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**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)

**MONTHLY STATEMENT OF SERVICES RENDERED AND
EXPENSES INCURRED BY TM CAPITAL CORP., FINANCIAL ADVISORS
FOR THE DEBTORS AND DEBTORS IN POSSESSION,
FOR THE PERIOD FROM JANUARY 1, 2011 THROUGH JANUARY 31, 2011**

In accordance with the Court's order pursuant to sections 105(a) and 331 of title 11 of the United States Code and Rule 2016(a) of the Federal Rules of Bankruptcy Procedure, establishing procedures for interim monthly compensation and reimbursement of expenses of professionals, dated August 10, 2010, (Docket No. 155) (the "Interim Compensation Order"), TM Capital Corp. ("TM Capital"), as financial advisors to Jennifer Convertibles, Inc. and its affiliated debtors, as debtors in possession, hereby submits its monthly statement of services rendered and

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).

expenses incurred for the period of January 1, 2011 through and including January 31, 2011 (the “Statement Period”).

1. TM Capital is owed monthly fees in the amount of \$25,000.00 for the Statement Period (see attached invoice).

2. TM Capital is owed monthly expenses in the amount of \$792.04 for the Statement Period (see attached invoice).

3. Pursuant to the Interim Compensation Order, the fees payable to TM Capital for the Statement Period, after adjustment of the 20% holdback, are \$20,000.00.

4. Accordingly, TM Capital requests payment for the Statement Period in the total amount of \$20,792.04, which includes \$20,000.00 of fees (80% of total fees) and \$792.04 of expenses (100%).

5. TM Capital respectfully requests that such amounts be paid in accordance with the Interim Compensation Order.

Dated: New York, New York
March 11, 2011

OLSHAN GRUNDMAN FROME
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By: /s/ Michael S. Fox
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