweather, chief economist at Redfin.

Homeowners said their complaints to First Street are stonewalled, with a boilerplate response but no resolution. First Street reviews all homeowner complaints and works to resolve any error, but it is rare for a fix to be required, according to Matthew Eby, founder and chief executive.

An accurate, house-level, national flood map “is not only possible, it has been done not just by First Street, but many other firms,” he said. “We stand by our data.”

One aspect of the scores that has baffled sellers and buyers is that different modelers can reach very different c o n c l u s i o n s about the same property. The flood risk to Simeone's home is “extremely low,” according to the tech company **Guidewire Software's** HazardHub tool, in contrast to First Street's “severe” assessment. San Francisco-based Climate-Check scored the risk at 56 out of 100, as of November.

“All these models use valid but different assumptions, and the output results are going to vary,” said Cal Inman, cofounder and CEO of Climate-Check. The scores depend on estimates of the future impact of climate change, such as the maximum rainfall in a precise location, which can be markedly different.

Representatives of First Street and Guidewire declined to comment on rivals' ratings but defended their own company's analysis.

Andrew and Eri Uerkwitz sued First Street and Zillow in New York state court, alleging that a “false and misleading” high-risk flood rating caused them to lose money on the sale of their Chappaqua house. The three-bedroom colonial, bought for \$1.1 million in 2022, sold for \$999,000 last year.

First Street and Zillow said the Uerkwitzes are trying to make the climate scores a scapegoat for a real-estate loss. The score is a forecast and “not a statement of verifiable fact” so can't be the basis for an injurious f a l s e h o o d claim, Zillow said in a legal filing. The battle is continuing, according to filings. Nancy and Gary Berrios said they can't afford a lawyer to fight First Street's “severe” flood-risk score for their Supply, N.C., cottage. “My husband's a roofer, and I work for a healthcare company,” Nancy Berrios said.

She said the home is inland, has never flooded and lies outside federal flood zones. Not selling means they delayed a move to Florida to be near their grandchildren.

First Street said the flood risk to the home comes from extreme rainfall that isn't gauged in official maps.

Berrios said the flood-risk score scared off buyers. She and her husband have taken the home off the market.

"Everyone who comes to see the house loves it," she said. "But as soon as they see that flood score, they run."

52 %

Chance of an inch of floodwater reaching Simeone's property within 15 years

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