

**UNITED STATES BANKRUPTCY COURT
THE SOUTHERN DISTRICT OF NEW YORK**

In re:

JENNIFER CONVERTIBLES, INC.,¹

Debtors.

Chapter 11

Case No. 10-13779 (ALG)

(Jointly Administered)

**ORDER AUTHORIZING THE DEBTORS TO REJECT FIVE
UNEXPIRED, NON-RESIDENTIAL REAL PROPERTY LEASES**

Upon the motion, dated August 5, 2010 (the “Motion”)² of Jennifer Convertibles, Inc. and its affiliated debtors, as debtors in possession (collectively, the “Debtors”), for entry of an order authorizing the debtors to reject five unexpired, non-residential real property leases *nunc pro tunc* to the date of surrender and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion (the “Hearing”); and the appearances of all interested parties having been noted in the record of the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if applicable, are: (i) Jennifer Convertibles, Inc. (4646); (ii) Jennifer Convertibles Boylston MA, Inc. (7904); (iii) Jennifer Chicago Ltd. (0505); (iv) Elegant Living Management, Ltd. (5049); (v) Hartsdale Convertibles, Inc. (1681); (vi) Jennifer Management III Corp. (3552); (vii) Jennifer Purchasing Corp. (7319); (viii) Jennifer Management II Corp. (9177); (ix) Jennifer Management V Ltd. (9876); (x) Jennifer Convertibles Natick, Inc. (2227); (xi) Nicole Convertibles, Inc. (5985); (xii) Washington Heights Convertibles, Inc. (0783).

² All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

relief requested in the Motion is in the best interests of the Debtors, their estates, and creditors and parties in interest; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. Pursuant to section 365(a) of the Bankruptcy Code, the rejection of each of the Vacating Leases is hereby approved, with each such rejection being effective *nunc pro tunc* to the surrender date, or as to the Additional Stores whose premises were not part of the Sale Order, to August 31, 2010, or any further date that may be agreed to between the parties.
3. The Debtors are authorized to execute and deliver all instruments and documents, and take such other action as may be necessary or appropriate, to implement and effectuate the transactions contemplated by this Order.
4. The Debtors are authorized to remove from the premises that are the subject property of the Vacating Leases (i) personal property, consistent with the Debtors' ownership rights or other interests therein, and (ii) personal property that the Debtors have installed in or about the leased premises as set forth in the Motion.
5. Any personal property and fixtures, furniture and equipment remaining in or on the premises of the Vacating Leases after the surrender date or August 31, 2010, as applicable, is deemed abandoned to the landlords pursuant to 11 U.S.C. § 554, and the landlords shall have the right to dispose of such personal property and fixtures, furniture and equipment in its discretion and without any liability to the Debtors.
6. The rejection of the Vacating Leases in this Order is notice to and may be relied on by filing agents, filing officers, title agents, title companies, recorders and mortgages, recorders of deeds, or registrars of deeds, that may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or

instruments, or that may be required to report or insure title or state of title in or to the Leases or the underlying real properties.

7. The Debtors' rights to assert any Vacating Lease rejected hereby expired by its own terms or was terminated prior to the date hereof are fully preserved.

8. The requirements of Bankruptcy Rule 6006 and Local Rule 6006-1 are deemed satisfied or waived, and notwithstanding the possible applicability of Bankruptcy Rule 6006 and Local Rule 6006-1, the terms and conditions of this Order shall be immediately effective and enforceable upon entry of this Order.

9. This Court shall retain jurisdiction to resolve all matters relating to implementation of this Order.

Dated: August 31, 2010
New York, New York

/s/ Allan L. Gropper

UNITED STATES BANKRUPTCY JUDGE