

ASSIGNMENT OF LEASE AGREEMENT

This Assignment is made, effective as of the 1st day of September, 2000, by and between J.C. Schaumburg, Inc., an Illinois corporation with corporate offices at 419 Crossways Park Drive, Woodbury, New York, 11797 (hereinafter referred to as "Assignor") and Jennifer Convertibles, Inc., a Delaware corporation, with corporate offices at 419 Crossways Park Drive, Woodbury, New York, 11797 (hereinafter referred to as "Assignee").

WITNESSETH:

WHEREAS, Gifford Investment Co., as agent for the beneficiaries of American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement dated June 1, 1987 and known as Trust No. 102674-09, its successor in interest being Jerome H. Meyer & Co., as agent for the beneficiaries of Trustee, the address of which is 740 North Rush Street, Chicago, Illinois 60611, as Landlord ("Landlord") demised certain premises located at Golf Road Center, 695 East Golf Road, Schaumburg, Illinois (the "Premises") to Assignor, as tenant, pursuant to a certain Lease dated as of February 18, 1992; and

WHEREAS, Assignor desires to assign the Lease to Assignee and Assignee desires to acquire all of Assignor's rights under the Lease pursuant to the terms of this Assignment.

AGREEMENT:

NOW, THEREFORE, for Ten (\$10.00) Dollars and other valuable consideration, receipt which is mutually acknowledged by both parties, the parties hereto agree as follows:

1. Assignor hereby transfers and assigns to Assignee all of Assignor's right, title, and interest together with any Security Deposit, and any accrued interest thereon, and obligations in and to and under the Lease and any and all amendments and modifications thereto effective as of the date hereof.
2. This Assignment shall be binding on and inure to the benefit of Assignor and Assignee and their respective successors and permitted assigns.
3. As a material inducement to Assignee to execute and deliver this Agreement, Assignor represents to Assignee the following :

(a) As of the date hereof, Assignor has not entered into any other Agreement to assign or sublet all or any portion of the Premises for any period during any part of the term of the Lease from and after this Date and has not granted any rights or options to any third party with respect to the Premises which exist as of the date hereof;

(b) The Lease Agreement is in full force and effect, and all of the terms, conditions, and promises of the lease have been complied with. As of the delivery of possession, there shall be no default under the Lease for the payment of fixed rent or additional rent due up until the delivery of the Premises (the "Delivery Date");

(c) As of the Delivery Date, there shall be no monetary default by Assignor;

(d) The provisions of this Section shall survive the closing of this Agreement; and

(f) Assignor has full power and authority to assign the Lease in accordance with this Agreement. The party executing this Agreement is authorized to bind Assignor and this Agreement will not violate any law, court orders or other Agreements. This provision shall not apply to any representations in connection with consent requirements under the Lease.

4. As an inducement for Assignor entering into this Agreement, Assignee further agrees to assume any and all obligations under the Lease after the Delivery Date.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Agreement as of the 3 day of July, 2000.

J.C. Schaumburg, Inc., Assignor

By: 
Harley Greenfield, President

JENNIFER CONVERTIBLES, INC., Assignee

By: 
Rami Abada, President

STATE OF NEW YORK)

SS:
COUNTY OF Nassau)

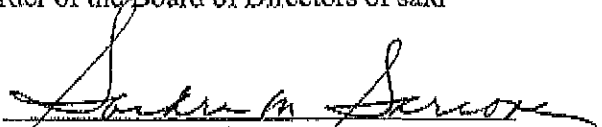
On the 31 day of July, 2000, before me personally came Harley Greenfield, to me known, who, being by me duly sworn, did depose and say that he is the President of J.C. Schaumburg, Inc. (Assignor), the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.


Notary Public

STATE OF NEW YORK)

SS:
COUNTY OF Nassau)

On the 31 day of July, 2000, before me personally came Rami Abada, to me known, who, being by me duly sworn, did depose and say that he is the President of Jennifer Convertibles, Inc., (Assignee), the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.


Notary Public

SANDRA M. SARCONA
Notary Public State of New York
No. 015A4726457
Qualified in Nassau County
Commission Expires May 31, 2002

Law Offices of

WINCIG & WINCIG

BERNARD WINCIG
OWEN WINCIG

AMY I. DON
BARRY M. WEISS*

ANDREW KLINE
WASHINGTON D.C. COUNSEL
ADMITTED ONLY IN D.C. & MD.

*ALSO ADMITTED IN FLORIDA

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

574 Fifth Avenue, New York, N.Y. 10036

TELEPHONE: 212-575-8333

FACSIMILE: 212-575-8525

August 17, 2000

Jerome H. Meyer & Co.
740 North Rush Street
Chicago, Illinois 60611

Re: Tenant: J.C. Schaumburg, Inc.
Premises: Golf Road Center, 695 East Golf
Road, Schaumburg, Illinois
Our File No. 3133/5922

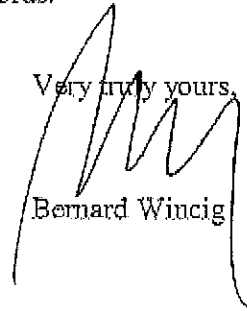
Dear Sir or Madam:

We are the attorneys for the tenant at the above referenced premises. Pursuant to the terms of the lease, we hereby notify you that the lease is being assigned to Jennifer Convertibles, Inc. which is the parent company of the tenant. The assignment will be effective as of September 1, 2000.

Enclosed please find a copy of the assignment for your records.

Please sign your acknowledgment of receipt of this notice and the assignment below, and return a signed copy of this letter to our office for our records.

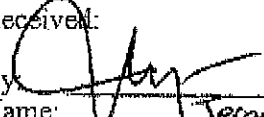
Very truly yours,



Bernard Wincig

Enc.

Received:

By: 
Name: Jerome H. Meyer
Title: Agent