

# SETTLEMENT AGREEMENT

and

## RELEASE AND WAIVER of LATE FEES, PENALTIES and INTEREST



State of Kentucky COVID-19 Response  
**Team KY Eviction Diversion Program (KY-EDP)**  
*Funded via the U.S. Treasury Emergency Rental Assistance Program*

This Settlement Agreement and Release and Waiver of Late Fees, Penalties, and Interest (Agreement) is entered into on \_\_\_\_\_, 2024, by and between: *Month & Day*

**LANDLORD:** Landlord name as listed in Lease: \_\_\_\_\_  
Landlord's street address as listed in Lease: \_\_\_\_\_  
Unit/Suite/Apartment Number: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_  
Zip Code: \_\_\_\_\_

**TENANT(S):** Tenant 1 Name as listed in Lease: \_\_\_\_\_  
*Tenant 2 Name (if applicable):* \_\_\_\_\_  
Unit Street Address listed in Lease ("Premises") \_\_\_\_\_  
Unit/Apartment Number: \_\_\_\_\_  
City: \_\_\_\_\_ State: Kentucky  
Zip Code: \_\_\_\_\_

### RECITALS

- A. The Landlord and Tenant have agreed to accept assistance from the U.S. Treasury Emergency Rental Assistance Program, as administered by the Commonwealth of Kentucky and Kentucky Housing Corporation under the program name Team KY Eviction Diversion Program ("KY-EDP").
- B. The purpose of this Agreement is to set forth the terms of agreement between Landlord and Tenant where Tenant has accrued unpaid rent and is facing a court eviction.
- C. Tenant and Landlord have entered into a residential lease that predates this Agreement.

### TERMS

- 1. Tenant and Landlord acknowledge and agree that Tenant owes Landlord unpaid rent and/or requires assistance with current/future rent.
- 2. Landlord agrees to forgive 100% of any late fees, interest, penalties, legal, and/or court fees related to nonpayment of rent for dates paid by KY-EDP.

3. The Landlord shall be paid as follows:

- a. Back Rent: The KY-EDP program, as administered by Kentucky Housing Corporation, shall pay Landlord \$\_\_\_\_\_ to cover rent arrearage, from \_\_\_\_\_, \_\_\_\_\_  
*Payment for Back Rent* *First month & year of back rent covered*  
through \_\_\_\_\_, \_\_\_\_\_.  
*Last month & year of back rent covered*
- b. Current and Future Rent: The KY-EDP program shall pay the Landlord for one (1) month of forward rent, totaling \$\_\_\_\_\_, thereby paying for rent for  
*Future Rent Amount*  
\_\_\_\_\_, \_\_\_\_\_.  
*Month/year of future rent*
- c. Tenant will resume payments for current rent in \_\_\_\_\_, \_\_\_\_\_, provided  
Tenant still resides at the Premises. *Next month/year Tenant pays*
- d. If necessary, Landlord and Tenant may enter into a separate payment plan for any outstanding rent arrearage not covered by KY-EDP.

4. In exchange for payment from the KY-EDP program on behalf of Tenant to Landlord, Landlord agrees that:

- a. A current written lease, signed by both Landlord and Tenant, exists for the Premises.
- b. As of the date of this Agreement, there is no other material violation of the Lease by Tenant.
- c. As of the date of this Agreement, settlement and compromise having been made, Landlord has no remaining factual or legal basis to pursue an action for possession nor eviction as of the date of this Agreement.
- d. Landlord shall not file nor cause to be filed a complaint for possession nor eviction based upon unpaid rent nor late fees accruing as of the date of this Agreement. Landlord, on its own behalf and on behalf of all successors in interest, forever waives, releases and discharges any claim for any rent arrearage or late fees for the months listed in Section 3(a) of this Agreement.  
In the event that only partial payment is made to Landlord pursuant to Section 3, such partial payment paid to Landlord shall be fully credited against Tenant's rent arrearage.
- e. Landlord will credit the Current and Future Rent Amount toward Tenant's rent due for current and future month(s), per Section 3b of this Agreement.
- f. Landlord agrees to not initiate any action relating to the rent arrearage in Section 1 that would affect the credit report of Tenant, nor to pursue collection against Tenant for the period covered by this Agreement.
- g. Landlord agrees to dismiss the court eviction and to not pursue eviction of Tenant for any remaining rent arrearage not covered by KY-EDP per terms outlined in item "h" below.
- h. Landlord will dismiss the current court eviction and will not file for late payment eviction proceedings for nonpayment of rent or non-renewal of the lease until after the last day of the final month for which KY-EDP funding covers rent.
- i. After waiting for the period outlined in Item "h" above, Landlord will provide Tenant notice of eviction for nonpayment of rent or non-renewal in accordance with the terms of the signed lease agreement.

- j. Should the Tenant vacate Premises before the last month for which future rent has been paid by KY-EDP, Landlord shall refund the remaining balance to the Tenant for Tenant's use toward housing stability.
- k. Should Landlord violate any provision of this Agreement, Landlord shall be required to return the total amount of funds listed in Section 3 to KY-EDP, care of Kentucky Housing Corporation (1231 Louisville Road, Frankfort, KY 40601).
- l. In the event Landlord is required to return funds to the KY-EDP program, all other provisions of this Agreement shall remain in effect.

5. Representations and Attestations by Landlord:

- a. Landlord acknowledges that by applying for and receiving federal assistance from the U.S. Treasury's COVID-19 Emergency Rental Assistance Program, administered as the Team KY Eviction Diversion Program by Kentucky Housing Corporation, that any fraudulent misrepresentation may be punishable under State and/or Federal law.
- b. The undersigned Landlord is the Landlord under the terms of the Lease (or agent of Landlord acting with binding authority upon Landlord), and all information provided by Landlord to the KY-EDP program is true and accurate to the best of Landlord's knowledge.
- c. There is no other material violation of the Lease by Tenant other than nonpayment of rent.
- d. That the Landlord has disclosed to KHC all rental assistance from any private or public funding source and rent arrearage or future rent to be paid by KY-EDP is not a duplication of assistance coming from another private or public funding source. Should a duplication of assistance occur, Landlord agrees that KHC may take any or all of the following actions:
  - 1. Reduce or recapture all or a portion of the amount of the payment to the Landlord under Section 3;
  - 2. KHC may notify the administrator of such source;
  - 3. If KHC administers the funding source, KHC may pursue any action allowed under the rules of the private or public funding source.
- e. Landlord understanding this Agreement, knowingly and willingly enters into it, and has had the opportunity to discuss it with legal counsel, if desired.

6. Representations and Attestations by the Tenant:

- a. Tenant acknowledges that by applying for and receiving federal assistance from the U.S. Treasury's COVID-19 Emergency Rental Assistance Program, administered as the Team KY Eviction Diversion Program (KY-EDP) by Kentucky Housing Corporation, that any fraudulent misrepresentation may be punishable under State and/or Federal law.
- b. That undersigned Tenant is the Tenant under the terms of the Lease, and all information provided by Tenant to the Team KY Eviction Diversion Program (KY-EDP) —in the application, in emails, and in phone calls—is true and accurate to the best of Tenant's knowledge.

- c. There is no other material violation of the Lease by Tenant other than nonpayment of rent.
  - d. That the Tenant has disclosed to KHC all rental assistance from any private or public funding source and rent arrearage or future rent to be paid by KY-EDP is not a duplication of assistance coming from another private or public funding source. Should a duplication of assistance occur, Tenant agrees that KHC may take any or all of the following actions:
    - 1. KHC may notify the administrator of such source;
    - 2. If KHC administers the public or private funding source, KHC may pursue any action allowed under the rules of the private or public funding source.
  - e. Should the Tenant vacate the Premises before the last month for which future rent has been paid by KY-EDP, and should the Landlord refund the remaining balance to the Tenant, the Tenant will use that refund for the Tenant's own housing stability.
  - f. Tenant, understanding this Agreement, knowingly and willingly enters into it, and has had the opportunity to discuss it with legal counsel, if desired.
  - g. Tenant understands that this Agreement resolves the issue of rent and fees accruing for the months listed in Section 3a only, and that all other obligations of the Lease remain enforceable. Tenant may be bound by a separate payment plan governing any outstanding rent arrearage not covered by KY-EDP.
7. The parties reserve the right to judicially enforce this Settlement Agreement.

*(Signatures required on following page)*

**THEREFORE, by signing this Agreement, the parties declare under penalty of perjury that their representations in the Agreement are true and correct and they hereby enter into this Agreement effective as of the first date written above.**

\_\_\_\_\_  
*Landlord/Agent Signature*

\_\_\_\_\_  
*Tenant 1 Signature*

\_\_\_\_\_  
*Printed Name of Landlord/Agent*

\_\_\_\_\_  
*Printed Name of Tenant 1*

\_\_\_\_\_  
*Name of agency and title for Agent acting on behalf of Landlord if applicable*

\_\_\_\_\_  
*Tenant 2 Signature (if applicable)*

\_\_\_\_\_  
*Printed Name of Tenant 2 (if applicable)*

\_\_\_\_\_  
*Printed Name of Attorney for Landlord (if applicable)*

\_\_\_\_\_  
*Printed Name of Attorney for Tenant (if applicable)*