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The 3 Decades Global Financial Policy Failure in Housing Market, Runaway Home Prices, Today's Growing Homeless Crisis: Eddison Walters Real Estate Housing Technology Structural Change Transformational Theory

Dr. Eddison T. Walters
Walters Global Business Resources LLC, United States

Walters Global Business Resources LLC, 170 NE 2nd Street #1083 Boca Raton, FL 33429, United States
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Abstract: *Failure to address technological-driven structural changes in the real estate market that began three decades ago has caused runaway home prices that developed countries are experiencing today. The real estate crash that preceded the Global Financial Crisis, and the entire Global Financial Crisis resulted from the panic that was created about the rapid increase in home prices that was falsely labeled a real estate bubble by the media which was quickly adapted by policymakers. Policymakers and the media blamed greedy mortgage brokers for the rapid increase in home prices, accusing mortgage brokers of providing mortgages to too many people for homes that the borrowers could not afford. It turns out that the media and policymakers were completely wrong when mortgage brokers were falsely blamed for creating a real estate bubble because a real estate bubble never existed. The true cause of the rapid increase in home prices was the early stages of a real estate boom from technological-driven structural changes in the real estate market. Failure to address structural changes in the real estate housing market which started three decades ago, has resulted in runaway home prices in the United States and developed countries around the world. As a result of the failure widespread economic hardship from homelessness is a significant risk as working families find themselves priced out of the housing market. Three decades of economic policy failures and the mismanagement of the housing sector have resulted in a looming housing crisis that continues to increase as developed countries face runaway home prices. Policymakers throughout developed countries eagerly accepted the media-driven misinformation of a real estate bubble* *without any evidence presented supporting the narrative. The failure of policymakers to gain an understanding of factors that have been driving the rapid increase in home prices which began three decades ago, resulted in the real estate crash, Global Financial Crisis, and Great Recession. Much of the economic hardship and the looming housing crisis facing working families today could have been avoided. For many working American families, the prospect of home ownership no longer exists due to skyrocketing home prices. The looming homeless crisis facing the developed world today is the direct result of economic policy failures that have ignored the structural changes in the housing market for three decades. The move from print media real estate listings to online real estate listings and the adaptation of online mortgage loan applications along with automated mortgage underwriting between 1995 and 1999, exponentially increased the quantity of inventory needed in the housing market of developed countries. The shift in the demand curve for housing structurally changed the housing market in developed countries resulting in the complete transformation that saw the demand for housing skyrocket by 2000. New homebuyers who previously only had access to local housing markets before the transformation of the housing market began in 1995, had full access to homes listed anywhere online in other real estate markets by the end of 1999. The increased demand caused the rapid growth in home prices. Failure to implement policies to drastically increase home inventory in developed countries to address the structural transformation of the housing market which drastically increased the demand for homes was a significant economic policy failure. Instead of implementing policies to significantly increase home inventory, new construction was idle for over a decade as policymakers adopted the media-driven misinformation of a real estate bubble and supported policies to address the nonexistent real estate bubble.*

Key Words: Eddison Walters Real Estate Housing Technology Structural Change Transformational Theory, Global Financial Crisis, Eddison Walters Risk Expectation Theory, Troubled Asset Relief Program (TARP), Dodd-Frank Legislation, Eddison Walters Modern Economic Analysis Theory

INTRODUCTION

Failure to address technological-driven structural changes in the real estate market that began three decades ago has caused runaway home prices that developed countries are experiencing today. The real estate crash that preceded the Global Financial Crisis, and the entire Global Financial Crisis resulted from the panic that was created about the rapid increase in home prices that was falsely labeled a real estate bubble by the media which was quickly adapted by policymakers. Policymakers and the media blamed greedy mortgage brokers for the rapid increase in home prices, accusing mortgage brokers of providing mortgages to too many people for homes that the borrowers could not afford. It turns out that the media and policymakers were completely wrong when mortgage brokers were falsely blamed for creating a real estate bubble because a real estate bubble never existed. The true cause of the rapid increase in home prices was the early stages of a real estate boom from technological-driven structural changes in the real estate market. Failure to address structural changes in the real estate housing market which started three decades ago, has resulted in runaway home prices in the United States and developed countries around the world. As a result of the failure widespread economic hardship from homelessness poses a significant risk as working families find themselves priced out of the housing market. Three decades of economic policy failures and the mismanagement of the housing sector have resulted in a looming housing crisis that continues to increase as developed countries face runaway home prices. Policymakers throughout developed countries eagerly accepted the media-driven misinformation of a real estate bubble without any evidence presented supporting the narrative. The failure of policymakers to gain an understanding of factors that have been driving the rapid increase in home prices which began three decades ago, resulted in the real estate crash, Global Financial Crisis, and Great Recession. Much of the economic hardship and the looming housing crisis facing working families today could have been avoided. For many working American families, the prospect of home ownership no longer exists due to skyrocketing home prices. The looming homeless crisis facing the developed world today is the direct result of economic policy failures that have ignored the structural changes in the housing market for three decades. The move from print media real estate listings to online real estate listings and the adaptation of online mortgage loan applications along with automated mortgage underwriting between 1995 and 1999, exponentially increased the quantity of inventory needed in the housing market of developed countries. The shift in the demand curve for housing structurally changed the housing market in developed countries resulting in the complete transformation that saw the demand for housing skyrocket by 2000. New homebuyers who previously only had access to local housing markets before the transformation of the housing market began in 1995, had full access to homes listed anywhere online in other real estate markets by the end of 1999. The increased demand caused the rapid growth in home prices. Failure to implement policies to drastically increase home inventory in developed countries to address the structural transformation of the housing market which drastically increased the demand for homes was a significant economic policy failure. Instead of implementing policies to significantly increase home inventory, new construction was idle for over a decade as policymakers adopted the media-driven misinformation of a real estate bubble and supported policies to address the nonexistent real estate bubble.

As the cost of home prices continues to increase, working families have also seen the cost of rentals continue to skyrocket while policymakers around the world fail to address the fundamental problem in the housing market. Failure to acknowledge policymakers errored when the narrative of a real estate bubble was adopted, and subprime mortgage lending was incorrectly blamed for the rapid increase in home prices that proved to be media-driven

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misinformation about the housing market. The structural changes that transformed the real estate market and housing market were never addressed as policymakers took credit for saving the financial system from a real estate bubble that never existed. The evidence suggested policies such as the Troubled Asset Relief Program (TARP) and Dodd-Frank Legislation mortgage restrictions that were implemented to address the problem of a real estate bubble that did not exist were complete failures. In the case of Dodd-Frank Legislation mortgage restrictions, the passage of the legislation worsened the problem created when mortgage lending became frozen. The legislation caused the collapse of the housing market because homebuyers were stuck in adjustable-rate mortgages with no avenues to refinance their homes. Once the adjustable-rate mortgages entered the adjustment period many home buyers saw their mortgage payment increase by at least 50% which caused home buyers to start walking away from homes. Had TARP been implemented the way the legislation was first passed by Congress and Dodd-Frank Legislation mortgage restrictions were not signed into law, homeowners would have had access to mortgage lending to refinance homes, which would have avoided millions of foreclosures, creating a soft landing for the housing market. Changes in the implementation of TARP from the intended goal of providing the liquidity needed to restart mortgage lending that was passed by Congress and signed into law by George W. Bush was a critical policy failure that resulted in the continued disruption of mortgage lending. In addition to changes to TARP, the passage of Dodd-Frank Legislation mortgage restrictions proved to be critical policy failures that contributed to the total collapse of the housing market. There are questions that policymakers must answer.

1. Have there been structural changes in the real estate market and housing industries of the United States and other developed countries from technological advancement that began three decades ago?
2. Were policies such as TARP and Dodd-Frank Legislation that were implemented with the intent of addressing the problem of a real estate bubble that did not exist, policy failures that worsened economic conditions resulting in the complete collapse of the housing market?
3. Did the failure to address structural changes in the real estate and housing market for three decades result in runaway home prices from shortages in home inventory, significantly increasing the risk of the homelessness crisis for working families that exist today?

The current study presented evidence that shed light on the questions policymakers around the world should be forced to address about their policy missteps that have led to runaway home prices today. The current study introduced, Eddison Walters Real Estate Housing Technology Transformation Structural Change Theory which was developed to explain the structural transformation of the real estate market between 1995 and 1999 that have caused the runaway home prices in the United States and developed countries around the world today. The goal of the current study is to force policymakers to acknowledge the problem of runaway home prices and take steps to address the problem that has led to economic hardship for working families today.

The result of data analyzed by the current researcher in previous peer-reviewed research publications from sixteen developed countries including the United States which was collected preceding the Global Financial Crisis of 2007 and 2008 from 1990 to 2006 was presented in the current research. The result of home-price data analysis from data collected from the Federal Housing Finance Agency (FHFA) for the United States is presented in the current study. The result of home-price data analysis collected from the Organization for Economic Cooperation and Development (OECD) database which included the countries of, Canada, United Kingdom, Denmark, Finland, France, Italy, New Zealand, Sweden, Netherlands, Australia, Ireland, Belgium, Norway, Spain, and Portugal was presented in the current study.

Background of Study

The motivation for the current study is the failure of policymakers to acknowledge and address the problem of a looming housing crisis that exists today which could result in record levels of homelessness as home prices continue to skyrocket. A decade of no new construction following the Global Financial Crisis when a significant increase in new home construction should have taken place to address increased demand resulting from structural changes in the real estate market has resulted in a chronic shortage of housing today. The problem is the direct result of policy failures in the United States and developed countries around the world stemming from the poor response to the real estate crash that preceded the 2007 and 2008 Global Financial Crisis. The looming homeless crisis today is the direct result of the failure of policymakers to address structural changes in the housing market that began three decades ago. Idled new construction for over a decade failed to increase home inventory which was a critical factor to address the structural changes in the real estate market that significantly increased the demand for homes. Policy failures resulted in runaway home prices. Evidence supporting the existence of a real estate bubble preceding the Global Financial Crisis was never produced in the literature or by policymakers despite widespread acceptance of the theory. The failure to present evidence that supported policies adopted to address the turmoil in the housing market was a significant error by policymakers. The evidence suggested policymakers did not understand the structural transformation of the real estate housing market. The transformation of the real estate housing market caused significant growth in home prices. Technological advancements resulted in the transformation to online real estate listings, online mortgage loan applications, and automated mortgage loan underwriting. The transformation to online listings meant individuals outside the immediate area of a real estate listing became potential home buyers for that listing. Potential buyers no longer had to physically visit a home because they could now do a virtual visit of the

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home online. Potential buyers for each home increased from a few hundred buyers in the immediate area who could physically visit a home listed for sale to anyone anywhere with an internet connection who considered moving to the area of the listing. Eddison Walters Risk Expectation Theory of The Global Financial Crisis of 2007 and 2008 presented an alternative explanation suggesting the rapid increase in home prices and the true nature of the real estate crash had little to do with subprime lending. The evidence suggested, a real estate bubble never existed, but media misinformation peddling the false narrative heightened risk expectations that caused widespread panic from fear of a real estate crash. The fair of a real estate crash caused investors in mortgage back securities to dump investments, resulting in frozen capital markets that caused mortgage lending to stop. Eddison Walters Real Estate Housing Technology Transformation Structural Change Theory was developed to explain the structural changes in the real estate housing market that have caused runaway home prices today in the United States and the rest of developed countries around the world.

Statement of the Problem

The world is facing a significant challenge of a looming homeless crisis because of a housing shortage today that policymakers must address. Evidence suggested the real estate housing market underwent a structural transformation from technological advancement that resulted in online real estate listings, online mortgage loan applications, and automated mortgage loan underwriting. The number of potential buyers for each home listed for sale exponentially increased due to structural changes in the real estate market. Policymakers throughout developed countries around the world failed to acknowledge the structural changes in the real estate market and adopted the political narrative of a real estate bubble that did not exist. This came at a time when the housing market in developed countries around the world was in the early stages of a real estate boom. The failure to acknowledge and address the structural transformation of the real estate market because of technological advancements that exponentially increased demand for homes, resulted in a lack of new home construction for a decade while the developed world should have drastically increased new construction inventory levels. Policymakers in developed countries must acknowledge the policy failures that have caused runaway home prices and created the looming housing crisis in the developed world today.

Purpose of the Study

The current study focused on insight to provide an understanding of the structural changes in the real estate industry from technology and the looming homeless crisis facing developed countries around the world if policymakers fail to acknowledge and address the problem of chronic home shortages and runaway home prices.

Research Questions

1. Have there been structural changes in the real estate market and housing industries of the United States and other developed countries from technological advancement that began three decades ago?
2. Were policies such as TARP and Dodd-Frank Legislation that were implemented with the intent of addressing the problem of a real estate bubble that did not exist, policy failures that worsened economic conditions resulting in the complete collapse of the housing market?
3. Did the failure to address structural changes in the real estate and housing market for three decades result in runaway home prices from shortages in home inventory, significantly increasing the risk of the homelessness crisis for working families that exist today?

Hypothesis

Ho1: The evidence suggested, the existence of structural changes in the real estate market of developed countries from technological advancement has not existed for three decades.

Ha1: The evidence suggested, the existence of structural changes in the real estate market of developed countries from technological advancement has existed for three decades.

Ho2: The evidence suggested, that the results of steps taken to address the housing crisis preceding the Global Financial Crisis did not have a positive impact on the real estate market in developed countries.

Ha2: The evidence suggested, that the results of steps taken to address the housing crisis preceding the Global Financial Crisis had a positive impact on the real estate market in developed countries.

Nature of Study and Scope

The current research was a quantitative and qualitative study using secondary data and previous peer-reviewed literature. Secondary data for mobile cellular subscriptions (per 100 people) in the United States from the World Bank Database, representing advancement in technology, FHFA Database, and OECD House Price Index Database, representing growth in home purchase price were analyzed from 1990 to 2006 to gain an understanding of the correlation between the variables that were analyzed preceding the Global Financial Crisis of 2007 and 2008.

Limitations

The current study was limited to data analysis from secondary databases and data analysis from other previously published peer-reviewed research publications. Data focused on understanding the existence of structural changes in the real estate market in the United States and developed

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countries.

LITERATURE REVIEW

Walters (2018) raised significant questions about widely accepted conclusions in the literature that point to a real estate bubble as the cause of the Global Financial Crisis of 2007 and 2008. The researcher developed Eddison Walters Risk Expectation Theory of The Global Financial Crisis of 2007 and 2008 as an alternative theory to explain the true nature of the cause of the Global Financial Crisis. Eddison Walters Risk Expectation Theory challenged the widely accepted theory of a real estate bubble as the cause of the crisis that was found throughout the literature. Eddison Walters Risk Expectation Theory of The Global Financial Crisis of 2007 and 2008 alternative explanation suggested the rapid increase in home prices and the true nature of the real estate crash had little to do with subprime lending. The evidence suggested, that a real estate bubble never existed, but media misinformation peddling the false narrative heightened risk expectations that caused widespread panic from fear of a real estate crash. The fear of a real estate crash caused investors in mortgage back securities to dump investments, resulting in frozen capital markets that caused mortgage lending to stop. The researcher also called for further investigation to gain an understanding of the true nature of the cause of the Global Financial Crisis of 2007 and 2008 (Walters, 2018).

The development of Eddison Walters Risk Expectation Theory of The Global Financial Crisis of 2007 and 2008 continued in Walters and Djokic (2019); and Walters (2019). Evidence from data analysis by Walters and Djokic (2019) suggested it was highly unlikely that a real estate bubble existed preceding the Global Financial Crisis of 2007 and 2008. Data analysis provided significant evidence that suggested, the rapid growth in home purchase prices in the United States between 1990 and 2006 resulted from the adaptation of technology in both the real estate and the mortgage industries between 1995 and 1999. Evidence in Walters & Djokic (2019) and Walters (2019) suggested the likelihood that subprime mortgages and low-interest rates were significant contributing factors to the cause of the Global Financial Crisis of 2007 and 2008 was incorrect. The evidence suggested Eddison Walters Risk Expectation Theory of the Global Financial Crisis of 2007 and 2008 was a more accurate account of the cause of the Global Financial Crisis of 2007 and 2008. The study suggested the literature did not accurately reflect the true nature of the Global Financial Crisis of 2007 and 2008.

Evidence further supporting the Eddison Walters Risk Expectation Theory of The Global Financial Crisis of 2007 and 2008 was presented in Walters (2020B) which highlighted the rapid adaptation of technology that moved real estate listings from print media to online real estate listings (Muhanna, 2000). Along with online real estate listings, the adaptation of online mortgage applications and automated mortgage underwriting between 1995 and 1999, resulted in a significant increase in the number of qualified homebuyers (Straka, 2000). The findings of the study concluded the increase in demand led to a rapid increase in home prices (Walters, 2020B).

Walters 2020B highlighted key factors leading to the Global Financial Crisis of 2007 and 2008 such as sensationalized media coverage of false claims of a real estate bubble and dire predictions of an impending real estate crash. The false claims were made without evidence presented that supported the predictions. The false claims significantly heightened risk expectations in the financial market causing mortgage lending to stop. Evidence presented by Walters (2020B) suggested, that there were record-low delinquencies in the history of the United States during four quarters of 2006 just preceding the start of the financial crisis at the same time media coverage painted a picture of gloom and doom and the impending crash of the housing market. Evidence suggested quite the opposite was true. The housing market was in the early stages of a real estate boom because of the exponential increase in the number of new qualified home buyers from online listings, online mortgage applications, and automated mortgage underwriting (Walters, 2020B).

Walters (2020) presented Walters Modern Economic Analysis Theory which was confirmed in Walters (2020C). Findings presented from data analysis by Walters (2020) suggested, a significant correlation between advancement in technology and the rapid growth in home purchase prices in the United States preceding the Global Financial Crisis of 2007 and 2008. The study confirmed the development of Eddison Walters Modern Economic Analysis Theory. Eddison Walters Modern Economic Analysis Theory highlighted the importance of consideration of technological advancement as a significant factor that must be considered when analyzing economic data over an extended period. The theory was developed to avoid errors that distort findings when changes from technological advancement are ignored in economic analysis (Walters, 2020; Walters, 2020C). A critical error leading to the false conclusion of a real estate bubble was data distortion from analysis that failed to consider the impact of technological advancement that transformed the real estate and housing market which shifted the demand curve, creating a completely different real estate market after the transformation. The error was determined to be the most significant factor that caused the Global Financial Crisis of 2007 and 2008 (Walters, 2020; Walters, 2020B; Walters, 2020C).

METHODOLOGY

The researcher discussed the methodology and identified the population and sample for the research. Sampling procedures, data analysis plan of action, threats to validity, and ethical procedures were also included in the methodology section. The researcher concluded with a summary.

Research Questions

1. Have there been structural changes in the real estate market and housing industries of the United States and other developed countries from technological advancement that began three decades ago?
2. Were policies such as TARP and Dodd-Frank Legislation that were implemented with the intent of addressing the problem of a real estate bubble that did not exist, policy failures that worsened economic conditions resulting in the complete collapse of the housing market?
3. Did the failure to address structural changes in the real estate and housing market for three decades result in runaway home prices from shortages in home inventory, significantly increasing the risk of the homelessness crisis for working families that exist today?

Hypothesis

Ho1: The evidence suggested, the existence of structural changes in the real estate market of developed countries from technological advancement has not existed for three decades.

Ha1: The evidence suggested, the existence of structural changes in the real estate market of developed countries from technological advancement has existed for three decades.

Ho2: The evidence suggested, that the results of steps taken to address the housing crisis preceding the Global Financial Crisis did not have a positive impact on the real estate market in developed countries.

Ha2: The evidence suggested, that the results of steps taken to address the housing crisis preceding the Global Financial Crisis had a positive impact on the real estate market in developed countries.

Population

Cellular phone subscription data from the United States was collected. Data from FHFA was collected on the United States housing market. House Price Index data was collected from developed countries which included, Canada, the United Kingdom, Denmark, Finland, France, Italy, New Zealand, Sweden, Netherlands, Australia, Ireland, Belgium, Norway, Spain, and Portugal.

Sampling and Sampling Procedures

In addition to qualitative data analysis of relevant peer-reviewed publications found in the literature, quantitative data analysis was conducted on variables that were analyzed in the study. Cellular phone subscription data per one hundred in the United States which was collected from the World Bank Database was analyzed in the study. Data from FHFA was collected on the United States housing market. House Price Index data collected from the OECD House Price

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Index Database for fifteen developed countries was analyzed in the study. Secondary data from the databases were collected from 1990 to 2006 for the study.

Threats to Validity

The validity of the data was established in the literature. FHFA Database, The World Bank Database, and the OECD House Price Index Database were established as reliable sources for secondary data in the literature. Cellular phone subscription per 100 in the United States was used as the measurement of advancement in technology to maintain a similar standard for comparing the results and drawing conclusions from the previous measurement of advancement in technology used by the researcher. Advancement in technology has been deployed at a similar rate across developed countries, therefore the researcher anticipated no bias in the data analysis from using the standard established by maintaining advancement in technology across the fifteen developed countries in the study and the United States. Data analyzed in the study was collected preceding 2007 to avoid the data being significantly skewed by government intervention policies and the turmoil in the financial market. The researcher collected data preceding 2007 as was the case in previous research that established the Eddison Walters Risk Expectation Theory, and Eddison Walters Modern Economic Analysis Theory.

Ethical Procedures

Secondary data from the FHFA Database, OECD House Price Index Database, and the World Bank Database were existing databases, therefore no human subjects were involved in the research.

RESULTS AND DISCUSSION

Table 1. Results from the correlation between the dependent variable growth in home prices and the independent variable advancement in technology from 1990 to 2006 for 16 developed countries analyzed in the study

	R-squared	Adjusted R-squared	S.E. regression	Sum squared resid
United States	0.990395	0.989023	5.908381	488.7255
Canada	0.969617	0.967592	1.54058	35.60082
United Kingdom	0.984622	0.983596	2.557674	98.12541
Denmark	.941057	0.937127	5.112075	391.9996
Finland	0.858039	0.848575	5.029483	379.4355
France	0.957166	0.954311	3.568787	191.0436
Italy	0.955966	0.953031	3.934644	232.2213
New Zealand	0.943053	0.939256	3.363211	169.6678
Sweden	0.97673	0.975179	1.676553	42.16247
Netherlands	0.85779	0.848309	11.5616	2005.059
Australia	0.964802	0.962456	2.579777	99.82877
Ireland	0.969192	0.967138	7.383568	817.7562
Belgium	0.964713	0.962360	2.77902	115.8443
Norway	0.932317	0.927805	3.748944	210.8188
Spain	0.985525	0.984560	3.720365	207.6168
Portugal	0.746631	0.729740	9.251468	1283.845

DATA ANALYSIS RESULTS

In *Table 1*, the findings of nonlinear correlation analysis between the dependent variable, Growth in Home Purchase Price, and the independent variable, Advancement in Technology for data collected from1990 to 2006 for 16 developed countries resulted in a significant correlation between the growth in the independent variable of mobile cellular subscriptions (per 100 people) data, and the growth pattern of the dependent variable of home purchase price for 16 developed countries in the study preceding the Global Financial Crisis of 2007 and 2008. Correlation of variables in many cases resulted in a near-perfect correlation, which was very significant. The evidence from data analysis in the current study suggested the transformation of the real estate market due to technological advancement resulted in structural changes in the real estate market of all 16 developed countries which significantly shifted the demand curve creating new housing markets, causing the rapid increase in home prices. The evidence from data analysis in the current study also suggested, that no real estate bubble existed in the real estate market in all 16 developed countries preceding the Global Financial Crisis of 2007 and 2008. A real estate bubble is defined as a rapid unexplained increase in real estate prices. Based on the evidence from data analysis the increase in home prices can clearly be explained by technological advancements that shifted the demand curve, causing structural changes in the real estate market.

Chen and Hobbs (2003) noted, the critical nature of real estate market transparency, in developing real estate market stability. Research conducted by Chen and Hobbs (2003) focused on measuring and explaining the global real estate market risk. Increased market transparency resulted in greater real estate price certainty according to the study. The study noted a critical factor in the assessment of real estate market risk was market transparency (Chen & Hobbs, 2003). Mortgage default rate based on the level of real estate price transparency was analyzed by Gholipour, Tajaddini, and Pham, (2020) for a sample of 46 countries between 2006 and 2016. Data analysis in Gholipour et. Al, (2020) found a significant negative relationship between real estate market transparency and mortgage default rates. The study noted real estate price distortion was very unlikely in highly transparent real estate markets because of the transparency of real estate prices (Chen & Hobbs, 2003). Walters Real Estate Bubble Impossibility Price Transparency Theory was developed to highlight the point that real estate bubbles were impossible due to real estate price transparency in developed countries. It appeared former Federal Reserve Board Chairmen, Alan Greenspan's and Ben Bernanke's 2005 conclusion that a real estate bubble was highly unlikely to have existed due to the Efficient Market Hypothesis before they both later reversed their positions in their 2005 assertion was correct (Belke & Wiedmann, 2005; Starr,2012).

Researchers in Kahai, Sara, and Kahai (2011) focused on the sharing of information in the development of the firm which is the building block of the world's economy. Technological advancement has played a significant role in the sharing of information. Understanding how technology has significantly changed the sharing of information is a critical element for consideration when analyzing data over extended periods (Walters, 2020; Walters 2020C). The evidence presented by Walters (2020C) revealed the growth in consumer debt preceding the Global Financial Crisis of 2007 and 2008 resulted from technological advancement. The study confirmed the need to adapt Eddison Walters Modern Economic Analysis Theory when analyzing economic data over an extended period Walters (2020C).

Product innovation such as technological advancement on market demand was the focus of research in Agarwal and Bayus (2002). The study suggested innovation is a significant factor that can increase demand and shift the demand curve (Agarwal & Bayus, 2002). The technological advancement-driven transformation of the real estate industry, and mortgage lending industry for developed countries that began three decades ago caused the industries to experience a shift in the demand curve that completely changed the industries. The move to online listings and online mortgage applications, along with automated mortgage underwriting were innovations that significantly altered the entire housing market in developed countries around the world (Walters, 2020C).

Walters (2020C) provided evidence supporting the significant impact of technological advancement on lending in the United States. Data analyzed in the study resulted in 0.996 Adjusted R-square, 1512.683 Mean Dependent Variable, 36.399 Square Error of Regression, and 18548.89 Sum-of-Square Residual, 0.000000 F-statistic which suggested a significant correlation between the independent variable representing advancement in technology and the dependent variable representing the increase in consumer debt in the United States preceding the Global Financial Crisis of 2007 and 2008. The findings from data analysis in the study suggested technological advancement was responsible for the rapid growth in consumer debt preceding the Global Financial Crisis of 2007 and 2008.

The evidence in Walters (2020B) highlighted critical economic policy failures by U.S. policymakers that led to further deterioration of the housing market. The failure to implement TARP with the goal of the program at inception when the program was signed into law by George W. Bush was a significant policy failure. The policy misstep worsened conditions in the housing market because policymakers failed to restart mortgage lending. Walters (2020B) highlighted changes to TARP from the inception of the program as a critical error by U.S. policymakers that worsened conditions in the housing market. As a result of policy failures by the U.S. Administration, there were significant mortgage foreclosures caused by the lack of mortgage lending that could have been avoided had TARP been implemented as first signed into law. The consequence of the policy failure was an economic disaster with no new construction in the United States construction industry and the construction industries of developed countries around the world for almost a decade. Chronic housing inventory shortages were created because the construction industry was idled for about a decade (Walters, 2020B). No new homes were built in the United States and other developed countries at a time when the housing market transformation resulted in the early stages of an economic boom in the housing market from technological advancement transformation. The early stage of the economic boom in the housing market was derailed because of the real estate bubble narrative misinformation which was peddled by the media that caused heightened risk expectations, creating turmoil and frozen capital markets around the world. The disruption in the capital market occurred just as the housing industry in the United States and developed countries were experiencing a significant increase in housing demand from the technological transformation of the housing market.

Changes in the implementation of TARP from the intended goal of providing the liquidity needed to restart mortgage lending that was passed by Congress and signed into law by George W. Bush was a critical policy failure that resulted in the continued disruption of mortgage lending. Data analyzed in Hyatt (2020) from sixty FDIC publicly traded banks in the United States between 2004 to 2013, included several years preceding the Global Financial Crisis of 2007 and 2008, and several years after the financial crisis. Thirty banks that received TARP assistance and thirty banks that did not receive TARP assistance were analyzed. Data analysis revealed there was no statistically significant difference between the debt-to-equity ratio for banks receiving TARP assistance and the banks that did not receive TARP assistance. Hyatt (2020) concluded TARP policy implementation by U.S. policymakers was highly ineffective (Hyatt, 2020).

Dodd-Frank Legislation mortgage restrictions, which were signed into law one year and a half after the changes to TARP, placed additional restrictions on mortgage lending. The restrictions came at a time when the lack of mortgage lending was the most critical challenge facing the housing sector in the United States and the rest of the developed world. The adaptation of Dodd-Frank Legislation mortgage restrictions in the United States was a catastrophic error that was a significant policy failure that influenced policymakers in developed countries around the world. Dodd-Frank Legislation mortgage restrictions passage falsely signaled to other developed countries, that policies that restricted mortgage lending were a viable option to address the housing crisis (Walters, 2020B).

Hypothesis Testing

Ho1: The evidence suggested, the existence of structural changes in the real estate market of developed countries from technological advancement has not existed for three decades. **The researcher rejected Ho1.**

Ha1: The evidence suggested, the existence of structural changes in the real estate market of developed countries from technological advancement has existed for three decades. **The researcher failed to reject Ha1.**

Ho2: The evidence suggested, that the results of steps taken to address the housing crisis preceding the Global Financial Crisis did not have a positive impact on the real estate market in developed countries. **The researcher failed to reject Ho2.**

Ha2: The evidence suggested, that the results of steps taken to address the housing crisis preceding the Global Financial Crisis had a positive impact on the real estate market in developed countries. **The researcher rejected Ha2.**

Research Question Result

1. The researcher in the current study concluded, that there have been structural changes in the real estate market and housing industries of the United States and other developed countries from technological advancement that began three decades ago.
2. The researcher in the current study concluded, that steps taken by policymakers to address the housing crisis such as TARP and Dodd-Frank Legislation, were complete policy failures that worsened economic conditions resulting in the complete collapse of the housing market which could have all been avoided.
3. The researcher concluded the failure to address structural changes in the real estate and housing industry for three decades has resulted in runaway home prices due to catastrophic shortages in home inventory in the United States and developed countries, which have resulted in a significant risk of a homelessness crisis for working families that exist today.

Areas of Future Research

The current researcher called for additional studies to analyze the lasting effect of structural changes in the real estate and mortgage industries that are driven by technological advancement. Additional research is also needed to consider additional steps to avoid the looming homeless crisis in developed countries around the world.

CONCLUSION

Today's runaway home prices that have placed many working families at risk of homelessness are the direct result of policy failures because policymakers eagerly accepted misinformation without evidence supporting the narrative of a real estate bubble. The acceptance of media-driven misinformation caused the failure of policymakers to conduct proper investigations that would have provided proper insight into the true state of the real estate and housing market preceding the Global Financial Crisis. The acceptance of the narrative by policymakers meant policymakers failed to ask tough questions that may have provided insight into the technological advancement transformation of the real estate market between 1995 and 1999, which drastically increased demand creating a boom in the real estate and housing market. The early stages of a technology-driven real estate boom turned into an economic disaster that threatened to collapse the world financial system, causing a complete reversal of fortunes resulting in a real estate market crash, the Global Financial Crisis, and a Great Recession that led to a decade of no new construction and a chronic shortage of homes that have put developed countries at significant risk of a homeless crisis today.

Policymakers must take a hard look at themselves and conduct investigations into the actions that resulted in the economic policy failure the world is facing today. The looming homeless crisis from the chronic shortage of homes is a problem that policymakers must aggressively address by providing incentives for affordable housing. The idea that lowering interest rates is a solution to the current state of the housing market is misguided and does not consider the economic pressures from the chronic shortage of affordable homes that is widespread across real estate markets in developed countries. Lowering interest rates without addressing the issue of widespread home inventory shortages will cause home prices to increase at a faster pace, putting even more working families at risk of homelessness.

In Walters and Djokic (2022), Walters and Djokic Quantitative Analysis Factor Distortion Theory was developed to address changing factors assumed to be constant in quantitative research analysis that significantly distort the findings from data analysis. Changing factors that are ignored by researchers in data analysis have emerged as a significant problem in the literature today. Walters and Djokic Quantitative Analysis Factor Distortion Theory highlighted the following:

1. It is a significant error to assume changing factors are constant in quantitative analysis.
2. The assumption of changing factors to be constant ignores a key principle of quantitative analysis on which conclusions from data analysis are based which is, "all else being equal".
3. Changing factors assumed to be constant in quantitative analysis result in significant data distortion resulting in a lack of reliability and validity of findings in quantitative research.

Walters and Djokic Quantitative Analysis Factor Distortion Theory developed steps that should be taken in the literature to address changing factors that are assumed to be constant with the potential to cause data distortion errors in quantitative research.

The researcher of the current study introduced Eddison Walters Real Estate Housing Technology Structural Change Transformational Theory. The theory highlights the three decades of technological advancement and structural transformation of the real estate and housing market from online real estate listings, online mortgage loan applications, and automated mortgage underwriting. Eddison Walters Real Estate Housing Technology Structural Change Transformational Theory also highlighted the shift in the demand curve that created completely different real estate and mortgage industries than the industry that existed before 1995. The theory also highlighted the drastic increase in new qualified buyers because of the real estate and housing industry transformation.

The structural changes in the real estate and housing industry that started three decades ago must be addressed before considering lowering mortgage interest rates. Lowering interest rates without addressing the chronic shortage of affordable homes will worsen runaway home prices, putting home acquisition out of reach for even more working families, and guaranteeing increased risk of a worsening homeless crisis across developed countries around the world. One thing is certain, policymakers cannot fall asleep at the wheel for another three decades. Aggressive steps must be taken to avoid the looming homeless crisis in the developed world.

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