Opening Commentary by Dr. Bill Conerly

Dr. Bill Conerly explores the complexities of the current U.S. economic environment, emphasizing key elements that impact businesses, particularly in the real estate sector. His analysis touches on political influences, economic forecasts, and their implications for inflation, interest rates, and market dynamics, emphasizing the need for careful navigation in order to make informed business decisions in 2025. While he emphasizes a positive economic outlook with modest improvements in interest rates, he also cautions against expecting substantial rate reductions.

- **Economic Context**
  - The current environment is challenging for real estate-oriented businesses, despite being an interesting time for economic analysis.
- **Election Impact**
  - New policies from the administration may influence forecasts for economic growth, inflation, and interest rates.
  - Historical Perspective: Campaign promises often do not translate into actionable policy due to legislative hurdles or unintended outcomes.
- **Taxes**
  - **Business Income Tax Changes**:
    - Made permanent during the first Trump administration.
  - **Personal Income Tax Changes**:
    - Set to expire at the end of 2025.
    - Likely to be extended by the new Congress, maintaining the current tax regime.
  - **Economic Impact**:
    - Tax changes are not expected to have significant effects on the overall economy.
    - Dr. Conerly highlights that the current tax structure will likely remain stable, with minimal economic disruption from anticipated changes.
- **Tariffs**
  - **Announcement and Negotiation**:
    - The president announced 25% tariffs on imports from Mexico and Canada but is likely using this as leverage to negotiate concessions.
  - **Expected Outcomes**:

    - Concessions may range from substantial to cosmetic, with some retaliation from other countries expected.
    - Final tariffs will likely be moderate, not as severe as initially suggested.
  - **Economic and Inflationary Effects**:
    - Tariffs will marginally raise consumer prices and business costs, causing a one-time increase in the price level.
    - Inflation will return to historical norms (~2.5%) after this temporary adjustment, with no lasting inflationary pressure.
    - Dr. Bill Conerly emphasizes that while tariffs will have some economic impact, their effects are expected to be limited and temporary.
- **Immigration and Labor Force**
  - **Historical Immigration Trends**
    - Obama administration: Net immigration of 1.5 million annually, including undocumented entrants.
    - First Trump administration: Net immigration dropped to 0.5 million annually.
    - Biden administration: Net immigration surged to over 3 million annually.
  - **Impact on Employment and Economy**
    - Increased immigration under Biden boosted employment, incomes, and consumer spending.
    - A reduction in immigration will slow labor force and employment growth.
  - **Future Outlook**
    - Fewer new entrants expected under Trump's proposed policies, although Dr. Conerly believes mass deportations are unlikely.
    - Slower growth in the labor force will moderate economic expansion, but not cause a recession.
    - The rapid growth seen in the last three years is unsustainable for the next three years.
- **Regulatory Environment**
  - **Regulatory Trends Under Trump**:
    - The first Trump administration added few new regulations, but did not pursue aggressive deregulation.
    - The second Trump administration is expected to follow a similar pattern with slowed progress on new regulations.
  - **Deregulation Challenges**:
    - Cutting existing regulations is a lengthy bureaucratic process and is unlikely to result in significant changes.
  - **Business Perspective**:
    - A slower regulatory environment is anticipated to benefit business development.
    - Dr. Conerly anticipates a stable regulatory landscape with moderate benefits for business operations under a second Trump administration.

- **Federal Spending and the Deficit**
    - Trump is not a fiscal conservative, with substantial spending increases during his first term.
    - Musk and Ramaswamy’s "Department of Government Efficiency" (DOGE) proposed cutting federal spending from $7 trillion to $5 trillion—a $2 trillion reduction.
    - Skepticism exists about the feasibility of these cuts due to strong constituencies defending current spending levels.
    - Federal deficit spending is expected to remain high, with limited focus on reducing the deficit from either political party.
- **Economic Forecast**
    - **Current Economic Momentum**:
        - Strong job growth, with employment increasing every month this year.
        - Low unemployment, rising incomes, and robust consumer spending.
    - **Inflation Trends**:
        - Inflation has declined from a high of 8% to 2.5%, measured by the Federal Reserve’s preferred metric.
        - Inflation remains slightly above the Fed’s 2% target and has stabilized at this higher level for the past six months.
    - **Federal Reserve Policy**:
        - The Federal Reserve is likely to be cautious about cutting interest rates significantly.
        - Markets predict a 50-50 chance of a quarter-point rate cut in the short term, which would have minimal impact.
        - Forecasted decline in short-term rates: 0.75% reduction by the end of next year, leading to a slight drop in mortgage rates.
    - **Mortgage Rate Outlook**:
        - Short-term rates are expected to decline slightly, with mortgage rates projected to fall below 6% in late 2025 (e.g., 5.9%).
        - Significant rate cuts are unlikely, and there is a small probability of rate increases if inflation worsens.
    - **Factors Influencing Mortgage Rates**:
        - Rates depend on both Federal Reserve policy and global credit demand, including significant borrowing by the U.S. Treasury.
    - **Potential Risks**:
        - While unlikely, there is a low probability (10-20%) of the Federal Reserve increasing interest rates if inflation worsens.
        - Significant rate cuts are not anticipated despite solid economic growth and a low risk of recession.

Opening Commentary by WFG Chairman and Founder Patrick Stone

Patrick Stone offers a nuanced perspective, highlighting strong foundational demand and economic activity while addressing challenges such as rising debt, geopolitical uncertainty, and labor constraints. His insights balance optimism about market recovery with caution regarding long-term risks.

Good News in the Real Estate Market

- **Need and Desire for Homeownership**:
  - Strong, sustained demand for homeownership continues to drive the market.
  - This demand reflects fundamental human priorities, including the desire for security and control over one's environment, particularly post-pandemic.
- **Interest Rates and Affordability**:
  - Mortgage rates are trending slightly downward, which has started to improve affordability.
  - A significant boost in market activity is expected if rates drop below 6%, as this threshold will likely encourage more buyers to act.
  - Historically, 2005 was a peak year for home resales at 7.2 million transactions with rates around 5.67%, suggesting a strong potential if rates decline.
- **Home Prices and Inventory**:
  - Home price appreciation has normalized, moving away from the unsustainable surges seen in recent years.
  - The supply of single-family homes has increased by approximately 32% compared to last year, helping balance the market.
  - New listings are also improving, contributing to a healthier inventory-to-demand ratio.
- **Commercial Real Estate**:
  - Concerns about a collapse in commercial real estate have eased, with most sectors showing recovery.
  - Retail spaces, industrial properties, and multifamily units are performing well, though office space remains a challenge.
- **Wealth and Foreclosure Outlook**:
  - Baby boomers and Gen X, holding a combined wealth of approximately $117 trillion, provide financial stability to the market by assisting younger generations.
  - Foreclosures are not expected to rise significantly due to sound credit practices and better loan quality compared to the financial crisis.

Challenges and Uncertainty in the Market

- **Tariffs, Taxes, and Deportation**:
  - Tariff uncertainty impacts costs across the real estate and construction sectors.
  - Debate continues over extending or modifying tax cuts from 2017.

- A reduction in immigration and mass deportations could exacerbate labor shortages, particularly in construction and agriculture, impacting homebuilding and food supply chains.

- **National Debt**:
  - The national debt, now at $36 trillion, is growing rapidly and contributing to increased interest obligations.
  - Rising debt creates long-term pressure on federal budgets, with interest payments expected to exceed $1 trillion annually in 2025.
- **Geopolitical Issues**:
  - Continued conflicts in Ukraine and Gaza add uncertainty to global economic conditions.
  - South Korea's defensive posture amid tensions with North Korea further underscores global instability.

Residential Housing Market Dynamics

- **Demographics Driving Demand**:
  - Approximately 140 million Americans aged 11-42 represent future housing demand, with about 50 million potential buyers.
  - While not all will purchase homes due to financial constraints, this cohort represents a significant growth opportunity.
- **Sales Trends**:
  - Annual home sales in 2024 are expected to fall just short of 4 million, reflecting a depressed but stabilizing market.
  - As rates decline, sales volume is likely to rise, potentially reversing downward trends.
- **Psychological Barriers**:
  - Rates above 6% have deterred buyers, but dropping below the 6% threshold could spark a surge in activity.
- **Regional Variations**:
  - Price disparities between regions, such as the West Coast and Midwest, continue to drive migration patterns.
  - Young buyers are increasingly relocating to more affordable areas to achieve homeownership.
- **Turnover and Inventory**:
  - Average homeowner tenure peaked at 13.4 years in 2020 and has since declined to 11 years, signaling more turnover.
  - New home construction, while below historical norms, is gradually increasing, with a shift toward smaller, more affordable homes.

Commercial Real Estate Observations

- **Sector-Specific Trends**:
  - Retail and industrial properties remain resilient, with vacancy rates of 4% and 7.2%, respectively.

- Office space continues to struggle, with vacancy rates at 19.4%, reflecting ongoing shifts in work dynamics.
    - Multifamily properties, with a 6.9% vacancy rate, show stable demand driven by younger demographics and affordability pressures.
- **Basel III Concerns**:
    - Upcoming regulations requiring banks to hold more reserves could lead to increased reliance on private equity funding for commercial real estate, introducing potential risks.
- **Optimism for 2025**:
    - Analysts predict improvement in commercial real estate markets, particularly outside of office space, with global recovery trends taking hold.

Wealth and Debt in Housing

- **Wealth Driving Purchases**:
    - Baby boomers and Gen X wealth allows younger buyers to secure down payments, with 44% of buyers in their 20s and 30s receiving parental assistance.
- **Household Debt**:
    - Household debt is currently more sustainable compared to the financial crisis, at around 100% of income rather than 140% during the financial crisis.
- **Home Equity**:
    - Total equity in U.S. homes stands at $35 trillion, with the average mortgage holder having $315,000 in equity.
    - Higher-priced homes are seeing increased sales, while lower-priced homes face demand challenges, reflecting the wealth effect on purchasing behavior.

Outlook on National Debt

- **Historical Debt Growth**:
    - The national debt has increased from $1 trillion in 1981 to $36 trillion today, with annual interest payments climbing rapidly.
- **Impact on Interest Rates**:
    - Rising debt levels are putting upward pressure on Treasury yields and overall borrowing costs, affecting consumer and business financing.

Question and Answer Segment

How might global economic conditions affect domestic economic conditions and mortgage interest rates?

Dr. Bill Conerly's Response:

- **Global Economic Stability**
  - The global economy appears stable with consistent growth in Asia and slower growth in Europe.
  - No signs of cyclical fluctuations like recessions or booms in the global market.
- **Geopolitical Risks**
  - Stability hinges on avoiding significant geopolitical disruptions, such as:
    - Escalation in the Ukraine-Russia conflict.
    - Worsening tensions in the Middle East.
    - Potential military actions by China involving Taiwan, driven by internal economic challenges.
- **Implications for the U.S. Economy**
  - If global geopolitical conditions remain calm, the global economy is expected to have a neutral impact on the U.S. economy.

Dr. Conerly concludes with cautious optimism, highlighting the critical role of geopolitical stability in maintaining global and domestic economic health.

Will the market in 2025 be better than 2024?

Patrick Stone's Response:

- **Positive Outlook for 2025**
  - Market conditions are expected to improve significantly in 2025, barring any unforeseen global disruptions.
- **Factors Driving Growth**
  - Adaptation to higher mortgage rates:
    - Society is acclimating to current rates, reducing resistance to higher levels compared to the past.
    - Mortgage rates below 6% could dramatically boost market activity.
  - Anticipated mortgage rate trends:
    - Rates are expected to remain above 6% in early 2025 but may dip below 6% in the latter half.
    - If rates drop below 6%, home sales could increase by approximately 9% compared to 2024.
    - Earlier rate reductions (e.g., in Q1 2025) could lead to even greater sales growth.

- **Commercial Real Estate**
  - Modest improvement is expected, supported by upcoming refinancing cycles in 2024 and 2025.
  - Significant refinancing volume anticipated in 2026, exceeding $1.7 trillion.

Patrick Stone emphasizes his confidence in a better 2025 market, using a 9% growth estimate for planning and budgeting purposes.

Is the commercial outlook the same as residential or better?

Dr. Bill Conerly's Response

- **Sector-Specific Variations**
  - **Downtown Office**:
    - Continues to struggle with low demand and pessimistic projections.
  - **Retail**:
    - Underbuilt in recent years, leading to tighter vacancy rates in many areas.
    - Shift towards activity-based retail (e.g., yoga studios) has helped sustain demand.
  - **Suburban Office**:
    - Performing better than downtown office spaces.
  - **Industrial and Warehouse**:
    - Previously boomed but now seeing some oversupply, leading to rate cuts in certain markets.
- **Recommendation**:
  - Analyze commercial real estate on a sector-by-sector basis due to significant variations in performance.
- **Overall Outlook**:
  - Despite sector-specific challenges, the aggregate commercial market appears healthy.

  Dr. Conerly emphasizes the need for granular analysis when assessing opportunities in the commercial real estate market.

Do you see 2025 as the chosen year for higher technology adoption, and what is a good starting point?

Patrick Stone's Response

- **Embrace Technology**
  - Businesses must actively adopt technology to remain competitive and efficient.
  - AI is increasingly integrated into tools like CRMs and other business technologies.

- **WFG Support for Technology**
  - WFG provides Marketing Technology Directors to help businesses identify and implement effective technologies.
  - These professionals assist in leveraging technology for meaningful and impactful business improvements.
- **Importance of Efficiency**
  - As the market gradually recovers, businesses must focus on operational efficiency to maintain profitability.
  - Efficient use of technology is critical to thriving in a competitive and recovering market.
- **Advice for Adoption**
  - Avoid guesswork when selecting technologies.
  - Seek expert guidance to ensure the chosen solutions align with business needs and goals.

Patrick Stone emphasizes the transformative potential of technology and encourages businesses to proactively integrate advancements like AI to stay ahead in the evolving market.

How will home builders be impacted by potential tariffs?

Dr. Bill Conerly's Response

- **Limited Direct Impact from Tariffs**
  - Imported goods, like plumbing fixtures, represent a small portion of total home construction costs.
  - Tariff-related cost increases are not expected to significantly affect overall home building expenses.
- **Supply Chain Concerns**
  - The primary risk lies in supply chain disruptions from trade conflicts.
  - Critical items, even if a small cost component, can halt home sales if unavailable (e.g., toilets).
- **Current Supply Chain Stability**
  - Global supply chains have functioned well over the past year.
  - However, trade wars or geopolitical issues could disrupt this stability.

Dr. Conerly highlights the importance of maintaining a stable supply chain, as even minor disruptions could have outsized effects on home builders.

What are some good investing opportunities for 2025?

Patrick Stone's Response

- **Single-Family Construction**
  - Investing in home building can be profitable if approached carefully.
  - Key considerations include:

        - Selecting strong and desirable markets.
        - Focusing on the appropriate price ranges for specific regions.
- **Industrial Real Estate**
    - Warehousing remains a strong investment due to sustained demand for storage and shipping infrastructure.
    - Despite the growth of online retail, traditional logistics needs are robust, with only 16% of retail sales currently online.

Patrick Stone emphasizes prudence in selecting real estate markets and sectors, citing the continued strength of single-family construction and industrial properties as promising opportunities.

How realistic is it for us to consider Bitcoin to be a digital currency that the US will use in the future?

Dr. Bill Conerly's Response

- **Cryptocurrencies' Role**
    - Cryptocurrencies will expand in usage, but Bitcoin may not be the preferred choice for widespread adoption.
    - Other cryptocurrencies like Ethereum and Tether offer unique functionalities and could be more suitable.
- **Efficiency of Transactions**
    - Cryptocurrencies reduce the cost and inefficiency of transferring wealth, especially internationally.
    - Current payment systems in the U.S. are relatively expensive and slow, making cryptocurrencies a potential solution.
- **Programmable Cryptocurrencies**
    - Ethereum pioneered programmable features, enabling automatic transactions based on preset conditions ("if-then" logic).
    - Such innovations could eventually impact sectors like escrow services by automating contract execution.
- **Limitations**
    - Bitcoin is costly and less practical for small transactions.
    - Cryptocurrencies are unlikely to become the dominant form of currency, but have room for significant growth.

Dr. Conerly emphasizes the potential of cryptocurrencies to improve transaction efficiency while acknowledging their limitations in replacing traditional currency systems.

What is going on with the Federal government's efforts to not require lenders' title insurance on federally insured loans? And how might this change with the new administration?

Patrick Stone's Response

- **State of Union Reference**
    - Title insurance was mentioned in last year's State of the Union address, but it's unlikely to be addressed in future speeches.
- **Lack of Understanding**
    - A widespread lack of understanding about title insurance persists, even among Federal policymakers.
    - Interactions with organizations like Fannie Mae reveal limited knowledge about the complexities and risks involved.
- **Alternative Title Products**
    - Alternative title products can have a role in specific scenarios, such as refinancing with high FICO scores and reliable databases.
    - However, they cannot replace traditional title insurance across the board without significant risk of losses.
- **Industry Losses**
    - Over $14 billion in title insurance losses have occurred over the past 20 years, even with extensive risk elimination processes.
    - Fraud and forgery now account for approximately 33% of all losses, representing a growing concern.
- **Database Quality Disparities**
    - Variations in database quality between regions (e.g., East vs. West) add to the challenges of implementing alternative products effectively.

Patrick Stone stresses the importance of understanding the risks and limitations of alternative title products and highlights the critical role of title insurance in mitigating fraud and losses in the real estate industry.

Has the price of lumber gone down, and if so, why has new home construction not decreased in price?

Dr. Bill Conerly's Response

- **Lumber Prices**
    - The price of lumber and plywood has decreased due to a slowdown in single-family construction.
- **Minor Role of Lumber in Total Costs**
    - Lumber is a relatively small component of the overall cost of building a home.

    - Construction costs are dominated by labor, land, and additional materials, like electrical and plumbing systems.
- **Key Cost Drivers in Home Construction**
    - **Labor Costs**:
        - Labor, including subcontractors for various systems, represents a significant portion of the construction budget.
    - **Land Costs**:
        - Land accounts for 20-25% of the home’s value, with permits and fees adding to the total.
    - **Other Material Costs**:
        - Imported materials like steel could see price increases due to tariffs, offsetting reductions in lumber costs.

Dr. Conerly emphasizes that while lumber prices have fallen, the high costs of labor, land, and other materials contribute to the sustained pricing of new home construction.

What is your take on the initiative of tiny homes as affordable housing?

Patrick Stone’s Response

- **Target Audience for Tiny Homes**
    - Appeals primarily to first-time buyers, singles, or couples without children.
    - Suited for small families or individuals seeking affordable housing options.
- **Market Applicability**
    - Tiny homes are particularly relevant in metropolitan areas with limited land availability.
    - Certain markets may adopt tiny homes as a practical solution for affordable housing.
- **Cultural and Regional Differences**
    - The U.S. housing market shows a preference for standalone homes compared to Europe, where townhomes dominate in metropolitan areas.
    - Tiny homes reflect a cultural shift but may not reach widespread adoption in the U.S.
- **Outlook on Impact**
    - Tiny homes will likely see some traction but are unlikely to become a dominant solution for affordable housing.

Patrick Stone acknowledges the potential role of tiny homes in addressing affordability challenges while emphasizing their niche applicability and limited likelihood of becoming a major housing trend.

What needs to happen to increase housing supply?

Dr. Bill Conerly's Response

- **Impact of Land Use Regulations**
  - Stringent land development rules in coastal states (e.g., California, Oregon, Connecticut) significantly restrict housing supply.
  - Reducing or eliminating land use restrictions could lower housing costs.
- **Development Fees and Community Burdens**
  - Development impact fees for schools, parks, and infrastructure contribute to higher housing prices.
  - Historically, community-wide taxpayer funding supported affordable development; shifting costs entirely to homebuyers increases prices.
- **Building Codes**
  - Some building codes unnecessarily raise housing costs and could be re-evaluated for efficiency and affordability.
- **Labor Shortages in Construction Trades**
  - High labor costs result from decades of discouraging trade careers in favor of college education.
  - Increasing the availability of skilled labor in construction could reduce costs and boost housing supply.

Dr. Conerly emphasizes the importance of addressing regulatory, fee, and labor issues to effectively increase housing supply and affordability across the U.S.

What positive impacts on real estate do you foresee with Trump coming back?

Patrick Stone's Response

- **Reduced Regulatory Pressure**
  - A Trump administration is expected to adopt a less regulatory approach, easing pressures on the real estate industry.
- **Challenges with Regulatory Understanding**
  - Many regulators lack a deep understanding of the complexities of the title insurance industry.
  - Title insurance practices vary significantly across states due to differing databases, business practices, and state-specific regulations.
- **Educational Efforts**
  - Organizations like the American Land Title Association (ALTA) have made significant strides in educating Congress about the title insurance industry and alternative products.
- **Hope for an Anti-Regulatory Stance**
  - Patrick Stone hopes the Trump administration's anti-regulatory perspective will lead to fewer new laws or regulations enacted without adequate industry understanding.

Patrick Stone highlights the potential for reduced regulatory burdens under a Trump administration, which could positively impact the real estate industry, particularly in areas like title insurance.

Will recent storms affect local real estate markets?

Dr. Bill Conerly's Response

- **Impact on Construction Demand**
  - Rebuilding efforts will drive increased demand for construction, especially in areas severely affected by storms.
  - Updated building codes provide better protection in some regions, but rebuilding in high-risk areas remains a concern.
- **Labor Constraints**
  - The construction industry is already labor-constrained, with few unemployed workers available to meet the increased demand.
  - This adds further strain to an already tight labor market, limiting the potential positive impact on local economies.
- **Mixed Economic Effects**
  - While rebuilding can create economic activity, it also results in significant losses for insurers and homeowners.
  - The overall net effect of storms on local real estate markets is negative, despite pockets of economic benefit.

Dr. Conerly underscores the challenges storms pose to local real estate markets, emphasizing labor constraints and the broader economic impacts of rebuilding efforts.

What is the expectation for the default market sector?

Patrick Stone's Response

- **Strong Borrower Credit Quality**
  - Two-thirds of all loans in the past six years have been to borrowers with FICO scores above 760.
  - High-credit borrowers are less likely to default, maintaining stability in the market.
- **Reduced Product Risk**
  - Risky loan products from the financial crisis era (e.g., stated income loans) are no longer prevalent.
  - The current lending environment features sensible, lower-risk loan products.
- **Foreclosure Outlook**
  - No significant increase in foreclosures is expected.
  - Default rates are projected to remain below 3-4%, even as market volume grows.
- **Limited Risks**

- The market lacks the credit and product risks that contributed to the previous foreclosure crisis.

Patrick Stone highlights the strong fundamentals of the default market sector, emphasizing low product and credit risks as key factors ensuring stability.

What are your expectations for year-over-year property value appreciation?

Dr. Bill Conerly's Response

- **Long-Term Trends**
  - Real estate values generally increase over time, typically outpacing inflation.
  - Historically, real estate appreciates at a slower rate than stock market investments.
- **2025 Market Dynamics**
  - Property value appreciation in 2025 is expected to be slightly better than the long-term average, though not indicative of a major boom.
  - Declining mortgage rates and a strong economy will likely support moderate appreciation.
- **Impact of Mortgage Rate Trends**
  - A drop in mortgage rates typically boosts demand and property values.
  - As an example, a drop to 6% could have a different impact on buyers depending on whether recent rates were 4% (making 6% feel high) or 8% (making 6% feel low).
- **Key Factors**
  - Lower interest rates will support growth in property values if accompanied by economic stability.
  - A recession or weakened borrowing sentiment could counteract the positive effects of declining rates.

Dr. Conerly anticipates moderate property value appreciation in 2025, influenced by economic and mortgage rate conditions, with demand shaped by buyers' perceptions of relative rate trends.

What gives you the most hope for 2025?

Patrick Stone's Response

- **Economic Strength**
  - The overall financial health and significant wealth within the U.S. economy provide a strong foundation for optimism.
  - Anticipates increases in real estate activity, new home construction, and property sales barring major negative events.
- **Wealth Availability**
  - The substantial wealth in the country supports economic growth and participation in real estate and related activities.

Dr. Bill Conerly's Response

- **Short-Term Momentum**
  - The U.S. is entering 2025 with strong economic indicators, including job growth, income growth, and increased spending.
- **Technological Advancements**
  - Technology continues to improve productivity and reduce costs across industries.
  - Innovations, such as those seen in factories and construction projects, mirror the transformative impacts of historical industrial revolutions.
- **Historical Parallels**
  - Technological advancements have historically lowered costs for consumers and improved overall living standards despite transitional challenges for certain occupations.

Patrick Stone emphasizes the strength of the U.S. economy and wealth, while Dr. Bill Conerly highlights short-term momentum and the long-term benefits of technological innovation as sources of optimism for 2025.

# # #

About Patrick Stone

Patrick Stone is Chairman and Founder of Williston Financial Group, the Portland, Oregon-based parent company of several national title insurance and settlement services providers, including WFG Lender Services and WFG National Title Insurance Company. Stone's lengthy career in real estate and related services includes C-level positions with three public companies and serving as a director on two Fortune 500 boards. His senior executive management positions include nine years as president and COO of the nation's largest title insurance company, chairman and co-CEO of a software company, and CEO of a real estate data and information company. Stone also served as vice-chairman of Metrocities Mortgage, a 2005 top-20 mortgage lender, and as chairman of The Stone Group, an Austin, Texas-based tenant-represented brokerage company. In 2013 Pat was named one of the "100 Most Influential People in Real Estate" by Inman News and as one of the "Top 101 Real Estate Industry Doers" in 2015 and again in 2021. Other accolades include receiving HousingWire's coveted "Vanguard Award" in 2019 and again in 2021, Progress in Lending's "Lending Luminary Award" in 2019, 2020, 2023 and 2024, Inman's "Best of Finance" award in 2023 and 2024, and October Research's annual "Leadership Award" in 2020.

About Dr. Bill Conerly

Bill Conerly has a Ph.D. in economics from Duke University and more than 30 years of experience helping companies adapt to changing economic conditions. He was formerly Senior Vice President at a major bank and held positions in economics and corporate planning at two Fortune 500 corporations. He is also an online contributor to Forbes, chairman of the board of Cascade Policy Institute, and the author of The Flexible Stance: Thriving in a Boom/Bust Economy (2016) and Businomics (2007), a book about economics for business leaders. To subscribe to Conerly's monthly newsletter, visit: https://conerlyconsulting.com/newsletter/