BRITTANY ALMQUIST LEWIS

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ACADEMIC APPOINTMENTS

Olin School of Business, Washington Univ. St. Louis, *Assistant Professor of Finance* 2022 – present
Guthrie Center for Real Estate, Northwestern University, *Visiting Scholar* 2020 – present
Kelley School of Business, Indiana University, *Visiting Associate Researcher* 2022 – 2023
Kelley School of Business, Indiana University, *Assistant Professor of Finance* 2020 – 2022

RESEARCH APPOINTMENTS

Board of Governors of the Federal Reserve System, *Dissertation Fellow* Jul. – Nov. 2018
Federal Reserve Bank of San Francisco Thomas J. Sargent, *Dissertation Fellow* Jun. – Jul. 2018

RESEARCH FIELDS

Financial Intermediation, Household Finance, Real Estate

EDUCATION

Kellogg School of Management, Northwestern University, Ph.D. Finance, 2020
Dissertation: "Essays on Financial Intermediation"
Committee: Dimitris Papanikolaou, Lawrence Christiano, Janice Eberly, John Mondragon
Kellogg School of Management, Northwestern University, M.S. Finance, 2020
Boston College, B.A. Finance (cum laude), 2010
Boston College, B.A. Information Systems (cum laude), 2010

PUBLICATIONS

1. Lewis, Brittany, 2023, **"Creditor Rights, Collateral Reuse, and Credit Supply,"** ***Journal of Financial Economics*** 149, 451-472

(previously titled: *The Effect of Dealer Leverage on Mortgage Quality)*

- Press: Kelley School of Business News • The Olin Blog • Faculti Interview
- AEA 2022: Poster Presentation

Securities dealers receive mortgages as collateral for credit lines provided to mortgage companies and reuse the same collateral to borrow money. Exploiting the 2005 BAPCPA rule change, which granted mortgage collateral preferred bankruptcy treatment, I find that strengthening creditor rights increases dealers' collateral reuse. Increasing collateral reuse creates a money multiplier that increases credit supply. Using a novel dataset linking dealers to the mortgage companies they fund reveals that post-BAPCPA, dealers supply additional credit to mortgage companies by increasing credit lines and relaxing restrictions on collateral securing them. In response, mortgage companies increase origination volume and shift into riskier products.

WORKING PAPERS

2. Lewis, Brittany, 2022, **"The Impact of Collateral Value on Mortgage Originations"**

- Part of the IU Racial Justice Research Fund grant proposal, "Racial Inequality in the Housing Market"

This paper establishes that high income-volatility, minority borrowers were disproportionately exposed to the expansion of credit following the BAPCPA 2005 policy that granted preferred bankruptcy status to mortgage backed collateral in the sale and repurchase market. To show this, I generate a model of mortgage lending where a lender lends in two markets: one for conforming mortgages and one for alternative mortgages. The model assumes that alternative mortgage products are optimal for borrowers with higher income variability. When the collateral value of alternative mortgages increases, it decreases lenders' cost of capital, leading them to decrease the price that they charge. If the price falls below the borrowers' reservation price, lending expands in this market. I interpret BAPCPA 2005 as an increase in collateral value of alternative mortgages. Consistent with the model, the paper documents that BAPCPA caused the sudden and disproportionate expansion of alternative mortgage products among high-income-variability minority-dominant zip codes leading up to the Global Financial Crisis, and disproportionately increased defaults in these areas during the crisis.

3.Hamdi, Naser, Jiang, Erica, Lewis, Brittany, Padi, Manisha, and Pal, Avantika, 2023, **"The Rise of Non-Banks in Servicing Household Debt"**

- Part of the NBER grant proposal, "Shadow Banks and Financial Distress in Minority Communities: The Debt Servicing Channel," Co-PI with Erica Jiang and Manisha Padi

Over the past two decades, the mortgage industry has been transformed from the traditional bank-centered deposit taking, lending, and servicing model to a fragmented market with high non-bank participation. We document a novel mechanism for this unbundling – mortgage servicing transfers – and study the role of bank regulation in transforming servicing. Using a near universe of consumer credit records, we show that banks increase transfers of mortgage servicing rights (MSRs) to non-banks following the announcement of Basel III's higher regulatory costs of holding MSR assets for banks. Based on predictions of a simple model of servicing transfers, we demonstrate which types of banks and loans experience the highest transfer rates. We find that banks selectively transferred below-median income, subprime, and 60+ day delinquent MSRs to non-banks. Loans subject to transfer due to regulatory pressure experienced more foreclosures and personal bankruptcies. Our results suggest that growth in the unbundling of mortgage servicing increased existing disparities in financial risks across households.

WORK IN PROGRESS

4. Lewis, Brittany, 2020, "**Real Effects of Capping Bank Leverage"**

In this paper, I study the effects of bank leverage ratio restrictions in a general equilibrium model of the macroeconomy where lenders can anticipate bank runs. This framework allows the analysis of the tradeoffs associated with bank capital requirements - while unlimited leverage allows capital to flow most freely to its most efficient users, limiting leverage through capital requirements reduces the probability of a bank run. This model enables me to study the general equilibrium effects of these tradeoffs on household welfare to understand characteristics of the optimal bank leverage ratio requirement. I find that the optimal leverage restriction will be time varying across the business cycle. When the household's marginal utility of consumption is highest, the leverage ratio requirement should be the least restrictive. Conversely, when the household's marginal utility approaches its steady state level, the optimal leverage ratio becomes more restrictive.

SEMINARS & CONFERENCES

Seminars (including scheduled), ∗presented by co-author, +postponed due to COVID

2024: University of Melbourne • Junior Household Finance Seminar (UVA, Federal Reserve Bank of Philadelphia) • Yale Law* • U Chicago Law* • Columbia Law*

2023: University of Colorado Boulder • UT Austin • Washington University in St. Louis • Federal Reserve Board* • UT-Austin Law* • UT-Dallas Law* • Treasury* • USC – Marshall*

2022: Federal Reserve Bank of New York

2021: Junior Household Finance Seminar (UVA, Federal Reserve Bank of Philadelphia) • University of Oregon (Lundquist) • IU Summer Health Policy Workshop • Stanford GSB • Washington University in St. Louis (Olin)

2020: Emory (Goizueta) • Federal Reserve Bank of New York • University of Georgia (Terry) • University of Delaware (Lerner) • University of Wisconsin-Madison • Federal Reserve Board of Governors • Johns Hopkins (Carey) • Federal Reserve Bank of Richmond • Federal Reserve Bank of Boston • London Business School • Bank for International Settlements • Indiana University (Kelley) • Federal Reserve Bank of Dallas • University of Melbourne+ • Monash University+ • Junior Household Finance Seminar (UVA, Federal Reserve Bank of Philadelphia) • Northwestern Department of Economics

2019: Wisconsin School of Business at UW Madison • Kellogg School of Management Strategy Department • Northwestern Department of Economics

2018: Federal Reserve Bank of San Francisco • Federal Reserve Board of Governors Division of Financial Stability

2008: Boston College Undergraduate Research Symposium, ***Awarded Best Presentation***

Conference Presentations (including scheduled), ∗presented by co-author

2024: Symposium on World Economics, Finance and Business (invited speech on Creditor Rights, Collateral Reuse, and Credit Supply) • Australian National University Banking and Financial Stability Meeting joint with Financial Research Network FIRN

2023: AFA AFFECT Workshop • Chicago Booth Empirical Finance Conference • SAET • Stanford Institute for Theoretical Economics (SITE) • Red Rock* • INFORMS Annual Meeting • Junior Finance Conference, UW-Madison* • Fischer Shain Research Conference* • Census Bureau Workshop on Race, Ethnicity, and Inequality

2022: AEA • AEA • Berkeley Consumer Law Scholars Conference • WFA • Olin-St. Louis Federal Reserve Mini-Conference

2021: Eastern Economic Association (EEA) • Berkeley Consumer Law Scholars Conference • Midwest Finance Association (MFA) • Oxford Saïd - ETH Zurich Macro-finance Conference

DISCUSSIONS *(including scheduled)*

2024: AEA • AFA IBEFA • Berkeley Consumer Law Scholars Conference • Midwest Finance Association (MFA)

2023: Berkeley Consumer Law Scholars Conference • SFS Cavalcade • NBER Summer Institute (Household Finance) • University of Oregon Summer Finance Conference

2022: Midwest Finance Association (MFA), Craig Holden Memorial Conferene

2021: 5th Annual Yale Junior Finance Conference • Western Economic Association (WEA) • Conference on Financial Economics and Accounting (CFEA)

2020: Midwest Finance Association (MFA)

AWARDS AND FELLOWSHIPS

Household Finance Grant, NBER ($15,000, Co-PI)	2022 – 2023
Research Equipment Fund Grant, Indiana University ($75,000, PI)	2021
Kelley Research Funding Grant, Kelley School of Business ($20,600, PI)	2021
Kelley Research Funding Grant, Kelley School of Business ($15,000, Co-PI)	2021
Racial Justice Research Fund, Indiana University ($15,000, PI) (Link)	2020 – 2021
Kellogg Research Funding Grant, Northwestern University ($3,000, PI)	2019
Kellogg School of Management Fellowship, Northwestern University	2014 – 2019
MFS - 10th Macro Finance Society Workshop Ph.D. Award (Link)	2017
Henrietta Grigg-Lewis Foundation Scholarship	2006 – 2009
Boston College Advanced Study Grant, Awarded Best Presentation	2007
Western New York Academic Scholarship	2006 – 2007

PROFESSIONAL ACTIVITIES

Refereeing:
Journal of Financial and Quantitative Analysis, Journal of Financial Services Research, Journal of Monetary Economics, Management Science, Review of Corporate Finance Studies

Service to the Profession:

Session Chair, EFA	2023
Faculty Host, SFS Cavalcade North America	2020
Federal Reserve Board Mentoring to Interns	2020

TEACHING EXPERIENCE

Washington University – St. Louis
FIN 470A/560A: Research Methods in Finance (MSFQ, Undergraduate) — Fall 2022 – present

Indiana University
F300: Introduction to Financial Management (Undergraduate) Fall 2020 – Fall 2021

Northwestern University (teaching assistant)
FINC 470: International Finance (MBA and Executive MBA) Fall 2015 – Fall 2017
Professor Sergio Rebelo

FINC 941: Macroeconomic Policy and Global Capital Markets (MBA) Winter 2016 – Spring 2017
Professor Janice Eberly
Professor Nicolas Crouzet

Boston College (teaching assistant)
ISYS0021: Computers in Management (Undergraduate) Fall 2007 – Fall 2008
Professor Gerald Kane

RESEARCH EXPERIENCE

Research Assistant to Professor Brian Weller, Kellogg School of Management Jul. – Aug. 2015
Research Assistant to Professor Gerald C. Kane, Boston College Mar. 2007 – May 2008

PROFESSIONAL EXPERIENCE

Analysis Group, Summer Analyst Intern (2008)/Analyst/Sr. Analyst, Boston, MA Aug. 2010 – Jun. 2014
Pioneer Investments, Equity Research Summer Analyst, Singapore Aug. – Sep. 2009
KPMG, Information Technology (IT) Advisory Summer Analyst , New York City, NY Jun. – Jul. 2009

OTHER ACTIVITIES AND SERVICE

Outreach:
Public Service Economics, Boston 2010-2013
Dress for Success, Boston 2008-2009

PERSONAL INFORMATION

Citizenship: USA

SKILLS

Language: English (native), Spanish (advanced)
Computer: SAS, STATA, R, SQL, Matlab, Fortran, Python, Command Line Scripting, HTML, PHP, LiveCode, Socialtext Wiki, LaTeX