Sean J. Flynn, Jr.

Contact Information

SC Johnson College of Business
Cornell University
Ithaca, NY 14853

E-mail: sjf236@cornell.edu
https://sites.google.com/site/seanjflynnjr/

Academic appointments

SC Johnson College of Business, Cornell University, Ithaca, NY USA

Assistant Professor of Applied Economics and Policy (Real Estate), July 2022-present
Torgalkar Faculty Fellow, June 2025-present
Two 1-year clock extensions for parental leave in 2025

Freeman School of Business, Tulane University, New Orleans, LA USA

Assistant Professor of Finance, July 2020-June 2022

Colorado State University, School of Business, Fort Collins, CO USA

Assistant Professor of Finance, July 2017-May 2020

Education

Arizona State University, Tempe, AZ USA

Ph.D., Finance, May 2017

Research Interests

Real estate, corporate finance, financial institutions and intermediation, financial regulation

Teaching Interests

Real estate, fixed income, corporate finance, financial institutions

Publications

Social Connections and Bank Deposits. With Jing Wang. ***Journal of Banking and Finance***, 2025, 178.

The Imitation Game: How Encouraging Renegotiation Makes Good Borrowers Bad. With Andra Ghent and Alexei Tchistyi. ***Review of Financial Studies***, 2024, 37, 3648–3709.

Semifinalist for Best Paper in Financial Institutions Award at 2022 FMA Conference.

Does Main Street Benefit from What Benefits Wall Street? With Andra Ghent. ***Journal of Financial and Quantitative Analysis***, 2024, 59, 1300-1366.

The Impact of Credit Rating Information on Disclosure Quality. With Yung-Ling Chi. ***Financial Management***, 2022, 51, 73—115.

Informational Efficiency in Securitization After Dodd-Frank. With Andra Ghent and Alexei Tchistyi. ***Review of Financial Studies***, 2020, 33, 5131—5172.

Competition and Credit Ratings After the Fall. With Andra C. Ghent. ***Management Science***, 2018, 64, 1672—1692.

"Inflated bond ratings helped spur the financial crisis. They're back." *Wall Street Journal*, August 7, 2019.

Working papers

Determinants and Consequences of Return to Office Policies. With Andra Ghent and Vasudha Nair.

Abstract: *We study firms' return-to-office (RTO) policies by hand-collecting and classifying announcements for the Russell 3000. Most firms allow some remote work but few allow fully remote work. Relatively lower office rents in a city are associated with more in-person work. However, firm and manager characteristics are more consistent predictors of RTO policies than urban economic characteristics. Specifically, larger firms and firms led by older or male CEOs are more likely to mandate in-person work. Thus, RTO policies may reflect managerial or organizational preferences more than economic tradeoffs. Finally, we find no significant stock market reaction to policy announcements.*

"Are bosses right to insist that workers return to the office?" *The Economist*, October 23, 2024.
"Return-to-Office Demands Don't Benefit Employees or Businesses" *Scientific American*, February 12, 2025.
"The great remote work rethink of 2024" *NPR*, November 19, 2024.

Does Mortgage Rate Lock-in Dampen Commercial Real Estate Busts? With Robert Kurtzman and Alexei Tchistyi.

Abstract: *We show that mortgage lock-in effects play a significant role in the commercial real estate market. Using data on securitized commercial mortgages, we find a nearly 20% reduction in the probability of sale for the average property when market interest rates are 100bp above the fixed rate on the mortgage. The increase in sales price for locked in properties is approximately 4%. These effects are not driven by financially distressed properties, differences in liquidity across markets, or differences in owner types. Our estimates suggest that the lock-in effect likely mitigated price declines by around 8% in the recent bust.*

Risk, Reward, and Ratings: How Firms Use Tax Avoidance to Sustain Inflated Credit Ratings. With Todd Kravet, Trent Krupa, and Sam Piotrowski.

Abstract: *Inflated credit ratings temporarily reduce the cost of debt and mitigate the impact of the tax avoidance risk premium. Consistent with this, we show that rating inflation is positively related to future tax avoidance, particularly for firms with less intense debtholder monitoring. The relation is stronger when managers have greater career concerns, which suggests firms respond differently when the cost of debt is lower due to upwardly-biased ratings compared to when the cost of debt is lower due to high but accurate ratings. Our results indicate that rating inflation temporarily fools some investors and allows firms to engage in short-term risk-shifting through tax avoidance.*

Credit Rating Inflation and Corporate Innovation. With Bharad Kannan.

Abstract: *We examine the effect of rating inflation on corporate innovation. Using plausibly exogenous variation in rating quality that comes from increased competition among rating agencies, we show that rating inflation adversely affects the quality of innovation. Although firms with inflated ratings issue a greater number of patents, we show that citations per patent drop significantly. This is driven by non-tech industries. The results suggest that firms that do not primarily rely on patents and innovation for value creation issue lower-quality patents. Our results are robust to the use of alternative measures of innovation.*

Financial constraints and latent financial distress. With Harry Turtle.

Abstract: *We examine the ability of the Federal Reserve's Senior Loan Officer Opinion Survey (SLOOS) to capture financial constraints in comparison with existing measures of financial constraints. This measure predicts future aggregate defaults and charge-offs for commercial and indus-*

trial loans. Next, we confirm that this measure effectively predicts aggregate defaults and financial distress in our Compustat sample with large predictive lead times. In a panel design, we compare our approach with the Whited and Wu (WW, 2006) firm-level financial constraints measure, and find the aggregate SLOOS measure provides comparable adjusted R^2s. Together, the WW and SLOOS measures provide independent and interaction impacts that effectively predict constraints and distress. As expected, capital expenditures are inversely related to SLOOS, but are unexpectedly positively related to WW's measure.

WORKS IN PROGRESS

Loan Extensions in CMBS. With Jiakai Chen and Alexei Tchistyi.

RESTING PAPERS

Debt Maturity and Future Financing and Investment. Sole-authored.

Abstract: *I study the relation between maturity structure and future external financing and investment. I find that greater reliance on long-term debt can increase access to external financing and the ability to invest. This contrasts with previous empirical results and many theoretical predictions, and it suggests that, on average, the rollover risk associated with short-maturity debt outweighs the potential benefit in terms of reduced agency costs. My results hold during periods in which firms' debt structure is suboptimal, which suggests I am not merely identifying a relation between ex-ante maturity choice and firm outcomes. Overall, my paper offers new insights into how aspects of debt structure, in particular maturity, affect future financing and investment capacity.*

NON-PEER REVIEWED WORK

"Renegotiating Commercial Loans: Getting a Discounted Payoff is Possible But Complicated." With Andra Ghent and Alexei Tchistyi. Cornell Center for Hospitality Research Brief. September 2024.

Contributor, "The Financial Crisis Inquiry Report" (January 2011). New York: PublicAffairs

TEACHING AND ACADEMIC SERVICE

Cornell University

Instructor
Principles of Real Estate (Undergrad and Master's): Spring 2023, Fall 2024, Fall 2025
Securitization and Structured Financial Products (Undergrad and Master's): Fall 2024, Fall 2025
Principles of Hospitality Real Estate (Undergrad): Spring 2024

Tulane University

Instructor
Finance 7650 (Master's): Fixed Income Modeling and Analytics. Fall 2020, Fall 2021

Colorado State University

Instructor
Finance 610 (Master's): Debt Securities Analysis. Fall 2017, Fall 2018, Fall 2019
Finance 471 (Undergrad): Enterprise Valuation. Spring 2018, Spring 2019, Spring 2020
Finance 311 (Undergrad): Debt Securities Analysis. Spring 2018, Fall 2018, Spring 2019, Fall 2019, Spring 2020

Service
Finance department chair search committee member, Summer 2019
Tenure-track faculty search committee member, Fall 2018
Special appointment faculty search committee member, Fall 2017
Finance Club faculty advisor, Fall 2018-Spring 2020

Arizona State University

Instructor
Finance 300: Fundamentals of Finance, Summer 2016

Graduate TA
FIN 525: Investment Strategies (MBA course), Spring 2017
FIN 781: Theory of Asset Pricing (PhD course), Spring 2014 and Fall 2016

Program Assistant
WP Carey International Business in Prague, Summer 2013 and 2015.

Grants

Real Estate Research Institute Grant, 2020 ($15,000)

Real Estate Research Institute Grant, 2018 ($15,000)

Real Estate Research Institute Grant, 2014 ($10,000)

Graduate Associate Fellowship, Arizona State University, 2012-2016

Presentations (*coauthor presentation)

"Does Mortgage Rate Lock-in Dampen Commercial Real Estate Busts?:" 2026 Midwest Finance Association (March 2026), Rochester Institute of Technology (March 2026), 2026 AREUEA-AFA Meeting (Jan 2026)*, University of Wisconsin-Madison (Dec 2025), 2025 North American Urban Economics Association Meeting (Oct 2025)*, Federal Reserve Board of Governors (Oct 2025)

"Determinants and Consequences of Return to Office Policies:" 2026 AFA Meeting (Jan 2026)*, 2025 Harvard University Bloomberg Center for Cities Research Conference (Nov 2025)*, 2025 Miami University Finance and Real Estate Conference (Sept 2025), 2025 Cornell Real Estate and Urban Economics Symposium (May 2025), 2025 AREUEA National Meeting (May 2025)*, 2025 Eastern Finance Association (accepted but did not present), Treasury Office of Financial Research (Dec 2024), 2024 UNC CREDA Symposium (October 2024), 2024 Stanford Implications of Remote Work Conference (October 2024), 2024 FMA Annual Meeting (October 2024)*, AREUEA International Conference Curacao (June 2024), Standard & Poor's (Oct 2024)*, UVA (March 2024)*, University of Georgia (March 2024)*, UIUC (March 2024)*, Federal Reserve Board (Dec 2023), 2023 North American Urban Economics Association Meeting (Oct 2023), University of Utah (May 2023)*

"Risk, Reward, and Ratings: How Firms Use Tax Avoidance to Sustain Inflated Credit Ratings:" 2024 American Taxation Association Midyear Meeting (Feb 2024)*, NHH (Nov 2023)*, UConn (July 2023)*, University of Washington (July 2023)*

"Credit Rating Inflation and Corporate Innovation:" 2024 FMA Annual Meeting (October 2024)*

"Social Connections and Bank Deposit Funding:" 2024 AFA Annual Meeting (Jan 2024), SUNY Binghamton (Jan 2024), Office of the Comptroller of the Currency (Nov 2023), 2023 FMA Annual Meeting (Oct 2023), 2023 Midwest Finance Association (March 2023)*, 2022 Southern Finance Association (Nov 2022), 2022 Eastern Finance Association (April 2022), Tulane (Dec 2021), Missouri (Aug 2021)*

"The Imitation Game: How Encouraging Renegotiation Makes Good Borrowers Bad:" 2024 FSU-UF Critical Issues in Real Estate Symposium (March 2024)*, 2024 Midwest Finance Association (March 2024), AsRES-GCREC Hong Kong (July 2023)*, Pre-WFA Summer Real Estate Research Symposium (June 2023)*, 2022 FMA Annual Meeting (Oct 2022), 2022 UNC Real Estate Research Symposium (Sept 2022)*, National University of Singapore (Sept 2022)*, AREUEA Tokyo 2022

Meeting (Aug 2022), University of Utah (June 2022)*, 2022 AREUEA Virtual Seminar Series (May 2022), Cornell University (Jan 2022), 2022 AREUEA-ASSA Annual Meeting (Jan 2022), RERI 2021 Conference (May 2021), CUNY Baruch (Feb 2021)

"Does Main Street Benefit from What Benefits Wall Street?:" 2022 Southern Finance Association (Nov 2022), Federal Reserve Bank of Dallas (Nov 2022)*, UC Irvine (Oct 2022)*, Federal Reserve Board (May 2022)*, 2022 Eastern Finance Association (April 2022), San Francisco Fed (April 2022)*, 2021 FMA (Oct 2021), Purdue (Sept 2021)*, Northeastern (Sept 2021)*, Cleveland Fed (May 2021)*, CUHK (March 2021)*, Tulane University (Feb 2021), UNC Chapel-Hill (Feb 2021)*, Bank of Canada (Nov 2020)*

"Informational Efficiency in Securitization After Dodd-Frank:" UW-Madison Real Estate (Dec 2018)*, UW-Madison Finance (Jan 2019)*, Arizona State University (Feb 2019)*, Colorado State University (Feb 2019), SEC Conference on Financial Market Regulation (May 2019), Real Estate Research Institute (May 2019)*, Cornell (May 2019)*, Summer Real Estate Research Symposium (June 2019), 2019 FEBSF-UCLA Conference on Housing, Financial Markets, and Monetary Policy (Sept 2019)*, Denver University Summer Finance Conference (Sept 2019), Vietnam Symposium in Banking and Finance (Oct 2019)*, SFS Cavalcade Asia-Pacific (Dec 2019), 2019 Federal Reserve Bank of Atlanta–Georgia State University Real Estate Conference (Dec 2019), Tel Aviv University Finance Conference (Dec 2019)*, Chinese University of Hong Kong (Jan 2020), Office of Financial Research (Jan 2020), Federal Reserve Board (Jan 2020), University of Georgia (Jan 2020), Tulane University (Jan 2020), FSU-UF-UCF Critical Issues in Real Estate Symposium (April 2020 (accepted, conference canceled)), FIRS 2019 Budapest (May 2020 (accepted, conference canceled))

"The impact of credit rating information on disclosure quality:" Colorado State University (Sept 2018), Financial Management Association 2018 Conference (Oct 2018), National Central University (Nov 2018)*, Denver University (March 2019)

"Competition and Credit Ratings After the Fall:" Arizona State University (2015), the Housing Urban Labor Macro conference (2015)*, the National Bureau of Economic Research Summer Institute (2015)*, New York University (2015)*, the Real Estate Research Institute (2015), the SEC (2015)*, the University of California at Davis (2015)*, the University of California at Los Angeles (2015)*, the University of North Carolina Chapel Hill (2015)*, the University of South Carolina/University of North Carolina Charlotte's Fourth Annual Fixed Income Conference (2015)*, the University of New South Wales (2015)*, the University of Southern California (2015)*, the University of Sydney (2015)*, the University of Texas at Austin's Summer Real Estate Symposium (2015)*, the Weimer School of Advanced Studies in Real Estate and Urban Land Economics (2015)*, and WU (Vienna University of Economics and Business) (2015)*.

"Debt Structure and Future Financing and Investment:" Arizona State University (Sept 2016), Colorado State University (Nov 2016), Peking University HBS (Nov 2016), KAIST (Dec 2016), Financial Management Association 2017 Conference (Oct 2017), Southern Finance Association 2017 Conference (Nov 2017)

"Why Do Issuers Pay? Explaining the Switch in Credit Rating Agency Business Model:" Arizona State University (Dec 2015)

"Leads and Lags in Corporate Credit Ratings among the "Big Three" Credit Rating Agencies:" Arizona State University (Sept 2013)

Professional service

Ad-hoc referee: *Review of Financial Studies; Review of Finance; Journal of Money, Credit, and Banking; Journal of Financial and Quantitative Analysis; Real Estate Economics; Journal of Corporate Finance; Journal of Banking and Finance; Emerging Markets Review; Review of Financial Economics*

Program committees: 2026 AREUEA-ASSA, 2024 FMA, 2024 SFA, 2023 FMA, 2022 SFA, 2022 MFA, 2017 FMA

Conference discussions: 2025 SFS Cavalcade, 2025 Kentucky Finance Conference, 2024 AREUEA Curacao (x2), 2023 FMA (x4), 2023 UEA, 2023 FIRS, 2022 Southern Finance Association, 2022 FMA (x3), 2022 AREUEA-AsRES Tokyo Meeting, 2022 Eastern Finance Association, 2022 MFA, 2021 FMA, 2021 MFA, 2021 AFA, 2018 European Finance Association, 2017 FMA, 2017 Southern Finance Association

Session chair: 2026 AREUEA-ASSA, 2023 FMA, 2022 FMA; 2022 MFA; 2021 FMA

Non-academic Experience

Federal Reserve Board of Governors, Washington, DC USA

Financial Analyst, Division of Banking Supervision and Regulation **March 2011-May 2012**
Sr Research Assistant, Division of Research and Statistics **June 2008-June 2010**

Financial Crisis Inquiry Commission, Washington, DC USA

Research Associate **June 2010-January 2011**

Computer Skills

Stata, SAS, Python, Excel VBA, Latex, Linux OS, Bloomberg Terminal