


<b>UNITED STATES BANKRUPTCY COURT</b> Southern District of New York		<b>PROOF OF CLAIM</b>
Name of Debtor: <b>Jennifer Convertibles, et al.</b>		Case Number: 10-13779-ALG (Jointly Administered)
NOTE: <i>This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</i>		
Name of Creditor (the person or other entity to whom the debtor owes money or property): <b>KIR Torrance, L.P.</b>		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.
Name and address where notices should be sent: c/o Morgan, Lewis & Bockius LLP 101 Park Avenue New York, New York 10178 Attn: Neil E. Herman, Esq. Telephone number: (212) 309-6000		<b>RECEIVED</b> <b>MAR 10 2011</b> <b>BMC GROUP</b>
Name and address where payment should be sent (if different from above):		Court Claim Number: _____ (If known)
Telephone number:		Filed on: _____
1. Amount of Claim as of Date Case Filed:        \$ <u>180,224.53</u>		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.		<input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
If all or part of your claim is entitled to priority, complete item 5.		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.  Specify the priority of the claim.
<input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		
2. Basis for Claim: <u>Lease - see attachment</u> (See instruction #2 on reverse side.)		<input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).
3. Last four digits of any number by which creditor identifies debtor: _____		<input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507 (a)(4).
3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		<input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5).
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.  Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe:  Value of Property: \$ _____ Annual Interest Rate _____ %  Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____  Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		<input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507 (a)(7).
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		<input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8).
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)		<input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. §507 (a)(____).
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.		Amount entitled to priority: \$ _____
If the documents are not available, please explain:		<i>*Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</i>
Date: <u>3/8/11</u>	Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.  <i>Susan L. Masone</i> <b>Susan L. Masone authorized person</b>	FOR COURT USE ONLY  Jennifer Convertibles  00386

**In re Jennifer Convertibles, Inc. et al.**  
**Chapter 11, Case No. 10-13779 (ALG) (Jointly Administered)**

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**ATTACHMENT TO PROOF OF CLAIM**

**JENNIFER CONVERTIBLES, INC.**  
**TORRANCE PROMENADE**  
**TORRANCE, CA**

**Claim of KIR Torrance, L.P.**  
**c/o Morgan, Lewis & Bockius LLP**  
**101 Park Avenue**  
**New York, NY 10178**  
**Attn: Neil E. Herman, Esq.**  
**(212) 309-6669**

1. KIR Torrance, L.P. (the "Claimant") is the landlord to the Debtors pursuant to that certain lease of non-residential real property located in Torrance, California (the "Lease"). The Claimant's total claim for pre-petition amounts due and owing under the Lease is \$180,224.53, calculated below:

Pre-Petition:

2008-2009 RE Taxes .....	\$ 1,375.07
2009-2010 RE Taxes .....	477.77
2010 CAM .....	( 1,452.31)
May 2010 Rent and Management Fee.....	11,514.90
June 2010 Rent and Management Fee.....	11,514.90
July 2010 Rent and Management Fee .....	6,314.62
2010-2011 Real Estate Taxes .....	1,249.58
	<hr/>
	\$ 30,994.53

Damages due to lease rejection:

1 year base rent.....	\$ 136,856.00
CAM.....	5,722.00
RE Taxes .....	6,652.00
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	149,230.00

TOTAL \$ 180,224.53

2. In addition to the above amounts, the following additional amounts are or may become due: (a) percentage rent not yet billed, (b) year end adjustments not yet billed, (c) deferred maintenance expenses in an unliquidated amount. The Claimant reserves the right to amend this proof of claim at any time.

3. In accordance with the terms of the Lease, and the United States Supreme Court's recent decision in Travelers Cas. & Sur. Co. of Am. v. Pacific Gas & Elec. Co., 127 S.Ct. 1199 (2007), the Claimant fully reserves and preserves its right to seek all legal fees and expenses incurred in these bankruptcy cases.

Morgan, Lewis & Bockius LLP  
101 Park Avenue  
New York, NY 10178-0060  
Tel: 212.309.6000  
Fax: 212.309.6001  
www.morganlewis.com

**Morgan Lewis**  
C O U N S E L O R S   A T   L A W

March 9, 2011

VIA OVERNIGHT MAIL

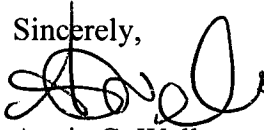
BMC Group, Inc.  
18750 Lake Drive East  
Chanhassen, MN 55317  
Attn: Jennifer Convertibles Claims Processing

Re:    In re Jennifer Convertibles, et al., Debtors  
      Chapter 11, Case No. 10-13779 (Jointly Administered)

Dear Sir/Madam:

Enclosed please find originals and copies of Proofs of Claim being filed on behalf of KIR Torrance, L.P.

Please file stamp the copies and return same to me in the enclosed SASE Federal Express envelope. If you have any questions, please do not hesitate to contact me.

Sincerely,  
  
Annie C. Wells

ACW/le  
Encs.