

**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 (I) ENTER INTO AMENDED
NONRESIDENTIAL REAL PROPERTY LEASES PURSUANT TO 11 U.S.C. § 363 AND
(II) TO ASSUME AMENDED NONRESIDENTIAL REAL PROPERTY LEASES
PURSUANT TO 11 U.S.C. § 365, EFFECTIVE AS OF THE
EFFECTIVE DATE OF A CHAPTER 11 PLAN OF REORGANIZATION**

Upon the motion, dated December 23, 2010 (the “Motion”)² of Jennifer Convertibles, Inc. and its affiliated debtors, as debtors in possession (collectively, the “Debtors”), for entry of an order pursuant to sections 363 and 365 of title 11 of the United States Code (the “Bankruptcy Code”), for the entry of an order authorizing the Debtors to (i) enter into amended nonresidential real property leases (the “Amended Leases”) and (ii) to assume the Amended Leases and effective as of the effective date of the Debtors’ chapter 11 plan of reorganization (the “Effective Date”); 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,

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.

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 relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and parties in interest; 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 Motion is GRANTED.
2. The Amended Leases are hereby approved and the Debtors are authorized to enter into the Amended Leases listed on Exhibit A, attached hereto.
3. The Debtors are hereby authorized to assume the Amended Leases and the Amended Leases are hereby authorized to be assumed by the Debtors effective upon the Effective Date.
4. No provision of this Order is intended to, or shall be deemed to, enlarge, diminish, alter, amend or otherwise change the terms or provisions of the Amended Leases or the obligations of the parties thereunder.
5. The Debtors are authorized to take all such actions as are necessary or appropriate to implement the terms of this Order.
6. This Court shall retain jurisdiction to interpret and enforce this Order.

Dated: January 26, 2011
New York, New York

/s/ Allan L. Gropper

UNITED STATES BANKRUPTCY JUDGE