

— EDITORIAL EXPOSÉ

"Denied"

When Knowing Is No Longer Neutral — A Documented Account of Systemic Property Appraisal Fraud Spanning Denton County, Texas, and Potentially Every Jurisdiction in America

AUTHOR

Mitchell Vexler

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EXHIBITS ON RECORD

1,000+

PAGES

30

△ SCOTX DENIED REVIEW OCT 24, 2025 · DENIED REHEARING MAY 8, 2026 · CASE ESCALATING TO SCOTUS

— THE CENTRAL QUESTION —

Can an administrative taxation system operate outside the law, generate false property valuations, support fraudulent public finance debt structures — and then claim immunity from meaningful judicial scrutiny?

According to Mitchell Vexler's extensively documented case against the Denton Central Appraisal District (DCAD) and its Chief Appraiser Don Spencer, the answer is: **Yes** — and the consequences, he argues, extend far beyond one county in Texas. They are, he contends, national and international in scope.

The Supreme Court of Texas has twice denied review. What follows is an editorial synthesis of the boldest claims, the most striking numbers, and the constitutional stakes of a case that refuses to die.

ALLEGED THEFT

\$1.34B

Claimed stolen from Denton County property owners 2017-2023 via fraudulent overvaluation of **\$67 billion**

NATIONAL BOND FRAUD

\$5.1T

Estimated school district bond fraud at the state level — not included in the official U.S. national debt calculation

HOUSEHOLDS AT RISK

42M

U.S. households claimed to be facing bankruptcy due to property tax burden that exceeds affordability thresholds

TAXPAYER DEBT LOAD

\$1.3M

Average per-taxpayer share of national debt — plus unfunded pension and 401K liabilities not yet counted

CHAPTER I — OPERATIONAL PROOF

The Word "Workaround" Does Not Appear *Anywhere in Appraisal Law*

The case begins not with theory — but with a word found in meeting records that no appraisal standard has ever authorized.

Internal DCAD meeting documents, cited across over 1,000 evidentiary exhibits, reportedly contain the term "workarounds" — a phrase that appears nowhere in USPAP (Uniform Standards of Professional Appraisal Practice), nowhere in the Texas Property Tax Code, and nowhere in any governing appraisal authority.

Vexler's argument: *A synonym for "workaround" is fraud.* And tampering with government records carries federal criminal exposure under 18 U.S.C. § 641 and § 1519.

"Creating 'workarounds' of the software — including taking 60,000 properties out of the database, manipulating them in Excel, and putting them back — renders the entire database 100% fraudulent."

— VEXLER BRIEF, OPERATIONAL EVIDENCE SECTION

DOCUMENTED ALLEGATIONS AGAINST DCAD

- Creating fake income and expense data for commercial properties
- Destroying appraisal work records — before and after subpoena
- Hiding property values from the public
- Using multiple disconnected databases with inconsistent data, then switching between them to obscure evidence
- Manipulating property valuations in Excel *outside* the official — already allegedly corrupted — databases
- Deploying fraudulent subcategories and "class codes" at will, with no uniformity and no adherence to law
- Setting appraisal values to meet pre-determined government budgets — not market realities
- Retail centers valued at annual increases of 286% to 420% year-over-year
- Multi-family properties increased 50% year-over-year

THE INFLATION GAP

In five years, DCAD claimed property values rose **100%**. The Federal Reserve reports inflation rose only **15%** over the same period. Vexler's conclusion: *85% of that rise is fraudulent*. Returning to legal valuation would require a minimum **40% reduction** in current assessed values.

CHAPTER II – THE FINANCIAL CHAIN

False Values Don't Stay Local. *They Travel Into Your Retirement.*

Once fabricated property values are accepted as legitimate public inputs, the distortion compounds outward — into bonds, pensions, retirement systems, and household solvency.

STEP 1 – ORIGIN

Property appraisals are inflated beyond lawful standards to support pre-determined school district budgets



STEP 2 – BOND ISSUANCE

School districts raise "Unlimited Tax School Bonds" based on overinflated property tax revenues, creating obligations that can never mathematically be paid off



STEP 3 – MARKET ENTRY

Fraudulent bonds enter the federal bond market and are rated by agencies that may not have examined the underlying valuation fraud



STEP 4 – YOUR PORTFOLIO

Municipal and school district bonds are held inside 401Ks and pension funds — making ordinary Americans unwitting creditors of alleged fraud



STEP 5 – COLLAPSE

When median household income cannot service the compound cumulative debt, a systemic "Crisis of Confidence" produces violent mean reversion — the Detroit scenario

"This is a *Ponzi scheme* — and mathematically speaking, it has a terminal date."

THE ENRON COMPARISON

Vexler's amicus brief to the Supreme Court of Texas compares the alleged bond fraud to Enron — which collapsed in a \$63 billion bankruptcy that shocked the world. His claim: this fraud is **80 times larger** than Enron.

In Argyle, TX — where median home values are \$450,000 — school debt per household is claimed to be **\$243,000**. The income to service such debt, Vexler

argues, simply does not exist.

THE PENSION WARNING

Vexler argues that New York City boroughs could not fund capital improvements for 20 years because retirement obligations, compounding since 1970, consumed all available resources. Retirees who contributed since 1980, he claims, will receive 30 to 50 cents on the dollar.

"Your retirement will not be there." California, Ohio, Illinois, Michigan — he names them all as following the same trajectory.

CHAPTER III – CONSTITUTIONAL THRESHOLD

Can Fraud Survive by Being Placed *Inside Administrative Process?*

The Vexler case now pivots on a constitutional question the Supreme Court of Texas has, so far, declined to answer: if documented fraud occurs within an administrative system, can that system's procedural protections shield the fraud from judicial review?

"If immunity itself becomes the mechanism protecting fraud, then the appraisal process cannot claim immunity from scrutiny."

– VEXLER, CONSTITUTIONAL ARGUMENT

1st

RIGHT TO PETITION GOVERNMENT FOR REDRESS OF GRIEVANCES

5th

DUE PROCESS – PROPERTY CANNOT BE TAKEN WITHOUT LAWFUL PROCESS

13th

"PAY YOUR TAX OR WE TAKE YOUR HOUSE" = INVOLUNTARY SERVITUDE

14th

EQUAL PROTECTION – NO STATE MAY DEPRIVE LIFE, LIBERTY, OR PROPERTY WITHOUT DUE PROCESS

16th

TAXING UNREALIZED PROPERTY GAINS MAY VIOLATE THE INCOME-ONLY TAXATION RULE

Vexler draws a logical chain: Ultra Vires acts (fraud beyond legal authority) are outside Administrative Law. If fraud can occur under administrative due process, that is itself a due process violation. The result: a state *taking* without due process — mass fraud, shielded by process.

The AG Ordered a 1,000-District Investigation. *The Court Looked Away.*

Following criminal complaints Vexler filed with the DOJ, FBI, and SEC, the Texas Attorney General ordered an investigation spanning 1,000 school districts examining property overvaluation. Vexler's question to the SCOTX: will you deny the existence of an investigation ordered by the state's own Attorney General?

Meanwhile, school districts have already filed for bankruptcy in Texas. "The avalanche," he writes, "is on its way."

"Opposing counsel — as an officer of the court — is lying to the Supreme Court of Texas. Their responses are the playbook across the United States that proves the collusion and criminal conspiracy to defraud."

— VEXLER, ON DCAD'S LEGAL DEFENSE

CASE TIMELINE

- **2023**
The "Anchor Case" — Vexler vs. DCAD filed in Denton County. Evidence of fraud deemed admitted by lower courts.
- **2024 – 2025**
Additional cases filed for different tax years. Same case law, same USPAP violations, additional evidence accumulated.
- **2025 – Criminal Complaints**
Vexler files complaints with DOJ, FBI, and SEC. Texas AG responds with a 1,000-district investigation order.
- **October 24, 2025**
SCOTX denies petition for review. Case No. 25-0615.
- **March 2026**
DCAD and Spencer file 77-page and 30-page responses to motion for rehearing. Vexler publishes "Denied."
- **May 8, 2026**
SCOTX denies rehearing. **File Closed.** Case now targeting SCOTUS under Rule 14(F).

CHAPTER V – THE UNANSWERED QUESTION

No Institution Has Answered *The Only Question That Matters*

THE CENTRAL ARITHMETIC DEMAND

"Where is the money going to come from to pay off the fraud that is growing compound cumulative by the second?"

Not the Federal Reserve. Not the school districts. Not the appraisal districts. Not the bond architects. Not the rating agencies. No institution has answered this question — because arithmetic has no political defense once fraudulent inputs are fully exposed.



CHAPTER VI – THE HUMAN COST

Real Estate Tax Consuming 8.6% of Household Income. *37.8% of Americans Cannot Survive It.*

Vexler's amicus brief documents the Income Shortfall across Texas Central Appraisal Districts: between **\$50,000 and \$102,000** of additional annual income would be required for households to actually afford what the CADs claim as market value.

For 37.8% of the household population — approximately **42 million households** — the difference between surviving and filing for bankruptcy is \$9,000 per year. Of that \$9,000, **\$7,000 is property taxes.**

AVG HOME – CAD CLAIM

\$514K

Average assessed value per CAD appraisal records

AVG HOME – REAL VALUE

\$296K

Based on Median Household Income affordability analysis

SCHOOL DEBT / HOUSEHOLD

\$243K

Per household in Argyle, TX — where the median home value is \$450,000

DOLLAR'S 1913 VALUE

sub-30

U.S. Dollar indexed at 1,017 at Federal Reserve's founding — now worth sub-30 units of 1913 purchasing power

CHAPTER VII – THE PROPOSED SOLUTION

Repeal All Property Tax. *Replace With the Uniform States Sales Tax.*

Vexler's remedy is as sweeping as his indictment: abolish property taxes entirely, at the federal level via the White House, and replace them with a Uniform States Sales Tax that is fully transparent and removes the "masters of guessing" — appraisers whose discretionary valuations are the alleged engine of

the fraud.

He invokes both Thomas Paine ("If there is to be trouble, let it be now so my children don't have to suffer") and the original American Revolution — arguing the pattern of taxation without lawful representation mirrors precisely the conditions that triggered 1775.

"No taxation without representation — today, this phrase means: no taxation without law. Representation is the law."

— VEXLER, HISTORICAL FRAMEWORK

Why would any judge, government official, or Supreme Court of Texas want to prohibit the adjudication of the evidence?

— Vexler's closing challenge to SCOTX, now directed toward SCOTUS

DENIED — "When Knowing Is No Longer Neutral"

Authored by Mitchell Vexler, President G.P. · Mockingbird Properties LLC · Flower Mound, TX 75028
Case No. 25-0615 · Supreme Court of Texas · Filed for SCOTUS review under Rule 14(F)

This editorial report synthesizes the arguments and claims made in Vexler's own document. The allegations herein are those of the author and have not been adjudicated. The Supreme Court of Texas has denied review.