

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

MATTRESS FIRM, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 18-12241 (CSS)

(Joint Administration Requested)

**DEBTORS' SECOND OMNIBUS MOTION FOR ENTRY
OF AN ORDER (I) AUTHORIZING DEBTORS TO (A) REJECT
CERTAIN UNEXPIRED LEASES OF NONRESIDENTIAL REAL
PROPERTY AND (B) ABANDON CERTAIN PERSONAL PROPERTY
IN CONNECTION THEREWITH AND (II) GRANTING RELATED RELIEF**

**LANDLORDS RECEIVING THIS MOTION SHOULD LOCATE
THEIR NAMES AND LEASE(S) ON THE SCHEDULE OF LEASES
ATTACHED HERETO AS SCHEDULE 1 TO EXHIBIT A**

Mattress Firm, Inc. and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) submit this motion (this “Motion”), pursuant to sections 105(a), 362(d), 365(a), and 554(a) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”) and rules 6006 and 6007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for entry of an order (the “Proposed Order”), substantially in the form attached hereto as **Exhibit A**, (i) authorizing the Debtors to (a) reject certain unexpired leases (including any guarantees thereof and any amendments or modifications thereto or assignments or subleases thereof, collectively, the “Leases”) of nonresidential real property located at the addresses of the Debtors’ retail stores set forth on **Schedule 1** to **Exhibit**

¹ The last four digits of Mattress Firm, Inc.’s federal tax identification number are 6008. The Debtors’ mailing address is 10201 S. Main Street, Houston, Texas 77025. Due to the large number of Debtors in these chapter 11 cases, for which the Debtors have requested joint administration, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. This information may be obtained on the website of the Debtors’ noticing and claims agent at <http://dm.epiq.com/MattressFirm> or by contacting counsel for the Debtors.

A attached hereto (collectively, the “Closing Stores”), and (b) abandon certain furniture, fixtures, equipment and other assets at the Closing Stores (collectively, the “Remaining Property”), each effective as of the Rejection Date (as defined below), and (ii) granting related relief. In support of this Motion, the Debtors submit the *Declaration of Hendré Ackermann in Support of the Debtors’ Chapter 11 Petitions and First Day Pleadings* (the “First Day Declaration”) filed contemporaneously herewith and incorporated by reference. In further support of this Motion, the Debtors respectfully state as follows:

STATUS OF THE CASES AND JURISDICTION

1. On the date hereof (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Court”). Concurrently with the filing of this Motion, the Debtors have requested joint administration and procedural consolidation of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No party has requested the appointment of a trustee or examiner in these cases, and no statutory committee has been appointed.

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Debtors confirm their consent, pursuant to Local Rule 9013-1(f), to the entry of a final order or judgment by the Court in connection with this Motion if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory and other bases for the relief requested in this Motion are sections 105(a), 362(d), 365(a), and 554(a) of the Bankruptcy Code and Bankruptcy Rules 6006 and 6007.

THE DEBTORS' PREPACKAGED PLAN OF REORGANIZATION

5. Concurrently with this Motion, the Debtors have filed a joint prepackaged chapter 11 plan of reorganization (the "Plan") and a related disclosure statement (the "Disclosure Statement"). The Debtors have also filed a motion to schedule a combined hearing for the Court to consider approval of the Disclosure Statement and confirmation of the Plan. All classes of claims against the Debtors are unimpaired under the Plan.

BACKGROUND OF THE DEBTORS

6. Additional information regarding the Debtors' business, capital structure and the circumstances preceding the Petition Date are set forth in the First Day Declaration.

THE LEASES

7. As of the Petition Date, the Debtors operate approximately 3,230 retail stores in 49 states.² As a key component of their restructuring strategy, the Debtors are engaged in ongoing efforts to optimize their retail network. The Debtors, in consultation with their advisors, have analyzed store-level earnings, occupancy costs, and other data and identified certain stores that are underperforming or competing with other stores operated by the Debtors. By this Motion, the Debtors, in their reasonable business judgment, are requesting authority to reject the Leases of 100 stores—*i.e.*, the Closing Stores—as of October 31, 2018, which is the date by

² The Debtors' operations also include approximately 125 franchisee-operated stores in Alaska, Montana, New Mexico, North Dakota, South Dakota and West Virginia, as well as certain franchised markets in Georgia, Iowa, Mississippi, New York, Oklahoma, South Carolina and Texas, which also operate under the *Mattress Firm*® brand name.

which the Debtors will have ceased operations at the Closing Stores, vacated and surrendered possession of the Closing Stores, and delivered the keys to the Closing Stores to the respective landlords (such date, with respect to each Closing Store, the “Rejection Date”).³

8. The Leases provide no benefit to the Debtors’ estates. By rejecting the Leases, the Debtors will save approximately \$1.3 million per month in rent and associated costs. Absent rejection, the Debtors would be obligated to continue to pay rent under the Leases even though the Debtors will have ceased operations at, and will no longer continue in possession of, the Closing Stores. Moreover, in addition to their obligations to pay rent under the Leases, the Debtors would also be obligated to pay certain real property taxes, utilities, insurance and similar charges. The Debtors have determined in their business judgment that such costs constitute a waste of estate assets. The cost of maintaining the Closing Stores outweighs any revenues that the Closing Stores currently generate or are likely to generate in the future. Moreover, given the obligations under the Leases and current market conditions, the Debtors have concluded, in consultation with their advisors, that the Leases are not marketable and are unlikely to generate material value for the Debtors’ estates.

THE REMAINING PROPERTY

9. In the ordinary course of business, the Debtors have accumulated certain miscellaneous assets at the Closing Stores, including certain furniture, fixtures, and equipment of *de minimis* value. The Debtors generally will remove these assets from the Closing Stores and transport such assets to the Debtors’ distribution centers or other stores. The Debtors have

³ Concurrently with the filing of this Motion, the Debtors have filed the *Debtors’ First Omnibus Motion for Entry of an Order (I) Authorizing Debtors to (A) Reject Certain Unexpired Leases of Nonresidential Real Property and (B) Abandon Certain Personal Property in Connection Therewith and (II) Granting Related Relief* and the *Debtors’ Third Omnibus Motion for Entry of an Order (I) Authorizing Debtors to (A) Reject Certain Unexpired Leases of Nonresidential Real Property and (B) Abandon Certain Personal Property in Connection Therewith and (II) Granting Related Relief* (together with this Motion, the “Omnibus Lease Rejection Motions”), and have listed the landlords’ names alphabetically in accordance with Bankruptcy Rule 6006.

determined, however, in the exercise of their business judgment, that certain of these assets will be exceedingly difficult or expensive to remove or store (the “Remaining Property”). Accordingly, the Debtors will not realize any economic benefit by retaining the Remaining Property. Therefore, the Debtors are requesting authority to abandon any Remaining Property at the Closing Stores.

RELIEF REQUESTED

10. By this Motion, the Debtors request entry of the Proposed Order, substantially in the form attached hereto as **Exhibit A**, (i) authorizing the Debtors to (a) reject the Leases set forth on **Schedule 1** to **Exhibit A** attached hereto as of the Rejection Date and (b) abandon the Remaining Property, each effective as of the Rejection Date and (ii) granting related relief. The Debtors reserve all rights to modify the schedule of Leases, including by removing one or more Leases from **Schedule 1**, without prejudice to their rights to reject such Leases at a later date.⁴

BASIS FOR RELIEF

I. The Court Should Authorize the Rejection of the Leases under Section 365(a) of the Bankruptcy Code as a Reasonable Exercise of the Debtors’ Business Judgment.

11. Section 365(a) of the Bankruptcy Code provides that a debtor, “subject to the court’s approval, may assume or reject any . . . executory contract or unexpired lease of the debtor.” 11 U.S.C. § 365(a). The purpose behind section 365(a) is “to permit the trustee or debtor-in-possession to use valuable property of the estate and to renounce title to and abandon burdensome property.” In re Republic Airways Holdings Inc., 547 B.R. 578, 582 (Bankr. S.D.N.Y. 2016) (quoting Orion Pictures Corp. v. Showtime Networks, Inc. (In re Orion Pictures

⁴ The Debtors may also request authority to reject additional leases if their efforts to renegotiate the terms of such leases are unsuccessful. The Debtors intend to file a *Motion for Entry of an Order (I) Authorizing and Approving Procedures to Reject Unexpired Leases of Nonresidential Real Property and (II) Granting Related Relief* (the “Rejection Procedures Motion”). If granted, the relief requested in the Rejection Procedures Motion would not apply to the Leases that are the subject of the Omnibus Lease Rejection Motions and would only apply to additional leases that the Debtors may request authority to reject, if any.

Corp.), 4 F.3d 1095, 1098 (2d Cir. 1993)); see also Nat'l Labor Relations Bd. v. Bildisco & Bildisco (In re Bildisco), 465 U.S. 513, 528 (1984) (“[T]he authority to reject an executory contract is vital to the basic purpose to a Chapter 11 reorganization, because rejection can release the debtor’s estate from burdensome obligations that can impede a successful reorganization.”); In re Exide Techs., 607 F.3d 957, 967 (3d Cir. 2010) (“Courts may use § 365 to free a [debtor] from burdensome duties that hinder its reorganization”).

12. The standard applied by courts to determine whether the assumption or rejection of an unexpired nonresidential lease should be authorized is the “business judgment” test, which requires a debtor to have determined that the requested assumption or rejection would be beneficial to its estate. See Grp. of Institutional Inv’rs, Inc. v. Chi., Milwaukee, St. Paul & Pac. R.R., 318 U.S. 523, 550 (1943) (noting that “the question whether a lease should be rejected . . . is one of business judgment”); In re Bildisco, 682 F.2d 72, 79 (3d Cir. 1982), *aff’d*, 465 U.S. 513 (“The usual test for rejection of an executory contract is simply whether rejection would benefit the estate, the ‘business judgment’ test.”); accord In re HQ Glob. Holdings, Inc., 290 B.R. 507, 511 (Bankr. D. Del. 2003).

13. In applying the business judgment standard, bankruptcy courts give deference to a debtor’s decision to assume or reject leases. See Computer Sales Int’l, Inc. v. Fed. Mogul Global, Inc. (In re Fed. Mogul Global, Inc.), 293 B.R. 124, 126 (D. Del. 2003) (“The business judgment test dictates that a court should approve a debtor’s decision to reject a contract unless that decision is the product of bad faith or a gross abuse of discretion”); In re Trans World Airlines, Inc., 261 B.R. 103, 121 (Bankr. D. Del. 2001) (“[A] debtor’s decision to reject an executory contract must be summarily affirmed unless it is the product of bad faith, or whim or caprice.”).

14. The Debtors' rejection of the Leases is within the Debtors' business judgment and will serve the best interests of their estates. As stated above, the Debtors are engaged in ongoing efforts to optimize their retail network and, in consultation with their advisors, have determined to cease operations at the Closing Stores. See First Day Declaration at Part IV(C)(1). The Debtors are requesting authority to reject the Leases to avoid the incurrence of any additional, unnecessary administrative expenses in connection with the Closing Stores. The Debtors have concluded that the cost of maintaining the Closing Stores outweighs any revenues that the Closing Stores currently generate or are likely to generate in the future, and that the costs associated with the Leases exceed any marginal benefits that could potentially be achieved from the assignment or sublease of the Leases. See First Day Declaration at Id. For the foregoing reasons, the Debtors believe that rejecting the Leases is a reasonable exercise of their business judgment and should be approved.

II. The Court Should Authorize the Debtors to Abandon the Remaining Property under Section 554(a) of the Bankruptcy Code.

15. Under section 554(a) of the Bankruptcy Code, a debtor, after notice and a hearing, is authorized to "abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate." 11 U.S.C. § 554(a). In abandoning property under section 554, "the debtor 'need only demonstrate that [it] has exercised sound business judgment in making the determination to abandon.'" In re Contract Research Solutions, Inc., Case No. 12-11004 (KJC), 2013 Bankr. LEXIS 1784, at *11 (Bankr. D. Del. May 1, 2013). The right to abandon property is virtually unfettered, unless (a) abandonment of the property will contravene laws designed to protect public health and safety or (b) the property poses an imminent threat to the public's welfare. See Midlantic Nat'l Bank v. N.J. Dep't of Env'tl. Prot. 474 U.S. 494, 501 (1986). Neither of these limitations is relevant under the instant facts.

16. Any Remaining Property left at the Closing Stores is of inconsequential value to the Debtors' estates, and the cost to the Debtors of retrieving, storing, marketing, and reselling the Remaining Property will exceed any realistic economic benefit that might be realized by retaining such property. Accordingly, the Debtors have determined, in the exercise of their sound business judgment, that their decision to abandon any Remaining Property will be in the best interests of the Debtors and their estates.

17. To facilitate the Debtors' abandonment of the Remaining Property, the Debtors also request authorization under section 362(d) of the Bankruptcy Code, which permits a modification of the automatic stay for "cause," to the extent necessary to permit the relevant landlords to dispose of any Remaining Property without further notice or any liability to the Debtors or any third parties and without waiving any claims against the Debtors.

RESERVATION OF RIGHTS

18. Nothing contained in this motion or any actions taken by the Debtors pursuant to relief granted in the Order is intended or should be construed as: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors' or any other party-in-interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' or any other party-in-interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party-in-interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this motion are valid and the Debtors and all other parties-in-interest expressly reserve their rights to contest the extent, validity, or perfection, or to seek avoidance of all such liens.

WAIVER OF BANKRUPTCY RULE 6004(a) AND 6004(h) REQUIREMENTS

19. In addition, by this Motion, the Debtors request a waiver of any stay of the effectiveness of the order approving this Motion. Pursuant to Bankruptcy Rule 6004(h), “[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” FED. R. BANKR. P. 6004(h). As set forth above, the Debtors require immediate relief in the form of an order authorizing their rejection of the Leases as of the Rejection Date. Accordingly, the Debtors submit that ample cause exists to justify a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h), to the extent that it applies.

20. Similarly, for the reasons stated above, the Debtors request a waiver of the notice requirements of Bankruptcy Rule 6004(a) to the extent they are deemed applicable.

NOTICE

21. Notice of this Motion will be provided to (i) the landlords under the Leases; (ii) the U.S. Trustee; (iii) the holders of the thirty (30) largest unsecured claims against the Debtors on a consolidated basis; (iv) counsel to the DIP Agents; (v) counsel to the Prepetition ABL Agent; (vi) counsel to the Prepetition Term Loan Lender; (vii) counsel to Steinhoff International Holdings N.V; (viii) counsel to the exit term loan financing backstop group; (ix) the United States Attorney’s Office for the District of Delaware; (x) the Internal Revenue Service; (xi) the United States Department of Justice; and (xii) any party that has requested notice pursuant to Bankruptcy Rule 2002. Although Bankruptcy Rule 6007 requires the Debtors to serve a motion to abandon property on, among other parties, all of the Debtors’ creditors, Local Rule 2002-1(b) abrogates that rule. Accordingly, the Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

WHEREFORE the Debtors respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto, granting the relief requested herein and such other and any further relief as the Court may deem just and proper.

Dated: October 5, 2018
Wilmington, Delaware

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YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Ashley E. Jacobs

Robert S. Brady (No. 2847)
Edmon L. Morton (No. 3856)
Ashley E. Jacobs (No. 5635)
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PROPOSED ATTORNEYS FOR THE DEBTORS
AND DEBTORS IN POSSESSION

Exhibit A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

MATTRESS FIRM, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 18-12241 (CSS)

(Jointly Administered)

Ref. Docket No. __

**SECOND OMNIBUS ORDER (I) AUTHORIZING DEBTORS TO
(A) REJECT CERTAIN UNEXPIRED LEASES OF NONRESIDENTIAL
REAL PROPERTY AND (B) ABANDON CERTAIN PERSONAL PROPERTY
IN CONNECTION THEREWITH AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of Mattress Firm, Inc. and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) for entry of an order (this “Order”) (i) authorizing the Debtors to (a) reject the Leases set forth on **Schedule 1** attached hereto and (b) abandon the Remaining Property, each effective as of the Rejection Date and (ii) granting related relief, all as more fully set forth in the Motion; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and venue of this proceeding and the Motion being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and appropriate notice of and the opportunity for a hearing on the Motion having been given and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court; and all objections, if any, to the Motion having

¹ The last four digits of Mattress Firm, Inc.’s federal tax identification number are 6008. The Debtors’ mailing address is 10201 S. Main Street, Houston, Texas 77025. Due to the large number of Debtors in these chapter 11 cases, which are being jointly administered, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. This information may be obtained on the website of the Debtors’ noticing and claims agent at <http://dm.epiq.com/MattressFirm> or by contacting counsel for the Debtors.

² All capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Motion.

been withdrawn, resolved or overruled; and the relief requested in the Motion being in the best interests of the Debtors' estates, their creditors and other parties in interest; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtors are authorized to reject the Leases set forth on the attached **Schedule 1**, effective as of the Rejection Date, pursuant to sections 105(a) and 365(a) of the Bankruptcy Code and Bankruptcy Rules 6006 and 6007.
3. The Debtors are authorized, but not directed, to abandon any Remaining Property located at the Closing Stores subject to the Leases, in the Debtors' sole discretion, free and clear of all liens, claims, encumbrances and rights of third parties, with such abandonment being effective as of the Rejection Date. The landlords under the Leases are authorized to dispose of any Remaining Property without further notice or any liability to the Debtors or any third parties and without waiving any claims against the Debtors. The automatic stay is modified to the extent necessary to allow the disposition of any Remaining Property.
4. Within two business days after entry of this Order, the Debtors shall serve a copy of this Order and the attached **Schedule 1** on the landlords under the Leases.
5. The landlords under the Leases must file a proof of claim relating to the rejection of such Leases, if any, by 5:00 p.m. (prevailing Eastern Time) on the date that is thirty (30) days after the Effective Date (as defined in the Plan). Proofs of claim and instructions for submission may be obtained on the website of the Debtors' noticing and claims agent at <http://dm.epiq.com/MattressFirm>.

6. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors' or any other party-in-interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' or any other party-in-interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party-in-interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this motion are valid and the Debtors and all other parties-in-interest expressly reserve their rights to contest the extent, validity, or perfection, or to seek avoidance of all such liens.

7. The Debtors do not waive any claims that they may have against any counterparty to the Leases, whether or not such claims arise under, are related to the rejection of, or are independent of the Leases.

8. Nothing herein shall prejudice the rights of the Debtors to argue that any of the Closing Store Leases were terminated prior to the Petition Date; that any claim for damages arising from the rejection of the Closing Store Leases is limited to the remedies available under any applicable termination provision of such Lease; or that any such claim is an obligation of a third party and not that of the Debtors or their estates.

9. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b) because the relief granted in this Order is necessary to avoid immediate and irreparable harm to the Debtors' estates.

10. Notice of the Motion shall be deemed good and sufficient notice of such Motion, and the requirements of Bankruptcy Rule 6004(a) and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware are waived by such notice.

11. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

12. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

13. Notwithstanding anything to the contrary in this Order or the Motion, any payment, obligations, or other relief authorized by this Order shall be subject to the terms, conditions, and limitations contained in the orders of this Court approving the Debtors' entry into and performance under the debtor-in-possession financing documents and cash collateral use, including any budget in connection therewith.

14. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation and enforcement of this Order.

Dated: _____, 2018
Wilmington, Delaware

CHRISTOPHER S. SONTCHI
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule 1

Leases

Schedule 1¹

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
1.	Joan Kevorkian 1207 W. Fremont Avenue Fresno, CA, 93711	The Sleep Train, Inc.	467 East Shaw Ave, Fresno, CA 93710
2.	Joomis J. Grossman, Jr. Foundation, Inc., Richard A. Grossman Foundation, Inc., Robert C. Baker Foundation, Inc., and WLR Northampton B, LLC c/o Gibraltar Management Co., Inc. 150 White Plains Road Tarrytown, NY, 10591	Sleepy's, LLC	172 North King Street Route 5, Northampton, MA 01060
3.	Joseph L. Tamsberg Jackson Square Forest Drive LLC 1122 Barnwell Street Columbia, SC, 29201	Mattress Firm, Inc.	106 Percival Road, Ste 100, Columbia, SC 29206
4.	Judith Erdberg 87 Via Navarro Greenbrae, CA, 94904	Sleepy's, LLC	3400 North 5th Street, Reading, PA 19605
5.	KB Melrose LLC 3271 Judy Lane Lafayette, CA, 94549	Mattress Firm, Inc.	1413 W. North Ave, Melrose Park, IL 60160
6.	KFT Enterprises No. 4, LP c/o KFT Management, Inc. 11620 Wilshire Boulevard, Suite 420 ATTN: Mark Kaplan Los Angeles, CA, 90025	ST San Diego, LLC	9095 Central Ave, Montclair, CA 91763
7.	Kloss Organization, LLC c/o 3231 Route 1 Lawrenceville, LLC P.O. Box 197 Pine Brook, NJ, 07058	Sleepy's, LLC	3231 Brunswick Pike, Lawrence Township, NJ 08648
8.	KMPW Center LLC 4669 Southwest Freeway Suite 830 Houston, TX, 77027	Mattress Firm, Inc.	349 S. Mason Rd, Katy, TX 77450
9.	KNA Partners 550 Waugh Drive Houston, TX, 77019	Mattress Firm, Inc.	6429 Westheimer Road, Houston, TX 77057

¹ The inclusion of a Lease on this list does not constitute an admission as to the executory or non-executory nature of the Lease, or as to the existence or validity of any claims held by the counterparty or counterparties to such Lease.

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
10.	LaFox Properties Partnership c/o Murray Properties, Inc 473 Dunham Road, Suite 290 ATTN: Ellen Gallagher St. Charles, IL, 60174	Mattress Firm, Inc.	310 Randall Road, South Elgin, IL 60177
11.	Lake Sanford Properties, LLC c/o Atlas Partners, LLC 55 E. Monroe Street, Suite 2910 Chicago, IL, 60603-5843	Mattress Firm, Inc.	695 Towne Center Blvd, Sanford, FL 32772
12.	Lakeside Professional Building, LLC c/o A O R Holdings 2381 SW Carriage Hill Terrace, Unit 103 Palm City, FL, 34990	Mattress Firm, Inc.	1970 NW Federal Highway, Stuart, FL 34994
13.	Lawrenceville Properties 222, LLC 21 Katie's Pond Road Princeton, NJ, 08540	Mattress Firm, Inc.	7381 Rivers Ave., Ste 102, North Charleston, SC 29406
14.	LB & MB Investments LLC c/o Skyline Seven RE 800 Mt. Vernin Highway NE, Suite 425 Atlanta, GA, 30328	Mattress Firm, Inc.	1290 Johnson Ferry Rd, Marietta, GA 30068
15.	Leroy Dodson Investments, LLC c/o Gibson Smith Realty Co. 1100 Kenilworth Avenue, Suite 200 Charlotte, NC, 28204	Sleepy's, LLC	1809 Sardis Road N, Charlotte, NC 28270
16.	Liberty Marts, LLC 3651 Mars Hill Road, S-100 ATTN: Kevin Price Watkinsville, GA, 30677	Mattress Firm, Inc.	4139 Fort Campbell Blvd, Hopkinsville, KY 42240
17.	Madison Nampa LLC 141 Front Street N. Issaquah, WA 98027	Mattress Firm, Inc.	16375 N. Merchant Way Nampa, ID 83687
18.	Mammoth Rock LLC c/o The Terraden Corporation 229 Avenue I, Suite 300 Redondo Beach, CA, 90277	Mattress Firm, Inc.	14900 N. Pima Road, Ste. 101, Scottsdale, AZ 85260
19.	Manchester Commons, LLC c/o G. J. Grewe, Inc. 639 Gravois Bluffs Blvd., Suite D ATTN: Jill Doerr Fenton, MO, 63026	Mattress Firm, Inc.	14169 Manchester Road, Suite C, Ballwin, MO 63011

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
20.	Market Square Shopping Center LLC c/o Palmarium Retail Management 3460 North Broadway Street Chicago, IL, 60657	Mattress Firm, Inc.	2121 N. Clybourn Ave., A-4 Chicago, IL 60614
21.	Market Town Center Owner, LLC 4400 A North Freeway, Suite 900 Houston, TX, 77022	Mattress Firm, Inc.	2735 Town Center Blvd, Sugar Land, TX 77479
22.	McComas Associates, LLC 6432 Baltimore National Pike ATTN: Michael McComas Baltimore, MD, 21228	Sleepy's, LLC	7911 Belair Road, Baltimore, MD 21236
23.	McPherson Investment Company, LLC 421 B McArthur Drive Elizabeth City, NC, 27909	Sleepy's, LLC	1402 West Ehringhaus Street, Elizabeth City, NC 27909
24.	Menard, Inc. 5101 Menard Drive ATTN: Properties Division Eau Claire, WI, 54703	Mattress Firm, Inc.	786 Randall Road, Algonquin, IL 60102
25.	MF Mt. Prospect, LLC 2165 Louisa Drive ATTN: Owen C. Ewing Belleair Beach, FL, 33786	Mattress Firm, Inc.	2 East Rand Road Mount Prospect, Mount Prospect, IL 60056
26.	Mickeal L. Dahle Trust 5827 South Cove Creek Lane ATTN: Mickeal L. Dahle, Trustee Murray, UT, 84107	Mattress Firm, Inc.	2632 W. 3500 South, West Valley City, UT 84119
27.	Midland Tyrion, LLC c/o Centrex Properties, Inc. 4040 Ed Drive, Suite 201 Raleigh, NC, 27612	Sleepy's, LLC	8204 Tryon Woods Drive, Cary, NC 27518
28.	Montgomery Acquisition, LP c/o Wharton Realty Group, Inc. 8 Industrial Way East, 2nd Floor ATTN: Isaac Massry Eatontown, NJ, 07724	Sleepy's, LLC	1256 Millersville, Lancaster, PA 17603
29.	Morrell Partners LP P.O. Box 2568 Knoxville, TN, 37901	Mattress Firm, Inc.	7412 Kingston Pike, Knoxville, TN 37919

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
30.	Morton Village Realty LLC c/o Phillips International Holding Corp. 295 Madison Ave – 2 nd Floor New York, NY 10017	Sleepy's LLC	1040 Old Country Road Plainview, NY 11803
31.	Murrieta Spectrum, L.P. c/o WestMar Property Management, Inc. 41623 Margarita Road, Suite 100 Temecula, CA, 92591	The Sleep Train, Inc.	25125 Madison Ave Ste 103, Murrieta, CA 92562
32.	Narcoossee Acquisitions, LLC 130 South Orange Avenue, Suite 300 Orlando, FL, 32801	Mattress Firm, Inc.	7067 Narcoossee Rd., Orlando, FL 32822
33.	Nare Woodfield LLC 1901 N. Roselle Rd., Suite 650 ATTN: Savas Er Schaumburg, IL, 60195	Mattress Firm, Inc.	100B E. Golf Road, Schaumburg, IL 60173
34.	New Osimo LLC P.O. Box 450487 Miami, FL, 33129	Mattress Firm, Inc.	14200 SW 8th St. Suites 103 thru 106, Miami, FL 33184
35.	Nidami LLC 304 Indian Trace, Suite 507 Weston, FL, 33326	Mattress Firm, Inc.	6208A Garners Ferry Road, Columbia, SC 29209
36.	North Baltimore Realty Associates c/o Goodman Properties, Inc. 636 Old York Road, 2nd Floor ATTN: Bruce A. Goodman Jenkintown, PA, 19046	Sleepy's, LLC	1619 Grant Avenue Grant Plaza, Suite 1, Philadelphia, PA 19115
37.	NPP Development LLC One Patriot Place ATTN: President Foxborough, MA, 02035	Sleepy's, LLC	388 Patriot Place, Foxboro, MA 02035
38.	Nunes California Properties LLC c/o Smith Commercial Management LLC 18640 Sutter Boulevard, Suite 300 Morgan Hill, CA, 95037-8110	Mattress Firm, Inc.	1137 S Mannheim Rd, Westchester, IL 60154
39.	OCG Alpha Development, LLC c/o Osborne Capital Group 7670 Tyler Boulevard ATTN: Lance F. Osborne Mentor, OH, 44060	Mattress Firm, Inc.	6267 Wilson Mills Rd., Highland Heights, OH 44143

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
40.	OJB/AJRE JV, LC c/o RecycLand LLC 8101 Glenbrook Road, Suite B Bethesda, MD, 20814	Mattress Discounters Operations LLC	47020 Harry Byrd Highway Suite #2, Sterling, VA 20164
41.	One Mile West, LLLP c/o Fedder Management Corp 10096 Red Run Boulevard, Suite 300 Owings Mills, MD, 21117	Sleepy's, LLC	6600 Baltimore National Pike, Suite P, Catonsville, MD 21228
42.	Pacific Square LLC c/o Windfall Plaza Management 4360 East New York Street Aurora, IL, 60504	Mattress Firm, Inc.	4300 E. New York St. - Suite A, Aurora, IL 60505
43.	Passage Realty, Inc. c/o PM Realty Group 1560 West Bay Area Blvd., Suite 290 Friendswood, TX, 77546	Mattress Firm, Inc.	19325 Gulf Freeway, Webster, TX 77598
44.	Peachtree, LLC 620 South White Horse Pike, Suite A ATTN: Michelle Lucca Hammonton, NJ, 08037	Sleepy's, LLC	80 South Whitehorse Pike, Hammonton, NJ 08037
45.	Pecan Retail I, LLC 275 S Beverly Dr, Ste 212 ATTN: Trevor Smith Beverly Hill, CA, 90212	Mattress Firm, Inc.	9860 lower Buckeye Road, Ste F-100, Tolleson, AZ 85353
46.	Phil G. Ruffin P.O. Box 17087 Wichita, KS, 67209	Mattress Firm, Inc.	438 S. Rock Road, Wichita, KS 67205
47.	PMAT Algiers Plaza, LLC c/o Property One, Inc. 3500 N. Causeway Blvd., Ste. 600 Metairie, LA, 70002	Mattress Firm, Inc.	4100 General DeGaulle Dr., Ste. 1, New Orleans, LA 70131
48.	Potomac 2017, LLC c/o Heidenberg Properties 234 Closter Dock Rd Closter, NJ, 07624	Sleepy's, LLC	217 Oak Lee Drive Suite 24, Ranson, WV 25438
49.	PT X, LLC c/o VenturePoint 4685 MacArthur Court, Suite 375 Newport Beach, CA, 92660	Mattress Firm, Inc.	4600 Hoffman Blvd, Hoffman Estates, IL 60173

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
50.	Quemado Partners LLC 17929 N. 99th Street ATTN: Jeff Scanlon Scottsdale, AZ, 85255	Mattress Firm, Inc.	14601 North Scottsdale Rd, Ste 125, Scottsdale, AZ 85254
51.	R.S. Shopping Center Associates LLLP c/o Maryland Financial Investors 2800 Quarry Lake Drive, Suite 340 Baltimore, MD, 21209	Mattress Discounters Operations LLC	1445 Rock Spring Road, Bel Air, MD 21014
52.	Ramco Gateway, LLC 31500 Northwestern Highway, Suite 300 Farmington Hills, MI, 48334	Mattress Firm, Inc.	919 Lakeland Park Center DR #370, Lakeland, FL 33809
53.	Ramiro Hermosilla, Trustee of the Ramiro Hermosilla Trust Dated 8/813 3121 Riddle Road ATTN: Ramiro Hermosilla, San Jose, CA, 95117	Mattress Firm, Inc.	804 Interstate 45 N, Conroe, TX 77301
54.	Ravenswood Industrial Building, LLC, dba Water Tower Plaza c/o Mid America Asset Management Company, Inc. One Parkview Plaza, 9th Floor Oakbrook Terrace, IL, 60181	Mattress Firm, Inc.	1569 N. State Route 50, Bourbonnais, IL 60914
55.	Ravenwood Shopping Center LLC c/o Saul Holdings LP 7501 Wisconsin Ave, Suite 1500 Bethesda, MD, 20814	Sleepy's, LLC	912C Taylor Avenue, Towson, MD 21286
56.	Regency Centers, L.P. c/o Regency Centers Corporation One Independent Drive, Suite 114 Attn: Lease Administration Jacksonville, FL, 32202-5019	Mattress Firm, Inc.	2000 N. Clybourne Ave., Chicago, IL 60614
57.	River Pointe Retail, Ltd. 12651 Briar Forest Dr., Suite 300 ATTN: Cindy Creed Houston, TX, 77077	Mattress Firm, Inc.	20400 Southwest Freeway, Ste. 100, Richmond, TX 77479
58.	Riverstone Plaza, LLC 1407 Fannin Street Houston, TX, 77002	Mattress Firm, Inc.	5710 Highway 6, Missouri City, TX 77459
59.	Rockvale Vehicles LLC c/o Wharton Realty Group, Inc. 8 Industrial Way East, 2nd Floor Eatontown, NJ, 07724	Sleepy's, LLC	35 Willowdale Drive, Lancaster, PA 17602

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
60.	Rockwall Village S/C, Ltd. 16475 Dallas Parkway, Suite 800 ATTN: Property Management – Retail Addison, TX, 75001	Mattress Firm, Inc.	537 East I-30, Rockwall, TX 75087
61.	Route 40 LLC 15942 Shady Grove Road Gaithersburg, MD, 20877	Sleepy's, LLC	1170 West Patrick St, Frederick, MD 21703
62.	Roxbury Partners Tempe, LLC P.O. Box 6650 Beverly Hills, CA, 90212-6650	Mattress Firm, Inc.	4455 S. Rural Rd, Tempe, AZ 85282
63.	Rt. 28 Trust 352C S. Broadway ATTN: Corey Garabedian & Paul Garabedian Jr. Salem, NH, 03079	Mattress Firm, Inc.	303-C South Broadway, Salem, NH 03079
64.	RTG Furniture Corp of Georgia c/o Seaman Development Corp. 400 Perimeter Center Terrace, Suite 800 Atlanta, GA, 30346	Mattress Firm, Inc.	3045 North Dug Gap Road SW, Dalton, GA 30720
65.	S2 Stonebridge Associates LLC c/o Stewart Commercial Management LLC 6842 Elm Street, Suite 202 Attn: George W. Stewart, IV McLean, VA, 22101	Sleepy's, LLC	141 Stonebridge Plaza Ave, Richmond, VA 23225
66.	Sam Holly Springs, LLC c/o Suburban Management 289 INDEPENDENCE Boulevard, Suite 300 Virginia Beach, VA, 23462	Sleepy's, LLC	7248 GB Alford Highway, Holly Springs, NC 27540
67.	SC MOTA Associates Limited Partnership d/b/a Mall of the Americas c/o SC MOTA Associates limited partnership 340 Royall Poinciana Way, Suite 316 ATTN: Greg Moross Palm Beach, FL, 33480	Mattress Firm, Inc.	7703 West Flager Street., Ste. B, Miami, FL 33144
68.	SC Windsor Square, LLC 340 Royal Poinciana Way, Suite 316 ATTN: Greg Moross Palm Beach, FL, 33480	Mattress Firm, Inc.	9901 E. Independence Blvd, Matthews, NC 28105

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
69.	Scarafoni Associates NC, Inc. c/o Coldwell Banker Commercial SCP 1430 Commonwealth Drive, Suite 102 Wilmington, NC, 28403	Sleepy's, LLC	8201 Market Street, Wilmington, NC 28411
70.	Schererville Main Street, LLC c/o Cloverleaf Group 666 Dundee Rd., Suite 901 Northbrook, IL, 60062-2735	Mattress Firm, Inc.	25 US Route 41, Schererville, IN 46375
71.	SCT Washington Crossing, LLC c/o Foundry Commercial LLC 420 S. Orange Ave, Suite 950 Orlando, FL, 32801	Mattress Firm, Inc.	2907 Washington Rd. Bld 4-402, Augusta, GA 30909
72.	Shawnee Covenant Group, LLC 17000 Red Hill Avenue ATTN: Real Estate Department Irvine, CA, 92614	Mattress Firm, Inc.	15830 Shawnee Mission Pkwy, Shawnee, KS 66217
73.	Shoppes at Rivers Edge LLC 1900 Avenue of the Stars, Suite 2400 Los Angeles, CA, 90067	Mattress Firm, Inc.	4335 East 82nd Street, Ste 107, Indianapolis, IN 46250
74.	Shrewsbury Properties Group LLC 47 Latimore Way ATTN: Louis Hubberman Owings Mills, MD, 21117	Sleepy's, LLC	472 Shrewsbury Commons Avenue, Shrewsbury, PA 17361
75.	Silas Creek Crossing Associates, LLC c/o Zaremba Group, LLC 14600 Detroit Avenue #1500 Lakewood, OH, 44107	Sleepy's, LLC	3274 Silas Creek Parkway Suite #33-36, Winston-Salem, NC 27103
76.	South Broadway Development Co, LLP c/o Crosbie Management Services 2000 S. Colorado Boulevard, Suite 110 Denver, CO, 80222	Mattress Firm, Inc.	10398 Reed St. 200, Westminster, CO 80021
77.	South Ortega Land Trust c/o Sleiman Enterprises 1 Sleiman Parkway, Suite 270 ATTN: Chief Operating Officer Jacksonville, FL, 32216-4977	Mattress Firm, Inc.	6337 Roosevelt Blvd, Ste 1, Jacksonville, FL 32244
78.	Spirit MT Broadview IL, LLC c/o Spirit Realty Capital Inc. 16767 North Perimeter Dr, Suite 210 ATTN: Portfolio Servicing Scottsdale, AZ, 85260	Mattress Firm, Inc.	7550 Broadview Village Square, Ste 7600C, Broadview, IL 60155

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
79.	STR Fund X, LLC 3600 Birch Street, Suite 130 ATTN: Lyle Scheppele Newport Beach, CA, 92660	Mattress Firm, Inc.	1335 S Alma School Rd, Ste 101, Mesa, AZ 85210
80.	Surprise Investments, LLC c/o Ryan Companies US, Inc. 50 South Tent Street, Suite 300 ATTN: Property Management Minneapolis, MN, 55403	Mattress Firm, Inc.	2320 E. Lincoln Highway #109, New Lenox, IL 60451
81.	T Peninsula LMJ VA, LLC 16600 Dallas Parkway, Suite 300 Dallas, TX, 75248	Mattress Firm, Inc.	4400 Kilgore Avenue, #J-105 Hampton, VA 23666-2060
82.	Tay-Ku (CR), LLC c/o Olive Real Estate Management Services, LLC 102 N. Cascade Ave, Suite 250 Colorado Springs, CO, 80903	Mattress Firm, Inc.	1785 E. Cheyenne Mountain Blvd., Colorado Springs, CO 80906
83.	TCB-Oaks, LLC c/o Newport Capital Holding, LLC 350 N. LaSalle, Suite 700 ATTN: Shannon Wofford Chicago, IL, 60654	Mattress Firm, Inc.	1600 West 16th Street Suite T23, Oak Brook, IL 60523
84.	Thaler Realty Corp. 1 Hollow Lane, Suite 107 Lake Success, NY, 11042	Sleepy's, LLC	5121 Avenue U, Brooklyn, NY 11234
85.	The Center at Stone Drive, LLC 1550 Highway 126 ATTN: KD Moore Bristol, TN, 37620	Mattress Firm, Inc.	1704 E Stone Rd, Ste. 102, Kingsport, TN 37660
86.	The Commons at Willowbrook, Inc. 5910 North Central Expressway Attn: Hilary Burch Dallas, TX, 75231-6437	Mattress Firm, Inc.	7592 FM1960, Houston, TX 77070
87.	The Connie Quarre Trust c/o VenturePoint 4685 MacArthur Ct Suite 375 Newport Beach, CA, 92660	Mattress Firm, Inc.	2405 Lincoln Highway, New Lenox, IL 60451

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
88.	The Connie Quarre Trust, date July 30, 1986 c/o Venturepoint 4685 MacArthur Ct., Suite 375 Constance C. Moses, as Trustee Newport Beach, CA, 92260	Mattress Firm, Inc.	2049 West Grand River Avenue, Okemos, MI 48864
89.	The Original Georgia Family Company, Inc. 4555 Mansell Road, Suite 120 Alpharetta, GA, 30022	Mattress Firm, Inc.	7601 North Point Parkway, #A, Alpharetta, GA 30009
90.	The TSG GRAT #6, LLC c/o Gladstone Development Corp. 287 Bowman Avenue Purchase, NY, 10577	Sleepy's, LLC	1462 Hylan Blvd, Staten Island, NY 10305
91.	The Varsity, LLC 1780 Ash Street, #201 ATTN: Steven Rogin Northfield, IL, 60093	Mattress Firm, Inc.	1710 Sherman Avenue, Evanston, IL 60201
92.	Third Generation, LLC 6035 W. Gross Point Road Niles, IL, 60714	Mattress Firm, Inc.	2326 Route 34, Oswego, IL 60543
93.	TMGN 121, LLC P.O. Box 795743 ATTN: Ron Avneri Dallas, TX, 75379	Mattress Firm, Inc.	5733 State Hwy 121 Ste 200, The Colony, TX 75056
94.	Tom & Paul Lopes 253 Rt. 46 West Saddlebrook, NJ, 07663	Sleepy's, LLC	243 US Highway 46 West, Saddle Brook, NJ 07663
95.	Trojan Development Associates III c/o C&H Development Co 43 Panoramic Way ATTN: Basil Christopoulos Walnut Creek, CA, 94595	Mattress Firm, Inc.	10340 North Scottsdale Rd., Scottsdale, AZ 85254
96.	TS Log Cabon-Macon, LLC 1550 Timothy Road, Suite 203 Athens, GA, 30606	Mattress Firm, Inc.	4696 Log Cabin Drive, Ste A, Macon, GA 31204
97.	TSM Ventures 301 N. Neil Street, #400 Champaign, IL, 61820	Mattress Firm, Inc.	1443 S. Mason Rd, Katy, TX 77450

	COUNTERPARTY-LANDLORD AND ADDRESS	DEBTOR	PROPERTY ADDRESS
98.	Venture B.G., LLC 100 Painters Mill Road, Suite 900 ATTN: General Counsel Owings Mills, MD, 21117	Sleepy's, LLC	3531 Washington Blvd, Halethorpe, MD 21227
99.	Veraz Fondo UNO, LLC c/o Ciminelli Real Estate Corporation 50 Fountain Plaza, Ste 500 Buffalo, NY, 14202	Mattress Firm, Inc.	5110 Library Road, Bethel Park, PA 15102
100.	W_PT Prairie Stone VII LLC c/o Pine Tree Commercial Realty, LLC 40 Skokie Boulevard, Suite 610 ATTN: Property Management Northbrook, IL, 60062	Mattress Firm, Inc.	4650 Hoffman Blvd, Hoffman Estates, IL 60192