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**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)

**MONTHLY STATEMENT OF SERVICES RENDERED AND
EXPENSES INCURRED BY TM CAPITAL CORP., FINANCIAL ADVISORS
FOR THE DEBTORS AND DEBTORS IN POSSESSION,
FOR THE PERIOD FROM JULY 18, 2010 THROUGH JULY 31, 2010**

In accordance with the Court's order pursuant to sections 105(a) and 331 of title 11 of the United States Code and Rule 2016(a) of the Federal Rules of Bankruptcy Procedure, establishing procedures for interim monthly compensation and reimbursement of expenses of professionals, dated August 10, 2010, (Docket No. 155) (the "Interim Compensation Order"), TM Capital Corp. ("TM Capital"), as financial advisors to Jennifer Convertibles, Inc. and its affiliated debtors, as debtors in possession (the "Debtors"), hereby submits its monthly statement of

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).

services rendered and expenses incurred for the period of July 18, 2010 through and including July 31, 2010 (the “Statement Period”).

1. TM Capital has accrued monthly fees in the amount of \$11,290.32 for the Statement Period (see attached invoice).²

2. TM Capital is owed monthly expenses in the amount of \$1,425.69 for the Statement Period (see attached invoice).

3. Pursuant to the Interim Compensation Order, the fees payable to TM Capital for the Statement Period, after adjustment of the 20% holdback, are \$9,032.26.

4. Accordingly, TM Capital requests payment for the Statement Period in the total amount of \$10,457.95, which includes \$9,032.26 of fees (80% of total fees) and \$1,425.69 of expenses (100%).

5. TM Capital respectfully requests that such amounts be paid in accordance with the Interim Compensation Order.

² On July 1, 2010, TM Capital received a \$25,000.00 advance payment from the Debtors on account of services for July, 2010. As of July 18, 2010, the petition date, TM Capital had earned \$13,709.68 of this amount, and \$11,290.32 remained on account.

Dated: New York, New York
September 21, 2010

OLSHAN GRUNDMAN FROME
ROSENZWEIG & WOLOSKY LLP

By: /s/ Michael S. Fox
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*Counsel to the Debtors and Debtors in
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TM Capital Corp.
15 Piedmont Center, Suite 1010
3575 Piedmont Road
Atlanta, GA 30305

Invoice

Date	Invoice #
7/31/10	806

Bill to:
Jennifer Convertibles, Inc. 417 Crossways Park Drive Woodbury, NY 11797

Description	Amount
RCN Communications – July	224.00
Connex Teleconferencing - July	150.80
Total Communications	374.80
Fedex - July	15.35
New York Database Services – July	256.00
Printing and Copy Supplies - July	230.00
MH - Travel - Mileage – 2 client trips	137.00
Team Meals - July	412.54
Total Reimbursable Travel and Meals	549.54

	Total	\$1,425.69
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