

**Table 7: Structural Estimation – Key Supply Parameters**

This table shows the estimated supply parameters. Panels A and B show financing costs and non-financing costs, respectively. Panel C shows the non-linear parameters that determine the financing cost. Financing costs represent financing costs that any lender must pay, regardless of whether it is financed through GSE financing or on balance sheet. Non-financing costs represent differences in origination or labor costs not coming from financing. Non-linear financing costs reflect the tradeoff a bank faces when deciding whether to finance on balance sheet or through GSE financing. A detailed description of the economic meaning of these parameters and how they are identified can be found in Section IV.B and IV.C.2, respectively

**Panel A: Financing Costs**

Parameter	Year	Estimate
$\sigma_{2010}^b$	2010	4.61
$\sigma_{2011}^b$	2011	4.02
$\sigma_{2012}^b$	2012	3.80
$\sigma_{2013}^b$	2013	3.98
$\sigma_{2014}^b$	2014	4.19
$\sigma_{2015}^b$	2015	4.34

**Panel B: Non-financing Costs**

Parameter	Description	Estimate
$w_{bn}$	Bank, purchase (baseline)	0.00
$w_{br}$	Bank, refinance	-0.05
$w_{nn}$	Shadow Bank, Non-fintech, purchase	0.21
$w_{nr}$	Shadow Bank, Non-fintech, refinance	0.11
$w_{fn}$	Shadow Bank, Fintech, purchase	0.07
$w_{fr}$	Shadow Bank, Fintech, refinance	0.10

**Panel C: Non-linear Financing Costs**

Parameter	Description	Estimate
$\sigma^{GSE}$	GSE funding cost	0.05
$\sigma^{b1}$	Internal coefficient on capital adequacy	0.01
$\phi$	Shape parameter for capital adequacy	1.49