

Department of Real Estate
National University of Singapore
Address: Biz 2 Building, 1 Business Link 117592
Email: js.song@u.nus.edu
Tel: (65) 9445-7709; (82) 10-8966-7118
Personal Website: <https://sites.google.com/view/jssong>

Jeongseop SONG

Education

Aug 2017- Dec 2021 (Expected)	National University of Singapore Ph.D. candidate Department of Real Estate, NUS Business School Supervisor: Professor Liow Kim Hiang	Singapore
Mar, 2011- Feb, 2017	KonKuk University B.Sc., Department of Real Estate (<i>Summa cum laude</i>)	Republic of Korea

Research Interest

- Real estate finance and economics: REITs, Housing markets, Investments
- Empirical Finance: Corporate finance, Geography of finance, Empirical asset pricing

Selected Publications

Note: * indicates corresponding author

1. Kim Hiang LIOW* and Jeongseop SONG, "Frequency volatility connectedness and market integration in international real estate investment trusts", *Finance Research Letters*, 2021, 102174
2. Kim Hiang LIOW* and Jeongseop SONG, "Dynamic interdependence of ASEAN5 with G5 stock markets", *Emerging Markets Review*, 2020, 45: 100740
3. Kim Hiang LIOW* and Jeongseop SONG, "Market Integration among the US and Asian Real Estate Investment Trusts in Crisis Times", *International Real Estate Review*, 2019, 22(4): 463-512
4. Kim Hiang LIOW*, Yuting HUANG, and Jeongseop SONG, "Who Influences the Asian–Pacific Real Estate Markets: The US, Japan or China?", *China & World Economy*, 2019, 27(6): 50-78

Working Papers

1. Jeongseop SONG, "Regional Stock Market Uncertainty and Corporate Investment" (**Job Market Paper**)

This study examines the relationship between investment and regional stock market uncertainty. I construct a firm-level exposure to uncertainty from US states using textual analysis of annual financial reports (10-K filings) and find that firms significantly reduce investments in response to increases in uncertainty from their economically important regions. The negative impacts come from both headquarters and other relevant states. In line with previous studies, the effects of regional uncertainty exposure are stronger for firms with a higher level of investment irreversibility at the firm level. Importantly, firms show stronger investment reduction in the face of regional uncertainty when they are exposed to regions with higher investment irreversibility. I further document that geographically dispersed firms cut down their investments more heavily under regional uncertainty than geographically concentrated firms. Overall, the findings of this study suggest that uncertainty from economically relevant regions of firms also leads to preventive delays in investment decisions.

2. Jeongseop SONG* and Kim Hiang LIOW "Tail Risk Spillovers and Comovements: Evidence from U.S. REIT market", *Revise & Resubmit*, *International Review of Financial Analysis*

This study investigates tail risk spillovers and comovements in the U.S. REIT market using the tail risk measure based on the stochastic volatility model. We first show that the tail risk spillover of the

REIT market is countercyclical, long-run, and led by the stock market tail risk during volatile periods. We then identify that tail risks strongly comove if stocks are classified into the same categories: S&P index membership, headquarter location, and property sector. Furthermore, joining the S&P index has causal impacts on the excess comovement. Finally, a tail risk network analysis shows the heterogeneity in the degree of tail risk transmission across property sectors and the network clustering by several property sectors.

3. Jeongseop SONG and Kim Hiang LIOW, "Local Market Uncertainty and Tail Risk in REIT market"

This study investigates the impact of the local market uncertainty on tail risks of U.S. REITs. To this end, we construct a local uncertainty exposure (LUE) based on the textual information of annual financial reports. Using U.S. equity REITs data from 1995 to 2020, we identify that REITs with higher LUE are associated with higher tail risks in the next quarter than REITs with lower LUE. We further test the causal impact of local market uncertainty using Hurricane Sandy as an exogenous shock to local market uncertainty. The results show that REITs with higher exposure to Hurricane Sandy experience significantly higher tail risk during the disaster period. Finally, we show that local uncertainty exposure is positively priced by investors.

- 2021 AsRES conference, Singapore
- 2021 ERES conference, Kaiserslautern, Germany

4. Jeongseop SONG* and Kim Hiang LIOW "Industrial Tail Exposure Risk and Cross-Section of Returns in REIT market", Revise & Resubmit, Real Estate Economics

In this study, we investigate the impact of industry-based tail dependence risk on the cross-section of stock returns. To this end, we propose a novel measure tail risk dependence measure, the industrial tail exposure risk (ITER), that captures the tail risk exposure of individual stocks to multiple industries. Using US equity REITs data from 1997 to 2020, we document that stocks in the highest ITER portfolio outperform stocks in the lowest ITER portfolio by 8.88% per annum. This positive return spread is significant even after controlling for well-known firm characteristics. The return premium of ITER is stronger for big, value, and highly-levered stocks and substantially high during the market recession. The ITER premium is not captured by conventional tail risk dependence measure between the individual stock and the aggregate market return. Our results suggest that investors are indeed averse to tail risks that are associated with various sectors.

- 2020 IRES doctoral symposium
- SSRN's Recent Top Ten download list for: Urban Markets; Other Econometric Modeling: Capital Markets - Risk

5. Jeongseop SONG and Kim Hiang LIOW "Tail Risk Diversification in REIT market: Flight from Target"

In this study, we show tail risk diversification of REIT by introducing a novel portfolio strategy, "flight-from-target". Based on the intuition of classical flight-to-quality phenomena, we investigate whether REIT investors could obtain diversification gains from industries and safe assets that have shown higher performance conditional on the left-tail events of REIT. The out-of-sample results show that our portfolio effectively decreases the tail risk of REIT by at least 20%. Portfolio efficiency is also improved in the sense that the Sharpe ratio based on tail risk increases under our portfolio strategy. In addition, the portfolio gains are significantly increased during the crisis periods, such as the subprime mortgage crisis and European debt crisis. Overall, our results suggest that there could be havens for REIT investors that could efficiently secure the risk and return of the REIT portfolio.

Conference Presentations and Discussions

Jul, 2021	Asian Real Estate Society Annual Conference Paper presenter	Singapore
Jul, 2021	European Real Estate Society Annual Conference Paper presenter and discussant	Germany
Dec, 2020	International Real Estate Doctoral Symposium Paper presenter	Virtual session

Teaching Experience

Aug, 2018- Jul, 2021	Department of Real Estate, National University of Singapore Worked on below modules, including pre-class preparations, in-class tutorial teaching, on-appointment consultation. AY 2018/2019 Real Estate Finance and Accounting AY 2019/2020 Principle of Real Estate Economics AY 2019/2020 Real Estate Finance and Accounting AY 2019/2020 Corporate Finance for Real Estate AY 2020/2021 Corporate Investment in Real Estate	Singapore
-------------------------	--	-----------

Professional Services

Aug, 2021-	Research Assistant (NUS) Worked with Assistant Professor Fan Yi on research projects associated with Covid-19	Singapore
Jul, 2021	Program Committee for 2021 AsRES (NUS) Worked with Associate Professor Lee Kwan Ok on preparing for 2021 Asian Real Estate Society Conference (2021 AsRES)	Singapore
Jul, 2019-	Ad-hoc Referee Asia-Pacific Journal of Accounting and Finance	Singapore

Professional Memberships

1. American Real Estate and Urban Economics (AREUEA)
2. Financial Management Association (FMA)
3. American Economic Association (AEA)
4. American Finance Association (AFA)

Selected Honors

Aug, 2017 – Jul, 2021	NUS Research Scholarship National University of Singapore	Singapore
Feb, 2017	President Prize (Highest honor) KonKuk University	Republic of Korea
Feb, 2017	Highest Honor Prize Korea Association of Property Appraisers	Republic of Korea
Mar, 2011 – Feb, 2017	Academic Scholarship KonKuk University	Republic of Korea

Professional Skills

1. Software: R, Stata, Python, Matlab, Eviews
2. Database:

- Firm-level: Compustat, CRSP, SNL
 - Time-series: Datastream
 - Portfolio Holdings: CRSP mutual fund, Thompson Reuters 13F and S12
 - Mortgage & Banking: HMDA, CRA, Call Report, and FDIC
 - Others: SHELDUS, CBP
2. Certificate: Licensed Real Estate Agent, Republic of Korea; Certificate of Teaching Assistant Training, NUS
3. Language: Korean (Native), English (Professional)

References

Kim Hiang LIOW, Professor

Department of Real Estate, National University of Singapore

Tel: +65 6516 3420, Email: bizkhl@nus.edu.sg

Seow Eng ONG, Professor

Department of Real Estate, National University of Singapore

Tel: +65 6516 3552, Email: bizongse@nus.edu.sg

Yi FAN, Assistant Professor

Department of Real Estate, National University of Singapore

Tel: +65 6516 3441, Email: yi.fan@nus.edu.sg

Yuting HUANG, Assistant Professor

International School of Economic & Management

Capital University of Economics and Business

Tel: +86 010 63361430, Email: huangyuting@cueb.edu.cn