

## CURRICULUM VITAE

### SALLY R. MERRILL

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**Education:** Ph.D., Economics, Boston University, 1976  
MA, International Economics, Fletcher School of Law and  
Diplomacy,  
BA, Political Science, Wellesley College,  
**Years of Experience:** 27 years  
**Languages:** English, French  
**Countries of Experience:** Countries throughout Eastern Europe, Asia, Africa, and the U.S.

Dr. Sally Merrill is an economist specializing in housing finance, and housing and urban policy, and a Senior Associate at The Urban Institute. Since 1987, she has focused on international development of systems of housing finance, policy reform in housing and housing finance, and banking system reform, and low income housing and infrastructure schemes. She has worked in this context throughout Asia (India, Sri Lanka, Pakistan, Bangladesh, Indonesia, and the Philippines), in CAR and CEE (Poland, Romania, Croatia, Kazakhstan, Slovakia, Hungary, Czech Republic, Bulgaria, Bosnia, and Serbia, and Mongolia), and in Africa (South Africa, Zambia, Zimbabwe, Ghana, and Egypt, and Algeria) and Jamaica. Prior to this, Dr. Merrill has been active in domestic housing and analysis and has worked with public housing, Section 8, Housing Vouchers, reverse annuity mortgages, and social safety net programs in topics such as funding strategies, affordability, and discrimination. She has also worked at Abt Associates and the Federal Reserve Bank of New York.

**Senior Associate, Urban Institute** (January 1998 – Present). Selected projects include the following:

**Project Manager and Conference Coordinator, Southeast Europe Financial Sector Conference: "Developing Primary and Secondary Mortgage Markets in Southeast Europe"; (USAID, Bureau for Europe and Eurasia, 2002 – present).** Mortgage lending is growing rapidly in several countries in Southeast Europe (SEE) and banks see it as a profitable new growth area. Financial institutions and regulators alike must adopt new policies and procedures to deal with the growth in mortgage lending and the new risks this entails. As mortgage lending continues to grow, the need for longer-term funding from local or international capital markets will intensify, thus highlighting the importance of secondary mortgage markets. This ongoing project has a number of components, with the overall goal of offering international best practice to emerging lenders in SEE and providing hand-on

technical assistance in legal infrastructure, standards for primary market operations, and a variety of funding options for the secondary market funding. Please refer to our website <http://ceemortgagefinance.org> to obtain the report noted below and for more information.

- **Mortgage Market Assessments: Bulgaria, Romania and Croatia.** Ms. Merrill led Urban Institute teams in mortgage market assessments of Bulgaria, Romania, and Croatia in the fall of 2002, resulting recommendations for improvements to primary market operations, legal infrastructure, and secondary market development.
- **SEE Region Mortgage Finance Conference.** The Assessments were followed by a major, region-wide conference held in Sofia, Bulgaria on February 4-5, 2003, which addressed these issues. Speakers included private sector practitioners and experts from banks, primary and secondary mortgage market institutions, pension funds, and bankers' associations from SEE, CEE, the U.S. and Europe. Participants attended from Bulgaria, Romania, Croatia, Albania, Bosnia-Herzegovina, Macedonia, Slovenia, Turkey, Yugoslavia (Serbia and Montenegro), Kosovo, Poland, the U.S., Germany, the U.K., and Brussels.
- **SEEMFN Working Group.** The conference led to formation of the SEE Mortgage Finance Working Group of private and public sector mortgage practitioners, who, together with the UI team and USAID, EBRD, and IFC, are implementing mortgage market improvements, including the legal framework for the primary and secondary mortgage markets, standardization, and other issues. The Working Group has held biannual meetings in Sofia (spring 2003) and Bucharest (winter 2003), and Croatia (spring 2004). The first meeting formulated the Group's agenda and future plans. The second meeting featured a discussion of the Urban Institute's paper on the Legal Framework of Primary and Secondary Mortgage Markets in Croatia, Romania, and Bulgaria, prepared by Carol Rabenhorst and Steve Butler; The third meeting, hosted by the Croatian Bankers Associations, addressed their recent credit bureau formation. It also included a presentation by EBRD, and comments from SEEMFN members, on the major manual EBRD has prepared to standardize mortgage market operations.
- **Real Estate and Mortgage Market Assessment.** The active SEEMFN members now include Serbia and Bosnia. The UI team carried out a mortgage market assessment in Serbia at the close of 2003. An assessment of the entire real estate sector was carried out in Bosnia in early 2004, and the UI team was joined by Norman Flynn of the IRPF (International Real Property Foundation). The Bosnia Report in particular stresses the vital importance of a function real estate sector for the development of SME.

**Project Manager and Senior Analyst, Housing Finance, Financial Protection Initiative, Kazakhstan (USAID, under subcontract to the Pragma Corp., 2001 –to present).**

Dr. Merrill is leading the development of a market-based housing finance system in Kazakhstan, including a team of mortgage insurance and risk experts in a long-term USAID project for development of the financial sector and regulatory infrastructure for Kazakhstan. The FGIC – Fund for Mortgage Guarantee Insurance is modeled after private mortgage

insurance companies in the U.S., Canada, Australia, and elsewhere, and adjusted to the market circumstances in Kazakhstan. The key feature is that credit risk is shared between the lender and FGIC; the company is conservatively capitalized and monoline, so that risk is indeed spread in the financial sector. The regulatory structure will fit appropriately into the Basle II framework. FGIC is now licensed and opened its doors in April 2004.

**World Bank Design and Review Team: Iran Housing Sector Strategy, 2002-2003.**

Dr. Merrill was a member of the review team for the design of the Housing Sector Strategy for Iran. The Strategy covers mortgage finance, legal and administrative development, and national and housing policies. The review team was responsible for reviewing and commenting on the PAD, the background papers, and the draft and final Strategies.

**Housing Finance Manager and Senior Analyst, Ministry of Human Settlements and Regional Development, Low Income Housing Finance, Housing Market, and Urban Land Policy Development, Indonesia (World Bank, April – December 2001 ).**

Dr. Merrill served as chief economist and team leader for Component C of this project, which dealt with housing finance, the housing market, and urban land policy. One of the project's major goals is an improved approach toward community-based housing programs, including low income housing finance based on the existing microfinance network; a design for a pilot project to be supported by the World Bank is currently underway. The project also addresses overall development of the housing finance sector, including loan products, credit enhancements, mortgage insurance, standardization, credit bureau, credit scoring, new mortgage loan products, and planning for a secondary mortgage market facility.

**Guest Editor and Author, *Housing Finance International*, March 2001 Issue of *Microfinance and Innovations from Chile, India, South Africa, and the U.S.* Author of "Innovations in Microfinance for Housing in the United States and Emerging Markets: What Methodologies Can we Transfer? And "Low and Moderate Income Housing Finance in South Africa: Making Progress in a Troubled Environment."**

**Project Manager, The Housing Finance Resource Program: Assistance to Low and Moderate Income Housing Finance in South Africa, South Africa (USAID, 2000-2004).**

South Africa's context is difficult and decidedly unique: a highly sophisticated financial sector and innovative governmental responses in both institution building and risk-sharing policies must contend with severe problems of both affordability and socio-political barriers. Low income housing finance represents not one but perhaps three different realities: moderate income households who are "bankable" within a modified traditional framework; low income households who may be better served via alternative and community lenders; and very low income households who may be best served via community lending approaches.

**Project Director, Study of Low and Moderate Income (LMI) Housing Finance Policies, The United States and other selected countries (HUD, 1999 –2000).** This study, conducted for HUD's International Division by a large team of UI staff and international consultants, addresses both low and moderate income housing finance and "micro-lending" for housing. A major report was published in May 2000: "*Housing Finance for Low and Moderate Income Households: Innovations in the United States and Around the World.*" Case studies were

developed for the U.S., Chile, South Africa, India, and Mexico; additional examples of low and moderate income housing finance and micro lending were drawn from countries as diverse as Poland, Malaysia, and Bangladesh. The study seeks to define the term LMI and micro-lending and to assess the barriers being overcome through different approaches – that is, low income, lack of down payment, lack of credit history, lack of title, and racial or geographic discrimination.

**Project Director, Poland Housing Finance Project.** Dr. Merrill was housing finance coordinator for Poland and Director of the Poland Housing Finance Project, 1996 – 2000. Dr. Merrill managed a large team of Polish, U.S. and European consultants engaged in analyses and training in housing finance sector strategies, regulation and supervision, mortgage banking, EU systems of mortgage bonds and contract savings, rationalization of public intervention in the housing sector, development of market-based rent structures, and reform of Poland's housing allowance program. Polish counterparts for the program include the National Bank of Poland, the Housing Committee of the Polish Banks Association, the Ministry of Finance, the Housing and Urban Development Office, and the Foundation for Mortgage Credit.

**Team Member, Housing Policy and Finance, Algeria (World Bank, 2000).** A World Bank Mission assessed the current developments in housing policy and housing finance in Algeria, as a basis for preparation of a project concept document. Dr. Merrill was responsible for analysis of housing policy reforms, housing subsidy policy reforms, and assessment of a framework for a Bank housing loan.

**Vice-President and Economist: Abt Associates, Cambridge, Massachusetts (1972 – 1998)**

**Project Director, Abt Associates, Housing Finance Expansion Program, India (USAID/India, 1992-1996).** USAID assisted the National Housing Bank in India to develop its housing finance sector in a financially sound and market-oriented manner. During this four year project, Abt Associates' two long-term advisors in India, in conjunction with local and U.S.-based short-term experts undertook a wide range of technical assistance, training, and research activities. Topics included: increased mobilization of market and household resources; enhanced regulation, supervision, and risk management; development of alternative mortgage products; and development of a secondary mortgage market.

### **Selected Recent Publications**

Merrill, Sally and Alejandro Escobar, "Housing Microfinance: The State of the Practice", *Housing Microfinance: A Guide to Practice*, edited by Franck Daphnis and Bruce Ferguson, Kumerian Press, Bloomfield CT, January 2004

Sally Merrill and Douglas Whiteley, "Establishing Mortgage Guarantee Insurance in Transition and Emerging Markets: a Case Study of Kazakhstan.", *Housing Finance International*, September 2003, Vol. XVIII. No. 1.

Merrill, Sally, Carol Rabenhorst, and Paul Sacks, “Development of Secondary Mortgage Markets in Southeast Europe: Assessment of the Mortgage Markets in Bulgaria, Croatia, and Romania”, prepared for USAID Bureau for Europe and Eurasia, Office for Economic Growth, January 2003

Merrill, Sally, and Ken Temkin, “Microfinance and Low Income Lending for Housing in Emerging Markets and The United States”, in James Carr and Zhong Yi Tong, eds., *Replicating Microfinance in the United States*, Woodrow Wilson Press for the Fannie Mae Foundation, 2002.

Merrill, Sally, and Erica Soeroto, “Strengthening the Housing Finance Sector in Indonesia”, The Housing Market in Indonesia Project, Ministry of Regional Settlements and Public Works (Kimpraswil) for the World Bank, Indonesia, December 2001.

Merrill, Sally, Ken Temkin, Claudio Pardo, Douglas Diamond, Ritu Nayyar-Stone, and Michael Lea *Housing Finance for Low and Moderate Income Households: Innovations in the United States and around the World*, prepared for the U.S. Department of Housing and Urban Development (HUD), The Urban Institute, Washington D.C., May 2000.

Merrill, Sally, “Innovations in Microfinance for Housing in the United States and Emerging Markets: What Methodologies Can we Transfer?”, *Housing Finance International*, March 2001.

Merrill, Sally, “Developing Housing Finance In A Transition Economy: The Case Of Poland”, *Journal of Housing Economics*, 2001

Merrill, Sally, “Home Purchase in the Visegrad Countries: The Case of Poland”, in Raymond Struyk, ed., *Home Ownership and Housing Finance Policy in the Former Soviet Bloc: Costly Populism*, October 2000, Washington D.C., The Urban Institute Press.

Merrill, Sally, Harold Katsura, and Carol Rabenhorst, “The Prospects for Housing Finance in Romania”, prepared for USAID, The Urban Institute, December 1999.

Merrill, Sally, Michael Lea, Loic Chiquier, W.J. Brzeski, Carol Rabenhorst, Maris Mikelsons, Duncan McLennan, Steve Mayo, Bengt Turner, et al. (1997), “Building on Progress: The Future of Housing Finance in Poland.” Urban Institute Consortium for USAID/Warsaw.