

PEPPERDINE UNIVERSITY

Graziadio School of Business and Management

KIPLAN S. WOMACK

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EDUCATION

Ph.D., Real Estate, University of Georgia, 2012
Dissertation: *An Empirical Approach to Measuring Real Options Embedded within Urban Land Values: A Collection of Essays*
Dissertation Committee: Henry Munneke (chair), Jim Kau, Richard Martin
M.B.A., University of Alabama at Birmingham (UAB), 2001 – *High Distinction (4.0 GPA)*
B.S., Finance, Auburn University, 1996 – *Magna Cum Laude*
Concentration in Investment Portfolio Management
Minor Equivalent in Accounting

ACADEMIC EXPERIENCE

2012 – Present *Assistant Professor of Finance*, Graziadio School of Business and Management, Pepperdine University
2006 – 2012 *Graduate Teaching Assistant*, Terry College of Business, University of Georgia
Courses taught: Real Estate Investments: 4 sections
Recent student evaluation: 4.39 (department mean 4.09)
Principles of Real Estate: 12 sections
Recent student evaluation: 4.54 (department mean 4.35)

COMMERCIAL REAL ESTATE EXPERIENCE

1998 – 1999 *Senior Commercial Real Estate Analyst*, Collateral Mortgage Capital
1997 – 1998 *Commercial Real Estate Analyst*, Collateral Mortgage Capital, Birmingham, AL

CORPORATE FINANCE EXPERIENCE

2005 – 2006 *Consultant*, Aflac, Inc.
2001 – 2005 *Senior Financial Analyst*, Aflac, Inc., World Wide Headquarters, Columbus, GA
1999 – 2001 *Financial Analyst*, O'Neal Steel, Inc., Birmingham, AL

RESEARCH AND TEACHING AREAS

Land values, real options, futures, price indices, corporate finance, Real Estate Investment Trusts (REITs), and real estate: finance, appraisal, development, redevelopment, brokerage, & investments.

RESEARCH PUBLICATIONS

Womack, Kiplan S., (2012), "Real Estate Mergers: Corporate Control & Shareholder Wealth", *Journal of Real Estate Finance and Economics*, 44(4), 446-471.

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WORKING PAPERS

“A Spatial Study of the Option to Redevelop” with Henry Munneke

Real options are embedded in the value of numerous assets. Although the values of such options have been explored within a theoretical framework, few papers have attempted to empirically value these options. Using transaction data on improved single family residential properties, this paper attempts to empirically estimate the capitalized value of the redevelopment option at the property level by incorporating the probability of redevelopment into a spatial hedonic model. The results reveal a substantial level of spatial variation in the probability of redevelopment and the resulting option values. The variation provides evidence of the true complexity of the urban spatial structure. In addition to providing support for theoretical models of urban growth, the study also provides new evidence that housing purchased for redevelopment is valued only for the underlying land.

“Gentrification and the Decision to Renovate or Teardown” with Henry Munneke

The housing location decision for upper-income consumers is largely determined by two dynamic yet opposing forces: minimized commuting costs made possible by CBD-oriented homes versus maximized housing service consumption made possible by newer and larger suburban homes. When gentrification occurs, both of these forces are aligned to pull upper-income consumers in the same direction towards the CBD. Although renovations and teardowns have been studied in the gentrification literature as separate phenomena, redevelopment is actually a mutually exclusive choice between the two processes. Therefore, by examining the determinants of the decision to renovate or teardown within a more comprehensive context, this paper provides a better understanding of the gentrification process. Additionally, the paper tests theories regarding the relative implicit market prices of the structural attributes of renovation and teardown properties. Most notably, results from the study indicate that properties purchased for major renovations are equivalent to teardown sales, where the property is valued only for the underlying land.

“Real Estate Development: What is the Capitalized Value of Waiting to Invest?” with Henry Munneke

Urban growth and change largely occur through the development of vacant or under-utilized land parcels. Development, however, involves a high degree of uncertainty, particularly in regards to future land use controls, optimal building size, and market conditions. Therefore, some land owners delay investment in order to wait for valuable new information regarding the future. In this study, the value of waiting to invest, the development option, is estimated within the hedonic framework for the first time. Findings from the study also reveal where future development is waiting to occur throughout the urban space.

“Competition, Auctions & Negotiations in REIT Takeovers” with Harold Mulherin

The combination of a lack of hostile takeovers and relatively modest wealth gains associated with REIT mergers motivate two fundamental yet previously unexplored questions: how competitive are REIT mergers, and how exactly does a REIT sell itself to another firm? This paper examines these questions using hand-collected data from SEC merger filings from 1989 to 2010 for a sample of 165 mergers. Four primary findings emerge from this study. First, REITs most often utilize a sales process resembling an auction where many potential bidders (19 on average) are contacted. Second, REIT mergers are quite

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competitive on average, and we provide evidence that they are just as competitive, or more so, as those in other industries. Third, although no transactions in the sample are characterized as hostile, we find that 14% of the deals are unsolicited, which is quite similar to the percentage observed in other industries (indicating that the market for corporate control for REITs is more active than previously thought). Last, we find that the REIT takeover process is often complex, and that simple analysis of the official public merger announcement may not fully capture the valuation changes over this complex process.

CONFERENCE PRESENTATIONS

American Real Estate Society (ARES) Annual Meeting, “Competition, Auctions & Negotiations in REIT Takeovers.” St. Pete Beach, FL, April 2012.

American Real Estate Society (ARES) Annual Meeting, discussant for “Are REIT IPOs More Transparent Than Industrial IPOs?” by Michael Highfield, Dennis Steele, & Bonnie Van Ness. St. Pete Beach, FL, April 2012.

American Real Estate and Urban Economics Association (AREUA) Annual Meeting, discussant for “Does Transaction Tax Promote Real Estate Price Stability?” by Yuming Fu, Wenlan Qian & Bernard Yeung. Chicago, IL, January 2012.

Southern Economic Association (SEA) Annual Meeting, “Valuing Real Options in Real Estate: A Spatial Study of the Option to Redevelop.” Atlanta, GA, November 2010.

Southern Economic Association (SEA) Annual Meeting, discussant for “Measures of the Holdout Problem in Land Assembly,” by Christopher Cunningham. Atlanta, GA, November 2010.

PROFESSIONAL SERVICE

Referee: Journal of Real Estate Finance and Economics, Journal of Real Estate Literature, Eastern Economic Journal

Association Member: American Real Estate and Urban Economics Association (AREUEA), American Real Estate Society (ARES), International Real Estate Society (IRES), Financial Management Association (FMA), Southern Finance Association (SFA), Southern Economic Association (SEA)

RESEARCH TOOLS

Statistical packages: SAS, STATA, TSP

GIS software: ArcGIS, QGIS

Databases: WRDS (CRSP, Compustat, IBES), SDC Platinum (Thompson Financial), SEC Edgar, U.S. Census, GeoLytics Neighborhood Change Database

HONORS & AWARDS

2007 – 2010 Comer Fellowship, Terry College of Business

2008 – 2009 Chatham Family Real Estate Scholarship, Terry College of Business

2007 – 2008 Sorg Scholarship, Terry College of Business

2008 – 2010 Woodruff Scholarship, Terry College of Business

2001 *Fellow, Life Management Institute* - Life Office Management Association

1997 *Certified Mortgage Banker* – Mortgage Bankers Association