

Stuart v. Brookfield Properties

Retaliation and Fraud in HUD
Housing

The Plaintiff: A Decorated Veteran with a Perfect Record



Michael Stuart

A disabled U.S. Air Force veteran and participant in the HUD-VASH program.



Ideal Tenant

Long-term resident at 'The Element' (a Brookfield property) since 2020.

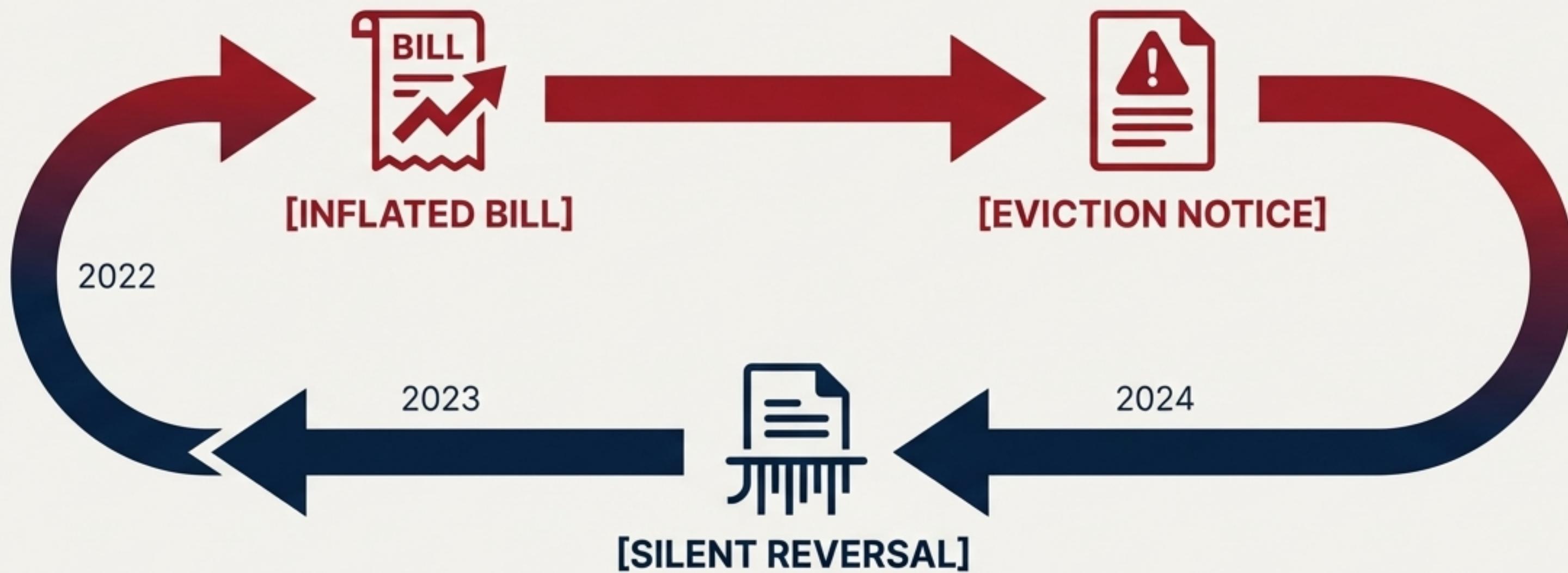


Pristine Financial Standing

Maintained a perfect payment history and excellent credit (760+).

The Conflict: A Multi-Year Pattern of Abuse

This is not about a single billing error. Brookfield Properties engaged in a documented, multi-year pattern of:



Each cycle destroyed the tenant's quiet enjoyment and created fear of eviction, violating the HAP contract.

The Baseline: A Verified \$0.00 Balance

In June 2025, upon signing a lease renewal, the situation was clear:

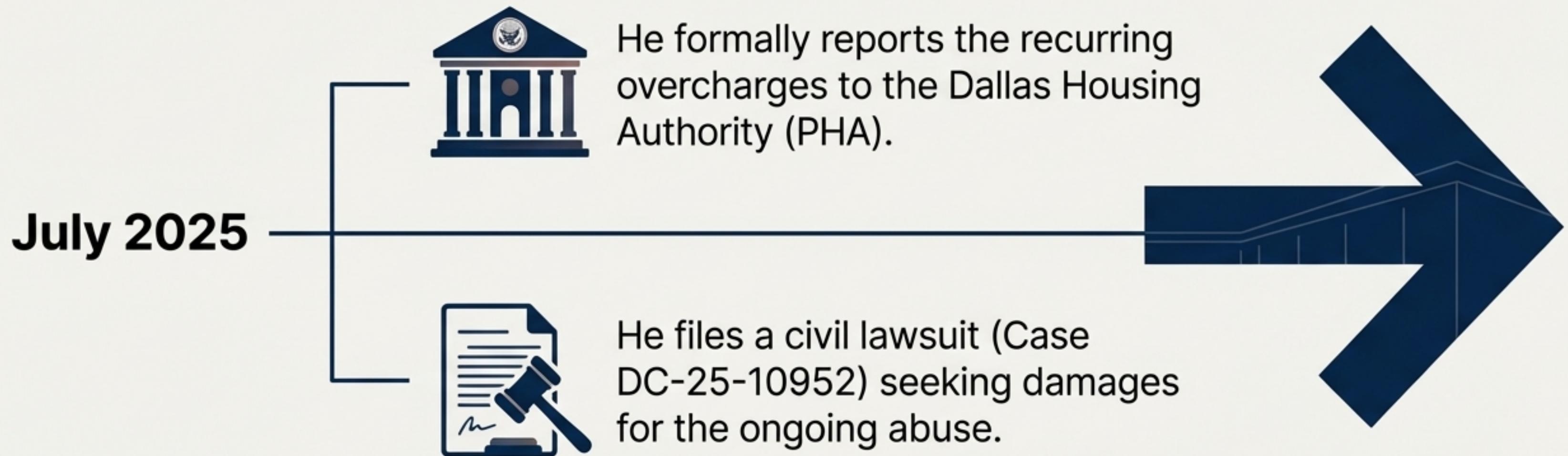


The Assistant General Manager, Vasti De La Garza, personally reviewed the account.

She confirmed a **\$0.00 balance** and that the **account was in “good standing.”**

This statement was later made **under oath in sworn testimony.**

The Trigger: Reporting a Pattern of Illegal Overcharges



The Retaliation: A Debt Manufactured from Thin Air

10 days after Mr. Stuart filed his lawsuit, Brookfield altered its own records.



A valid, six-month-old credit was erased and replaced with a fabricated, retroactive debt.

The Proof: The ‘Manual Reversal’ Audit Log

BILT payment system audit logs provide irrefutable evidence of intent.

TXN_ID: 8F3C2B | DATE: 2025-07-23 | USER: system_auto | ACTION: Payment Processed

TXN_ID: 1D4E5F | DATE: 2025-07-23 | USER: system_auto | ACTION: Payment Processed

TXN_ID: 9A4B1C | DATE: 2025-07-24 | USER: mgr_admin | ACTION: Credit Manually Reversed

TXN_ID: 2G5H6I | DATE: 2025-07-24 | USER: system_auto | ACTION: Account Status Update

- The logs show a specific transaction on July 24, 2025.
- The entry explicitly states: "**Credit Manually Reversed.**"

- This was **not an automated correction** or a system error. **It was a deliberate, manual action taken after Brookfield was sued.**

The Credibility Gap: Brookfield's Story vs. The Facts

Brookfield's Claim: “An Honest Mistake”

- An “audit” conveniently found a six-month-old debt.
- A system error “misapplied” a payment.
- The tenant was on a “month-to-month” lease.

The Documented Facts

- A manager swore under oath the account was in “**good standing**” right before the “audit.”
- The “audit” occurred **10 days after** they were sued.
- Audit logs show a “**Manual Reversal**,” not a system error.
- The lease is governed by a **federal HAP contract**, not simple month-to-month rules.

The Expert Witness: Corroboration from a Texas Broker



Expert: Alice Donahue,
Texas Real Estate Broker
(License # 0432285)

‘The July 24 ledger is not valid under standard real estate accounting practices.’

- You cannot retroactively remove credits and create debt after a lease term has closed.
- By trying to convert a missing Housing Authority payment into tenant debt, the landlord is attempting to collect more than the tenant's portion of rent," which is prohibited by the HUD Tenancy Addendum.

Alice Donahue

Clear Liability: A Foundation of Strong Legal Claims



Landlord Retaliation (Texas Property Code § 92.331)

The strongest claim. **Adverse action** (fabricating debt) taken immediately after protected activity (filing suit, reporting to PHA).



Breach of Contract (HAP & Lease Agreement)

Violating federal HUD rules by attempting to collect more than the tenant's fixed portion. The campaign of harassment **violates** the covenant of quiet enjoyment.



Deceptive Trade Practices Act (DTPA)

Creating **confusing** and inaccurate ledgers to represent that a debt is owed when it is not.



Fraud

The ledger is an intentionally **misleading** financial document, with omissions and backdated fees designed to create a false narrative.

An Ironclad Case Built on Their Own Admissions

From Defendant's Own Court Filings:

- **They Admit the Credit Existed**

'Brookfield's records show a posted credit that was later removed.'

Brookfield authored and circulated competing ledger versions.

- **They Admit to System Errors**

'These recalculations appear to stem from Brookfield's own system error...'

Their admission confirms the plaintiff was never in default.

- **They Admit to Multiple Ledgers**

'Brookfield authored and circulated competing ledger versions.'

This directly contradicts their sworn testimony.

Their best defense is an 'honest mistake,' but that defense confirms there was no tenant default, making their eviction threats and retroactive debt fabrication legally indefensible.