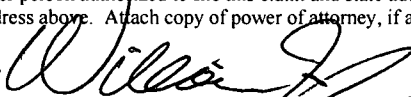



UNITED STATES BANKRUPTCY COURT Southern District of New York		PROOF OF CLAIM
Name of Debtor: Jennifer Convertibles, Inc.		Case Number: 10-13779
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Abill Realty Corporation		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where notices should be sent: c/o David W. Novack, L.L.C. 195 Route 46 West, Suite 21 Totowa, New Jersey 07512 Telephone number: (973) 237-1010		
Name and address where payment should be sent (if different from above): Abill Realty Corporation 255 Route 46 Totowa, New Jersey 07512 Telephone number: (973) 256-8865		<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. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ <u>111,831.30</u> 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. If all or part of your claim is entitled to priority, complete item 5. <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.		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"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <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). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5). <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). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. §507 (a)(____). Amount entitled to priority: \$ _____ *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.
2. Basis for Claim: <u>Lease Rejection Damages</u> (See instruction #2 on reverse side.)		
3. Last four digits of any number by which creditor identifies debtor: <u>N/A</u> 3a. Debtor may have scheduled account as: <u>JLT</u> (See instruction #3a on reverse side.)		
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: \$ _____		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 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.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		
Date: 03/22/2011	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. William J. Spina, V.P. 	
		FOR COURT USE ONLY Jennifer Convertibles  00392

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim:

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a).

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 2. Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

INFORMATION

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity owed a debt by the debtor that arose on or before the date of the bankruptcy filing. See 11 U.S.C. §101 (10)

Claim

A claim is the creditor's right to receive payment on a debt owed by the debtor that arose on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the agent of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. §506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may contact BMC Group (info@bmcgroup.com).

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Abill Realty Corporation

Jennifer Leather - Lease Rejection Damages

8/1/2010	Rent	\$ 7,397.92
9/1/2010	Rent	\$ 7,397.92
10/1/2010	Rent	\$ 7,397.92
11/1/2010	Rent	\$ 7,397.92
12/1/2010	Rent	\$ 7,397.92
1/1/2011	Rent	\$ 7,397.92
2/1/2011	Rent	\$ 7,397.92
3/1/2011	Rent	\$ 7,397.92
4/1/2011	Rent	\$ 7,397.92
5/1/2011	Rent	\$ 7,397.92
6/1/2011	Rent	\$ 7,397.92
7/1/2011	Rent	\$ 7,620.83
7/1/2011	2010 - 2011 Taxes	\$ 10,606.68
7/1/2011	Annual Security Guard Charges (est.)	\$ 2,295.00
7/1/2011	Annual CAM Charges (est.)	\$ 9,931.67
Total		\$ 111,831.30

ABILL REALTY CORPORATION
255 ROUTE 46
TOTOWA, N.J. 07512

October 7, 2004

JENNIFER CONVERTIBLES, INC.
D/B/A JENNIFER LEATHER
419 CROSSWAYS PARK DRIVE
WOODBURY, N.Y. 11797

RE: LEASE DATED JANUARY, 1995 (AS AMENDED TO DATE, "THE LEASE") BY
AND BETWEEN ABILL REALTY AND JENNIFER LEATHER-TOTOWA NJ INC.,
SUCCESSOR IN INTEREST TO JENNIFER CONVERTIBLES, INC. ("TENANT")
REGARDING THE PREMISES (2500sq ft) LOCATED AT 205 ROUTE 46,
TOTOWA, NEW JERSEY.

EFFECTIVE 3/1/2005 LANDLORD AND TENANT AGREE TO EXTEND THE LEASE
UNTIL 6/30/2012 UNDER THE SAME TERMS AND CONDITIONS EXCEPT FOR THE
FOLLOWING RENT SCHEDULE.

<u>TERMS</u>	<u>SQ.FT. RATE</u>	<u>ANNUAL RATE</u>	<u>MONTHLY RATE</u>
3/1/2005-6/30/2006	\$28.66	\$71,650.00	\$5,970.83
7/1/2006-6/30/2007	\$29.52	\$73,800.00	\$6,150.00
7/1/2007-6/30/2008	\$32.50	\$81,250.00	\$6,770.83
1/1/2008-6/30/2009	\$33.48	\$83,700.00	\$6,975.00
7/1/2009-6/30/2010	\$34.48	\$86,200.00	\$7,183.33
7/1/2010-6/30/2011	\$35.51	\$88,775.00	\$7,397.92
7/1/2011-6/30/2012	\$36.58	\$91,450.00	\$7,620.83

ACKNOWLEDGED AND AGREED BY:

ABILL REALTY CORP.

BY: 

WILLIAM J. SPINA
VICE PRESIDENT

JENNIFER CONVERTIBLES, INC.

BY: 

NAME: EDWARD B. SEIDMAN
TITLE: EXECUTIVE VICE-PRESIDENT

cc: lease file

**ABILL REALTY CORPORATION
255 ROUTE 46
TOTOWA, NEW JERSEY 07512**

MARCH 1, 2011

JENNIFER
TOTOWA, N.J. LOCATION
417 CROSSWAYS PARK DRIVE
WOODBURY, NEW YORK
11797

TAX INVOICE

1ST QUARTER TAXES FOR THE YEAR 2011 ARE-----\$ 98210.00

YOUR PROTION OF 5.4 % EQUALS-----\$ 5,303.34

TOTAL AMOUNT DUE IS -----\$ 5,303.34

ABILL REALTY CORPORATION
255 ROUTE 46
TOTOWA, NEW JERSEY

JENNIFER
TOTOWA, N.J. LOCATION
205 ROUTE 46
STORE
TOTOWA, N.J.

SECURITY GUARD
(10/1/10-12/31/10)

SECURITY COMPANY	\$24892.09
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YOUR PORTION OF 4.36 % EQUALS	1085.30
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TOTAL AMOUNT DUE.....\$ 1085.30

225 ROUTE 46 WEST
TOTOWA, NEW JERSEY
07512
PHONE (973) 256-8865
FAX (973) 785-8774

CAM CHARGES (10/1/10-12/31/10)

JENNIFER II
TOTOWA, NEW JERSEY LOCATION
417 CROSSWAYS PARK DRIVE
WOODBURY, N.Y.
11797

MANAGEMENT & MAINTENANCE FEE

POWER SWEEP		800.80
LANDSCAPING		2095.50
SNOW PLOWING		28167.75
CLEANING PARKING LOT		
GUISEPPE	15196.00	
OSCAR	7200.00	22396.00
MANAGEMENT FEE (13 WKS @ 350)		4550.00
OTHER MAINTENANCE		
GIUSEPPE (CELL PHONE)	105.00	
U S SIGN(PARKING LIGHTS)	475.08	580.08
INSURANCE		
HARLEYSVILLE		7608.60
PARKING LOT LIGHTS		
METER 205		
1175.99	+	
METER 225		
3701.65		4877.64

		71067.37

YOUR PROTION OF 5.4 % EQUALS..... \$ 3,837.64

DAVID W. NOVACK, L.L.C.

ATTORNEY AT LAW

195 ROUTE 46 WEST

SUITE 11

TOTOWA, NEW JERSEY 07512

TELEPHONE (973) 237-1010

TELECOPIER (973) 237-1020

DAVID W. NOVACK
MEMBER NJ AND NY BARS

March 22, 2011

VIA USPS EXPRESS MAIL

BMC Group Inc.

Attn: Jennifer Convertibles Claims Processing

18750 Lake Drive East

Chanhassen, Minnesota 55317-3020

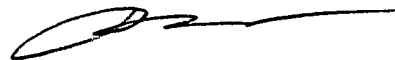
Re: In re Jennifer Convertibles, Inc.
Case No.: 10-13779
Proof of Claim - Lease Rejection Damages
Store Code - JLT
Debtor – Abill Realty Corporation

Dear Sir/Madam:

Please be advised that this office represents the Creditor, Abill Realty Corporation, in connection with the above-referenced matter. Enclosed please find an original and one (1) copy of a Proof of Claim for Lease Rejection Damages and supporting documentation in connection therewith. Kindly stamp the extra copy of the Proof of Claim "Filed" or "Received" and return to this office in the self-addressed return envelopes provided.

Thank you for your attention and anticipated cooperation in this matter. Please call if you have any questions.

Very truly yours,



David W. Novack

DWN:mas

Enclosures

cc: Jordanna L. Nadritch, Esq. (w/enclosure)(via USPS Express Mail)