

# CLIMA: Climate Risk Intelligence for Mortgage Assets

## The Problem Banks Face

**Regulators are watching.** The OCC, FDIC, and Federal Reserve now require banks to assess climate-related financial risks in their lending portfolios. Most banks don't have the tools to comply.

**Hidden risk is real.** Our analysis of 15 million GSE loans found that mortgages in disaster-affected areas default at **4.8x the normal rate**. Traditional credit models don't see this coming.

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## What CLIMA Does

CLIMA scores every loan in your mortgage portfolio for climate risk, identifying:

- Which properties face flood, fire, wind, and heat hazards
- How climate risk translates to credit risk
- Where your portfolio has dangerous concentrations
- What happens under stress scenarios (2x, 5x disaster frequency)

**Input:** Your loan tape (CSV, Excel, or API)

**Output:** Scored portfolio + regulatory-ready reports in minutes

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## The Value

For a \$10B Portfolio	Annual Value
Avoid building internally	\$500K saved
Regulatory compliance	Required
Loss avoidance (30% mitigation)	\$200K
Correct pricing on high-risk loans	\$3M
Concentration risk management	\$1M
<b>Total</b>	<b>\$4.7M/year</b>

\*CLIMA cost: \$50-100K/year\*

\*ROI: 50-90x\*

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# Why CLIMA

Traditional Approach	CLIMA
6-12 months to build	Live in days
\$2M+ internal cost	\$50-100K subscription
No disaster prediction	0.904 AUC disaster model (10yr)
County-level only	Property-level with your data
Manual reporting	Automated regulatory reports

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## The Key Finding

From 15+ million Freddie Mac GSE loans (validated in production):

**Loans in disaster-affected areas default at 4.8x the baseline rate.**

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Real loan-level data, 1.36% overall default rate, ~15M loans — your credit model doesn't see this.

If 10% of your portfolio is in high-risk zones and you don't know it, you're exposed.

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## Next Steps

- 15-minute demo** — See CLIMA score a sample portfolio
- Pilot program** — Score 10,000 loans free, validate results
- Full deployment** — API or batch processing, your choice

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CLIMA is built on FEMA disaster data, NOAA climate projections, and validated against 15M+ GSE loans.