

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11
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JENNIFER CONVERTIBLES, INC., et al., : Case No. 10-13779 (ALG)
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Debtors. : (Jointly Administered)
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**SUPPLEMENTAL DECLARATION OF DISINTERESTEDNESS OF
MATTHEW BORDWIN IN SUPPORT OF THE DEBTORS' APPLICATION TO
RETAIN AND EMPLOY KPMG CF REALTY LLC AS SPECIAL REAL ESTATE
ADVISOR NUNC PRO TUNC TO THE PETITION DATE**

1. MATTHEW BORDWIN, pursuant to 28 U.S.C. § 1746, hereby declares under penalty of perjury as follows: Effective January 3, 2011, I became the Co-President of GA Keen Realty Advisors, a division of Great American Group, LLC (“Great American” or “Consultant”) with offices located at 130 West 42nd Street, Suite 1001, New York, NY 10036. I make this supplemental declaration (this “Declaration”) of my personal knowledge based upon inquiries made by myself and on my behalf in support of the application (the “Application”)¹ of Jennifer Convertibles, Inc. and certain of its affiliates and subsidiaries (collectively, the “Debtors” or the “Company”) as Debtors Special Real Estate Advisor Nunc Pro Tunc to the Petition Date (the “Application”).

2. On August 10, 2010, this Court entered an order authorizing the Debtors to retain KPMG CF Realty LLC as their Special Real Estate Advisor. (Docket No. 103) At that

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Application.

time, KPMG CF Realty was a wholly-owned subsidiary of KPMG LLP. As set forth in the Affidavit of Disinterestedness of Keen CF Realty LLC filed with this Court on November 30, 2010 (docket no. 356), effective as of November 30, 2010, KPMG no longer owned Keen CF Realty.

3. Effective January 3, 2011, the employees of Keen CF Realty and Keen Consultants LLC (which is the 100% owner of Keen CF Realty) became employees of Great American Group, LLC (“Great American”) as part of a newly formed division known as GA Keen Realty Advisors.

4. To the best of my knowledge, information, and belief, based on reasonable inquiry, (i) neither I, Great American, or the other principals and directors of Great American (the “Great American Principals”) that are anticipated to provide services to the Debtors in these chapter 11 cases, nor the employees of Great American who are anticipated to provide such services, hold or represent any interest adverse to any of the Debtors with respect to the matters on which KPMG and Keen were retained in these chapter 11 cases; and (ii) Great American and the Great American Principals have no relationship to the Debtors, any of the Debtors’ significant creditors, other parties-in-interest, the United States trustee, or any person employed by the office of the United States trustee, or to the attorneys or other professionals that are known to be assisting the Debtors in these chapter 11 cases, except as is described below.

5. From time to time, Great American and its affiliates have provided services, may currently provide services, and likely will continue to provide services, to certain creditors of the Debtors, other parties-in-interest and other parties potentially adverse to the Debtors in matters unrelated to these chapter 11 cases. As described in more detail below, however, Great American has undertaken an internal search to determine whether it is or has been employed by or had other relationships with any entities that were listed on schedules provided to Great American by the Debtors in connection with these chapter 11 cases. Similarly,

certain of these creditors, other parties-in-interest, attorneys, or accountants may have provided goods or services to, or may currently provide goods or services to, and may in the future provide goods or services to Great American and its affiliates and the Great American Principals in matters unrelated to these chapter 11 cases.

6. To check upon and disclose possible relationships with parties-in-interest in these cases, Great American researched its client databases and performed reasonable due diligence to determine whether it had any relationships with the entities that were listed on schedules provided to Great American and were attached to the initial Affidavit of Disinterestedness filed in this matter in connection with the Application. Despite the efforts described above to identify and disclose Great American's connections with parties-in-interest in these chapter 11 cases, because the Debtors are a large enterprise, Great American is unable to state with certainty that every client relationship or other connection has been disclosed. In this regard, if Great American discovers additional material information that it determines requires disclosure, it will promptly file a supplemental disclosure with this Court.

7. From the internal search, Great American has determined that the following relationships should be disclosed:

- Great American Appraisal and Valuation Services, LLC ("GAAV"), an affiliate of Great American, which provides appraisal services, may have provided appraisal services to creditors herein on matters unrelated to these Debtors.
- Great American likely have been retained in several other matters unrelated to these chapter 11 cases in which certain professionals herein were also retained.
- The Debtors previously retained Great American Furniture Services, LLC ("GAFS") to conduct a liquidation sale on its behalf. GAFS is operated by former employees of Great American that left Great American in July 2008 and upon information and belief owned by Jeff Yellen, the son of Harvey M. Yellen, a principal of Great American.

Neither Harvey M. Yellen nor Great American owns any equity in GAFS. Similarly, Jeff Yellen does not own equity in Great American.

8. Except as may be disclosed herein, to the best of my knowledge, Great American and the Great American Principals do not hold or represent any interest adverse to the Debtors, or their estates, and I believe that Great American and the Great American Principals are “disinterested persons” as that term is defined in Section 101(14) of the Bankruptcy Code, as modified by Section 1107(b) of the Bankruptcy Code.

9. Great American shall share in the fees paid to Keen representing that period after January 3, 2011 when Keen employees joined Great American.



Matthew Bordwin
Co-President of GA Keen Realty Advisors,
a division of Great American Group, LLC