

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

UNITED STATES OF AMERICA,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil No. 3:23-CV-00407-K
	§	
MA PARTNERS 2, BROCKBK JV, LLC,	§	
DALLAS REDEVELOPMENT	§	
EQUITIES, LLC, ALDEN SHORT, INC.,	§	
and SAM MATALONE.	§	
	§	
Defendants.	§	

**CONSENT ORDER**

**I. INTRODUCTION**

1. Plaintiff United States of America filed this action to enforce Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601-3631 (the “FHA”).
2. The United States filed this action on February 22, 2023, on behalf of Andre Smith and Kandre Covington-Smith (“Complainants”), pursuant to 42 U.S.C. § 3612(o)<sup>1</sup>.

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<sup>1</sup> Andre Smith died on March 4, 2023. However, the claim by the United States on his behalf survives his death. *See Revock v. Cowpet Bay W. Condo. Ass’n*, 853 F.3d 96, 110 (3d Cir. 2017).

3. The Complaint alleges that Complainants are individuals with disabilities as defined by the FHA, 42 U.S.C. § 3602(h).<sup>2</sup> Mr. Smith had one or more physical or mental impairments including diabetes, renal failure, and high blood pressure. Ms. Covington-Smith has had one or more physical or mental impairments that include Post Traumatic Stress Disorder, high blood pressure, and impairments relating to her knees. These impairments limited one or more of Complainants' major life activities including, but not limited to, learning, working, and walking.
4. The Complaint alleges that Ms. Covington-Smith received monthly Supplemental Security Income ("SSI") payments from the United States Social Security Administration ("SSA") since 2009, and Mr. Smith received Social Security Disability Income ("SSDI") payments from the SSA since 2015. Complainants received these payments on or about the third of each month and relied on these payments to make monthly rent payments to Defendants.
5. The Complaint alleges that at all times relevant to this action, Defendants MA Partners 2, Brockbk JV LLC, and Dallas Redevelopment Equities LLC owned a single-family home located at 1733 Leicester Street, Garland, Texas 75044 (the "Subject Property").
6. The Complaint alleges that at all times relevant to this action, Defendant Alden Short, Inc. managed the Subject Property.

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<sup>2</sup> The FHA uses the term "handicap," but consistent with modern usage, this Consent Order uses the term "disability."

7. The Complaint alleges that from at least 2014 to 2021, Alden Short employed Defendant Sam Matalone to oversee the management of the Subject Property.
8. The Complaint alleges that Defendants violated the FHA by: discriminating on the basis of disability, in violation of 42 U.S.C. § 3604(f)(1)(A) and (f)(2)(A); refusing to grant Complainants a reasonable accommodation to pay rent by the fifth of the month without incurring late fees, in violation of 42 U.S.C. § 3604(f)(3)(B); and by interfering with Complainants' exercise or enjoyment of their fair housing rights, in violation of 42 U.S.C. § 3617.
9. The Parties agree that the claims against Defendant Sam Matalone should be resolved without further proceedings or a trial. This Consent Order resolves all claims in the Complaint against Mr. Matalone.

## **II. GENERAL INJUNCTION**

**It is hereby STIPULATED, ADJUDGED, and ORDERED as follows:**

10. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1345, and 42 U.S.C. § 3612(o).
11. Mr. Matalone will not discriminate on the basis of a disability as prohibited by the FHA, and is hereby enjoined from:
  - a. Discriminating against any person in the terms, conditions, or privileges of rental of a dwelling, or in the provision of services or facilities in connection with such a dwelling, because of a disability, or because of the

disability of someone associated with that person, in violation of 42 U.S.C. § 3604(f)(2);

b. Refusing to make reasonable accommodations in rules, policies, practices, or services when such accommodations may be necessary to afford an equal opportunity to use and enjoy a dwelling, in violation of 42 U.S.C. § 3604(f)(3)(B); and

c. Coercing, intimidating, threatening, or interfering with any person in the exercise or enjoyment of, or on account of any person having exercised or enjoyed, or on account of any person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by the Fair Housing Act, in violation of 42 U.S.C. § 3617.

12. Within fourteen (14) days of the entry of this Consent Order, Mr. Matalone shall execute a release of all claims, legal or equitable, that he may have against Complainants Kandre Covington-Smith and the estate of Andre Smith relating to the claims asserted in this lawsuit or relating in any way to Complainants' tenancy at 1733 Leicester Street, Garland, Texas 75044 (the "Subject Property"). The release shall take the form of Appendix A to this Consent Order.

### **III. MANDATORY EDUCATION AND TRAINING**

13. By December 31, 2023, Mr. Matalone shall, at his own expense, attend a live training program regarding the Fair Housing Act, including in particular the FHA's prohibitions against disability discrimination. The training may be

conducted virtually. The training shall be conducted by a qualified third party, approved in advance by the United States, and unconnected to Mr. Matalone or his counsel.

14. Mr. Matalone shall, within fourteen (14) days of completing the training, certify that he has participated in the educational training program, and that he understands and acknowledges his duties and responsibilities under this Consent Order and the federal Fair Housing Act. Such certification shall take the form of Appendix B to this Consent Order.<sup>3</sup>

#### **IV. RELIEF FOR COMPLAINANT**

15. Within five (5) business days of the entry of this Consent Order, Mr. Matalone shall deliver to Counsel for the United States, by overnight delivery service with tracking capability, a certified check made payable to Kandre Covington-Smith in the amount of one thousand dollars (\$1,000) for the purpose of paying monetary damages to the Complainants.

16. As a prerequisite to receiving payment pursuant to Paragraph 15, Ms. Covington-Smith shall execute a release, on behalf of herself and the estate of Andre Smith, of all claims, legal or equitable, that she or Mr. Smith may have had against Mr. Matalone relating to the claims asserted in this lawsuit or to her tenancy at the Subject Property. The release shall take the form of Appendix C

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<sup>3</sup> All documents, instruments, and written materials required by this Consent Order are to be sent by email to Counsel of Record for the United States (i.e., [alisha.jarwala@usdoj.gov](mailto:alisha.jarwala@usdoj.gov), or an alternate email address subsequently provided by the United States).

to this Consent Order. The United States shall deliver the signed release to counsel for Mr. Matalone.

**V. JURISDICTION, DURATION, AND SCOPE**

17. This Consent Order is effective immediately upon its entry by the Court, and shall remain in effect for three (3) years from the date of its entry.
18. The Court shall retain jurisdiction over this action and the Parties thereto for the purpose of enforcing and modifying its terms while the Consent Order remains in effect.
19. The United States may move the Court to extend the period in which this Consent Order is in effect if the United States believes it is likely that Mr. Matalone violated one or more terms of the Consent Order or if the interests of justice so require to effectuate the rights and obligations arising from this Consent Order. This action and the Complaint shall be deemed dismissed with prejudice upon the expiration of this Consent Order.
20. Any time limits for performance imposed by this Consent Order may be extended by mutual written agreement of the Parties.
21. The terms of this Consent Order shall not be modified, revised, or altered unless mutually agreed upon in writing by the Parties and approved by the Court.
22. The Parties shall endeavor in good faith to resolve informally any differences regarding interpretation of and compliance with this Consent Order prior to bringing such matter to the Court for resolution. However, in the event Mr.

Matalone fails to perform in a timely manner any act required by this Consent Order or act in violation of any provision of this Order, the United States may move the Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring performance or non-performance of certain acts and an award of damages, costs, and reasonable attorney's fees that may have been occasioned by Mr. Matalone's violation or failure to perform.

23. The United States may take steps to monitor Mr. Matalone's compliance with the Consent Order.

#### **VI. COSTS OF LITIGATION**

24. All Parties shall be responsible for their own attorney's fees and costs associated with this action.

**VII. TERMINATION OF LITIGATION HOLD**

25. The Parties agree that, as of the effective date of this Consent Order, litigation is not “reasonably foreseeable” concerning the matters described in the United States’ Complaint. To the extent that any of the Parties previously implemented a litigation hold to preserve documents, electronically stored information (ESI), or things related to the matters described in the Complaint, they are no longer required to maintain such a litigation hold. Nothing in this Paragraph relieves any of the Parties of any other obligations imposed by this Consent Order.

**SO ORDERED.**

**Signed August 9<sup>th</sup>, 2023.**

  
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ED KINKEADE  
UNITED STATES DISTRICT JUDGE

APPENDIX A

DEFENDANT'S FULL AND FINAL RELEASE OF CLAIMS

In consideration of the parties' agreement to the terms of the Consent Order entered in *United States of America v. MA Partners 2, et al.*, Case No. 3:23-cv-00407-K (N.D. Tex.), filed in the United States District Court for the Northern District of Texas, I, Sam Matalone, AKA Samuel T. Matalone, hereby release Complainants Kandre Covington-Smith and the estate of Andre Smith from any and all liability for any claims, legal or equitable, I may have against them relating to the claims asserted in this lawsuit or relating in any way to Complainants' tenancy at 1733 Leicester Street, Garland, Texas 75044 (the "Subject Property"). I hereby acknowledge that I have read and understand this release and have executed it voluntarily and with full knowledge of its legal consequences.

By:

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_, 2023

APPENDIX B

RECEIPT OF CONSENT ORDER AND CERTIFICATION OF FHA TRAINING

I, Sam Matalone, AKA Samuel T. Matalone, certify that I have received a copy of the Consent Order resolving the claims in the case *United States of America v. MA Partners 2, et al.*, Case No. 3:23-cv-00407-K (N.D. Tex.), filed in the United States District Court for the Northern District of Texas. I have read and understand the Consent Order and had an opportunity to have my questions about the Consent Order answered. I further certify that I attended training on the federal Fair Housing Act (“FHA”), which included training on the FHA’s provisions related to reasonable accommodations, including discriminatory statements and actions prohibited by the FHA. I have had all of my questions concerning this topic answered to my satisfaction.

Name of Course & Instructor:

\_\_\_\_\_

Training Date: \_\_\_\_\_ Number of hours spent taking the course: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed name

\_\_\_\_\_  
Date

APPENDIX C

COMPLAINANTS' FULL AND FINAL RELEASE OF CLAIMS

In consideration of Mr. Matalone's agreement to the terms of the Consent Order entered in the case *United States of America v. MA Partners 2, et al.*, Case No. 3:23-cv-00407-K (N.D. Tex.), filed in the United States District Court for the Northern District of Texas, and in consideration of the payment of \$1,000, I, Kandre Covington-Smith, on behalf of myself and the Estate of Andre Smith, do hereby fully release and forever discharge Defendant Sam Matalone, AKA Samuel T. Matalone, from any and all liability for any and all fair housing or discrimination claims set forth, or which could have been set forth, in the Complaint in the above referenced action as well as from any claims relating in any way to my tenancy at 1733 Leicester Street, Garland, Texas 75044 (the "Subject Property") as of the effective date of the Consent Order. I acknowledge that I have read and understand this release and have executed it voluntarily and with full knowledge of its legal consequences.

By:

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_, 2023