Political Affiliation and the Pricing of Climate Risk in Mortgages [*]

Zixin Jiang[†]

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Abstract

Using voter registration data for loan officers originating residential mortgages in coastal areas, I find that Democratic loan officers charge higher rate spreads for mortgages on properties exposed to sea level rise (SLR) than do Republican loan officers. The results hold with granular property location and loan officer fixed effects. Partisan pricing is more pronounced for properties outside FEMA-designated flood zones, for loan officers located in hurricane-prone states, and in communities with fewer climate change believers. These findings highlight how political ideology shapes the pricing of climate risk in mortgages.

Keywords: Political Affiliation, Sea Level Rise, Climate Change, Mortgage

JEL Code: D72, G14, G21, G23, Q54

1   Introduction

Climate change poses significant financial risks to mortgage markets, with sea level rise alone threatening coastal properties worth trillions of dollars. Yet the pricing of these risks depends not only on objective assessments but also on subjective beliefs about climate science—beliefs that are increasingly polarized along partisan lines. While Democratic voters are more likely to view climate change as an urgent threat requiring immediate action, Republican voters tend to be more skeptical about its severity and economic implications (Funk and Kennedy 2016; Bernstein et al. 2022). This partisan divide in climate risk perception creates a natural laboratory for examining how individual beliefs influence financial decision-making in consequential markets. In this study, I examine how loan officers' political affiliation affects the pricing of climate risk in mortgage lending, exploiting variation in officers' voter registration to identify the role of ideology in credit allocation.

In the mortgage underwriting process, loan officers play a key role in assessing borrower risk, evaluating financial background, and structuring suitable loan options. While institutional policies and regulatory requirements guide lending decisions, loan officers retain some discretion over mortgage pricing (Ambrose et al. 2021; Bartlett et al. 2022; Chu 2024). Loan officers' judgments, shaped by their risk perception and personal beliefs, can impact how climate risks are factored into mortgage lending. Consequently, differences in officers' political ideology may produce variations in mortgage pricing for properties exposed to climate risks.

I construct a sample by combining CoreLogic mortgage data, Home Mortgage Disclosure Act (HMDA) data, Nationwide Mortgage Licensing System (NMLS) loan officer data, L2 voter registration data, and National Oceanic and Atmospheric Administration (NOAA) data. L2 voter registration data identifies loan officers' political affiliations, and NOAA data provides property-level exposure to SLR risk. I measure the SLR risk based on whether a property is projected to be inundated following an up to 6-foot increase in average global ocean level. CoreLogic mortgage data includes loan officers' unique NMLS ID numbers and names, which I use to merge with NMLS loan officer data and L2 voter registration records. Additionally, CoreLogic provides exact property locations, allowing me to match them with NOAA data for SLR risk assessment.

First, I examine whether loan officers' political affiliation affects how SLR risk is priced in residential mortgages. Properties closer to the coast differ from those farther away in terms of

amenities, such as scenic ocean views. To isolate the impact of SLR risk on mortgage rates, I compare properties with similar elevation and proximity to the coast. Following Bernstein et al. (2019) and Bernstein et al. (2022), I control for the property's zip code interacted with non-linear controls for its distance to the coast and elevation. Importantly, following the government-sponsored enterprises (GSEs) pricing structure, I employ the same loan-to-value (LTV) buckets used in the GSEs' loan-level price adjustment (LLPA) framework (Bartlett et al. 2022). This ensures that the LTV controls match the actual risk categories used by Fannie Mae and Freddie Mac for mortgage pricing. I find that Democratic loan officers charge higher rate spreads for mortgages on properties exposed to SLR risk than Republican loan officers. Specifically, Democratic loan officers charge spreads about 2 basis points (bp) higher than Republican loan officers for loans on properties exposed to SLR risk. Bhutta et al. (2025) show that the standard deviation of residual interest rates that observably identical borrowers lock in for the same loan in the same market on the same day is about 26 bp. I find that loan officer political affiliation explains approximately 2 bp of the rate spread in the pricing of climate risk, representing about 8% of the overall lender discretion. The results survive the inclusion of loan officer fixed effects that mitigate the concern that political affiliation could be correlated with individual characteristics that may affect their pricing decision. In contrast, I find no significant differences in interest rates on SLR-exposed mortgages between Republican and Democratic loan officers.

The results are not surprising. When lenders sell mortgages to the GSEs, the GSEs determine credit-risk pricing adjustments via a fee that depends only on LTVs and credit scores (Bartlett et al. 2022). Given that the base mortgage rate (reflecting the market price of capital), and the guarantee fee paid to the GSE are independent of climate risk exposure, lenders (loan officers) have limited discretion and incentives to adjust mortgage interest rates based on climate risk exposure. The rate spread, however, is a measure of the overall mortgage cost that incorporates the non-interest cost, such as origination fees and points, part of which are paid directly to the loan officers. Loan officers have much more discretion on these non-interest components, and not surprisingly, it is where I find the effect of loan officer political affiliation. The 2 bp partisan difference in rate spreads translates into approximately $1,500 in additional closing costs per loan on average, an economically significant magnitude.

Next, I explore the cross-sectional heterogeneity in the partisan pricing of SLR risk to identify

potential underlying mechanisms. I first examine whether the presence of mandated flood insurance mitigates the extent of partisan pricing of SLR risk. The National Flood Insurance Reform Act of 1994 mandates that U.S. mortgage borrowers purchase flood insurance if the mortgaged property is located within a Special Flood Hazard Area (SFHA). The Federal Emergency Management Agency (FEMA) is responsible for defining SFHAs based on its flood hazard assessments and mapping. As a result, the collateral value of mortgages on properties within SFHAs is protected against flood risk through mandatory insurance coverage, while properties outside SFHAs are exposed to uninsured flood losses. This institutional setting allows me to examine whether mandated flood insurance mitigates partisan differences in the pricing of SLR risk. If partisan heterogeneity primarily reflects differences in loan officers' subjective beliefs, the pricing gap should be more pronounced for properties where flood risk is uninsured. Consistent with this prediction, I find that the partisan pricing of SLR risk arises only for mortgages on properties located outside of FEMA-designated flood zones. In contrast, there is no significant partisan pricing for mortgages on properties within SFHA areas. These results suggest that mandatory flood insurance partially substitutes for individual climate risk perceptions in mortgage pricing.

Loan officers' personal experience of local climate events may also affect the partisan gap in their pricing of SLR risk. SLR risk is a long-run risk of rising oceans eventually inundating coastal properties. While SLR is a gradual process, individuals can learn about it through their personal experience of local climate events, such as hurricanes, and update their beliefs about climate change. If such exposure interacts with political ideology, Democrats and Republicans could respond differently. Democrats may internalize climate risks more readily; in contrast, Republicans may remain skeptical, reinforcing their partisan differences. The 2024 Politico article shows that Republican politician do not change their beliefs about climate change even after major hurricanes.[1] I use hurricane occurrences as a proxy for loan officers' personal experience of local climate events and split the sample based on whether loan officers are located in hurricane-prone states. The states classified as frequently affected include Florida, Texas, Louisiana, North Carolina, South Carolina, Alabama, Mississippi, Georgia, Virginia, Maryland, Delaware, New Jersey, New York, Connecticut, Rhode Island, and Massachusetts. Indeed, I find that the partisan pricing of SLR risk is more pronounced for officers in hurricane-prone states. The results suggest that direct experience with

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[1]The article can be found here https://www.politico.com/news/2024/10/11/hurricanes-republicans-climate-change-no-change-in-position-00183439

local climate events amplifies political disparities in climate risk perception and decision-making in mortgage lending.

To explore how local climate change beliefs shape partisan differences in the pricing of SLR risk, I match mortgage data with the Yale Climate Opinion Maps based on loan officers' home and work addresses. I find that the partisan pricing of SLR risk is more pronounced in communities with lower acceptance of climate change, while there is no significant partisan gap in areas with stronger local climate concerns. The Pew Research Center finds that Republicans are more internally divided on climate change than Democrats do. Republicans in Democratic-leaning, high-belief communities are more likely to be economically conservative and to accept climate science. In contrast, Republicans in Republican-dominated, low-belief communities tend to be socially conservative and skeptical of climate change. Moreover, Republicans may be more responsive than Democrats to local partisan norms, as shown in other contexts like prosocial behavior during COVID-19 (Baxter-King et al. 2022). Accordingly, Republican loan officers may be more responsive to prevailing community beliefs when pricing climate risk, particularly in regions with stronger public acceptance of climate change.

Finally, to further strengthen the main analysis, I run a series of robustness checks. Analyzing loan origination outcomes, I find that mortgage applications on properties exposed to SLR risk are more likely to be withdrawn or closed for incomplete information if they are processed by Democratic loan officers. I find no evidence that borrower political affiliation or political matching between borrowers and loan officers confounds the partisan pricing of SLR risk. Moreover, focusing on underwriting criteria, I find no significant differences between Republican and Democratic loan officers in their underwriting of higher debt-to-income or loan-to-value mortgages with SLR risk. Additionally, the results are robust when restricting the sample to loans originated by Republican and Democratic officers. Furthermore, the partisan pricing of climate risk persists when using a continuous measure of coastal proximity as a climate risk proxy.

This paper is the first to examine how political ideology of mortgage officers interacts with climate change risk pricing. While prior research has documented that political partisanship affects various aspects of housing markets—including homeownership patterns for sea-level rise (SLR) exposed properties (Bernstein et al. 2022), residential mobility decisions (McCartney et al. 2024), and housing transaction timing (Chu et al. 2024)—no study has investigated whether the political

beliefs of mortgage officers themselves influence how climate risks are incorporated into lending decisions. This represents a critical gap given that mortgage officers serve as key intermediaries in translating climate risk assessments into financing terms.

This paper also advances the understanding of how partisanship shapes financial decision-making in mortgage markets. Building on a substantial literature documenting partisan effects among finance professionals—including credit analysts (Kempf and Tsoutsoura 2021), mutual fund managers (Cassidy and Vorsatz 2024), institutional investors (Kempf et al. 2023), and syndicated loan officers (Dagostino et al. 2023)—this paper extend this analysis to mortgage lending. While Chu (2024) shows that Democratic loan officers exhibit different lending standards toward minority borrowers, this study uniquely focuses on how officer political ideology affects the pricing of environmental risks, thereby contributing novel evidence to the broader political polarization and finance literature.[2]

This paper contributes important new evidence to the emerging climate finance literature, particularly regarding mortgage market responses to environmental risks. While recent studies have examined climate risk pricing across residential real estate (Bernstein et al. 2019; Murfin and Spiegel 2020; Baldauf et al. 2020), equity (Engle et al. 2020; Choi et al. 2020; Hsu et al. 2023; Sautner et al. 2023), and bond markets (Goldsmith-Pinkham et al. 2023), mortgage market research remains limited. Existing work has focused on lender-level risk pricing (Nguyen et al. 2022) and borrower beliefs about climate risks (Bakkensen et al. 2023), but has not considered the role of individual loan officer characteristics. By demonstrating how officer political ideology affects climate risk pricing, this paper provides crucial new insights into the mechanisms through which environmental risks are incorporated into mortgage lending decisions.

More broadly, this paper contributes to the loan officer literature by identifying political ideology as a previously unexplored determinant of lending behavior. While prior studies have established that loan officer characteristics affect racial disparities in mortgage lending (Frame et al. 2025; Ambrose et al. 2021; Chu 2024) and corporate loan contracting (Herpfer 2021; Bushman et al. 2021), this study is the first to examine how officer political beliefs interact with environmental risk assessment, thereby expanding the understanding of the factors that influence individual lending decisions.

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[2] Kempf and Tsoutsoura (2024) provides an excellent review of the literature.

The remainder of the paper is organized as follows. In Section 2, I describe the data sources and the sample construction process. Section 3 examines the partisan pricing of SLR risk in mortgage lending. Section 4 explores the heterogeneity in the partisan pricing of SLR risk. Section 5 provides some robustness checks, and Section 6 concludes.

2 Data and Sample Construction

2.1 Mortgage data

I obtain mortgage origination data from CoreLogic. The CoreLogic collects information from mortgage deed documents, including the exact location of the underlying property, loan amount, mortgage origination date, loan type (FHA, VA, Conventional, fixed-rate, adjustable-rate), loan purpose (purchase or refinance), property type (single-family, multi-family, manufactured home), lien status (first lien, second lien, etc.), borrower name, lender name, and loan officer NMLSID. I geocode the location of each property and then determine the property's distance from the nearest coastline and its elevation.

To obtain interest rate, underwriting criteria, and borrower demographics, I merge the Core-Logic data with Home Mortgage Disclosure Act (HMDA) data. There is no common identifier between these two datasets. I match mortgages in these two datasets with variables that are common in these two datasets, including mortgage year, lender, census tract, loan amount, mortgage term, loan type, loan purpose, and whether the loan has a co-applicant. I only keep loans with a unique match in these two datasets. I restrict the sample to single-family, fixed-rate, first-lien, conventional mortgages with a 30-year term. I start the sample in 2018 because some key variables required in the analysis are only available in the post-2018 HMDA data.

2.2 Exposure to SLR risk

The property-level exposure assessment to SLR is derived from the publicly accessible SLR Viewer provided by the National Oceanic and Atmospheric Administration (NOAA). The NOAA provides detailed SLR shapefiles that describe the latitudes and longitudes that will be inundated following an up to 6-foot increase in average global ocean level. Utilizing geographic information systems (GIS) software, I spatially intersect these NOAA inundation layers with property parcel

data to determine the exposure level of each individual property. I have 788,750 homes with exposure to SLR of up to 6 feet.

2.3 Loan officer data

Congress passed the Secure and Fair Enforcement for Mortgage Licensing Act in 2008 (SAFE Act). The SAFE Act requires all loan officer registrations and licenses to be included in the Nationwide Multistate Licensing System (NMLS). By 2012, all state and federal regulators had integrated into the NMLS, and a nationwide mortgage licensing system and registry for the residential mortgage industry was established. This dataset contains officer information on registrations, licenses, employers, and office locations. The NMLS dataset assigns a unique and permanent ID number to each loan officer.

To identify political affiliation, I utilize voter registration data from L2. This dataset provides voters' names, demographic information, home addresses, and political affiliations. I keep voter records registered as "Democrat", "Republican", and "Non-partisan". I match the L2 data with the NMLS loan officer data based on loan officers' names, and exclude matches in which the distance between the voter's residential address and the loan officer's working address is greater than 100 miles. I exclude any remaining non-unique matches.

2.4 Sample construction

I merge property-level exposure to SLR risk with mortgage data using exact street address, city, state, and zip code. Restricting the sample to properties within 4 miles of the coast, I have 1,161,169 mortgages originated between 2018 and 2022. After matching the mortgage data with the loan officer data using the officer NMLSID, the sample is reduced to 371,313 mortgages with loan officer political affiliation.

Exposure to SLR risk decreases with distance from the coast and elevation. Properties closer to the coast differ from those further insland due to the amenity values and market liquidity of being close to the coast. To isolate the impact of SLR risk on mortgage rates, I compare properties with similar elevation and proximity to the coast. Following Bernstein et al. (2019) and Bernstein et al. (2022), I control for the property's zip code interacted with flexible non-linear controls for its distance from the coast and its elevation. I assign continuous measures of distance to the coast

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and elevation to discrete intervals for each property. Specifically, distance-to-the-coast is split up into intervals of 1/5th of a mile, while elevation is split into 2-meter intervals.

I present the summary statistics of the main variables in Table 1. The average interest rate is 3.689%. The average rate spread is 23.9 basis points. About 9.2% of mortgages are for properties exposed to SLR risk. About 41.6% of loans are originated by Republican loan officers, and 29.1% of loans are originated by Democratic loan officers. The average combined loan-to-value (CLTV) ratio is 72.165%. About 10.4% of mortgages are issued to minority borrowers. The average loan amount is $415,480.

3   Partisan Pricing of SLR Risk

To examine whether loan officers' political affiliation affects how SLR risk is priced in residential mortgages, I estimate the following specification,

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\begin{aligned}
Mortgage\ Cost_{ijkzdet} = & \beta_1 Rep\ LO_{kt} \times SLR_{izde} + \beta_2 Dem\ LO_{kt} \times SLR_{izde} + \beta_3 SLR_{izde} \\
& + \beta_4 Rep\ LO_{kt} + \beta_5 Dem\ LO_{kt} + X_{ijkzdet}\phi + \alpha_{zde} + \alpha_{loan\,char} + \alpha_{borrower\,char} + \alpha_{k,s} + \alpha_{s,t} \\
& + \alpha_{k,t} + \alpha_t + \epsilon_{ijkzdet},
\end{aligned}
\tag{1}
$$

where $Mortgage\ Cost_{ijkzdet}$ is the rate spread (interest rate) of mortgage i originated by officer k to borrower j in year t, SLR_{izde} is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise, $Rep\ LO_{kt}$ equals one if loan officer k is Republican in year t and zero otherwise, and $Dem\ LO_{kt}$ equals one if loan officer k is Democratic in year t and zero otherwise. X_{ijzdet} is a set of property, loan and borrower characteristics, including the age of the property (Property Age), the natural logarithm of the loan amount (Log Loan Amount), loan-to-income ratio (LTI), an indicator for conforming loans (Conforming), an indicator for the presence of a co-applicant (Co-applicant), an indicator for whether the borrower is over 62 (Age $>$ 62), and an indicator for whether the borrower is African American or Hispanic (Minority). α_{zde} is the set of zip-by-distance to coast-by-elevation fixed effects. I also include a set of mortgage and borrower characteristics fixed effects, including debt-to-income ratio (DTI), loan purpose, loan-to-value ratio (LTV), borrower race, and borrower

ethnicity fixed effects. Under this specification, the reference group is unaffiliated loan officers. β_1 and β_2 capture the differences in mortgage cost to properties with SLR risk by Republican and Democratic officers, relative to unaffiliated loan officers. To satisfy the identifying assumption, I include loan officer-by-property state fixed effects. This specification absorbs all time-invariant factors at the individual loan officer level while simultaneously controlling for state-specific lending environments that may influence loan officer behavior. I further use loan officer-by-year fixed effects to control for time varying loan officer characteristics that could impact their loan origination in general. This approach allows me to compare mortgage lending for properties exposed to SLR risk versus those unexposed to SLR risk by the same loan officer in the same year. The standard errors are double clustered by property zip code and loan officer.

I put the results of estimating Equation (1) in Table 2, with Panel A reporting results for the rate spread and Panel B for the interest rate. In all columns of panel A, the coefficient estimates on $Rep\,LO \times SLR$ are statistically insignificant and close to zero. In contrast, the coefficient estimates on $Dem\,LO \times SLR$ are all positive and statistically significant. In column (1), I include loan officer-by-property state fixed effects, allowing me to compare mortgages originated by the same loan officers on properties in the same state. In column (2), I further include SFHA (mandatory flood insurance or not) fixed effects to control for the effect of mandatory flood insurance at origination. In columns (3)-(4), I further include loan officer-by-year fixed effects to control for time varying loan officer characteristics that could affect their loan origination. In all columns, the differences between the coefficient estimates on $Dem\,LO \times SLR$ and $Rep\,LO \times SLR$ are statistically significant and positive, suggesting that Democratic loan officers charge higher rate spreads to mortgages on properties exposed to SLR risk than Republican loan officers. Specifically, Democratic loan officers charge spreads about 2.0 basis points higher than Republican loan officers do on loans for properties exposed to SLR risk. This translates to around \$1,500 in additional closing costs per loan on average, a magnitude that is economically significant. The differences in the coefficient estimates remain qualitatively and quantitatively similar. Bhutta et al. (2025) show that the standard deviation of residual interest rates that observably identical borrowers lock in for the same loan in the same market on the same day is about 26 bp. I find that loan officer political affiliation explains approximately 2 bp of the rate spread in the pricing of climate risk, representing about 8% of the overall lender discretion.

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In panel B, however, I find no significant differences in mortgage interest rates on SLR-exposed mortgages between Republican and Democratic loan officers. This finding is unsurprising. In the U.S., GSEs determine credit-risk pricing adjustments through a fee structure based solely on loan-to-value (LTV) ratios and credit scores (Bartlett et al. 2022). Therefore, there is little discretion for loan officers to adjust mortgage interest rates. Instead, the rate spread is a measure of the overall mortgage cost that incorporates non-interest cost, such as origination fees and points, part of which are paid directly to loan officers. Loan officers have more discretion over these non-interest costs, where I find the effect of loan officer political affiliation. The 2 bp partisan difference in rate spreads translates into approximately $1,500 in additional closing costs per loan on average, representing an economically significant amount.

4 Exploring Heterogeneity in Partisan Pricing of SLR Risk

To better understand the mechanisms through which loan officer political affiliation influences the pricing of SLR risk in residential mortgages, I examine the heterogeneity in this relationship.

4.1 Flood insurance

The National Flood Insurance Reform Act of 1994 requires that U.S. mortgage borrowers buy flood insurance if the mortgaged property is located in a Special Flood Hazard Area (SFHA). The collateral value of mortgages on properties in SFHAs is protected against flood risk; however, mortgages on properties outside SFHAs are exposed to flood risk. Thus, it is interesting to examine whether the presence of mandatory flood insurance mitigates the extent of partisan pricing of SLR risk. If partisan heterogeneity in SLR risk pricing is primarily driven by officers' subjective assessments, I would expect it to be more pronounced outside SFHAs. I divide the sample based on whether the property is inside FEMA's identified flood zones and re-estimate the regression specified in Equation (1) separately for each group.

The results are presented in Table 3. In column (1) and (2), for mortgages on properties located outside FEMA-identified flood zones, the differences between the coefficient estimates on $Dem\,LO \times SLR$ and $Rep\,LO \times SLR$ are positive and statistically significant. In contrast, in column (3) and (4), for mortgages on properties located inside FEMA-identified flood zones, the differences

between the two estimates are much smaller and statistically insignificant. These findings indicate that the partisan pricing of SLR risk is more evident when flood risk is not covered by insurance. In contrast, when flood risk is insured, the influence of officer partisanship on the pricing of SLR risk is less pronounced. The results suggest that flood insurance requirements partially substitute for individual-level climate risk perception in shaping mortgage pricing.

4.2 Loan officers' experience of local climate events

Next, I examine whether loan officers' personal experience of local climate events affects the partisan pricing of SLR risk. SLR risk is a long-run risk of rising oceans eventually inundating coastal properties. Although SLR is a slow-moving threat, individuals could internalize its significance through their experience with local climate events, such as hurricanes, which cause immediate and visible flooding. Thus, I use occurrences of hurricanes to capture loan officers' experience of climate change risk. Such personal experience of local climate events make the long-term risk of SLR more concrete and salient. If individuals interpret such climate-related experience through a partisan lens, Democrats and Republicans will likely respond differently. Democrats could respond by increasing the pricing of climate risk, but Republicans may still ignore or downplay it, making the partisan gap more pronounced. In fact, Bernstein et al. (2022) find that Republicans are more likely than Democrats to own homes exposed to SLR risk. Conversely, for individuals not experience local climate events, SLR is a less tangible and immediate concern. As a result, neither group actively incorporates it into mortgage pricing. If that is the case, the partisan gap in the pricing of SLR risk should be reflected among officers in hurricane-prone states only. I divide the sample based on whether loan officers live in states that are frequently affected by hurricanes. The states classified as frequently affected include Florida, Texas, Louisiana, North Carolina, South Carolina, Alabama, Mississippi, Georgia, Virginia, Maryland, Delaware, New Jersey, New York, Connecticut, Rhode Island, and Massachusetts.

I then re-estimate Equation (1) for loan officers in these two groups separately. I put the results in Table 4. In columns (1) and (2), for officers living in hurricane-prone states, the differences between the coefficient estimates on $Dem\ LO \times SLR$ and $Rep\ LO \times SLR$ are positive and statistically significant. In contrast, in columns (3) and (4), for loan officers living outside hurricane-prone states, the differences between the two estimates are much smaller and statistically insignificant. These

findings suggest that personal experience with climate-related threats amplifies political disparities in climate risk perception and decision-making in mortgage lending.

4.3 Local climate change beliefs

Finally, I examine how local community beliefs about climate change affect the partisan pricing of SLR risk. Prior studies have shown that local climate change beliefs affect how climate risk is priced in real estate and mortgage markets (e.g., Bernstein et al. 2019; Baldauf et al. 2020; Nguyen et al. 2022). Whether local climate change beliefs exacerbate or mitigate the partisan disparity in the pricing of SLR risk is worth examining. I use data from the Yale Climate Opinion Maps, which provide county-level measures of public perceptions about climate change. Specifically, I construct my measure of local climate change beliefs using county-level responses to the survey item, "Do you think that global warming is happening?" I merge the mortgage data with the Yale Climate Opinions map data based on loan officers' home and work addresses. I divide the sample into two groups based on the sample median and re-estimate the regression specified in Equation (1) separately for each group.

I present the results in Table 5. Based on loan officers' home addresses, in columns (1) and (2) of panel A, for officers living in communities with fewer climate change believers, the differences between the coefficient estimates on $Dem\ LO \times SLR$ and $Rep\ LO \times SLR$ are positive and statistically significant. In contrast, in columns (3) and (4), for loan officers living in communities with stronger climate concern, the differences between the two estimates are much smaller and statistically insignificant. In panel B, I find similar results using loan officers' work addresses. Communities with higher climate change beliefs tend to be Democratic-leaning, while those with lower climate change beliefs tend to be Republican-leaning. The Pew Research Center finds that Republicans face greater internal divisions over climate change than Democrats do. Republicans in Democratic-leaning, high-belief communities are more likely to be economically conservative and to accept climate science. In contrast, Republicans in Republican-dominated, low-belief communities tend to be socially conservative and skeptical of climate change. Consequently, a Republican loan officer in a high climate-belief area may also internalize SLR risk in loan pricing - unlike their counterparts in skeptical regions where SLR risk is usually ignored. Furthermore, it could also be that Republicans are more responsive than Democrats to social cues from their local partisan environ-

ment, as documented in other contexts such as prosocial behaviors during COVID-19 (Baxter-King et al. 2022). Accordingly, Republican loan officers may be more responsive to prevailing community beliefs when pricing climate risk, particularly in areas with stronger public acceptance of climate change.

5 Robustness Checks

In this section, I run a series of robustness checks to further strengthen the main analysis. I begin by analyzing loan origination outcomes. I then test whether borrower political affiliation confounds the baseline results. Moreover, I assess whether partisan differences extend to other underwriting criteria. I also remove mortgages originated by non-partisan loan officers. Finally, I use an alternative proxy for climate risk to test the partisan difference in the pricing of climate risk.

5.1 Local loan officer political affiliation and loan origination

To have a more comprehensive view of the mortgage origination process, I examine how loan officer political affiliation affects the probability that applications are withdrawn or closed for incomplete information. The HMDA data do not have exact property locations and loan officer information. To measure SLR exposure, I calculate SLR_r as the proportion of each census tract r's tabulation area that would be inundated under 6-foot global SLR. This tract-level SLR risk is noisier than property-level SLR risk, but still informative given that each tract is usually small. To measure local loan officer political affiliation, I use the CoreLogic data to identify the number of active loan officers. I calculate $Percent\,Rep_{lct}$ ($Perent\,Dem_{lct}$) as the percentage of active Republican (Democratic) loan officers for lender l in county c in year t. These lender-county-year level measures are noisier than individual loan officer political affiliation but still provide useful information given that most lenders employ few loan officers within a county per year and loan officers typically focus on specific geographic areas proximate to their borrowers (Huang et al. 2024; Gao et al. 2024; Chu 2024).

For the application records in the HMDA data, I only retain applications that are approved and originated (action type=1), rejected (action type=3), withdrawn (action type=4), or closed for

incomplete information (action type=5). I first examine how loan officer political affiliation affects the percentage of withdrawn or incomplete applications using the following specification:

$$D_{ircldet} = \beta_1 Percent\,Rep_{lct} \times SLR_r + \beta_2 Perent\,Dem_{lct} \times SLR_r + \beta_3 SLR_r$$

$$+ X_{ircldet}\phi + \alpha_{cde} + \alpha_{l,c,t} + \alpha_{loan\,char} + \alpha_{borrower\,char} + \alpha_{r,t} + \epsilon_{ircl\,det}, \tag{2}$$

where $D_{ircldet}$ is the dummy variable of whether loan application i in tract r and county c by lender l in year t is withdrawn or closed for incomplete information, or approved. α_{cde} is the county-by-distance to coast-by-elevation fixed effects, where both distance to the coast and elevation are measured at the tract centroid. Also, I include lender-by-county-by-year fixed effects to control for time varying lender and county level factors, and tract-by-year fixed effects to control for time varying tract level demand side factors. The standard errors are double clustered by census tract and lender.

The estimation results for withdrawn or incomplete applications are presented in column (1) of Table 6. The coefficient estimate on $Rep\,LO \times SLR$ is negative, and the coefficient estimate on $Dem\,LO \times SLR$ is positive. More importantly, the difference between the two estimates is significantly positive. The results suggest that loan applications with SLR risk received by Democratic loan officers are more likely to be withdrawn or closed for incomplete information than those received by Republican loan officers.

Next, I exclude loan applications withdrawn or closed for incomplete information and replace the dependent variable in Equation (2) with the dummy variable of whether the application is approved. The results are shown in Column (2) of Table 6. The difference between the coefficient estimates on $Dem\,LO \times SLR$ and $Rep\,LO \times SLR$ is negative and statistically insignificant. The sign of the difference between the two estimates is consistent with the expectation that loan applications with SLR risk processed by Democratic loan officers are less likely to be approved by underwriters, although the difference is not statistically significant.

5.2 Borrower political affiliation

In this section, I examine whether borrower political affiliation or borrower-loan officer political matching affects the main results. If borrowers selectively apply to loan officers with similar political

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affiliation, or if loan officers treat ideologically aligned borrowers differently, this might confound the baseline results. To mitigate this concern, I conduct further analysis to isolate the independent effect of loan officer partisanship. I obtain borrower political affiliation from L2 voter records and retain registrations classified as "Democrat," "Republican", and "Non-partisan". I then match borrower political affiliation with the main sample and re-estimate Equation (1).

I put the results in Table 7. In Column (1), the difference between the coefficient estimates on $Dem\,LO \times SLR$ and $Rep\,LO \times SLR$ is about 2.0 basis points and statistically insignificant. The magnitude of the difference is close to the main results. The insignificance of the difference may reflect reduced statistical power from the smaller sample after matching with borrower political affiliation. In column (2), I include borrower party fixed effects, and in column (3), I further include borrower-loan officer same party fixed effects. The coefficient estimates on $Rep\,LO \times SLR$, $Dem\,LO \times SLR$, and their differences are similar to the result in column (1). These results suggest that the partisan pricing of SLR risk is less likely to be driven by borrower party or political matching between borrowers and loan officers.

5.3 Underwriting criteria

Given the documented partisan pricing of SLR risk in mortgages, I examine whether the partisan difference extends to other underwriting criteria. If loan officer political affiliation affects mortgage pricing but not underwriting criteria, this could strengthen the inference that the observed partisan gap reflects loan officers' subjective assessment or perceptions regarding climate risk.

5.3.1 Debt-to-income ratio

To assess whether Republican and Democratic loan officers apply different underwriting standards to mortgages with SLR risk, I first examine the debt-to-income ratio of the loans. The debt-to-income ratio is a critical criterion for mortgage approval decisions. I use the incidence of loans with debt-to-income ratios exceeding 36% ($DTI36$) and 38% ($DTI38$) as dependent variables and re-estimate Equation (1).

The results are presented in Table 8. In all columns, the coefficient estimates on $Rep\,LO \times SLR$ and $Dem\,LO \times SLR$ are statistically insignificant and the differences between the coefficient estimates on $Rep\,LO \times SLR$ and $Dem\,LO \times SLR$ are small and statistically insignificant. These

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results suggest that Republican and Democratic loan officers do not differ significantly in their underwriting of higher debt-to-income ratio loans to mortgages with SLR risk.

5.3.2 Loan-to-value ratio

Another underwriting criteria is the loan-to-value ratio. I construct dummy variables for whether the combined loan-to-value ratio is greater than 80% ($CLTV80$) and 90% ($CLTV90$) and replace the dependent variable in Equation (1) with these dummy variables.

The results are presented in columns (1)-(4) of Table 9. In all columns, the differences between the coefficient estimates on $Rep\,LO \times SLR$ and $Dem\,LO \times SLR$ are small and statistically insignificant. These results suggest that Republican and Democratic loan officers do not differ significantly in their underwriting of higher loan-to-value loans to mortgages with SLR risk.

5.4 Removing non-partisan loan officers

In this section, I exclude mortgages originated by non-partisan loan officers and restrict the analysis to loans issued by officers registered as Republican or Democratic. This specification provides a direct comparison between the two political groups and serves as a robustness check on the baseline findings. While the main analysis includes all loan officers to maximize sample size and representativeness, focusing on partisan officers isolates the pricing differences between Republican and Democratic groups. To test whether the observed partisan differences in climate risk pricing are sensitive to the exclusion of non-partisan officers from the sample, I estimate the following specification,

$$
\begin{aligned}
Rate\ Spread_{ijkzet} = {} & \beta_1 Dem\ LO_{kt} \times SLR_{izde} + \beta_2 Dem\ LO_{kt} + \beta_3 SLR_{izde} \\
& + \beta_4 Dem\ LO_{kt} + X_{ijkzdet}\phi + \alpha_{zde} + \alpha_{loan\,char} + \alpha_{borrower\,char} + \alpha_{k,s} + \alpha_{s,t} \\
& + \alpha_{k,t} + \alpha_t + \epsilon_{ijkzdet},
\end{aligned}
\tag{3}
$$

The results are presented in Table 10. In all columns, the coefficient estimates on $Dem\,LO \times SLR$ are positive and statistically significant. The magnitudes are similar to those in the main results, indicating that the exclusion of non-partisan officers does not affect the main findings. Democratic loan officers charge higher rate spreads for mortgages on properties exposed to SLR

risk than Republican loan officers do. These results confirm that partisan differences in climate risk assessment drive the observed pricing patterns in mortgages.

5.5 Alternative measure of climate risk

To mitigate the concern that loan officers may not observe variation in SLR exposure within narrowly defined geographic areas, I use a continuous measure of property distance to the coastline as an alternative proxy for climate risk. Properties closer to the coast face greater exposure to rising sea levels. This continuous measure captures variation in climate risk at a geographic scale, allowing the pricing effect to be identified without relying on parameterized spatial fixed effects. Using this alternative measure, I test whether the main results are robust using the following specification,

$$
\begin{aligned}
Rate\ Spread_{ijkzet} = {}& \beta_1 \text{Re} p\ LO_{kt} \times Distance\ to\ coast_i + \beta_2 Dem\ LO_{kt} \times Distance\ to\ coast_i \\
& + \beta_3 Distance\ to\ coast_i + \beta_4 \text{Re} p\ LO_{kt} + \beta_5 Dem\ LO_{kt} + X_{ijkzet}\phi + \alpha_{ze} + \alpha_{k,s} + \alpha_{loan\ char} \\
& + \alpha_{borrower\ char} + \epsilon_{ijkzet},
\end{aligned}
\tag{4}
$$

where $Distance\ to\ coast_i$ is the geographic distance (in miles) of the mortgaged property to the coast for mortgage i. I put the results in Table 11. Democratic loan officers charge higher rate spreads for mortgages on properties closer to the coast than do Republican loan officers. This finding reinforces the main result that loan officer political affiliation affects the pricing of climate risk in mortgages. Specifically, for a mortgaged property located 4 miles closer to the coast, Democratic loan officers charge spreads that are 1.2 basis points higher than those charged by Republican loan officers.

6 Conclusion

Using voter registration data for loan officers originating residential mortgages in coastal areas, I examine whether climate change partisanship is reflected in mortgage lending. I find that Democratic loan officers charge higher rate spreads for mortgages on properties exposed to SLR than Republican loan officers. The results hold with granular location and loan officer fixed effects. Partisan pricing is more pronounced for properties outside FEMA-designated flood zones, for loan

officers located in hurricane-prone states, and in communities with fewer climate change believers. These findings demonstrate how political ideology shapes the pricing of climate risks in mortgages, highlighting the behavioral channel through which individual ideology shapes credit outcomes.

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Table 1: Summary statistics of main variables

This table presents the summary statistics of the main sample. *Interest Rate* is the mortgage interest rate (in percentage points); *Rate Spread* is the difference between mortgage APR and the average prime offering rate (in percentage points); *Rep LO* is a dummy variable equal to one if the loan officer is Republican and zero otherwise; *Dem LO* is a dummy variable equal to one if the loan officer is Democratic and zero otherwise; *SLR* is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise; *Conforming* is a dummy variable that equals one if the loan is sold to a GSE; *Co Applicant* is a dummy variable that equals one if the loan has a co-applicant; *Property Age* is the age of the house; *Age > 62* is a dummy variable that equals one if the age of the borrower is over 62; *Mortgage Amount* is the loan amount; *CLTV* is the combined loan-to-value ratio; *Minority* is a dummy variable that equals one if the borrower is African American or Hispanic.

	N	Mean	SD	25th Perc.	Median	75th Perc.
Interest Rate	370,751	3.689	0.909	2.990	3.375	4.250
Rate Spread	355,781	0.239	0.441	-0.037	0.181	0.443
SLR	371,313	0.092	0.289	0	0	0
Republican	371,313	0.416	0.493	0	0	1
Democratic	371,313	0.291	0.454	0	0	1
Conforming	371,313	0.907	0.291	1	1	1
Co Applicant	371,313	0.596	0.491	0	1	1
Property Age	339,621	49.727	29.742	25	47	68
Age > 62	371,100	0.193	0.395	0	0	0
Minority	371,179	0.104	0.305	0	0	0
CLTV	368,911	72.165	861.367	59	75	80
Mortgage Amount	371,313	415,480	279,501	232,000	347,200	510,000

Table 2: Loan officer political affiliation and the pricing of SLR risk

This table reports the results of estimating Equation (1). The dependent variable in Panel A is *Rate Spread* and the dependent variable in Panel B is *Interest Rate*. *Rate Spread* is the difference between mortgage APR and the average prime offering rate (in percentage points); *Interest Rate* is the mortgage interest rate (in percentage points); SLR is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise; $Rep\,LO$ is a dummy variable equal to one if the loan officer is Republican and zero otherwise; $Dem\,LO$ is a dummy variable equal to one if the loan officer is Democratic and zero otherwise; DTI is the debt-to-income ratio categorized as follows: $< 20\%$, 20%–30%, 30%–36%, 36%–40%, 40%–46%, 46%–50%, 50%–60%, and $> 60\%$; LTV is the combined loan-to-value ratio categorized as follows: $\leq 60\%$, $60\% - 70\%$, $70\% - 75\%$, $75\% - 80\%$, $80\% - 85\%$, $85\% - 90\%$, $90\% - 95\%$, and $> 95\%$. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

Panel A: Rate spread

	(1)	(2)	(3)	(4)
Rep LO × SLR	-0.011	-0.011	-0.003	-0.002
	(0.008)	(0.008)	(0.008)	(0.008)
Dem LO × SLR	0.013	0.014	0.016	0.016
	(0.009)	(0.009)	(0.010)	(0.010)
SLR	0.001	0.002	-0.003	-0.003
	(0.009)	(0.009)	(0.010)	(0.010)
Rep LO	0.043	0.046		
	(0.046)	(0.046)		
Dem LO	0.034	0.035		
	(0.040)	(0.040)		
Minority × Rep LO	0.003	0.003	-0.015	-0.014
	(0.009)	(0.009)	(0.010)	(0.010)
Minority × Dem LO	-0.005	-0.005	-0.008	-0.007
	(0.009)	(0.009)	(0.009)	(0.009)
Log Loan Amount	-0.156***	-0.156***	-0.153***	-0.153***
	(0.005)	(0.005)	(0.005)	(0.005)
Conforming	-0.026***	-0.026***	-0.028***	-0.028***
	(0.006)	(0.006)	(0.006)	(0.006)
Co Applicant	0.032***	0.032***	0.031***	0.031***
	(0.002)	(0.002)	(0.002)	(0.002)
Property Age	0.000***	0.000***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	-0.010***	-0.010***	-0.009***	-0.009***
	(0.003)	(0.003)	(0.003)	(0.003)
Minority	0.049*	0.050*	0.062**	0.061**
	(0.027)	(0.027)	(0.028)	(0.028)
Dem LO × SLR - Rep LO × SLR	0.024***	0.025***	0.019**	0.019**
	(0.008)	(0.008)	(0.008)	(0.008)
Observations	254,593	253,608	234,005	234,005
R-squared	0.606	0.605	0.680	0.680
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
DTI FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
LTV-Year FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
SFHA FE		Yes	Yes	Yes
Officer-Year FE			Yes	Yes
State-Year FE				Yes

Panel B: Interest rate

	(1)	(2)	(3)	(4)
Rep LO × SLR	0.010	0.009	0.017	0.017
	(0.011)	(0.011)	(0.012)	(0.012)
Dem LO × SLR	0.027*	0.027**	0.022	0.022
	(0.014)	(0.014)	(0.015)	(0.014)
SLR	-0.024*	-0.023*	-0.026*	-0.027*
	(0.013)	(0.013)	(0.014)	(0.014)
Rep LO	0.066	0.074		
	(0.058)	(0.058)		
Dem LO	-0.001	0.001		
	(0.069)	(0.069)		
Minority × Rep LO	-0.006	-0.007	-0.024*	-0.024*
	(0.013)	(0.013)	(0.013)	(0.013)
Minority × Dem LO	-0.009	-0.010	-0.005	-0.004
	(0.014)	(0.014)	(0.015)	(0.015)
Log Loan Amount	-0.135***	-0.135***	-0.130***	-0.130***
	(0.006)	(0.006)	(0.006)	(0.006)
Conforming	-0.030***	-0.030***	-0.034***	-0.034***
	(0.008)	(0.008)	(0.008)	(0.008)
Co Applicant	0.040***	0.040***	0.038***	0.039***
	(0.003)	(0.003)	(0.003)	(0.003)
Property Age	0.001***	0.001***	0.001***	0.001***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	-0.021***	-0.021***	-0.017***	-0.017***
	(0.004)	(0.004)	(0.004)	(0.004)
Minority	-0.011	-0.011	0.034	0.034
	(0.040)	(0.040)	(0.041)	(0.041)
Dem LO × SLR - Rep LO × SLR	0.017	0.018	0.005	0.005
	(0.012)	(0.012)	(0.012)	(0.012)
Observations	266,920	265,920	246,089	246,089
R-squared	0.772	0.771	0.817	0.817
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
DTI FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
LTV-Year FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
SFHA FE		Yes	Yes	Yes
Officer-Year FE			Yes	Yes
State-Year FE				Yes

Table 3: Loan officer political affiliation, SLR risk, and mandatory flood insurance

This table presents the results of how required flood insurance impacts the partisan pricing of SLR risk. I divide the sample based on whether the property is inside FEMA's identified flood zones. The dependent variable is *Rate Spread*, the difference between mortgage APR and the average prime offering rate (in percentage points). SLR is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise; $Rep\,LO$ is a dummy variable equal to one if the loan officer is Republican and zero otherwise; $Dem\,LO$ is a dummy variable equal to one if the loan officer is Democratic and zero otherwise; DTI is the debt-to-income ratio categorized as follows: $< 20\%$, 20%–30%, 30%–36%, 36%–40%, 40%–46%, 46%–50%, 50%–60%, and $> 60\%$; LTV is the combined loan-to-value ratio categorized as follows: $\leq 60\%$, $60\% - 70\%$, $70\% - 75\%$, $75\% - 80\%$, $80\% - 85\%$, $85\% - 90\%$, $90\% - 95\%$, and $> 95\%$. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

	Mandatory flood insurance			
	No		Yes	
	(1)	(2)	(3)	(4)
Rep LO × SLR	-0.022	-0.007	0.016	0.033*
	(0.015)	(0.017)	(0.015)	(0.019)
Dem LO × SLR	0.035*	0.046**	0.024	0.014
	(0.019)	(0.022)	(0.020)	(0.023)
SLR	0.009	-0.004	-0.011	0.001
	(0.015)	(0.017)	(0.016)	(0.019)
Rep LO	0.066		-0.016	
	(0.046)		(0.102)	
Dem LO	0.043		-0.007	
	(0.042)		(0.095)	
Minority × Rep LO	0.002	-0.012	0.011	-0.018
	(0.010)	(0.011)	(0.025)	(0.031)
Minority × Dem LO	-0.005	-0.007	0.045	0.055
	(0.010)	(0.010)	(0.032)	(0.040)
Log Loan Amount	-0.155***	-0.148***	-0.146***	-0.152***
	(0.006)	(0.006)	(0.009)	(0.011)
Conforming	-0.012*	-0.015**	-0.054***	-0.063***
	(0.006)	(0.006)	(0.013)	(0.015)
Co Applicant	0.035***	0.034***	0.015**	0.014*
	(0.002)	(0.002)	(0.006)	(0.007)
Property Age	0.000***	0.000***	0.001***	0.001***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	-0.009***	-0.007**	-0.011	-0.023***
	(0.003)	(0.003)	(0.007)	(0.008)
Minority	0.051*	0.066**	-0.072	-0.051
	(0.030)	(0.032)	(0.081)	(0.118)
Dem LO × SLR - Rep LO × SLR	0.057***	0.053***	0.008	-0.018
	(0.018)	(0.020)	(0.017)	(0.020)
Observations	217,321	198,673	25,441	18,573
R-squared	0.619	0.694	0.634	0.720
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
DTI FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
LTV-Year FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
Officer-Year FE		Yes		Yes
State-Year FE		Yes		Yes

Table 4: Loan officer political affiliation, SLR risk, and personal experience of local climate events
This table presents the results of how loan officers' personal experience of local climate events influences the partisan pricing of SLR risk. The sample is split based on whether loan officers live in states that are often affected by hurricanes. The states classified as frequently affected include Florida, Texas, Louisiana, North Carolina, South Carolina, Alabama, Mississippi, Georgia, Virginia, Maryland, Delaware, New Jersey, New York, Connecticut, Rhode Island, and Massachusetts. The dependent variable is $Rate\,Spread$, the difference between mortgage APR and the average prime offering rate (in percentage points). SLR is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise; $Rep\,LO$ is a dummy variable equal to one if the loan officer is Republican and zero otherwise; $Dem\,LO$ is a dummy variable equal to one if the loan officer is Democratic and zero otherwise; DTI is the debt-to-income ratio categorized as follows: $< 20\%$, 20%–30%, 30%–36%, 36%–40%, 40%–46%, 46%–50%, 50%–60%, and $> 60\%$; LTV is the combined loan-to-value ratio categorized as follows: $\leq 60\%$, $60\% - 70\%$, $70\% - 75\%$, $75\% - 80\%$, $80\% - 85\%$, $85\% - 90\%$, $90\% - 95\%$, and $> 95\%$. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

	Officer in Hurricane-Prone States			
	Yes		No	
	(1)	(2)	(3)	(4)
Rep LO × SLR	-0.011	0.000	-0.010	0.004
	(0.009)	(0.010)	(0.020)	(0.019)
Dem LO × SLR	0.018	0.021*	-0.002	-0.005
	(0.012)	(0.013)	(0.022)	(0.019)
SLR	0.007	-0.005	-0.024	-0.019
	(0.011)	(0.012)	(0.024)	(0.023)
Rep LO	0.111*		0.021	
	(0.063)		(0.069)	
Dem LO	0.088		0.028	
	(0.064)		(0.073)	
Minority × Rep LO	0.007	-0.010	-0.007	-0.018
	(0.013)	(0.014)	(0.014)	(0.013)
Minority × Dem LO	0.007	0.010	-0.006	-0.010
	(0.014)	(0.015)	(0.013)	(0.012)
Log Loan Amount	-0.187***	-0.185***	-0.104***	-0.090***
	(0.005)	(0.006)	(0.007)	(0.006)
Conforming	-0.076***	-0.076***	0.019***	0.017***
	(0.009)	(0.009)	(0.007)	(0.006)
Co Applicant	0.037***	0.038***	0.026***	0.025***
	(0.003)	(0.003)	(0.003)	(0.003)
Property Age	0.001***	0.001***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	-0.016***	-0.015***	0.004	0.005
	(0.004)	(0.004)	(0.004)	(0.004)
Minority	0.050	0.057	0.025	0.052
	(0.037)	(0.040)	(0.044)	(0.039)
Dem LO × SLR - Rep LO × SLR	0.029***	0.021**	0.008	-0.009
	(0.010)	(0.010)	(0.019)	(0.019)
Observations	120,946	111,301	117,616	106,906
R-squared	0.591	0.660	0.638	0.709
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
DTI FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
LTV-Year FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
SFHA FE	Yes	Yes	Yes	Yes
State-Year FE	Yes	Yes	Yes	Yes
Same State FE	Yes	Yes	Yes	Yes
Officer-Year FE		Yes		Yes

Table 5: Loan officer political affiliation, SLR risk, and local climate change beliefs

This table presents the results of how local climate change beliefs impact the partisan pricing of SLR risk. To calculate loan officers' distance to the coast, Panel A uses officers' home addresses, and Panel B uses officers' work addresses. The sample is divided based on whether local climate change beliefs is above or below the sample median. The dependent variable is $Rate\,Spread$, the difference between mortgage APR and the average prime offering rate (in percentage points). SLR is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise; $Rep\,LO$ is a dummy variable equal to one if the loan officer is Republican and zero otherwise; $Dem\,LO$ is a dummy variable equal to one if the loan officer is Democratic and zero otherwise; DTI is the debt-to-income ratio categorized as follows: $< 20\%$, 20%–30%, 30%–36%, 36%–40%, 40%–46%, 46%–50%, 50%–60%, and $> 60\%$; LTV is the combined loan-to-value ratio categorized as follows: $\leq 60\%$, $60\% - 70\%$, $70\% - 75\%$, $75\% - 80\%$, $80\% - 85\%$, $85\% - 90\%$, $90\% - 95\%$, and $> 95\%$. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

Panel A: Based on Officers' Home Addresses

| | Local Climate Change Belief | | | |
| | Low | | High | |
	(1)	(2)	(3)	(4)
Rep LO × SLR	-0.018*	-0.009	-0.011	-0.003
	(0.010)	(0.011)	(0.013)	(0.014)
Dem LO × SLR	0.012	0.020	0.005	0.000
	(0.013)	(0.014)	(0.017)	(0.016)
SLR	0.006	-0.000	0.003	-0.006
	(0.013)	(0.014)	(0.017)	(0.017)
Rep LO	0.044		-0.020	
	(0.059)		(0.159)	
Dem LO	0.033		-0.106	
	(0.101)		(0.119)	
Minority × Rep LO	0.011	0.000	-0.016	-0.037***
	(0.015)	(0.017)	(0.013)	(0.014)
Minority × Dem LO	0.013	0.023	-0.010	-0.016
	(0.017)	(0.019)	(0.013)	(0.013)
Log Loan Amount	-0.196***	-0.192***	-0.107***	-0.102***
	(0.006)	(0.006)	(0.007)	(0.007)
Conforming	-0.060***	-0.060***	0.002	0.000
	(0.009)	(0.010)	(0.008)	(0.008)
Co Applicant	0.043***	0.042***	0.021***	0.022***
	(0.003)	(0.004)	(0.003)	(0.003)
Property Age	0.001***	0.001***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	-0.020***	-0.020***	0.005	0.008*
	(0.004)	(0.004)	(0.004)	(0.005)
Minority	0.076	0.084	0.032	0.063
	(0.055)	(0.057)	(0.036)	(0.038)
Dem LO × SLR - Rep LO × SLR	0.030***	0.029**	0.016	0.003
	(0.011)	(0.011)	(0.015)	(0.015)
Observations	110,818	100,904	112,152	103,750
R-squared	0.627	0.688	0.636	0.700
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
DTI FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
LTV-Year FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
SFHA FE	Yes	Yes	Yes	Yes
State-Year FE	Yes	Yes	Yes	Yes
Officer-Year FE		Yes		Yes

Panel B: Based on Officers' Work Addresses

| | Local Climate Change Belief | | | |
| | Low | | High | |
	(1)	(2)	(3)	(4)
Rep LO × SLR	-0.018*	-0.008	-0.011	-0.003
	(0.010)	(0.011)	(0.013)	(0.014)
Dem LO × SLR	0.012	0.019	0.005	0.000
	(0.013)	(0.014)	(0.017)	(0.016)
SLR	0.007	-0.000	0.003	-0.006
	(0.013)	(0.014)	(0.017)	(0.017)
Rep LO	0.036		-0.020	
	(0.059)		(0.159)	
Dem LO	0.020		-0.107	
	(0.103)		(0.119)	
Minority × Rep LO	0.011	-0.003	-0.017	-0.037***
	(0.015)	(0.017)	(0.013)	(0.014)
Minority × Dem LO	0.012	0.021	-0.010	-0.016
	(0.017)	(0.019)	(0.013)	(0.013)
Log Loan Amount	-0.196***	-0.191***	-0.107***	-0.102***
	(0.006)	(0.006)	(0.007)	(0.007)
Conforming	-0.061***	-0.059***	0.002	0.001
	(0.009)	(0.010)	(0.008)	(0.008)
Co Applicant	0.044***	0.042***	0.021***	0.022***
	(0.003)	(0.004)	(0.003)	(0.003)
Property Age	0.001***	0.001***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	-0.021***	-0.021***	0.005	0.008*
	(0.004)	(0.004)	(0.004)	(0.005)
Minority	0.079	0.087	0.031	0.062
	(0.056)	(0.058)	(0.036)	(0.038)
Dem LO × SLR - Rep LO × SLR	0.030***	0.028**	0.016	0.003
	(0.011)	(0.012)	(0.015)	(0.015)
Observations	109,254	99,529	112,077	103,677
R-squared	0.627	0.688	0.636	0.700
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
DTI FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
LTV-Year FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
SFHA FE	Yes	Yes	Yes	Yes
State-Year FE	Yes	Yes	Yes	Yes
Officer-Year FE		Yes		Yes

Table 6: Local loan officer political affiliation and loan origination

This table presents the results of estimating Equation (2). The dependent variables are: the dummy variable of whether loan applications are withdrawn or closed for incomplete information (column (1)), and approved (column (2)). SLR is the proportion of each census tract's tabulation area that would be inundated under a 6-foot global SLR increase; $Percent\,Rep(Perent\,Dem)$ is the percentage of active Republican (Democratic) loan officers of the lender in the county in the year; LTI is the loan-to-income ratio; DTI is the debt-to-income ratio categorized as follows: $< 20\%$, 20%–30%, 30%–36%, 36%–40%, 40%–46%, 46%–50%, 50%–60%, and $> 60\%$; LTV is the combined loan-to-value ratio categorized as follows: $\leq 60\%$, $60\% - 70\%$, $70\% - 75\%$, $75\% - 80\%$, $80\% - 85\%$, $85\% - 90\%$, $90\% - 95\%$, and $> 95\%$. The definitions of other variables are in the note to Table 1. Standard errors double clustered by census tract and lender are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

	(1) Withdrawn or Incomplete	(2) Approved
Rep LO × SLR	-0.015	0.012
	(0.011)	(0.008)
Dem LO × SLR	0.004	0.004
	(0.012)	(0.013)
Minority × Rep LO	-0.030*	0.024**
	(0.017)	(0.009)
Minority × Dem LO	-0.034**	-0.033***
	(0.016)	(0.011)
Log Loan Amount	-0.001	0.030***
	(0.004)	(0.003)
Conforming	-0.028***	0.042***
	(0.008)	(0.009)
Co Applicant	-0.019***	0.012***
	(0.002)	(0.003)
Age > 62	0.025***	-0.008**
	(0.003)	(0.004)
Minority	0.033**	-0.011
	(0.014)	(0.009)
LTI	-0.005**	-0.003***
	(0.002)	(0.001)
Dem LO × SLR - Rep LO × SLR	0.019**	-0.007
	0.009	0.014
Observations	1,515,508	1,239,625
R-squared	0.099	0.299
County-Dist-Elev FE	Yes	Yes
Loan Purpose FE	Yes	Yes
Loan Type FE	Yes	Yes
Borrower Race FE	Yes	Yes
Borrower Ethnicity FE	Yes	Yes
Lender-County-Year FE	Yes	Yes
Tract-Year FE	Yes	Yes
LTV-Year FE		Yes
DTI FE		Yes

Table 7: Controlling for borrower political affiliation

This table examines whether the partisan pricing of SLR risk is impacted by borrower political affiliation or borrower-loan officer political matching. The dependent variable is *Rate Spread*, the difference between mortgage APR and the average prime offering rate (in percentage points). *SLR* is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6 feet global average SLR and zero otherwise; *Rep LO* is a dummy variable equal to one if the loan officer is Republican and zero otherwise; *Dem LO* is a dummy variable equal to one if the loan officer is Democratic and zero otherwise; *DTI* is the debt-to-income ratio categorized as follows: $< 20\%$, 20%–30%, 30%–36%, 36%–40%, 40%–46%, 46%–50%, 50%–60%, and $> 60\%$; *LTV* is the combined loan-to-value ratio categorized as follows: $\leq 60\%$, $60\% - 70\%$, $70\% - 75\%$, $75\% - 80\%$, $80\% - 85\%$, $85\% - 90\%$, $90\% - 95\%$, and $> 95\%$. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

| | (1) | (2) | (3) |
	Rate Spread	Rate Spread	Rate Spread
Rep LO × SLR	0.012	0.011	0.012
	(0.014)	(0.014)	(0.014)
Dem LO × SLR	0.041**	0.041**	0.041**
	(0.017)	(0.017)	(0.017)
SLR	0.002	0.002	0.001
	(0.017)	(0.017)	(0.017)
Rep LO	0.086	0.084	0.085
	(0.061)	(0.061)	(0.061)
Dem LO	0.086	0.085	0.086
	(0.059)	(0.059)	(0.059)
Minority × Rep LO	-0.013	-0.012	-0.013
	(0.014)	(0.014)	(0.014)
Minority × Dem LO	-0.007	-0.007	-0.007
	(0.014)	(0.014)	(0.014)
Log Loan Amount	-0.125***	-0.125***	-0.125***
	(0.007)	(0.007)	(0.007)
Conforming	-0.008	-0.008	-0.008
	(0.007)	(0.007)	(0.007)
Co Applicant	0.025***	0.025***	0.025***
	(0.003)	(0.003)	(0.003)
Property Age	0.000***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)
Age > 62	-0.003	-0.003	-0.003
	(0.004)	(0.004)	(0.004)
Minority	0.014	0.015	0.015
	(0.042)	(0.042)	(0.042)
Dem LO × SLR - Rep LO × SLR	0.029**	0.030**	0.030**
	(0.014)	(0.014)	(0.014)
Observations	119,098	119,098	119,098
R-squared	0.660	0.660	0.660
Year FE	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes
DTI FE	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes
LTV-Year FE	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes
SFHA FE	Yes	Yes	Yes
State-Year FE	Yes	Yes	Yes
Borrower Party FE		Yes	Yes
Same Party FE			Yes

Table 8: Loan officer political affiliation and debt-to-income ratios

This table presents the results of estimating the relationship between loan officer political affiliation and debt-to-income ratios. The dependent variables are $DTI36$, a dummy variable equal to one if the debt-to-income ratio is greater than 36%; and $DTI38$, a dummy variable equal to one if the debt-to-income ratio is greater than 38%. SLR is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise; $Rep\,LO$ is a dummy variable equal to one if the loan officer is Republican and zero otherwise; $Dem\,LO$ is a dummy variable equal to one if the loan officer is Democratic and zero otherwise. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

	(1) DTI36	(2) DTI36	(3) DTI38	(4) DTI38
Rep LO × SLR	-0.000	0.001	-0.004	-0.004
	(0.011)	(0.012)	(0.010)	(0.012)
Dem LO × SLR	0.003	0.010	-0.008	-0.004
	(0.012)	(0.013)	(0.012)	(0.013)
SLR	0.005	-0.004	0.008	0.002
	(0.014)	(0.015)	(0.013)	(0.015)
Rep LO	0.006		0.006	
	(0.045)		(0.042)	
Dem LO	-0.040		-0.002	
	(0.050)		(0.051)	
Minority × Rep LO	-0.009	-0.007	-0.008	-0.006
	(0.011)	(0.013)	(0.012)	(0.012)
Minority × Dem LO	-0.007	-0.010	-0.003	-0.006
	(0.012)	(0.013)	(0.013)	(0.014)
Log Loan Amount	0.088***	0.090***	0.073***	0.074***
	(0.005)	(0.005)	(0.004)	(0.005)
Conforming	0.090***	0.089***	0.102***	0.101***
	(0.007)	(0.007)	(0.007)	(0.007)
Co Applicant	-0.082***	-0.085***	-0.075***	-0.078***
	(0.003)	(0.003)	(0.003)	(0.003)
Property Age	0.000***	0.000***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	0.117***	0.117***	0.114***	0.114***
	(0.004)	(0.004)	(0.004)	(0.004)
Minority	0.104***	0.126***	0.079**	0.087**
	(0.035)	(0.037)	(0.034)	(0.037)
Dem LO × SLR - Rep LO × SLR	0.003	0.009	-0.004	-0.000
	(0.012)	(0.013)	(0.012)	(0.013)
Observations	266,366	246,508	266,366	246,508
R-squared	0.358	0.432	0.357	0.431
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
SFHA FE	Yes	Yes	Yes	Yes
Officer-Year FE		Yes		Yes
State-Year FE		Yes		Yes

Table 9: Loan officer political affiliation and combined loan-to-value ratios

This table presents the results of estimating the relationship between loan officer political affiliation and combined loan-to-value ratios. The dependent variables are $CLTV80$, a dummy variable equal to one if the combined loan-to-value ratio is greater than 80%; and $CLTV85$, a dummy variable equal to one if the combined loan-to-value ratio is greater than 85%. SLR is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise; $Rep\,LO$ is a dummy variable equal to one if the loan officer is Republican and zero otherwise; $Dem\,LO$ is a dummy variable equal to one if the loan officer is Democratic and zero otherwise. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

	(1) CLTV80	(2) CLTV80	(3) CLTV85	(4) CLTV85
Rep LO × SLR	0.008	0.006	0.007	0.004
	(0.008)	(0.009)	(0.008)	(0.009)
Dem LO × SLR	0.011	0.012	0.011	0.009
	(0.009)	(0.011)	(0.009)	(0.011)
SLR	-0.029***	-0.026**	-0.021**	-0.014
	(0.010)	(0.011)	(0.010)	(0.011)
Rep LO	-0.055		-0.022	
	(0.034)		(0.032)	
Dem LO	0.025		0.019	
	(0.036)		(0.038)	
Minority × Rep LO	0.002	0.005	0.002	0.005
	(0.009)	(0.010)	(0.009)	(0.009)
Minority × Dem LO	-0.023**	-0.022**	-0.018**	-0.017*
	(0.009)	(0.011)	(0.009)	(0.010)
Log Loan Amount	0.247***	0.251***	0.212***	0.215***
	(0.006)	(0.007)	(0.006)	(0.006)
Conforming	0.245***	0.247***	0.232***	0.232***
	(0.007)	(0.008)	(0.007)	(0.007)
Co Applicant	-0.029***	-0.029***	-0.028***	-0.029***
	(0.003)	(0.003)	(0.002)	(0.003)
Property Age	0.001***	0.001***	0.001***	0.001***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	-0.087***	-0.090***	-0.074***	-0.076***
	(0.004)	(0.004)	(0.003)	(0.004)
Minority	0.014	0.002	0.024	0.005
	(0.025)	(0.028)	(0.026)	(0.028)
Dem LO × SLR - Rep LO × SLR	0.003	0.005	0.004	0.005
	(0.009)	(0.010)	(0.008)	(0.010)
Observations	268,316	248,324	268,316	248,324
R-squared	0.529	0.586	0.520	0.578
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
SFHA FE	Yes	Yes	Yes	Yes
Officer-Year FE		Yes		Yes
State-Year FE		Yes		Yes

Table 10: Removing non-partisan loan officers

This table presents the results after excluding mortgages originated by non-partisan loan officers and restricting the sample to originations by Democratic and Republican officers only. The dependent variable is *Rate Spread*, the difference between mortgage APR and the average prime offering rate (in percentage points). *SLR* is a dummy variable that equals one if the property will experience chronic tidal flooding with up to 6-foot global average SLR and zero otherwise; *Dem LO* is a dummy variable equal to one if the loan officer is Democratic and zero otherwise; *DTI* is the debt-to-income ratio categorized as follows: $< 20\%$, 20%–30%, 30%–36%, 36%–40%, 40%–46%, 46%–50%, 50%–60%, and $> 60\%$; *LTV* is the combined loan-to-value ratio categorized as follows: $\leq 60\%$, $60\%-70\%$, $70\%-75\%$, $75\%-80\%$, $80\%-85\%$, $85\%-90\%$, $90\%-95\%$, and $> 95\%$. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

	(1)	(2)	(3)	(4)
Dem LO × SLR	0.023***	0.024***	0.017*	0.016*
	(0.008)	(0.008)	(0.009)	(0.009)
SLR	-0.008	-0.004	-0.005	-0.005
	(0.009)	(0.010)	(0.010)	(0.010)
Dem LO	0.100	0.099		
	(0.072)	(0.072)		
Minority × Dem LO	-0.005	-0.006	0.010	0.011
	(0.009)	(0.009)	(0.010)	(0.010)
Log Loan Amount	-0.158***	-0.158***	-0.154***	-0.154***
	(0.006)	(0.006)	(0.006)	(0.006)
Conforming	-0.033***	-0.034***	-0.036***	-0.037***
	(0.007)	(0.007)	(0.007)	(0.007)
Co Applicant	0.032***	0.032***	0.031***	0.031***
	(0.003)	(0.003)	(0.003)	(0.003)
Property Age	0.000***	0.000***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
Age > 62	-0.012***	-0.012***	-0.009***	-0.009***
	(0.003)	(0.003)	(0.003)	(0.003)
Minority	0.049	0.049	0.045	0.045
	(0.032)	(0.032)	(0.034)	(0.034)
Observations	171,166	170,542	156,227	156,227
R-squared	0.617	0.617	0.690	0.690
Year FE	Yes	Yes	Yes	Yes
Zip-Dist-Elev FE	Yes	Yes	Yes	Yes
DTI FE	Yes	Yes	Yes	Yes
Loan Purpose FE	Yes	Yes	Yes	Yes
Borrower Race FE	Yes	Yes	Yes	Yes
Borrower Ethnicity FE	Yes	Yes	Yes	Yes
LTV-Year FE	Yes	Yes	Yes	Yes
Officer-State FE	Yes	Yes	Yes	Yes
Lender FE	Yes	Yes	Yes	Yes
SFHA FE		Yes	Yes	Yes
Officer-Year FE			Yes	Yes
State-Year FE				Yes

Table 11: Distance-to-coast as an alternative climate risk proxy

This table reports the results using a property's physical distance to the coast as a proxy for SLR risk. The dependent variable is *Rate Spread*, the difference between mortgage APR and the average prime offering rate (in percentage points). *Distance* is the property's physical distance to the coast in miles; *Rep LO* is a dummy variable equal to one if the loan officer is Republican and zero otherwise; *Dem LO* is a dummy variable equal to one if the loan officer is Democratic and zero otherwise; *DTI* is the debt-to-income ratio categorized as follows: $< 20\%$, 20%–30%, 30%–36%, 36%–40%, 40%–46%, 46%–50%, 50%–60%, and $> 60\%$; *LTV* is the combined loan-to-value ratio categorized as follows: $\leq 60\%$, $60\% - 70\%$, $70\% - 75\%$, $75\% - 80\%$, $80\% - 85\%$, $85\% - 90\%$, $90\% - 95\%$, and $> 95\%$. The definitions of other variables are in the note to Table 1. Standard errors double clustered by property zip code and loan officer are reported in parentheses below the coefficient estimates. The significance at the levels of 1%, 5%, and 10% is indicated by ***, **, and *, respectively.

	(1)
Rep LO × Distanct to coast	-0.001
	(0.002)
Dem LO × Distanct to coast	-0.004**
	(0.002)
Distanct to coast	0.001
	(0.002)
Rep LO	0.063
	(0.044)
Dem LO	0.050
	(0.034)
Minority× Rep LO	-0.000
	(0.007)
Minority× Dem LO	-0.006
	(0.008)
Log Loan Amount	-0.163***
	(0.004)
Conforming	-0.031***
	(0.005)
Co Applicant	0.032***
	(0.002)
Property Age	0.000***
	(0.000)
Age > 62	-0.010***
	(0.002)
Minority	0.049**
	(0.022)
Dem LO × Distanct to coast - Rep LO × Distanct to coast	-0.003**
	(0.002)
Observations	283,828
R-squared	0.542
Year FE	Yes
Zip-Elev FE	Yes
DTI FE	Yes
Loan Purpose FE	Yes
Borrower Race FE	Yes
Borrower Ethnicity FE	Yes
LTV-Year FE	Yes
Officer-State FE	Yes
Lender FE	Yes
SFHA FE	Yes