

NON-DISTURBANCE AGREEMENT

THIS NON-DISTURBANCE AGREEMENT (this "**Agreement**") is made and entered into as of this 10th day of November, 2006, by and among **THE COMMERCIAL DEVELOPMENT AUTHORITY OF THE CITY OF ALABASTER, ALABAMA**, an Alabama municipal corporation organized under the laws of the State of Alabama ("Landlord"); **HIGHWAY 31 ALABASTER TWO, LLC**, an Alabama limited liability company ("Sublandlord"); and **PETSMART, INC.**, a Delaware corporation ("Subtenant").

RECITALS

WHEREAS, Landlord entered into that certain Ground Lease and Option Agreement dated December 1, 2005 (the "Master Lease"), with Colonial Realty Limited Partnership, a Delaware limited partnership ("Colonial"), pursuant to which Landlord leased to Colonial certain real property located in the City of Alabaster, Shelby County, Alabama (the "Property"), which is more particularly described in Exhibit A to the Master Lease;

WHEREAS, Colonial assigned and Sublandlord assumed all right, title and interest of lessee under the Master Lease pursuant to that certain Assignment of Ground Lease and Option Agreement dated as of December 20, 2005, by and between Colonial and Sublandlord;

WHEREAS, Sublandlord and Subtenant have entered into that certain Sublease dated November 1, 2006 (the "Sublease") pursuant to which Sublandlord shall sublease to Subtenant and Subtenant shall sublease from Sublandlord a certain portion of the Property (the "Subleased Premises"), as more particularly described in the Sublease and generally shown on attached Exhibit B;

WHEREAS, the parties hereto desire to consent to the Sublease upon all of the terms and conditions therein contained and no further consent to the same shall be necessary; and

WHEREAS, Landlord, Sublandlord and Subtenant further desire to provide for the recognition of Subtenant under the Sublease, the non-disturbance of Subtenant by Landlord, and the attornment by Subtenant to Landlord, all on the terms and conditions herein contained.

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) cash in hand and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows.

1. Landlord acknowledges having received a copy of the Sublease, and Subtenant acknowledges having received from Sublandlord a copy of the Master Lease with monetary terms between Landlord and Sublandlord redacted. Terms not otherwise defined herein shall have the same meaning as in the Sublease.

2. Landlord acknowledges that Subtenant shall not be liable on account of any

default or alleged default by Sublandlord under the Master Lease. Landlord's sole recourse in the event of a breach or an alleged breach of the Master Lease by Sublandlord shall be against Sublandlord. Nothing in this Agreement shall create any rights in Master Landlord to enforce any of the terms and provisions of the Master Lease against Subtenant.

3. Landlord agrees that so long as the Sublease is in full force and effect and Subtenant is not in default in the payment of rent or in the performance of any of the terms, covenants and conditions of the Sublease as would entitle Sublandlord to terminate the Sublease, Subtenant's possession of the Subleased Premises and Subtenant's right under the Sublease shall not be diminished, interfered with or disturbed by Landlord. Upon reentry by Landlord of the Property or termination or sooner expiration of the term of the Master Lease, Landlord shall succeed to the interest of Sublandlord under the Sublease and the Sublease shall continue as a direct lease between Landlord and Subtenant. In such event, Subtenant hereby attorns to Landlord as its landlord under the Sublease and agrees to be bound to Landlord under the Sublease for the remaining term thereof, including any extensions or renewals thereof, with the same force and effect as if Landlord was the original landlord under the Sublease. Said attornment shall be effective and self-operative without the execution of any further instrument on the part of any of the parties hereto immediately upon Landlord succeeding to the interest, rights and obligations of Sublandlord under the Sublease.

4. If the Master Lease shall expire or for any reason be terminated or declared null and void without Sublandlord acquiring Master Landlord's fee title to the Property, Subtenant may, but shall not be obligated, to enforce Sublandlord's right to purchase the Property under Section 19 of the Master Lease (provided, however, that under any such enforcement proceedings the Landlord shall convey the Property to Sublandlord and not to Subtenant).

5. Subtenant shall have no obligation to pay rent to Landlord until Subtenant receives notice from Landlord that it has succeeded to the interest of Sublandlord under the Sublease. Upon receipt of such notice Subtenant shall pay all rent and additional rent due under the Sublease to Landlord in accordance with the terms and provisions of the Sublease. Sublandlord hereby irrevocably directs Subtenant to comply with the terms of any such rent payment notice from Landlord and agrees that Subtenant's compliance with such notice shall constitute full performance by Subtenant to the same extent as if the rent and other sums due under the Sublease were paid to Sublandlord.

6. Sublandlord and Subtenant shall provide Landlord with copies of any default notices given under or pursuant to the Sublease. Sublandlord and Landlord shall provide Subtenant with copies of any default notices given under or pursuant to the Master Lease. Such copies of notices shall be provided in accordance with the provisions of this Agreement.

7. Sublandlord and Subtenant each agree at any time and from time to time to execute, acknowledge and deliver to Landlord or to any third party designated by Landlord without charge within thirty (30) days following Landlord's written request therefor, a statement in writing certifying: that (a) the Sublease is in full force and effect, (b) the Sublease has or has

not been amended or modified, as applicable, (c) Subtenant is in possession of the Subleased Premises, (d) Subtenant has or has not assigned its rights under the Sublease or sublet any portion of the Property, as applicable (e) the dates of commencement and expiration of the term of the Sublease, (f) the rights, if any, of the Subtenant to extend or renew the term of the Sublease, (g) the date through which Subtenant has paid rent or any other charges due under the Sublease, and (h) the other party is or is not in default of any of its obligations under the Sublease beyond applicable notice and cure periods.

8. Landlord agrees at any time and from time to time to execute, acknowledge and deliver to Subtenant or to any third party designated by Subtenant without charge within thirty (30) days following Subtenant's written request therefor, a statement in writing certifying that: (a) the Master Lease is in full force and effect, (b) the Master Lease has or has not been amended or modified, as applicable, (c) Landlord has not assigned its rights under the Master Lease, (d) the date through which the tenant thereunder has paid rent or any other charges due under the Master Lease, and (e) to the best of Landlord's knowledge there are no defaults by either Landlord or the tenant under the Master Lease.

9. All notices, consents or other communications given under or pursuant to this Agreement shall be in writing and shall be given by registered or certified mail, return receipt requested, postage prepaid, or by overnight carrier such as United Parcel Service at the address of the party set forth below, or at such other address as such party may designate by notice to the other parties. Notice shall be deemed given on the date that delivery is received or refused.

Landlord: The Commercial Development Authority of the City of Alabaster, AL
201 First Street North
Alabaster, Alabama 35007
Attention: Chairman

Sublandlord: Highway 31 Alabaster Two, LLC
2101 Sixth Avenue North, Suite 250
Birmingham, AL 35203
Attention: Executive V.P. – Retail Division

With a copy to Senior V.P. – Retail Property

Subtenant: PETSMART, Inc.
19601 N. 27th Avenue
Phoenix, AZ 85027
Attn: Associate General Counsel, Real Estate

10. This Agreement shall inure to the benefit of and be binding on and enforceable by the parties hereto and their respective successors and assigns.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

LANDLORD:

THE COMMERCIAL DEVELOPMENT AUTHORITY
OF THE CITY OF ALABASTER, ALABAMA,
an Alabama municipal corporation

By: Dennis Rother
Name: DENNIS ROTHER
Title: CHAIRMAN

SUBLANDLORD:

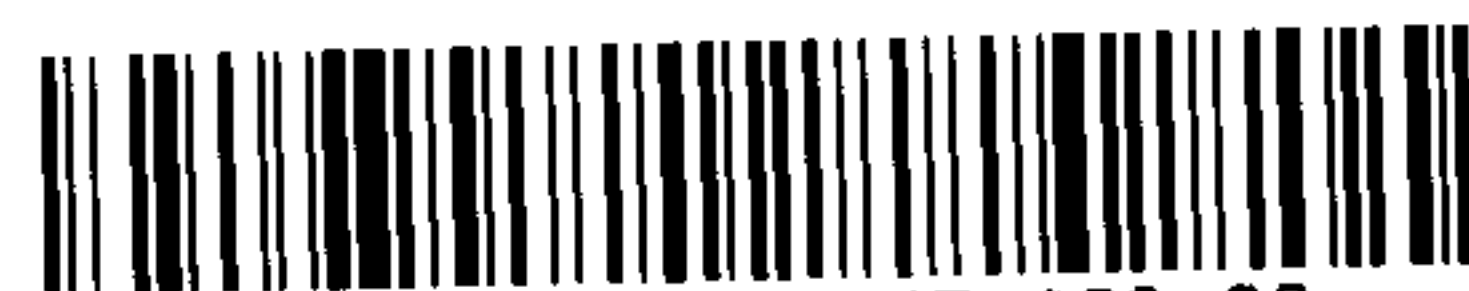
HIGHWAY 31 ALABASTER TWO, LLC
An Alabama limited liability company

By: Brian J. Neelter
Name: BRIAN J. NEELTER
Authorized Delegated Signatory

SUBTENANT:

PETSMART, INC.,
a Delaware corporation

By: Joseph B. Conn
Name: Joseph B. Conn
Title: Associate General Counsel, Real Estate



20070828000404810 4/5 \$23.00
Shelby Cnty Judge of Probate, AL
08/28/2007 01:37:41PM FILED/CERT

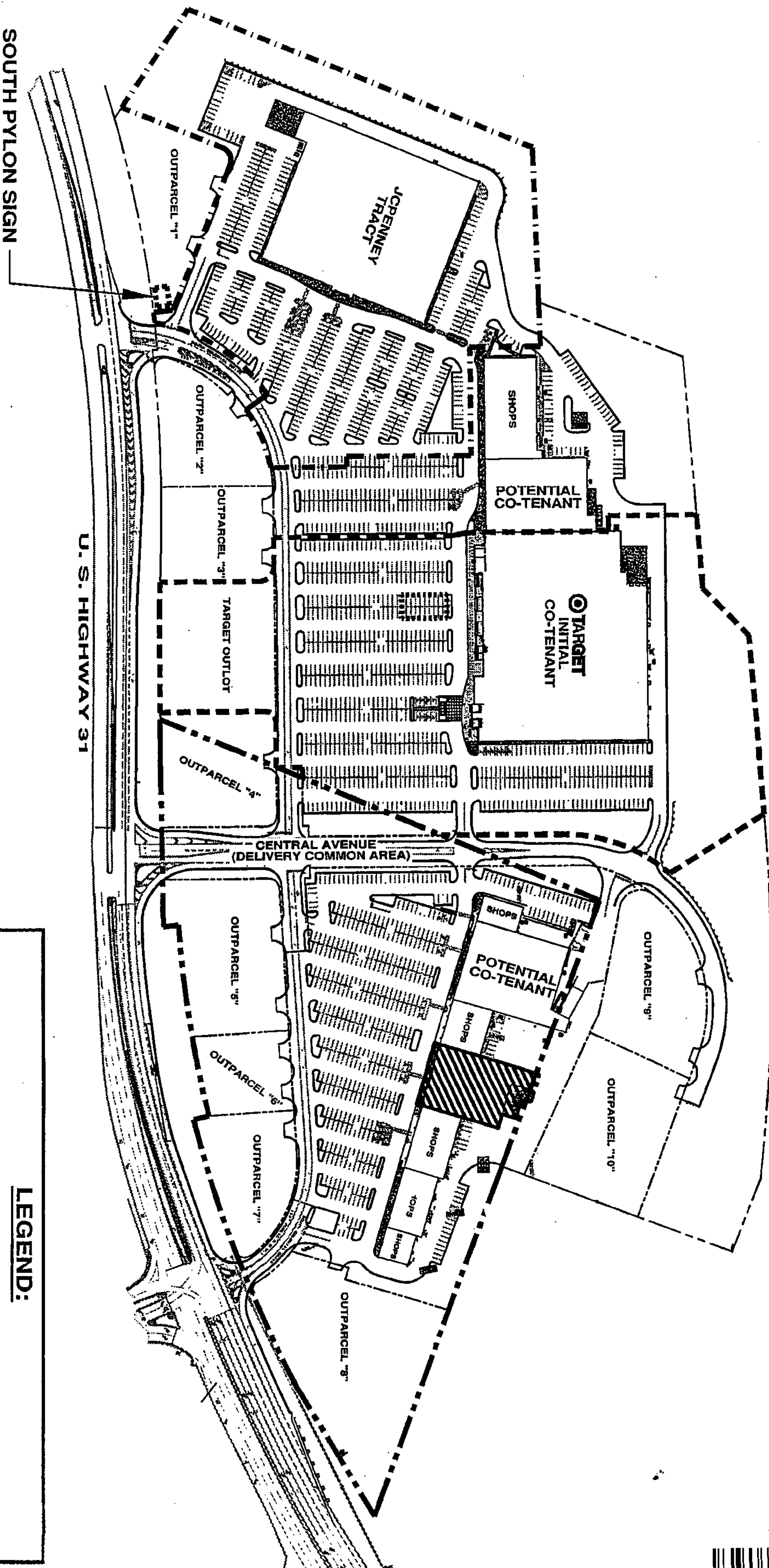
COLONIAL PROMENADE ALABASTER

ALABASTER, ALABAMA

NOT TO SCALE



INTERSTATE 65
(RIGHT OF WAY VARIES)



LEGEND:



SUBLEASED PREMISES

--- NGRTI- LAND BOUNDARY
 --- TARGET TRACT
 --- JCPENNEY TRACT

EXHIBIT B

20070828000404810 5/5 \$23.00
 Shelby Cnty Judge of Probate, AL
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