

# STEPHEN L. BUSCHBOM



Texas Tech University  
Rawls College of Business  
Finance Department  
15<sup>th</sup> Street and Flint Ave.  
Lubbock, TX 79409-2101

Citizenship: United States  
Cell: (770) 315-5759  
Office: (806) 834-4171  
Email: stephen.buschbom@ttu.edu

## EDUCATION

Ph.D. Business Administration (Concentration: Real Estate; Minor: Finance),  
University of Georgia, Athens, GA, May 2017.  
Major Professor: James B. Kau

B.B.A. Real Estate, Cum Laude,  
University of Georgia, Athens, GA, December 2005.

## RESEARCH INTERESTS

Real Estate Finance and Investment, Fixed Income Markets, House and Commercial Price Indices, Urban Economics, Spatial Econometrics, Empirical Asset Pricing, Credit Risk

## PUBLISHED WORK

Buschbom, S., Dehring, C., Dunse, N., Munneke, H., 2017. Sealed-bid auctions and fixed price sales: Seller choice in housing markets. *Journal of Real Estate Finance and Economics*, forthcoming.

Buschbom, S., Kau, J., Keenan, D., 2014. *Public Real Estate Markets and Investments*, Oxford University Press, New York, NY, chap. Prepayment and Default Risk, pp. 137–156.

## DISSERTATION

Buschbom, S., Kau, J., Keenan, D., Lyubimov, C., 2017. Delinquencies, Default, and Borrowers' Strategic Behavior toward the Modification of Commercial Mortgages. [Essay 1 - R&R at *Real Estate Economics*].

Abstract: This paper constructs a model of mortgage delinquency which tests the extent to which borrowers anticipate a loan modification resulting from such a delinquency. Using a sample of modified loans from commercial mortgage-backed securities (CMBS), we estimate the present value of modified cash flows and project modification benefits each month for all CMBS loans which serve to proxy for a borrower's anticipation of a beneficial modification. Our results confirm a borrower's anticipation of a modification increases the delinquency hazard, and supports the theory that borrower delinquency is strategically endogenous.

Buschbom, S., Eastman, E., 2017. Liquidity, Capital Constraints, and Ratings Migration in Structured Fixed Income. [Essay 2].

Abstract: This study examines the investment decisions of regulated financial institutions. Specifically, an empirical model is developed to examine the selling behavior of insurers following a rating downgrade of a commercial mortgage-backed security (CMBS). The regulatory environment in the insurance industry creates a setting where firms must consider not only the regulatory impact of selling a security, but also the price of the security. By modeling the selling decision using a hazard model, it is possible to capture a dynamic characterization of the firm- and bond-specific attributes which affect the selling decision. Similar to prior studies, the model controls for an insurer's aggregate portfolio risk exposure but introduces an important variable: price. Estimating each security's price allows for creation of a proxy for an insurer's unrealized gain or loss. The results provide evidence that insurers are not primarily motivated by regulatory capital, but instead are influenced by aggregate portfolio risk exposure as well as the size of an unrealized gain or loss, which is found to be asymmetric between high- and low-risk exposure insurers, when evaluating a prospective sale transaction for a downgraded holding.

## **WORKING PAPERS**

Buschbom, S., Kau, J., 2017. Disclosure Cost and Securitization Design for Commercial Mortgages.

Buschbom, S., 2016. Property Price, Relative Quality, and Default Risk of Securitized Commercial Mortgages.

## **AWARDS AND SCHOLARSHIPS**

Knox Scholarship, University of Georgia (2014-2017)

Terry College Pittard Scholarship Award, University of Georgia (2012-2013)

Excellence in Graduate Recruitment Fund, University of Georgia (2012)

## **CONFERENCE PRESENTATIONS**

April 2017 "Liquidity, Capital Constraints, and Ratings Migration in Structured Fixed Income" American Real Estate Society Annual Meeting, San Diego, CA.

January 2017 "Liquidity, Capital Constraints, and Ratings Migration in Structured Fixed Income" American Real Estate and Urban Economics Association Annual Meeting, Chicago, IL.

January 2016 "Delinquencies, Default, and Borrowers' Strategic Behavior toward the Modification of Commercial Mortgages" American Real Estate and Urban Economics Association Annual Meeting, San Francisco, CA.

## DISCUSSANT ACTIVITIES

May 2015 “Default Probability and Loss Given Default for Home Equity Loans” (by M. LaCour-Little and Y. Zhang) American Real Estate and Urban Economics Association National Conference, Washington, DC.

## PROFESSIONAL EXPERIENCE

Voya Investment Management, Atlanta, GA

Assistant Portfolio Manager

Senior Analyst

Analyst

01/2009-07/2012

03/2008-01/2009

02/2006-03/2008

## TEACHING EXPERIENCE

University of Georgia, Athens, GA

Instructor for REAL 4000: Real Estate - Principles

<i>Semester</i>	<i># of Enrolled Students</i>	<i>Course Avg. Rating<sup>a</sup></i>	<i>Instructor Avg. Rating<sup>b</sup></i>
Spring 2017	105	4.62/5.00	4.67/5.00
Fall 2016	36	4.63/5.00	4.68/5.00
Fall 2015	116	4.62/5.00	4.69/5.00
Summer 2015	13	4.88/5.00	4.92/5.00
Spring 2015	109	4.63/5.00	4.70/5.00
Summer 2014	14	4.73/5.00	4.84/5.00
Spring 2014	116	4.54/5.00	4.61/5.00
Summer 2013	24	4.66/5.00	4.75/5.00

<sup>a</sup>20 questions related only to course and instructor (questions 3 through 22 on evaluation form).

<sup>b</sup>Eight questions related only to instructor (questions 6 through 13 on evaluation form).

## SERVICE

Referee

-*Journal of Housing Economics*

-*Journal of Real Estate Finance and Economics*

-*Real Estate Economics*

## REFERENCES

### **James B. Kau**

C. Herman and Mary Virginia Terry Distinguished Chair in Business Administration, Emeritus

A421 Moore-Rooker Hall  
610 South Lumpkin Street  
Terry College of Business  
University of Georgia  
Athens, GA 30602  
Phone: (706) 542-3805  
Email: jkau@uga.edu

### **Richard Martin**

Associate Professor  
A426 Moore-Rooker Hall  
610 South Lumpkin Street  
Terry College of Business  
University of Georgia  
Athens, GA 30602  
Phone: (706) 542-3585  
Email: rmart@uga.edu

### **James Conklin**

Assistant Professor  
423 Moore-Rooker Hall  
610 South Lumpkin Street  
Terry College of Business  
University of Georgia  
Athens, GA 30602  
Phone: (706) 542-4223  
Email: jnc152@uga.edu

### **Henry J. Munneke**

Associate Dean for Undergraduate Programs and C. Herman and Mary Virginia Terry Distinguished Chair of Business

433B Correll Hall  
600 South Lumpkin Street  
Terry College of Business  
University of Georgia  
Athens, GA 30602  
Phone: (706) 542-8414  
Email: hmunneke@uga.edu

### **Darren K. Hayunga**

Assistant Professor  
A418 Moore-Rooker Hall  
610 South Lumpkin Street  
Terry College of Business  
University of Georgia  
Athens, GA 30602  
Phone: (706) 542-1365  
Email: hayunga@uga.edu