

EXHIBIT E

Russell P. McRory

From: Russell P. McRory
Sent: Wednesday, August 18, 2010 11:18 AM
To: 'mfox@olshanlaw.com'
Cc: 'jnadritch@olshanlaw.com'; Marshall J. Gluck; Robert R. Leinwand
Subject: In re Jennifer Convertibles/Restful Furniture

Mr. Fox:

We represent Restful Furniture Corp, a creditor of Jennifer Convertibles and Hartsdale Convertibles. Restful is the landlord of the Ashley store in Patchogue, New York.

The monthly rent due under the subject lease is \$48,945.53, consisting of \$43,575.32 in base rent and \$5,370.21 in additional rent representing the pro-rated real estate taxes. As you may be aware, the Debtor issued a check to Restful for August the August rent in the amount \$45,070.21, which apparently consisted of \$39,700 on account of base rent and \$5,370.21 on account of the additional rent for pro-rated real estate taxes.

There are three problems.

First, as you may be aware, the Debtor's check bounced. Although a replacement check was provided, that alone is grounds for conversion to Chapter 7.

Second, the check was not for the full amount of the rent due to Restful, in violation of section 365(d)(3) of the bankruptcy code. The shortfall appears to be based on negotiations between the Debtor's Mr. Seidner and Restful's Mr. Horwitz. Notably, that deal was never finalized and, in any event, the Debtor's real estate advisor rejected the deal. Subsequent discussions with Debtor's real estate advisor have not been productive. As such, the Debtor remains obligated to remain current according to the express terms of the subject lease.

Third, Restful is owed the stub rent for July from the Petition Date through July 31. We believe that in this jurisdiction, the Debtor must pay the stub rent.

In short, the Debtor owes Restful \$3,875.22, representing the shortfall on the August rent plus \$22,104.43 representing the stub base rent and additional rent for the period July 18 through July 31.

Please confirm that these payments will be immediately forthcoming, otherwise we reserve the right to make the appropriate applications to the bankruptcy court.

Regards,

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