Joseph M. Sullivan

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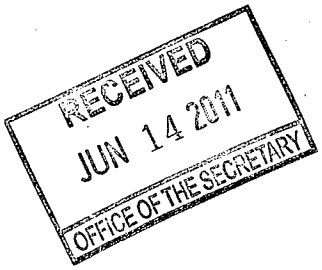


June 13, 2011

Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

RE: File Number 81-937
BF Enterprises, Inc. Application under Section 12(h) of the Exchange Act

Ladies and Gentlemen:

I am writing in opposition to the subject application for exemption, File Number 81-937, BF Enterprises, Inc. Application under Section 12(h) of the Exchange Act.

My retirement plan is a record holder of BF Enterprises, Inc. (the "Company") common stock. When my retirement plan purchased these shares, the Company was a reporting company under the 1934 Exchange Act (the "Exchange Act"). As that time, there was an active market for the Company's common stock on the NASDAQ Stock Market.

The Company terminated its Exchange Act registration in 2005. The Company was able to "go dark" because of a 1965 Commission rule that ignores the beneficial holders of securities held in street name. The Company now seeks an exemption to the same outdated rule that it has previously used to its advantage. I urge the Commission to deny the request for exemption. Further, I urge the Commission to adopt a new and comprehensive definition of security holder that reflects the reality of how most public investors now hold securities.

While the Commission has encouraged, and most would say mandated, the shift from stock certificates to street name registration, it has not revised the definition of security holder to include the beneficial owners of securities held in street name. By disregarding the existence of street name holders, the Commission has acquiesced to or even encouraged a paradigm shift in how issuers view Exchange Act reporting. What was once mandatory is now discretionary for many companies, including many who have

previously accessed the public securities markets to raise capital from public investors. Indeed, a large number of street name holders is direct evidence in many cases of a company's prior access to the public capital markets. This shift from mandatory to discretionary Exchange Act registration for companies with securities traded over the counter is contrary to the intent of the Exchange Act, and it is especially pernicious now that issuers may delist at will from the public exchanges.

I had occasion several years ago to ask a Commission staff member why the Commission had not updated its 1965 definition of security holder to include street name holders of securities. I was told that it might impose a burden on issuers to compile a single list of security holders from multiple lists obtained from multiple sources and that there was a risk of over counting the number of holders due to holders appearing on multiple lists. I found this answer to be quite remarkable in that it was coming from the government agency that was established with a primary mandate to protect investors.

I submit that if the securities industry is able to track and report the cost basis of each lot of securities purchased and sold by investors as mandated by Congress for income tax reporting that it would not be at all difficult or costly for the industry to report the identity of street name holders to issuers on an annual basis in a format that would facilitate the elimination of duplicate records. Public investors would be far better served by allowing issuers to exercise appropriate judgment than by allowing them to ignore reality.

The current definition of security holder leads to disparate Exchange Act registration requirements between private and registered public offerings. Private offerings often result in a larger number of security holders than public offerings precisely because investors in public offerings are more likely—because of the Commission's prior actions—to hold their securities in street name. An issuer that has raised capital exclusively from accredited investors in private transactions is thus more likely to find itself subject to unwanted Exchange Act reporting obligations than an issuer having made public offerings of securities. Indeed, accredited investors in a position to negotiate contractual protections from issuers are more likely under existing Commission rules to receive unnecessary and unwanted Exchange Act reporting than holders of 1933 Act registered securities who purchased their securities on a Commission regulated public exchange.

It is important for the Commission to recognize that public investors most often receive little or no financial reporting from issuers after the termination of Exchange Act reporting. Lacking the contractual protections common in private offerings, public investors in companies that "go dark" are left with no rights to information other than those afforded by state law. These laws vary widely from state to state and are generally ineffective for the protection of public investors. The Exchange Act was intended to address the needs of public investors in securities traded in public markets by establishing uniform financial reporting requirements.

An issuer electing to terminate Exchange Act reporting is permitted under existing Commission rules to do so while having an unlimited number of street name holders. Indeed, there is no requirement for issuers to disclose even an estimate of the number of beneficial owners that will remain after the termination of Exchange Act reporting. As was the case in the Company's 2005 "going dark" transaction, the method chosen by issuers for terminating Exchange Act registration seldom offers an opportunity for all security holders to receive fair value for their investment. Most issuers, including the Company, choose a reverse stock split that is carefully calibrated to eliminate the desired number of holders for the least possible cost. The remaining investors are left with a choice. They may continue to hold their shares, or they may sell them at whatever price the controlling stockholders, those with superior access to financial and non financial information about the company, are willing to pay.

I urge the Commission to consider the consequences to individual investors of allowing Exchange Act reporting companies to "go dark" while having hundreds, thousands, or perhaps tens of thousands of street name beneficial holders who purchased their securities in the public securities markets. Most of these securities were public offerings, and most were traded on Commission regulated public exchanges at the time the issuers elected to "go dark". The inevitable and all too often intended result of a company's decision to "go dark" is a decline in trading activity for the company's securities and a substantial decline in the price of those securities. This is precisely the outcome that I and other public stockholders of the Company have faced following its 2005 decision to relieve itself of unwanted Exchange Act registration.

The Company is now before the Commission pleading for relief from the same rules it has previously used to its own advantage and to the detriment of its public stockholders. While there is much the Commission can and should do to reform the requirements for Exchange Act registration in ways that will benefit both issuers and investors, I submit that granting the requested exemption will do great harm.

It will be a disservice to the Company's public stockholders and to all public investors for the Commission to grant the exemption requested by the Company. The Company's public stockholders were victims of an obsolete rule when the Company terminated its Exchange Act registration, and we will be victims once again if the Commission grants the exemption that the Company is now seeking. I believe that many more public investors will share our fate if the exemption is granted.

The Company places great emphasis on there being "no" trading interest in the Company's common stock. This statement is not true. The Company's stock has been continuously offered for purchase and sale by multiple market makers in the over the counter market since the Company's deregistration became effective. An investor may buy or sell the Company's common stock just as easily as they would any other publicly traded security.

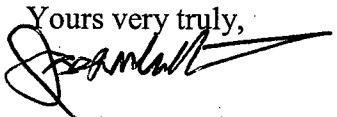
The Company expresses an opinion—unsupported by any evidence—that no trading interest is likely to develop in the future even if the Company were to once again become subject to the Exchange Act. I hold the opposite opinion. I believe that increased trading interest in the Company's stock will develop as a direct result of the Company initiating Exchange Act reporting. I submit that investor interest and trading activity in a security are highly correlated to the availability of timely and reliable financial information.

If the exemption is approved, it will serve as one more reason for issuers to shed the burden of Exchange Act registrations that no longer serve the needs of management and control stockholders. The Commission should instead reconsider the requirements for Exchange Act registration in a comprehensive manner that takes into account the legitimate concerns of both issuers and investors, and not least the intent of the Exchange Act. A balance must be reached between the convenience of issuers and the Commission's mandate of investor protection.

A change to existing and longstanding rules concerning how trusts are counted as holders of securities should not be addressed by the Commission separately from the more important issue of how all beneficial owners are counted as security holders for the purpose of Exchange Act registration. Stated simply, granting the exemption will serve only to make a bad rule worse. I urge the Commission to deny the request for exemption, and to instead adopt a new and comprehensive definition of security holder that is based on the reality of how securities are now held by most public investors.

If for any reason the Commission is inclined to grant the Company's request, I would very much appreciate the opportunity to confer with members of Commission staff prior to there being any written response to the Company's request. Please contact me at 916.849.7698 with any questions or comments you may have regarding this matter.

Yours very truly,



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