***Internet Appendix***

**Climate change risk and the cost of mortgage credit**

This internet appendix contains information on lenders’ pricing of sea level rise risk.

|  |  |
| --- | --- |
| Table IA-I | Sample construction |
| Table IA-II | List of US hurricanes |
| Figure IA-1 | Relationship between distance to the coast and average interest rate spread |

**Table IA-I.** Sample construction

|  |  |
| --- | --- |
|  | # observations |
| **All McDash mortgages originated between January 1992 and June 2018 with available SLR, 5-digit ZIP code, distance-to-coast, and Elevation data.** | **32,650,000** |
|  |  |
| *Less*: |  |
| Properties further than 30km from the coast | (18,198,267) |
| Non-conventional mortgages and mortgages that are not 30-year fixed rate | (11,095,572) |
| Mortgages with FICO scores below 300 and 900 and reported loan-to-value above 100% | (62,348) |
| Mortgages with exotic features | (93,453) |
| Missing FICO, loan-to-value ratio, interest rate, appraisal amount, and local income | (679,486) |
| Missing debt-to-income | (917,537) |
| **Final sample:** | **1,603,337** |
|  |  |
| *Less:* Singleton observations (as a result of interacted fixed effects) | (983,093) |
| **Effective observations in Column 4, Table 2** | **620,244** |

**Table IA-II.** List of US hurricanes

This table lists name, date, and affected states of the hurricanes that cause at least $30 billion in damage as reported by the National Hurricane Center.

|  |  |  |
| --- | --- | --- |
| Name | Date | Affected states |
|  |  |  |
| Katrina | August 25, 2005 | Alabama, Louisiana, Mississippi, Florida |
| Ike | September 12, 2008 | Louisiana, Texas |
| Sandy | October 30, 2012 | Connecticut, Delaware, Florida, Georgia, Maryland, New Jersey, Massachusetts, Maine, North Carolina, Philadelphia, Rhode Island, South Carolina, Virginia |
| Harvey | August 25, 2017 | Louisiana, Texas |
| Irma | September 6, 2017 | Florida, South Carolina |
| Maria | September 19, 2017 | Puerto Rico |

**Figure IA-1.** Relationship between dista nce to the coast and average interest rate spread

This figure displays the relationship between distance to coast (km) and average interest rate spread (%). The symbol (x) indicates 95% confidence interval.

