

Restore Louisiana Homeowner Assistance Program Subrogation Agreement

1. Capitalized terms shall have the meanings given to them in the Grant Agreement(s) executed by the applicant on the same day as this Subrogation Agreement ("Agreement"). As used in this Agreement, "applicant" refers to each person who has signed this Agreement; where more than one person signs, all references to the applicant shall apply to each such person.
2. In consideration of the receipt by the undersigned applicant of the Grant Amount under the Restore Louisiana Homeowner Assistance Program (the "Program") being administered by the State of Louisiana, Division of Administration, Office of Community Development (the "State"), the applicant hereby assigns to the State all of the applicant's future rights to reimbursement and all payments which may be received under any Federal Emergency Management Agency ("FEMA") program, Small Business Administration ("SBA") program, policy of flood, casualty or property damage insurance, nonprofit donations or grants, or any other funding, or from claims or causes of action the applicant may have ("Proceeds") related to physical damage to the Damaged Home (not including contents) caused by or resulting from Hurricane Francine (FEMA DR-4817-LA) or any event giving rise to the major disaster declaration that have not previously been included in the calculation of the Grant Amount, to the extent such Proceeds constitute a Duplication of Benefits within the meaning of Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5155, and applicable HUD guidance.
3. This Agreement is executed pursuant to Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. Section 5155, and the requirements of the U.S. Department of Housing and Urban Development (HUD) for the prevention and recovery of Duplications of Benefits in connection with CDBG-DR funded programs.
4. The State's rights under this Agreement regarding Proceeds shall be subject to the following:
 - A. If Proceeds are received by the applicant between the date of this Agreement and the date of the first disbursement of the Grant Amount, then the State shall re-calculate the Grant Amount by including such as a Duplication of Benefits in the grant calculation, and the State shall not have any right to receipt of such Proceeds, but the Grant Amount may be reduced.
 - B. If Proceeds are received by the applicant after the date of the first disbursement of the Grant Amount, but before the final disbursement, then the applicant must repay the State the difference between (i) the total amount of Program disbursements as of the date the Proceeds were received, and (ii) the total Grant Amount that would have been made if such Proceeds had been included in the State's original Grant calculation.
 - C. If Proceeds are received by the applicant after the date of the final disbursement of the Grant Amount, then the applicant must turn over to the State the total amount of the Proceeds up to, but not exceeding, the Grant Amount.
5. Notwithstanding the foregoing, if Proceeds are received while the applicant is in default under the Program, then the State can recover the amount of Proceeds up to the Grant Amount disbursed.

6. The applicant agrees to assist and cooperate with the State should the State elect to pursue any of the claims the applicant has or may have against any insurers for reimbursement under any policies insuring the Damaged Home or against others for physical damage to the Damaged Home. The applicant's assistance and cooperation shall include allowing suit to be brought in the name of the applicant, giving depositions, providing documents, producing records and other evidence, testifying at trial and any other form of assistance and cooperation reasonably requested by the State.
7. If requested by the State, the applicant agrees to execute such further and additional documents and instruments as may be requested to further and better assign to the State the Proceeds or any insurance policies and/or any rights thereunder as contemplated by this Agreement, and to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the State to consummate and make effective the purposes of this Agreement.
8. The applicant agrees that any lawyer or claims adjuster representing the applicant in connection with the Damaged Home is authorized and instructed to communicate with the State regarding (a) the existence and status of pending claims or litigation related to physical damage to the Damaged Home; (b) the amounts of any settlements, judgments, or insurance payments received; and (c) the identity of insurers, claim numbers, and adjusting parties. The lawyer and claims professional shall protect the interest of the State in any proceeds resulting from the claim upon receipt of notice of this subrogation. Nothing in this Agreement shall constitute a waiver of the applicant's attorney-client privilege, applicant's attorney's work product protection, or applicant's attorney's litigation strategy, except as to the specific categories of information described herein.
9. If the applicant (or any lender holding a lien on the Damaged Home) hereafter receives any Proceeds for physical damage to the Damaged Home (not including contents), the applicant agrees to promptly pay such Proceeds to the State in accordance with the terms of this Agreement.
10. Within thirty (30) days of receipt of any Proceeds, the applicant shall provide written notice to the Louisiana Office of Community Development – Disaster Recovery Legal Department identifying the source, amount, and date of receipt of such Proceeds. Within sixty (60) days of receipt, the applicant shall remit payment to the State in accordance with this Agreement. Failure to provide timely notice or remittance shall constitute a default under this Agreement and the Grant Agreement.
11. The applicant acknowledges that this Agreement does not impair the rights of the applicant's mortgage lender as loss-payee under any deed of trust or mortgage on the Damaged Home.
12. In any proceeding to enforce this Agreement, the State shall be entitled to recover all costs of enforcement, including reasonable attorneys' fees and costs.
13. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall continue in full force and effect.
14. Notwithstanding any provision of this Agreement to the contrary, the State's collection of Proceeds or repayment obligations under this Agreement shall be subject to applicable HUD policies regarding duplication of benefits collection, including but not limited to any exemptions established for deceased beneficiaries, beneficiaries subject to foreclosure, beneficiaries in bankruptcy, or low-and-moderate-income beneficiaries, as may be amended from time to time.

15. Notwithstanding any other provision of this Agreement, the State's right to collect or recover Proceeds is limited to Proceeds that constitute a Duplication of Benefits within the meaning of Section 312 of the Stafford Act, 42 U.S.C. Section 5155, and applicable HUD guidance. The State, through its Office of Community Development legal counsel, may determine upon review that all or a portion of Proceeds received by the applicant are not duplicative of the Grant Amount and are therefore not subject to collection under this Agreement.

16. Warning: Any person who knowingly makes a false claim or statement to HUD or causes another to do so may be subject to civil or criminal penalties under 18 U.S.C. 2, 287, 1001 and 31 U.S.C. 3729.

This Agreement is executed as of the dates set forth below.

APPLICANT:

Signature of Applicant

Printed Name

Date: _____

APPLICANT (if applicable):

Signature of Applicant

Printed Name

Date: _____