

Program Sub-Recipient

Golden State Finance Authority (GSFA)

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Applicant Name: _____

SHADED AREA FOR PROGRAM SUB-RECIPIENT USE ONLY

DR-HBA010-Assignment Agreement for Homebuyer Assistance Funding

1. HBA Program Assignment of funds received by the Applicant from sources other than GSFA/HCD for the replacement/purchase of a new home after the Qualifying Disaster.

- a. In consideration of Applicant's receipt of CDBG-DR Program funds and the commitment by the ReCoverCA Homebuyer Assistance (DR-HBA) Program to evaluate applicant's application for the receipt of funds, applicant hereby assigns to HCD.
 - All payments already received by applicant, that if known at the time of the calculation of the HBA would impact the final HBA amount. Such proceeds are part of the calculation of applicant's HBA under the Program and must be reviewed to determine whether they are a Duplication of Benefits (DOB) in accordance with the Stafford Act as described in the program Policies and Procedures (which can be found on HCD's website or ReCoverCA (whichever will house the Program) [here](#).
 - If payments already received, by the applicant for replacement housing are determined to be a duplication of benefits to the Program, and are not available to assign to HCD, then applicant may be requested to provide additional documentation as to the use of those funds and/or be required to directly fund a portion of the down-payment, excluding the first mortgage amount.
 - Applicant's future rights to all payments that may be received under any relief program, related to, or administered by the Federal Emergency Management Agency (FEMA) or the Small Business Administration (SBA), or any other source, for the purpose of purchasing a replacement property. This future right shall be in force until the HBA loan closing should occur or applicant withdraws from the program or is deemed ineligible or denied funding.
- b. This Assignment Agreement shall only apply to any payments the Applicant may receive for purchasing the proposed property. Further, the assignment shall only be in effect from the time the Program provides an initial HBA amount and the closing on the proposed property, or the applicant withdraws, or is denied program funding. Funding received from a different funding source for the purpose of acquiring a replacement property, after an initial HBA amount has been issued to Applicant, shall be considered a DOB and will impact on eligibility for the Program.
- c. In other words, the provisions above do not apply to:
 - payments received for repair of prior damaged property,
 - payments received for repair of prior damaged property from other coverage types (i.e., personal property),
 - payments received for unrelated disasters or other unrelated insurable events,
 - nor payments received after the official closing of escrow transaction on the proposed property.

Once the property is acquired, the transaction is complete and the unmet need that had existed has been met. If another funding source attempts to provide funding to program participant to acquire the same property, after the closing on the property has occurred, those funds cannot be used for that purpose, and will not be considered a DOB.

- d. The proceeds or payments referred to in the preceding subparagraphs whether they are from insurance, FEMA, SBA, or any other source, shall be referred to herein as "Proceeds". Upon receiving any Proceeds not previously disclosed to the Program as part of the application and award calculation process, the Applicant agrees to notify GSFA and the lender immediately as the receipt of these funds could impact the underwriting and HBA process.
- e. If some or all of the Proceeds are determined to be a DOB, the portion that is a DOB shall be deposited into an Escrow account as borrower/s portion of down-payment and/or closing cost.

2. Assignment, Cooperation, and Further Documentation.

- a. Applicant's assistance and cooperation shall include but shall not be limited to consenting to have suit brought in Applicant's name(s) and providing any additional documentation with respect to such consent, giving depositions, providing documents, producing records and other evidence, testifying at trial and any other form of assistance and cooperation reasonably requested by the Program. HCD or the State may require a formal written assignment of Applicant's rights to the extent of the unpaid DOB to which Applicant has a legal right and which would have been applied to reduce the amount of Applicant's HBA.
- b. Applicant further agrees to assist and cooperate in the attainment and collection of any DOB that the Applicant would be entitled to under any applicable Disaster Program.

- c. If requested by the Program, Applicant agrees to execute such further and additional documents and instruments as may be requested to further and better assign to the Program, to the extent required by the HBA and the Policies and Procedures, any amounts received for disaster recovery assistance that are a DOB to the Program, and/or any rights thereunder. Applicant agrees to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the Program to comply with this assignment agreement and to consummate and make effective the purposes of the HBA acknowledgement.

3. Agreement to Turn over Proceeds, Future Reassignment

- a. If Applicant has received or will receive any DOB, Applicant agrees to promptly pay such amounts to the Program provided the Applicant received HBA under the Program in an amount greater than the amount Applicant would have received if such DOB had been considered in the calculation of Applicant's HBA.
- b. In the event that the Applicant has or will receive any Proceeds not previously disclosed to the Program ("Subsequent Proceeds"), Applicant shall notify the Program of such Subsequent Proceeds, and the Program will determine the amount, if any, of such Subsequent Proceeds that are DOB ("Subsequent DOB") in accordance with the Stafford Act. Subsequent DOB Proceeds shall be disbursed as follows:
 - i. If the HBA has been fully expended by the Program, any Subsequent DOB shall be considered to be same purpose different use funds as a fully expended HBA amount shall signal the no remaining need to acquire a replacement property.
 - ii. If no portion of the HBA has been expended by the Program, any Subsequent DOB shall reduce the HBA amount. If the application of the Subsequent DOB would reduce the HBA to zero, any remaining Subsequent DOB after reducing the HBA to zero, and any funds previously paid by the Applicant to the Program shall be returned to the Applicant, and the HBA shall terminate.

Signature Page

I hereby acknowledge and agree to the Terms and Conditions and the Subrogation and Assignment requirements of the Program.

Date: _____

Printed Name of Applicant

Signature of Applicant

Printed Name of Applicant

Signature of Applicant

This form should be completed, signed by Applicant(s) and submitted to the GSFA with Initial Compliance Package.