

end of the sixty-day period, City shall give notice of such failure to Mortgagee.

(c) If Mortgagee institutes foreclosure proceedings within thirty (30) days after receipt of such second notice, City will take no action to terminate the Leasehold until and unless Mortgagee or Successor Owner, following transfer and assignment of the Leasehold through foreclosure sale or deed or transfer in lieu of foreclosure, shall fail to cure the defaulted obligation of Hyatt as set forth below, or shall itself commit an act of default under the Leasehold or under any new lease between City and Mortgagee or Successor Owner.

If Mortgagee does not institute foreclosure proceedings within thirty days after receipt of such second notice, and the default still has not been cured by that date, then City shall be entitled to exercise any right it may then have to terminate the Leasehold; provided, upon written request of Mortgagee within forty (40) days after termination of the Leasehold, City shall immediately thereafter enter into a new lease for the property included in the Leasehold with Mortgagee or its designee for the remainder of the term, effective as of the date of such termination and upon the same terms, covenants and conditions contained in the Project Agreement, as amended by the Supplement Agreement and this Agreement (including the option to renew), except that the new lease shall provide that Mortgagee's obligations thereunder (including the obligation to pay rent) shall not begin until Mortgagee is given or obtains actual possession of the property included in the Leasehold. Mortgagee shall have no obligation under these circumstances to evict Hyatt from the premises. City will diligently exercise its rights to effect such eviction, if necessary, following the termination of Hyatt's Leasehold.

The obligations of Mortgagee or Successor Owner with regard to prior defaults on the part of Hyatt, following transfer of the Leasehold to Successor Owner by foreclosure or otherwise,