UNITED STATES BANKRUPTCY COURT THE SOUTHERN DISTRICT OF NEW YORK

In re:

JENNIFER CONVERTIBLES, INC.,¹

Chapter 11

Case No. 10-13779 (ALG)

Debtors.

(Jointly Administered)

ORDER WITH REGARD TO THE MOTION OF THE WINFIELD GROUP TO CONFIRM THAT NO STAY IS IN EFFECT OR, ALTERNATIVELY, FOR NUNC PRO TUNC RELIEF FROM AUTOMATIC STAY

Upon the motion, dated August 23, 2010 (the "Motion")² of the Winfield Group ("Winfield") to Confirm that No Stay is in Effect or, Alternatively, for *Nunc Pro Tunc* Relief from Automatic Stay [Dkt. No. 185], Jennifer Convertibles, Inc. and its affiliated debtors, as debtors in possession (collectively, the "Debtors"), together with Winfield, now seek entry of an order; and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984; 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 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 it

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.

appearing that no other or further notice need be provided; 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 relief requested in the Motion is in the best interests of the Debtors, their estates, and creditors; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The automatic stay of 11 U.S.C. § 362(a) is not applicable to the actions taken by Winfield and is lifted, to the extent applicable, to allow the actions of Winfield with respect to its attempts to repossess the Subject Premises.

2. The Debtors shall be permitted to remain in the Subject Premises on a month-tomonth basis pursuant to Section 1945 of the California Civil Code through October 31, 2010 (the "Surrender Date"), at a monthly rental amount of \$10,894.48 per month, and shall quit, vacate and surrender the Subject Premises on or before the Surrender Date. As of the Surrender Date, Winfield shall be deemed in possession of the Subject Premises, whether or not the Debtors timely vacate, quit and surrender the Subject Premises as required herein.

3. The Debtors shall pay Winfield (i) \$4,568.65, representing rent for the period July 18, 2010 through July 31, 2010 (the "July Rent"), and (ii) \$10,894.48 representing rent for the period October 1, 2010 through October 31, 2010 (the "October Rent").

4. In the event that the Debtors do not pay the July Rent and/or October Rent when due, and/or fail to vacate, quit and surrender the Subject Premises on the Surrender Date, Winfield shall hold an allowed administrative claim against the Debtors' estates for any such unpaid amounts.

-2-

5. This Court shall retain jurisdiction over all matters arising from or related to the interpretation and implementation of this Order.

Dated: October 22, 2010 New York, New York

/s/ Allan L. Gropper

UNITED STATES BANKRUPTCY JUDGE