

BBX CAPITAL CORP  
Form DEFM14A  
March 21, 2014

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

Filed by the Registrant      Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
  
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
  
- Definitive Proxy Statement
  
- Definitive Additional Materials
  
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BBX Capital Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(2)

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(3)

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(4)

- Date Filed:



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JOINT PROXY STATEMENT/PROSPECTUS

Dear Shareholders:

On May 7, 2013, BFC Financial Corporation and BBX Capital Corporation entered into a merger agreement which provides for BBX Capital to be merged with and into a wholly owned subsidiary of BFC and for BBX Capital's shareholders (other than BFC and shareholders who exercise and perfect their appraisal rights in accordance with Florida law) to receive, in consideration for each share of BBX Capital's Class A Common Stock they own at the effective time of the merger, 5.39 shares of BFC's Class A Common Stock. BFC will not issue fractional shares of its Class A Common Stock in the merger, but instead, the aggregate number of shares of BFC's Class A Common Stock to which each eligible shareholder of BBX Capital will be entitled in connection with the merger will be rounded up to the next largest whole share. Pursuant to the terms of the merger agreement, the shares of BBX Capital's Class A Common Stock and Class B Common Stock owned by BFC, which collectively represent approximately 52% of BBX Capital's total outstanding equity and 72% of BBX Capital's total voting power as of the date hereof, will be canceled in connection with the merger without any consideration therefor. It is currently estimated that up to approximately 48.4 million shares of BFC's Class A Common Stock may be issued in connection with the merger, including approximately 6.9 million shares of BFC's Class A Common Stock expected to be issued in respect of outstanding BBX Capital restricted stock awards to be assumed by BFC in the merger. An additional approximately 155,000 shares of BFC's Class A Common Stock are expected to be reserved for issuance in respect of outstanding BBX Capital stock options to be assumed by BFC in the merger.

On May 7, 2013, the closing price of BFC's Class A Common Stock, which is currently traded on the OTCQB under the ticker symbol "BFCF," was \$2.40 per share, and the closing price of BBX Capital's Class A Common Stock, which is currently traded on the New York Stock Exchange under the ticker symbol "BBX," was \$13.08 per share.

Consummation of the merger is currently conditioned upon, among other things, BFC's Class A Common Stock being approved for listing on a national securities exchange (or an inter-dealer quotation system of a registered national securities association) at the effective time of the merger. In connection with such requirement, it is expected that BFC may effect a reverse stock split prior to the effective time of the merger.

The merger is also conditioned upon the approval of BBX Capital's and BFC's respective shareholders. Accordingly, BBX Capital will hold a special meeting of its shareholders on April 29, 2014 at 10:30 a.m., local time, at the Riverside Hotel, 620 East Las Olas Boulevard, Fort Lauderdale, Florida 33301. At the meeting, BBX Capital's shareholders will be asked to consider and vote upon the merger agreement. Following receipt of a recommendation in favor of the merger by a special committee comprised of the disinterested members of BBX Capital's board of directors, the board of directors of BBX Capital determined that the merger is advisable, fair to and in the best interests of BBX Capital's shareholders. Accordingly, the board of directors of BBX Capital recommends that BBX Capital's shareholders vote "FOR" the merger agreement.

In addition, BFC will hold a special meeting of its shareholders on April 29, 2014 at 10:00 a.m., local time, at the Riverside Hotel, 620 East Las Olas Boulevard, Fort Lauderdale, Florida 33301. At the meeting, BFC's shareholders will be asked to consider and vote upon the merger. The board of directors of BFC determined that the merger is advisable, fair to and in the best interests of BFC and its shareholders. Accordingly, the board of directors of BFC recommends that BFC's shareholders vote "FOR" the merger.

**YOUR VOTE IS VERY IMPORTANT.** Whether or not you plan to attend the meeting of the company of which you are a shareholder, please take the time to vote by completing, signing, dating and returning the accompanying proxy card in the enclosed self-addressed stamped envelope or otherwise transmitting your voting instructions as described on the enclosed proxy card as soon as possible. If you hold your shares in "street name," you should instruct your broker how to vote your shares in accordance with the voting instruction form provided to you by your broker. Under Florida law, BBX Capital's shareholders are entitled to pursue appraisal rights in connection with the merger. For further

information, BBX Capital's shareholders should carefully review the appraisal rights discussions contained in this joint proxy statement/prospectus, including the question and answer regarding appraisal rights beginning on page v of the "Questions and Answers About the Merger" section, the detailed summary of appraisal rights set forth in the "Appraisal Rights" section beginning on page 94 and the full text of Florida's appraisal rights statutes which is included as Annex F.

This joint proxy statement/prospectus provides detailed information concerning BFC, BBX Capital, and the merger agreement and proposed merger between the companies. As described in the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information," additional information regarding BFC and BBX Capital has been filed with the Securities and Exchange Commission and is incorporated by reference into this joint proxy statement/prospectus. BFC and BBX Capital encourage you to read carefully this entire joint proxy statement/prospectus, including all annexes hereto and all documents incorporated herein by reference.

Alan B. Levan  
Chairman, Chief Executive Officer and President  
BFC Financial Corporation

John K. Grelle  
Executive Vice President and Chief Financial Officer  
BBX Capital Corporation

For a discussion of significant matters that should be considered before voting at the meetings, please read the section entitled "Risk Factors" beginning on page 21.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the shares of BFC's Class A Common Stock which may be issued in connection with the merger or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated March 13, 2014 and is first being mailed to shareholders of BFC and BBX Capital on or about March 21, 2014.

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BBX Capital Corporation

401 East Las Olas Boulevard, Suite 800

Fort Lauderdale, Florida 33301

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To Be Held on April 29, 2014

To the Shareholders of BBX Capital Corporation:

Notice is hereby given that a Special Meeting of Shareholders of BBX Capital Corporation will be held at the Riverside Hotel, 620 East Las Olas Boulevard, Fort Lauderdale, Florida 33301 on April 29, 2014 commencing at 10:30 a.m., local time, to consider and vote upon a proposal to approve the Agreement and Plan of Merger, dated as of May 7, 2013, by and among BBX Capital, BFC Financial Corporation and BBX Merger Sub, LLC, a wholly owned subsidiary of BFC. Pursuant to the terms of the merger agreement, BBX Capital will merge with and into a wholly owned subsidiary of BFC, and BBX Capital's shareholders (other than BFC and shareholders who assert and exercise their appraisal rights in accordance with Florida law) will be entitled to receive, in exchange for each share of BBX Capital's Class A Common Stock that they own at the effective time of the merger, 5.39 shares of BFC's Class A Common Stock.

The accompanying joint proxy statement/prospectus contains detailed information regarding the merger agreement and the merger. Please carefully review the joint proxy statement/prospectus in its entirety, including all annexes to the joint proxy statement/prospectus and all documents incorporated by reference into the joint proxy statement/prospectus. The merger agreement is included as Annex A to the joint proxy statement/prospectus. Consummation of the merger is conditioned upon approval of the merger agreement at the meeting. Following receipt of a recommendation in favor of the merger agreement by a special committee comprised of the disinterested members of BBX Capital's board of directors, the board of directors of BBX Capital determined that the merger is advisable, fair to and in the best interests of BBX Capital's shareholders. Accordingly, the board of directors of BBX Capital recommends that BBX Capital's shareholders vote "FOR" the merger agreement.

Under Florida law, BBX Capital's shareholders are entitled to pursue appraisal rights in connection with the merger. A BBX Capital shareholder who wishes to exercise appraisal rights must (i) not vote, or cause or permit to be voted, any of his, her or its shares of BBX Capital's Class A Common Stock in favor of the merger, (ii) before the vote on the merger agreement is taken at the special meeting of BBX Capital's shareholders, deliver to BBX Capital written notice of the shareholder's intent to demand payment for his, her or its shares if the merger is completed and (iii) strictly comply with the additional requirements for perfecting appraisal rights under Florida law, which are summarized in the section of the joint proxy statement/prospectus entitled "Appraisal Rights" beginning on page 94 and included in their entirety as Annex F to the joint proxy statement/prospectus. The written notice described in clause (ii) of the previous sentence must be delivered either in person or by mail (certified mail, return receipt requested, being the recommended form of transmittal) to BBX Capital Corporation at its address set forth above and directed to the attention of the Corporate Secretary.

Only holders of record of BBX Capital's Class A Common Stock and Class B Common Stock as of the close of business on March 4, 2014 are entitled to notice of, and to vote at, the meeting and any adjournment or postponement thereof.

BBX Capital's shareholders are urged to please complete, sign and date the enclosed proxy card and return it promptly in the enclosed postage-paid return envelope or otherwise transmit their voting instructions as described on the enclosed proxy card as soon as possible, whether or not they plan to attend the meeting. BBX Capital's shareholders may revoke their proxies at any time prior to their exercise in the manner described in the joint proxy statement/prospectus. Any shareholder of record of BBX Capital present at the meeting, including any adjournment or postponement thereof, may revoke his, her or its proxy and vote personally at the meeting.

By order of the board of directors,

John K. Grelle  
Executive Vice President and Chief Financial Officer  
Fort Lauderdale, Florida  
March 13, 2014

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BFC Financial Corporation

401 East Las Olas Boulevard, Suite 800

Fort Lauderdale, Florida 33301

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To Be Held on April 29, 2014

To the Shareholders of BFC Financial Corporation:

Notice is hereby given that a special meeting of shareholders of BFC Financial Corporation will be held at the Riverside Hotel, 620 East Las Olas Boulevard, Fort Lauderdale, Florida 33301 on April 29, 2014 commencing at 10:00 a.m., local time, to consider and vote upon a proposal to approve the merger of BBX Capital Corporation with and into a wholly owned subsidiary of BFC pursuant to the Agreement and Plan of Merger, dated as of May 7, 2013, by and among BFC, BBX Capital and BBX Merger Sub, LLC, a wholly owned subsidiary of BFC. Under the terms of the merger agreement, BBX Capital's shareholders (other than BFC and shareholders of BBX Capital who assert and exercise their appraisal rights in accordance with Florida law) will be entitled to receive, in exchange for each share of BBX Capital's Class A Common Stock that they own at the effective time of the merger, 5.39 shares of BFC's Class A Common Stock.

The accompanying joint proxy statement/prospectus contains detailed information regarding the merger agreement and the merger. Please carefully review the joint proxy statement/prospectus in its entirety, including all annexes to the joint proxy statement/prospectus and all documents incorporated by reference into the joint proxy statement prospectus. The merger agreement is included as Annex A to the joint proxy statement/prospectus.

Consummation of the merger is conditioned upon approval of the merger at the meeting. The board of directors of BFC has determined that the merger is advisable, fair to and in the best interests of BFC and its shareholders.

Accordingly, the board of directors of BFC recommends that BFC's shareholders vote "FOR" the merger.

Only holders of record of BFC's Class A Common Stock and Class B Common Stock as of the close of business on March 4, 2014 are entitled to notice of, and to vote at, the meeting and any adjournment or postponement thereof.

BFC's shareholders are urged to please complete, sign and date the enclosed proxy card and return it promptly in the enclosed postage-paid return envelope or otherwise transmit their voting instructions as described on the enclosed proxy card as soon as possible, whether or not they plan to attend the meeting. BFC's shareholders may revoke their proxies at any time prior to their exercise in the manner described in the joint proxy statement/prospectus. Any shareholder of record of BFC present at the meeting, including any adjournment or postponement thereof, may revoke his, her or its proxy and vote personally at the meeting.

By order of the board of directors,

Alan B. Levan

Chairman, Chief Executive Officer and President

Fort Lauderdale, Florida

March 13, 2014

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**ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates important business, financial and other information about BFC and BBX Capital from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available for you to review at the public reference room of the Securities and Exchange Commission (the “SEC”) located at 100 F Street, N.E., Washington, D.C. 20549, and through the SEC’s website at [www.sec.gov](http://www.sec.gov). You can also obtain the documents incorporated by reference into this joint proxy statement/prospectus free of charge by requesting them in writing from the appropriate company, in each case at 401 East Las Olas Boulevard, Suite 800, Fort Lauderdale, Florida 33301, Attention: Corporate Secretary, or by calling 954-940-4900, in the case of BFC, or 954-940-4000, in the case of BBX Capital. Requests for such documents may also be directed to Georgeson Inc. (“Georgeson”), the information agent for the merger, at (888) 613-9988.

If you would like to request any documents, please do so by April 22, 2014 in order to receive them before each company’s special meeting.

You also may obtain additional proxy cards and other information related to the proxy solicitation by contacting Georgeson at the telephone number set forth above. You will not be charged for any of these documents that you request.

For more information, please see the section titled “Where You Can Find More Information” beginning on page 152.

**ABOUT THIS DOCUMENT**

This document, which forms part of a Registration Statement on Form S-4 filed with the SEC by BFC, constitutes a prospectus of BFC under Section 5 of the Securities Act of 1933 and the rules and regulations promulgated thereunder, in each case as amended (the “Securities Act”), with respect to the shares of BFC’s Class A Common Stock to be issued to BBX Capital’s shareholders in connection with the merger. This document also constitutes (i) a joint proxy statement of BFC and BBX Capital under Section 14(a) of the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, in each case as amended (the “Exchange Act”), (ii) a notice of meeting with respect to the special meeting of BFC’s shareholders, at which BFC’s shareholders will consider and vote upon the merger and (iii) a notice of meeting with respect to the special meeting of BBX Capital’s shareholders, at which BBX Capital’s shareholders will consider and vote upon the merger agreement.

You should rely only on the information contained or incorporated by reference into this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated as of March 13, 2014. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any date other than that date, and you should not assume that the information incorporated by reference into this joint proxy statement/prospectus is accurate as of any date other than the date of such incorporated document. Neither the mailing of this joint proxy statement/prospectus to shareholders of BFC and BBX Capital nor the issuance of shares of BFC’s Class A Common Stock in connection with the merger will create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this joint proxy statement/prospectus regarding BFC has been provided by BFC, and information contained in this joint proxy statement/prospectus regarding BBX Capital has been provided by BBX Capital.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

On May 7, 2013, BFC Financial Corporation (“BFC”) and BBX Capital Corporation (“BBX Capital”) entered into the Agreement and Plan of Merger (the “merger agreement”) that is described in this joint proxy statement/prospectus. Pursuant to the terms of the merger agreement and upon consummation of the merger contemplated thereby, BBX Capital will become a wholly owned subsidiary of BFC (the “merger”). The following provides answers to certain questions that BBX Capital’s and BFC’s respective shareholders may have with respect to the merger. The following may not contain all of the information that is important to you, and you are urged to read this joint proxy statement/prospectus in its entirety, together with all annexes hereto, including the merger agreement which is included as Annex A.

Q:

- Why am I being asked to vote on the merger?

A:

- BFC and BBX Capital are both Florida corporations. Under the Florida Business Corporation Act (the “FBCA”), the merger cannot be completed unless the merger agreement is approved by the shareholders of BBX Capital. The merger also requires the approval of BFC’s shareholders.

See “Questions and Answers About the BBX Capital Special Meeting” beginning on page vi and “Questions and Answers About the BFC Special Meeting” beginning on page x for a discussion of the voting rights and procedures with respect to the proposals to be considered at the companies’ respective special meetings, including the votes required to approve each proposal.

Q:

- What will BBX Capital’s shareholders receive in the merger?

A:

- Shareholders of BBX Capital (other than BFC and shareholders who exercise and perfect their appraisal rights in accordance with the FBCA) will be entitled to receive 5.39 shares of BFC’s Class A Common Stock in exchange for each share of BBX Capital’s Class A Common Stock that they own at the effective time of the merger. BFC will not issue fractional shares of its Class A Common Stock in the merger, but instead, the aggregate number of shares of BFC’s Class A Common Stock to which each eligible shareholder of BBX Capital will be entitled in connection with the merger will be rounded up to the next largest whole share.

The merger agreement was publicly announced following the close of trading on May 7, 2013. On May 7, 2013 and March 12, 2014, the last trading day before the date of this joint proxy statement/prospectus, the closing price of BFC’s Class A Common Stock, which is currently listed on the OTCQB, was \$2.40 per share and \$4.00 per share, respectively. On May 7, 2013 and March 12, 2014, the closing price of BBX Capital’s Class A Common Stock, which is currently listed on the New York Stock Exchange (the “NYSE”), was \$13.08 per share and \$21.58 per share, respectively. As described above, consummation of the merger is conditioned upon BFC’s Class A Common Stock being approved for listing on a national securities exchange (or inter-dealer quotation system of a registered national securities association) at the effective time of the merger. Shareholders of both companies may wish to obtain current market quotations prior to voting their shares.

BFC currently owns 8,133,353 shares of BBX Capital’s Class A Common Stock, representing approximately 51% of the outstanding shares of such stock, and all 195,045 outstanding shares of BBX Capital’s Class B Common Stock. BBX Capital’s Class A Common Stock and Class B Common Stock, collectively, is sometimes hereinafter referred to as “BBX Capital’s Common Stock.” The shares of BBX Capital’s Common Stock owned by BFC, which represent in the aggregate approximately 72% of BBX Capital’s total voting power, will be canceled in connection with the merger

without any consideration therefor. BFC agreed in the merger agreement to vote all of the shares of BBX Capital's Common Stock that it owns in favor of the merger agreement, which would constitute the requisite approval of the merger agreement by BBX Capital's shareholders under the FBCA.

It is currently a condition to consummating the merger that BFC's Class A Common Stock be approved for listing on a national securities exchange (or an inter-dealer quotation system of a registered national securities association) at the effective time of the merger. In connection with such requirement, it is expected that BFC may effect a reverse stock split pursuant to which a specified number of shares of BFC's Class A Common Stock would be automatically converted into one share of BFC's Class A Common Stock, and that same specified number of shares of BFC's Class B

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Common Stock would be converted into one share of BFC's Class B Common Stock. If BFC seeks to effect a reverse stock split, it is expected that BFC would determine the reverse stock split ratio and obtain the separate approval or consent of its shareholders to the reverse stock split as well as any other amendments to BFC's Amended and Restated Articles of Incorporation which require the approval of BFC's shareholders as described herein, including a possible reduction in the authorized number of shares of BFC's Class A Common Stock and Class B Common Stock (which are sometimes hereinafter referred to, collectively, as "BFC's Common Stock"), at a time closer to the effective time of the merger and, with respect to the reverse stock split, in connection with its application to list its Class A Common Stock. If BFC effects a reverse stock split prior to the effective time of the merger, the number of shares of BFC's Class A Common Stock to be received by BBX Capital's shareholders in the merger will be ratably adjusted to reflect the reverse stock split.

Q:

- What will happen to options to purchase shares of BBX Capital's Class A Common Stock and restricted stock awards of shares of BBX Capital's Class A Common Stock?

A:

- Pursuant to the terms of the merger agreement, BFC will assume BBX Capital's 2005 Restricted Stock and Option Plan, as amended, and BBX Capital's Amended and Restated 2001 Stock Option Plan, as amended (collectively, the "BBX Capital Equity Compensation Plans").

Options to acquire shares of BBX Capital's Class A Common Stock and restricted stock awards of shares of BBX Capital's Class A Common Stock granted under the BBX Capital Equity Compensation Plans and outstanding at the effective time of the merger will be converted automatically into options to purchase shares of BFC's Class A Common Stock or restricted stock awards of shares of BFC's Class A Common Stock, as applicable, and be subject to the same terms and conditions as in effect at the effective time of the merger; provided, however, that (i) the number of shares which may be purchased upon exercise of the options, and the number of shares subject to the restricted stock awards, will be multiplied by the exchange ratio in the merger, and (ii) the exercise price of the options will be divided by the exchange ratio in the merger.

Q:

- What will BFC's shareholders receive in connection with the merger?

A:

- BFC's shareholders will not receive any consideration in connection with the merger. Each share of BFC's Class A Common Stock and Class B Common Stock outstanding immediately prior to the merger will remain outstanding as a share of BFC's Class A Common Stock and Class B Common Stock, respectively, immediately following the merger.

Q:

- Are there conditions to BFC's and BBX Capital's respective obligations to consummate the merger?

A:

- Yes. Consummation of the merger is subject to a number of conditions, including, among others, the approval of the merger agreement by BBX Capital's shareholders, the approval of the merger by BFC's shareholders, BFC's Class A Common Stock being listed on a national securities exchange (or inter-dealer quotation system of a registered national securities association) at the effective time of the merger, holders of not more than

10% of the outstanding shares of BBX Capital's Common Stock duly and validly exercising, or remaining entitled to exercise immediately prior to the effective time of the merger, their appraisal rights in accordance with the FBCA, the absence of any "Material Adverse Effect" (as defined in the merger agreement) with respect to either BFC or BBX Capital, and the receipt of all consents and approvals reasonably necessary to consummate the merger and continue in full force and effect certain of BBX Capital's material contracts. To the extent permitted by applicable law, the board of directors of either BFC or BBX Capital may choose to waive any of the conditions to consummation of the merger and choose to proceed to closing notwithstanding the fact that any such condition has not been fulfilled.

Q:

- Will there be restrictions on the transfer of the shares of BFC's Class A Common Stock to be issued in the merger?

A:

- The shares of BFC's Class A Common Stock to be issued in connection with the merger will not be subject to any restrictions on transfer arising under the Securities Act, except for shares issued to any

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BBX Capital shareholder who may be deemed to be an affiliate of BFC for purposes of Rule 144 under the Securities Act after the completion of the merger. Generally, an individual or entity will be deemed to be an affiliate of BFC only if the individual or entity is a director, executive officer or holder of 10% or more of the outstanding shares of BFC.

Q:

- What are the material federal income tax consequences of the merger to BBX Capital's shareholders?

A:

- The merger has been structured to qualify as a tax-free "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Accordingly, BBX Capital's shareholders should not recognize gain or loss for United States federal income tax purposes upon the exchange of their shares of BBX Capital's Class A Common Stock for shares of BFC's Class A Common Stock pursuant to the terms of the merger agreement.

As described in further detail below, BBX Capital's shareholders are entitled to pursue appraisal rights in connection with the merger pursuant to which they may receive a cash payment in an amount equal to the "fair value" of their shares (as determined in accordance with the FBCA). A dissenting shareholder's receipt of cash in exchange for his, her or its shares of BBX Capital's Class A Common Stock pursuant to the appraisal rights process will be a taxable transaction to such shareholder.

Tax matters are very complicated, and the tax consequences of the merger to a particular shareholder will depend in part on such shareholder's circumstances. Accordingly, you are urged to consult your own tax advisor for a full understanding of the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.

Q:

- Does the board of directors of BBX Capital recommend the approval of the merger agreement?

A:

- Yes. A special committee comprised of the disinterested members of BBX Capital's board of directors (the "BBX Capital special committee") was formed and designated to, among other things and with the assistance of its legal and financial advisors, negotiate, review and evaluate the terms and conditions of, and determine the advisability of, the merger. After such negotiation, review and evaluation, the BBX Capital special committee determined that the merger is advisable, fair to and in the best interests of BBX Capital's shareholders. On the basis of such determination, the BBX Capital special committee recommended that the full board of directors of BBX Capital approve the merger agreement and the merger and recommend to the shareholders of BBX Capital that they approve the merger agreement. In arriving at its determination, the BBX Capital special committee consulted with its legal and financial advisors and considered the factors described under "The Merger — Recommendation of the BBX Capital Board and its Reasons for the Merger."

After consideration of the recommendation of the BBX Capital special committee and evaluation and consideration of the merger agreement and the merger, the board of directors of BBX Capital determined that the merger is advisable, fair to and in the best interests of BBX Capital's shareholders, approved the merger and recommends that BBX Capital's shareholders vote "FOR" the merger agreement. In arriving at its determination, the BBX Capital board of directors also considered the factors described under "The Merger — Recommendation of the BBX Capital Board and its Reasons for the Merger."

Q:

- Does the board of directors of BFC recommend the approval of the merger?

A:

- Yes. After evaluation and consideration of the merger agreement and the transactions contemplated thereby, the board of directors of BFC determined that the merger is advisable, fair to and in the best interests of BFC and its shareholders. Accordingly, the board of directors of BFC approved the merger and recommends that BFC's shareholders vote "FOR" the merger. In arriving at this determination, the board of directors of BFC consulted with certain members of BFC's senior management and BFC's legal and financial advisors and considered the factors described under "The Merger — Recommendation of the BFC Board and its Reasons for the Merger."

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Q:

- How do BBX Capital and BFC expect to conduct their respective businesses until the merger is completed and after the merger is completed?

A:

- Both BBX Capital and BFC expect to, and have agreed in the merger agreement to, conduct their respective businesses prior to the effective time of the merger in the usual and ordinary course, consistent with their existing business and investment strategies and operational plans.

It is expected that, following the merger, both BFC and BBX Capital (as a wholly owned subsidiary of BFC) will continue to conduct their respective businesses in substantially the way it is currently conducted.

Q:

- Are there risks associated with the merger?

A:

- Yes. In evaluating the merger, you should carefully consider the risks discussed in the section of this joint proxy statement/prospectus entitled “Risk Factors” beginning on page 21 and the other information about BFC and BBX Capital contained in or incorporated by reference into this joint proxy statement/prospectus.

Q:

- When do the parties expect the merger to be completed?

A:

- BFC and BBX Capital expect to complete the merger as promptly as practicable after all conditions to closing are satisfied. Satisfaction of the closing conditions is subject to a number of factors, certain of which are outside of BFC’s and BBX Capital’s control, and there is no assurance as to when the closing conditions will be satisfied, if at all.

As previously described, the listing of BFC’s Class A Common Stock on a national securities exchange or qualified inter-dealer quotation system at the effective time of the merger is a condition to closing the merger. As described in further detail in the “Risk Factors” section of this joint proxy statement/prospectus, BFC has been advised by the NYSE and NASDAQ that, subject to a change in their position in the future, they would not consider approval of any application for listing of BFC’s Class A Common Stock during the pendency of the litigation brought by the SEC against BBX Capital and its Chairman. Accordingly, BFC has not yet filed an application for the listing of its Class A Common Stock and may or may not do so depending on whether a national securities exchange or qualified inter-dealer quotation system indicates an application could be considered for approval prior to resolution of the litigation. The SEC action was not, as previously anticipated, heard during the January 2014 trial calendar and the case is currently on the trial calendar in November 2014. The pendency of the SEC action and delays in resolving the action have had the effect of delaying any listing of BFC’s Class A Common Stock. BBX Capital believes the claims in the SEC action are without merit and intends to vigorously defend the action. However, there is no assurance as to the timing or resolution of the case, or the listing of the shares. It is not currently expected that the merger will be consummated prior to the first quarter of 2015. Pursuant to the terms of the merger agreement, either BFC or BBX may terminate the merger agreement if the merger is not consummated by April 30, 2014.

See the “Risk Factors” section of this joint proxy statement/prospectus for further information regarding certain matters that could delay or prevent the completion of the merger, including risks relating to BFC’s ability to obtain the listing of its Class A Common Stock.

Q:

- Should I send in my stock certificates now?

A:

- No. If the merger is approved and completed, BBX Capital’s shareholders will receive written instructions from the exchange agent retained for purposes of the merger explaining how to exchange their certificates representing shares of BBX Capital’s Class A Common Stock for certificates representing the shares of BFC’s Class A Common Stock to which they are entitled as a result of the merger.

In addition, if BFC effects a reverse stock split, BFC’s shareholders will be requested to exchange their stock certificates representing pre-split shares of BFC’s Class A Common Stock and Class B Common Stock for new certificates representing such shares after giving effect to the reverse stock split.

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Q:

- Can I assert appraisal rights with respect to the merger?

A:

- Under the FBCA, holders of BBX Capital's Class A Common Stock have the right to assert and exercise appraisal rights with respect to the merger and obtain a cash payment in an amount equal to the "fair value" of their shares (as determined in accordance with the FBCA) in lieu of the shares of BFC's Class A Common Stock that they would otherwise be entitled to receive pursuant to the terms of the merger agreement. Under the FBCA, "fair value" of the shares of BBX Capital's Class A Common Stock held by a BBX Capital shareholder asserting appraisal rights means the value of such shares immediately before the effective time of the merger, regardless of when the vote on the merger is taken and excluding any appreciation or depreciation in anticipation of the merger (unless exclusion would be inequitable), and could be more than, less than or equal to the value of the shares of BFC's Class A Common Stock that the shareholder would otherwise have received in connection with the merger pursuant to the terms of the merger agreement. It is not currently expected that the merger will be consummated prior to the first quarter of 2015. To assert and exercise appraisal rights, BBX Capital's shareholders may not vote, or cause or permit to be voted, any of their shares of BBX Capital's Class A Common Stock in favor of the merger agreement, and they must strictly follow the procedures set forth in Sections 607.1301 through 607.1333 of the FBCA relating to appraisal rights. These provisions are summarized under the section entitled "Appraisal Rights" beginning on page 94. In addition, the full text of Sections 607.1301 through 607.1333 of the FBCA is included as Annex F to this joint proxy statement/prospectus. A dissenting shareholder's receipt of cash in exchange for his, her or its shares of BBX Capital's Class A Common Stock pursuant to the appraisal rights process will be a taxable transaction to such shareholder. Any BBX Capital shareholder wishing to assert and exercise appraisal rights is urged to consult with his, her or its legal counsel before attempting to assert and exercise those rights.

Unless waived by BFC, BFC's obligation to consummate the merger is conditioned upon holders of not more than 10% of the outstanding shares of BBX Capital's Common Stock duly and validly exercising, or remaining entitled to exercise immediately prior to the effective time of the merger, their appraisal rights in accordance with the FBCA. BFC's shareholders are not entitled to appraisal rights in connection with the merger.

Q:

- Are any of BFC's or BBX Capital's Named Executive Officers entitled to any "golden parachute compensation" in connection with the merger?

A:

- No. Neither BFC nor BBX Capital has any arrangement or understanding with its or the other company's Named Executive Officers concerning any type of compensation that is based on or otherwise relates to the merger. Further, prior to the execution of the merger agreement, each of BBX Capital's executive officers delivered a letter to BBX Capital pursuant to which the executive officer (i) confirmed that neither the merger nor any of the other transactions contemplated by the merger agreement would be deemed to constitute a "Change in Control" under his employment agreement with BBX Capital and (ii) expressly waived any rights under his employment agreement with BBX Capital that might be triggered in the event that a "Change in Control" was deemed to have occurred either due to the consummation of the merger or the other transactions contemplated by the merger agreement. As a result, the advisory shareholder vote relating to "golden parachute compensation" otherwise required by Item 402(t) of Regulation S-K of the SEC is not applicable to the merger.



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QUESTIONS AND ANSWERS ABOUT THE BBX CAPITAL SPECIAL MEETING

Q:

- Where and when is the BBX Capital special meeting?

A:

- The special meeting of BBX Capital's shareholders will be held at the Riverside Hotel, 620 East Las Olas Boulevard, Fort Lauderdale, Florida 33301 on April 29, 2014 commencing at 10:30 a.m., local time.

Q:

- Who can vote at the meeting?

A:

- Record holders of BBX Capital's Class A Common Stock and record holders of BBX Capital's Class B Common Stock at the close of business on March 4, 2014 (the "record date") may vote at the meeting.

As of the close of business on the record date, 17,088,390 shares of BBX Capital's Class A Common Stock and 195,045 shares of BBX Capital's Class B Common Stock were outstanding and eligible to be voted at the meeting.

Q:

- What will BBX Capital's shareholders be asked to vote on at the meeting?

A:

- As described in this joint proxy statement/prospectus and in the accompanying notice of special meeting of BBX Capital's shareholders, the sole item of business at the meeting will be a vote on the merger agreement.

Q:

- What are the voting rights of BBX Capital's shareholders?

A:

- Holders of BBX Capital's Class A Common Stock and Class B Common Stock will vote as one class on the merger agreement. Holders of BBX Capital's Class A Common Stock are entitled to one vote per share, with all holders of BBX Capital's Class A Common Stock having in the aggregate 53% of the general voting power. The number of votes represented by each share of BBX Capital's Class B Common Stock, which represents in the aggregate 47% of the general voting power, is calculated in accordance with the Company's Restated Articles of Incorporation. At the meeting, each outstanding share of BBX Capital's Class B Common Stock will be entitled to 77.69 votes.

Q:

- What are my choices when voting?

A:

- BBX Capital's shareholders may vote for or against, or abstain from voting on, the merger agreement.

Q:

- What is the recommendation of BBX Capital's board of directors with respect to the merger agreement?

A:

- As described in further detail in this joint proxy statement/prospectus, including in the section entitled "Recommendation of the BBX Capital Board and its Reasons for the Merger," the board of directors of BBX Capital recommends that BBX Capital's shareholders vote "FOR" the merger agreement.

Q:

- What vote of BBX Capital's shareholders is required to approve the merger agreement?

A:

- Under the FBCA, approval of the merger agreement requires the affirmative vote of holders of shares of BBX Capital's Class A Common Stock and Class B Common Stock representing a majority of the votes entitled to be cast on the proposal. Abstentions and failures to vote will have the same effect as votes cast against the merger agreement.

Q:

- How many shares of BBX Capital's Class A Common Stock and Class B Common Stock do BBX Capital's directors and executive officers own?

A:

- BBX Capital's directors and executive officers may be deemed to collectively own and are entitled to vote 8,565,619 shares, or approximately 54%, of BBX Capital's Class A Common Stock and all 195,045 shares of BBX Capital's Class B Common Stock, which represent in the aggregate approximately 76% of the total voting power of BBX Capital. These shares include the 8,133,353 shares, or approximately 51%, of BBX Capital's Class A Common Stock, and 195,045 shares of BBX Capital's Class B Common Stock owned by BFC. Alan B. Levan, who serves as Chairman, Chief Executive Officer and President of BFC and Chairman and Chief Executive Officer of BBX Capital, and John E. Abdo, who

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serves as Vice Chairman of each of BFC and BBX Capital, may be deemed to beneficially own the shares of BBX Capital's Class A Common Stock and Class B Common Stock owned by BFC by virtue of their collective ownership interest in BFC's Class A Common Stock and Class B Common Stock.

In addition to the shares indicated in the preceding paragraph, BBX Capital's compensation committee has the right to vote 1,277,802 shares of BBX Capital's Class A Common Stock underlying unvested restricted stock awards previously granted to executive officers of BBX Capital. These shares represent approximately 7% of the total number of outstanding shares of BBX Capital's Class A Common Stock. It is currently expected that BBX Capital's compensation committee will vote these shares in accordance with the recommendation of BBX Capital's board of directors in favor of the merger agreement.

Q:

- Have any shareholders of BBX Capital committed to vote for the approval of the merger agreement?

A:

- BFC has committed in the merger agreement to vote all of the shares of BBX Capital's Class A Common Stock and Class B Common Stock that it owns in favor of the merger agreement. While it is anticipated that BBX Capital's directors and executive officers will vote the other shares of BBX Capital's Class A Common Stock and Class B Common Stock owned by them in favor of the merger agreement, none of them have, and no shareholder of BBX Capital other than BFC has, any binding commitment to do so.

Assuming BFC votes the shares of BBX Capital's Class A Common Stock and Class B Common Stock in favor of the merger agreement as it has committed to do, approval of the merger agreement by BBX Capital's shareholders is assured.

Q:

- What constitutes a quorum?

A:

- The presence at the meeting, in person or by proxy, of the holders of shares of BBX Capital's Class A Common Stock and Class B Common Stock representing a majority of the total voting power of such stock as of the close of business on the record date will constitute a quorum, permitting the conduct of business at the meeting.

Q:

- What is the difference between a shareholder of record and a "street name" holder?

A:

- If your shares of BBX Capital are registered directly in your name with American Stock Transfer & Trust Company, BBX Capital's stock transfer agent ("AST"), you are considered the shareholder of record with respect to those shares. If your shares of BBX Capital are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of these shares but not the shareholder of record, and your shares are held in "street name."

Q:

- How do I vote my shares?

A:

- If you are a shareholder of record of BBX Capital, you can give a proxy to be voted at the meeting by mailing in the enclosed proxy card or by transmitting your voting instructions by telephone or internet as described in further detail on the enclosed proxy card. Shareholders of record of BBX Capital may also vote their shares at the meeting by completing a ballot at the meeting.

If you hold your shares of BBX Capital in “street name,” you must vote your shares in accordance with the directions set forth on the voting instruction card enclosed or provided by your broker, bank or other nominee.

Q:

- May I vote in person?

A:

- If you are a shareholder of record of BBX Capital, you may attend the meeting and vote your shares in person, rather than signing and returning your proxy card or otherwise transmitting your voting instructions as described on the proxy card.

If you hold your shares of BBX Capital in “street name,” you are also invited to attend the meeting. However, because you are not the shareholder of record, you may not vote your shares in person at the meeting unless you obtain a “legal proxy” from your broker, bank or other nominee giving you the right to vote the shares in person.

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Q:

- If my shares are held in “street name,” will my broker, bank or other nominee vote my shares without instructions from me?

A:

- No. If you hold your shares in “street name” through a broker, bank or other nominee, whether your broker, bank or other nominee may vote your shares in its discretion depends on the proposals before the meeting. Under the rules of the NYSE, if you do not provide your broker, bank or other nominee with voting instructions with respect to your shares, your broker, bank or other nominee may vote your shares in its discretion only on “routine matters.” The vote on the merger agreement is not considered to be a “routine matter” under the rules of the NYSE. Accordingly, your broker, bank or other nominee will not have discretion to vote your shares on the merger agreement if you do not provide voting directions. Without instructions, your shares will not be voted on the merger agreement and will effectively count as votes against the merger agreement. You should follow the directions provided by your broker, bank or other nominee regarding how to instruct your broker, bank or other nominee to vote your shares.

Q:

- What do I need to do now?

A:

- In order for your shares to be represented at the meeting, after carefully reading and considering the information contained in this joint proxy statement/prospectus, (i) if you are a shareholder of record of BBX Capital, please complete, sign and date your proxy card and return it in the enclosed postage-paid return envelope or otherwise transmit your voting instructions as described on the proxy card, or (ii) if you hold your shares of BBX Capital in “street name,” please instruct your broker, bank or other nominee how to vote your shares by following the directions set forth on the voting instruction card enclosed or provided by your broker, bank or other nominee.

Q:

- What happens if I do not attend the meeting and fail to return a proxy card or vote my shares by telephone or the internet?

A:

- The failure of a shareholder of record of BBX Capital to return his, her or its proxy card or vote his, her or its shares at the meeting or by telephone or the internet pursuant to the directions set forth on the proxy card will have the same effect as voting against the merger agreement.

Q:

- How will proxy cards that are returned without voting instructions be treated?

A:

- All properly signed and dated proxies received by BBX Capital prior to the vote at the meeting that do not contain any direction as to how to vote will be voted “FOR” the merger agreement.

Q:

- Can I change my vote?

A:

- Yes. If you are a shareholder of record of BBX Capital, you may revoke your proxy by providing written notice of revocation addressed to, or in person to, BBX Capital Corporation, 401 East Las Olas Boulevard, Suite 800, Fort Lauderdale, Florida 33301, Attention: Corporate Secretary. Shareholders of record may also submit a new valid proxy bearing a later date or transmit new voting instructions by telephone or the internet in accordance with the voting procedures described on the proxy card. To be valid, any such revocation notice or new proxy card must be received, and any new voting instructions must be transmitted, in each case by no later than 11:59 p.m., local time, on the date immediately preceding the meeting. In addition, shareholders of record may revoke previously granted proxies or change their vote by attending the meeting and voting in person, although attendance at the meeting will not by itself revoke a previously granted proxy.

If you hold your shares of BBX Capital in “street name,” you must contact your broker, bank or other nominee to find out how to change your vote.

Q:

- Are there any other matters to be acted upon at the meeting?

A:

- No. The only matter to be acted upon at the meeting is the proposal to approve the merger agreement.

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Q:

- Who can help answer my questions?

A:

- If you are a BBX Capital shareholder and would like additional copies, without charge, of this joint proxy statement/prospectus or if you have questions about the merger or the meeting of BBX Capital's shareholders, including the procedures for voting your shares, you should contact Georgeson Inc. ("Georgeson"), the information agent for the merger, at (888) 613-9988.

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QUESTIONS AND ANSWERS ABOUT THE BFC SPECIAL MEETING

Q:

- Where and when is the BFC special meeting?

A:

- The special meeting of BFC's shareholders will be held at the Riverside Hotel, 620 East Las Olas Boulevard, Fort Lauderdale, Florida 33301 on April 29, 2014 commencing at 10:00 a.m., local time.

Q:

- Who can vote at the meeting?

A:

- Record holders of BFC's Class A Common Stock and record holders of BFC's Class B Common Stock as of the close of business on March 4, 2014 may vote at the meeting.

As of the close of business on the record date, 75,848,502 shares of BFC's Class A Common Stock and 7,334,043 shares of BFC's Class B Common Stock were outstanding and eligible to be voted at the meeting.

Q:

- What will BFC's shareholders be asked to vote on at the meeting?

A:

- As described in this joint proxy statement/prospectus and in the accompanying notice of special meeting of BFC's shareholders, BFC's shareholders will be asked at the meeting to consider and vote upon the merger.

Q:

- What are the voting rights of BFC's shareholders?

A:

- The holders of BFC's Class A Common Stock and Class B Common Stock will vote together as a single class on the merger. Each share of BFC's Class A Common Stock entitles the holder thereof to one vote per share, with all holders of BFC's Class A Common Stock having in the aggregate 22% of the general voting power of BFC. The number of votes represented by each share of BFC's Class B Common Stock, which represents in the aggregate 78% of the general voting power of BFC, is calculated in accordance with BFC's Amended and Restated Articles of Incorporation. At the meeting, each outstanding share of BFC's Class B Common Stock will be entitled to 36.67 votes.

Q:

- What are my choices when voting at the meeting?

A:

- BFC's shareholders may vote for or against, or abstain from voting on, the merger.

Q:

- What is the recommendation of BFC's board of directors with respect to the merger?

A:

- As described in further detail in this joint proxy statement/prospectus, including in the section entitled "The Merger — Recommendation of the BFC Board and its Reasons for the Merger," the board of directors of BFC recommends that BFC's shareholders vote "FOR" the merger.

Q:

- What vote of BFC's shareholders is required to approve the merger?

A:

- The merger will be approved by BFC's shareholders if it receives the affirmative vote of a majority of the votes entitled to be cast on such proposal. Abstentions and failures to vote will have the same effect as votes against the merger.

Q:

- How many shares of BFC's Class A Common Stock and Class B Common Stock do BFC's executive officers and directors own?

A:

- BFC's directors and executive officers collectively own and are entitled to vote 13,213,803 shares, or approximately 17%, of BFC's Class A Common Stock, and 6,361,808 shares, or approximately 87%, of BFC's Class B Common Stock, representing in the aggregate approximately 72% of BFC's total voting power. Included in those shares are a total of 12,116,991 shares of BFC's Class A Common Stock and 6,333,728 shares of BFC's Class B Common Stock owned in the aggregate by Alan B. Levan, who serves Chairman, Chief Executive Officer and President of BFC and Chairman and Chief Executive Officer of BBX Capital, and John E. Abdo, who serves as Vice Chairman of BFC and BBX Capital.

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In addition to the shares indicated in the preceding paragraph, BFC's compensation committee has the right to vote 4,577,220 shares of BFC's Class A Common Stock underlying unvested restricted stock awards previously granted to executive officers of BFC. These shares represent approximately 6% of the total number of outstanding shares of BFC's Class A Common Stock. It is currently expected that BFC's compensation committee will vote these shares in accordance with the recommendation of BFC's board of directors in favor of the merger.

Q:

- Have any shareholders of BFC committed to vote for the merger?

A:

- While it is expected that BFC's directors and executive officers will vote all of the shares of BFC's Class A Common Stock and Class B Common Stock owned by them in favor of the merger, none of them have, and no other shareholder of BFC has, any binding agreement to do so. If Messrs. Levan and Abdo vote their shares as expected, then the approval of the merger by BFC's shareholders is assured.

Q:

- What constitutes a quorum?

A:

- The presence at the meeting, in person or by proxy, of holders of shares of BFC's Class A Common Stock and Class B Common Stock representing a majority of BFC's voting power as of the close of business on the record date will constitute a quorum.

Q:

- What is the difference between a shareholder of record and a "street name" holder?

A:

- If your shares of BFC's Class A Common Stock or Class B Common Stock are registered directly in your name with AST, BFC's stock transfer agent, you are considered the shareholder of record with respect to those shares. If your shares of BFC's Class A Common Stock or Class B Common Stock are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of these shares but not the shareholder of record, and your shares are held in "street name."

Q:

- How do I vote my shares?

A:

- If you are a shareholder of record of BFC, you can give a proxy to be voted at the meeting by mailing in the enclosed proxy card or by transmitting your voting instructions by telephone or the internet as described in further detail on the enclosed proxy card. Shareholders of record of BFC may also vote their shares at the meeting by completing a ballot at the meeting.

If you hold your shares of BFC's Class A Common Stock or Class B Common Stock in "street name," you must vote your shares in accordance with the directions set forth on the voting instruction card enclosed or provided by your broker, bank or other nominee.

Q:

- May I vote in person?

A:

- If you are a shareholder of record of BFC, you may attend the meeting and vote your shares in person, rather than signing and returning your proxy card or otherwise transmitting your voting instructions as described on the proxy card.

If you hold your shares of BFC's Class A Common Stock or Class B Common Stock in "street name," you are also invited to attend the meeting. However, because you are not the shareholder of record, you may not vote your shares in person at the meeting unless you obtain a "legal proxy" from your broker, bank or other nominee giving you the right to vote the shares in person.

Q:

- If my shares are held in "street name," will my broker, bank or other nominee vote my shares without instructions from me?

A:

- No. If you hold your shares in "street name" through a broker, bank or other nominee, whether your broker, bank or other nominee may vote your shares in its discretion depends on the proposals before the meeting. Under the rules of the NYSE, if you do not provide your broker, bank or other nominee with voting instructions with respect to your shares, your broker, bank or other nominee may vote your shares in its discretion only on "routine matters." The vote on the merger is not a "routine matter" under the rules of the NYSE. Accordingly, your broker, bank or other nominee will not have discretion

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to vote your shares on the merger if you do not provide voting directions. Without instructions, your shares will not be voted and will effectively count as votes against the merger. You should follow the directions provided by your broker, bank or other nominee regarding how to instruct your broker, bank or other nominee to vote your shares.

Q:

- What do I need to do now?

A:

- In order for your shares to be represented at the meeting, after carefully reading and considering the information contained in this joint proxy statement/prospectus, (i) if you are a shareholder of record of BFC, please complete, sign and date your proxy card and return it in the enclosed postage-paid return envelope or otherwise transmit your voting instructions as described on the proxy card, or (ii) if you hold your shares of BFC's Class A Common Stock or Class B Common Stock in "street name," please instruct your broker, bank or other nominee how to vote your shares by following the directions set forth on the voting instruction card enclosed or provided by your broker, bank or other nominee.

Q:

- What happens if I do not attend the meeting and fail to return a proxy card or vote my shares by telephone or the internet?

A:

- The failure of a shareholder of record of BFC to return his, her or its proxy card or vote his, her or its shares at the meeting or by telephone or the internet pursuant to the directions set forth on the proxy card will have the same effect as voting against the merger.

Q:

- How will proxy cards that are returned without voting instructions be treated?

A:

- All properly signed and dated proxies received by BFC prior to the vote at the meeting that do not contain any direction as to how to vote the shares represented thereby will be voted "FOR" the merger.

Q:

- Can I change my vote?

A:

- Yes. If you are a shareholder of record of BFC, you may revoke your proxy by providing written notice of revocation addressed to, or in person to, BFC Financial Corporation, 401 East Las Olas Boulevard, Suite 800, Fort Lauderdale, Florida 33301, Attention: Corporate Secretary. Shareholders of record may also submit a new valid proxy bearing a later date or transmit new voting instructions by telephone or the internet in accordance with the voting procedures described on the proxy card. To be valid, any such revocation notice or new proxy card must be received, and any new voting instructions must be transmitted, in each case by no later than 11:59 p.m., local time, on the date immediately preceding the meeting. In addition, shareholders of

record may revoke previously granted proxies or change their vote by attending the meeting and voting in person, although attendance at the meeting will not by itself revoke a previously granted proxy.

If you hold your shares of BFC's Class A Common Stock or Class B Common Stock in "street name," you must contact your broker, bank or other nominee to find out how to change your vote with respect to those shares.

Q:

- Are there any other matters to be acted upon at the meeting?

A:

- No. The only matters to be acted upon at meeting will be the proposal to approve the merger.

Q:

- Who can help answer my questions?

A:

- If you are a BFC shareholder and would like additional copies, without charge, of this joint proxy statement/prospectus or if you have questions about, the merger or the meeting of BFC's shareholders, including the procedures for voting your shares, you should contact Georgeson, the information agent for the merger, at (888) 613-9988.

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SUMMARY

This summary highlights selected information from this joint proxy statement/prospectus pertaining to the merger. This summary may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger, you should carefully read this entire joint proxy statement/prospectus together with all annexes hereto. Page references have been included parenthetically to direct you to a more complete description of the topics presented in this summary.

The Companies

BFC (page 62)

BFC Financial Corporation

401 East Las Olas Boulevard, Suite 800

Fort Lauderdale, FL 33301

(954) 940-4900

BFC is a Florida-based holding company whose principal holdings include a 52% equity interest in BBX Capital and, through its investment in Woodbridge Holdings, LLC (“Woodbridge”), a 54% equity interest in Bluegreen Corporation (“Bluegreen”), a sales, marketing and management company primarily focused on the hospitality and vacation ownership industries. As described below, BBX Capital, through an investment in Woodbridge, holds the remaining 46% equity interest in Bluegreen.

BFC’s business strategy has been to invest in and acquire businesses in diverse industries either directly or through controlled subsidiaries. Most recently, BFC has focused on providing strategic support to its existing investments with a view to the improved performance of the organization as a whole. In the future, BFC may also seek to make opportunistic investments outside of its existing portfolio, including investments in real estate based opportunities and operating businesses.

As of December 31, 2012 and September 30, 2013, BFC had total consolidated assets of approximately \$1.5 billion and \$1.4 billion, respectively, and shareholders’ equity attributable to BFC of approximately \$299.0 million and \$214.8 million, respectively. Net income attributable to BFC for the year ended December 31, 2012 was approximately \$166.0 million, including a gain on sale of approximately \$293 million recognized by BFC in connection with BBX Capital’s sale of BankAtlantic, BBX Capital’s former banking subsidiary, to BB&T Corporation (“BB&T”) during July 2012, as described below. Net income attributable to BFC was approximately \$5.3 million for the nine months ended September 30, 2013.

BBX Capital (page 63)

BBX Capital Corporation

401 East Las Olas Boulevard, Suite 800

Fort Lauderdale, FL 33301

(954) 940-4000

BBX Capital is a Florida-based company involved in the ownership, financing, acquisition, development and management of real estate and real estate related assets. BBX Capital is also involved in the investment in or acquisition of operating businesses. In addition, BBX Capital anticipates engaging in joint venture arrangements with developers for residential and commercial development projects in which BBX Capital funds its equity investment in the real estate joint ventures through cash investments or by contributing real estate properties.

On July 31, 2012, BBX Capital sold BankAtlantic to BB&T. Prior to such transaction, BBX Capital was a bank holding company and its principal asset was its ownership of BankAtlantic, a federal savings bank.

On April 2, 2013, BBX Capital invested \$71.75 million in Woodbridge in exchange for a 46% equity interest in Woodbridge. BBX Capital’s investment in Woodbridge was made in connection with the consummation of Woodbridge’s acquisition in a cash merger of all of the shares of Bluegreen’s common



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stock not previously owned by Woodbridge. Prior to BBX Capital's investment in Woodbridge and the merger involving Bluegreen and Woodbridge, Woodbridge was a wholly owned subsidiary of BFC and owned approximately 54% of Bluegreen's outstanding common stock.

The majority of BBX Capital's assets do not generate income on a regular or predictable basis. Recognizing the nature of BBX Capital's assets, BBX Capital's goal is to build long-term value. BBX Capital does not expect to generate significant revenues from its assets until the assets are monetized through repayments or transactions involving the sale, joint venture or development of the underlying real estate. BBX Capital currently intends to utilize the cash flow from the monetization of its assets to pay operating expenses and to invest in income producing real estate, real estate developments, real estate joint ventures and operating businesses.

As of December 31, 2012 and September 30, 2013, BBX Capital had total consolidated assets of approximately \$470.7 million and \$409.1 million, respectively, and shareholders' equity of approximately \$240.3 million and \$252.0 million, respectively. Net income generated by BBX Capital for the year ended December 31, 2012 was approximately \$235.8 million, including a gain on sale of BankAtlantic of approximately \$290.6 million. BBX Capital incurred a net loss of approximately \$1.7 million for the nine months ended September 30, 2013.

The Merger

Overview (page 62)

On May 7, 2013, BFC and BBX Capital entered into the merger agreement, which is the legal document governing the merger. The merger agreement is included as Annex A to this joint proxy statement/prospectus. Subject to the terms and conditions of the merger agreement, BBX Capital will be merged with and into a recently formed wholly owned subsidiary of BFC. Upon the completion of the merger, BBX Capital's separate corporate existence will cease and its Class A Common Stock will no longer be publicly traded.

The Merger Consideration (page 97)

Pursuant to the terms of the merger agreement, BBX Capital's shareholders (other than BFC and shareholders who assert and exercise their appraisal rights in accordance with the FBCA) will be entitled to receive, in exchange for each share of BBX Capital's Class A Common Stock that they own at the effective time of the merger, 5.39 shares of BFC's Class A Common Stock (the "exchange ratio"). BFC will not issue fractional shares of its Class A Common Stock in the merger, but instead, the aggregate number of shares of BFC's Class A Common Stock to which each eligible shareholder of BBX Capital will be entitled in connection with the merger will be rounded up to the next largest whole share. The shares of BFC's Class A Common Stock to be received in exchange for shares of BBX Capital's Common Stock pursuant to the merger agreement are sometimes hereinafter referred to as the "merger consideration." The merger agreement was publicly announced following the close of trading on May 7, 2013. On May 7, 2013, the closing price of BFC's Class A Common Stock was \$2.40 per share, and the closing price of BBX Capital's Class A Common Stock was \$13.08 per share. On March 12, 2014, the last trading day prior to the date of this joint proxy statement/prospectus, the closing price of BFC's Class A Common Stock was \$4.00 per share, and the closing price of BBX Capital's Class A Common Stock was \$21.58 per share. Shareholders of both companies may wish to obtain current market quotations prior to voting their shares.

Under the terms of the merger agreement, the shares of BBX Capital's Class A Common Stock and Class B Common Stock owned by BFC, which collectively represent approximately 52% of BBX Capital's total outstanding equity and 72% of BBX Capital's total voting power as of the date of this joint proxy statement/prospectus, will be canceled in connection with the merger without any consideration therefor.

Treatment of BBX Capital Restricted Stock Awards and Stock Options Outstanding under BBX Capital's Stock Incentive Plans (page 97)

Pursuant to the terms of the merger agreement, BFC will assume the BBX Capital Equity Compensation Plans. In addition, options to acquire shares of BBX Capital's Class A Common Stock and

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restricted stock awards of shares of BBX Capital's Class A Common Stock granted under the BBX Capital Equity Compensation Plans and outstanding at the effective time of the merger will be converted automatically into options to purchase shares of BFC's Class A Common Stock or restricted stock awards of shares of BFC's Class A Common Stock, as applicable, and be subject to the same terms and conditions as in effect at the effective time of the merger; provided, however, that (i) the number of shares which may be purchased upon exercise of the options, and the number of shares subject to the restricted stock awards, will be multiplied by the exchange ratio in the merger, and (ii) the exercise price of the options will be divided by the exchange ratio in the merger.

Conditions to Consummation of the Merger (page 99)

Consummation of the merger is subject to a number of conditions, including the receipt by BBX Capital and BFC of the shareholder approvals described in this joint proxy statement/prospectus and BFC's Class A Common Stock being approved for listing on a national securities exchange (or an inter-dealer quotation system of a registered national securities association) at the effective time of the merger. In addition, the following conditions, among others, must be satisfied before the merger can be completed:

- 
- holders of not more than 10% of the outstanding shares of BBX Capital's Common Stock duly and validly exercising, or remaining entitled to exercise immediately prior to the effective time of the merger, their appraisal rights in accordance with the FBCA;
- 
- the absence of any "Material Adverse Effect" with respect to BFC or BBX Capital;
- 
- the receipt of all consents and approvals reasonably necessary to consummate the merger and continue in full force and effect certain of BBX Capital's material contracts;
- 
- the absence of any legal restraints or prohibitions preventing the completion of the merger;
- 
- the declaration by the SEC that the registration statement of which this joint proxy statement/prospectus is a part is effective and the absence of any stop order or proceeding, initiated or threatened in writing by the SEC, suspending or threatening to suspend such effectiveness; and
- 
- the representations and warranties of each of BFC and BBX Capital contained in the merger agreement being true and correct, subject to certain materiality qualifications.

Notwithstanding the foregoing, to the extent permitted by applicable law, the board of directors of either BFC or BBX Capital may choose to waive any of the conditions to consummation of the merger and choose to proceed to closing notwithstanding the fact that any such condition has not been fulfilled.

Trading of BFC's Class A Common Stock and Deregistration of BBX Capital's Class A Common Stock (page 84)  
BFC's Class A Common Stock is currently listed for trading on the OTCQB under the trading symbol "BFCF." As previously described, the closing of the merger is conditioned upon, among other things, BFC's Class A Common

Stock being approved for listing on a national securities exchange or qualified inter-dealer quotation system at the effective time of the merger. BFC is considering the national securities exchanges on which it may seek to list its Class A Common Stock. However, as previously described, BFC has been advised by the NYSE and NASDAQ that, subject to a change in their position in the future, they would not consider approval of any application for listing of BFC's Class A Common Stock during the pendency of the litigation brought by the SEC against BBX Capital and its Chairman. Accordingly, BFC has not yet filed an application for the listing of its Class A Common Stock and may or may not do so depending on whether a national securities exchange or qualified inter-dealer quotation system indicates an application could be considered for approval prior to resolution of the litigation. The SEC action was not, as previously anticipated, heard during the January 2014 trial calendar and the case is currently on the trial calendar in November 2014.

If the merger is consummated, all of the shares of BBX Capital's Class A Common Stock and Class B Common Stock will be canceled. Following the merger, BBX Capital's Class A Common Stock will be deregistered under the Exchange Act.

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As previously described, consummation of the merger is currently subject to a number of conditions, including that BFC's Class A Common Stock be approved for listing on a national securities exchange (or an inter-dealer quotation system of a registered national securities association) at the effective time of the merger. It is expected that BFC may effect a reverse stock split prior to the effective time of the merger in order to meet applicable listing requirements. If BFC effects a reverse stock split, a specified number of shares of BFC's Class A Common Stock would be automatically converted into one share of BFC's Class A Common Stock, and that same specified number of shares of BFC's Class B Common Stock would be converted into one share of BFC's Class B Common Stock. If BFC seeks to effect a reverse stock split, BFC will in the future determine the reverse stock split ratio and obtain the separate approval or consent of its shareholders to the reverse stock split as well as any other amendments to BFC's Amended and Restated Articles of Incorporation which require the approval of BFC's shareholders. If BFC effects a reverse stock split prior to the effective time of the merger, the number of shares of BFC's Class A Common Stock to be received by BBX Capital's shareholders in the merger will be ratably adjusted to reflect the reverse stock split.

Anticipated Changes to the Articles of Incorporation and Bylaws of BFC (page 87)

Pursuant to the FBCA, if BFC effects a reverse stock split, it will do so by amending its Amended and Restated Articles of Incorporation. In addition to effecting the reverse stock split, BFC may also amend its Amended and Restated Articles of Incorporation to (i) reduce the number of authorized shares of BFC's Class A Common Stock and Class B Common Stock, (ii) modify the current provisions relating to shareholder approval of certain corporate transactions and future amendments of BFC's Articles of Incorporation so that any required shareholder approval of such actions would be governed by applicable corporate law (rather than BFC's Articles of Incorporation) and (iii) delete certain historical provisions which are no longer applicable to BFC. Consideration is also being given to changing BFC's name to "BBX Capital Corporation" at or following the effective time of the merger. The Form of BFC's Second Amended and Restated Articles of Incorporation, which reflects the provisions of BFC's Amended and Restated Articles of Incorporation as currently in effect and notes the anticipated amendments to such provisions as described herein, is included as Annex D to this joint proxy statement/prospectus.

In addition, BFC's board of directors has approved an amendment to BFC's Bylaws which, effective upon consummation of the merger and in connection with the appointment at that time of the directors of BBX Capital who are not currently directors of BFC, will increase the maximum number of members of the board of directors of BFC from 15 to 20. Shareholder approval of the amendment to BFC's Bylaws is not required. The Form of BFC's Bylaws, which reflects the amendment, is included as Annex E to this joint proxy statement/prospectus.

Board of Directors and Executive Officers of BFC Following the Merger (page 87)

BFC's board of directors is currently comprised of the following ten directors: Alan B. Levan, John E. Abdo, Darwin Dornbush, Oscar Holzmann, Jarett S. Levan, Alan J. Levy, Joel Levy, William Nicholson, Neil Sterling and Seth M. Wise. Each of these directors is expected to continue to serve as a director of BFC following the merger. Additionally, in connection with the merger, BFC has agreed to cause the directors of BBX Capital who are not also directors of BFC to be appointed to the board of directors of BFC at the effective time of the merger. In connection therewith, it is currently anticipated that Norman H. Becker, Steven M. Coldren, Bruno L. Di Giulian, Willis N. Holcombe, Anthony P. Segreto and Charlie C. Winningham, II will be appointed to BFC's board of directors upon consummation of the merger. As of the date of this joint proxy statement/prospectus, no determination has been made as to the changes, if any, to be made to the constitution of the committees of BFC's board of directors.

The executive officers of BFC in office immediately prior to the effective time of the merger are currently expected to continue to hold the same positions at BFC upon completion of the merger. As of the date of this joint proxy statement/prospectus, the executive officers of BFC are Alan B. Levan, Chairman, Chief Executive Officer and President, John E. Abdo, Vice Chairman, Jarett S. Levan, Executive Vice President, Seth M. Wise, Executive Vice President, and John K. Grelle, Executive Vice President, Chief Financial Officer, Chief Accounting Officer and Chief Risk Officer.

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Ownership of BFC Following the Merger (page 88)

Based on the number of outstanding shares of BBX Capital's Class A Common Stock (other than shares owned by BFC) and BFC's Class A Common Stock and Class B Common Stock as of the date of this joint proxy statement/prospectus, and assuming no shareholders of BBX Capital choose to assert and exercise their appraisal rights, immediately following the merger BBX Capital's shareholders (other than BFC) and BFC's shareholders will own approximately 37% and 63%, respectively, of the outstanding shares of BFC's Class A Common Stock and 34% and 66%, respectively, of the total outstanding common equity of BFC. Immediately following the merger, shares of BFC's Class A Common Stock and Class B Common Stock will represent in the aggregate 22% and 78%, respectively, of the general voting power of BFC and approximately 94% and 6%, respectively, of the total outstanding common equity of BFC.

Operations of BBX Capital and BFC Prior to and After the Effective Time of the Merger (page 84)

Both BBX Capital and BFC expect to, and have agreed in the merger agreement to, conduct their respective businesses prior to the effective time of the merger in the usual and ordinary course, consistent with their existing business and investment strategies and operational plans. It is also expected that, following the merger, BFC and BBX Capital (as a wholly owned subsidiary of BFC) will continue to conduct their respective businesses in substantially the way they are currently conducted.

Exemption of Merger from Operation of Shareholder Rights Plans (page 88)

Both BBX Capital and BFC have in place shareholder rights plans which were adopted in an effort to preserve the respective company's ability to utilize its net operating loss carryforwards to offset future taxable income. The shareholder rights plans are designed to prevent BBX Capital or BFC, as the case may be, from experiencing an "ownership change" for purposes of Section 382 of the Code by causing substantial dilution to any person or group that, without the approval of the respective company's board of directors, acquires beneficial ownership of (i) in the case of BFC, shares of BFC's Class A Common Stock or Class B Common Stock, which together with all other shares owned by the person or group, represents 5% or more of the outstanding shares of BFC's Class A Common Stock and Class B Common Stock, and (ii) in the case of BBX Capital, shares of BBX Capital's Class A Common Stock, which together with all other shares owned by the person or group, represents 5% or more of the outstanding shares of BBX Capital's Class A Common Stock. Prior to entering into the merger agreement, both BBX Capital and BFC took steps to exempt the merger and other transactions contemplated by the merger agreement from the operation of their respective shareholder rights plans and, in the case of BBX Capital, to cause the preferred share purchase rights issued pursuant to its shareholder rights plan to expire immediately prior to the effective time of the merger if the shareholder rights plan has not otherwise terminated.

With each share of BFC's Class A Common Stock that BBX Capital's shareholders receive in the merger, BBX Capital's shareholders will also receive an associated preferred share purchase right under BFC's shareholder rights plan. See the sections of this joint proxy statement/prospectus entitled "Description of Capital Stock" and "Comparison of Rights of Common Shareholders of BFC and BBX Capital" for additional information regarding BFC's shareholder rights plan and the preferred share purchase rights.

Appraisal Rights (page 94)

Under the FBCA, BBX Capital's shareholders who do not vote, or cause or permit to be voted, any of their shares of BBX Capital's Class A Common Stock in favor of the merger agreement and who properly exercise their appraisal rights with respect to the merger will be entitled to receive a cash payment equal to the "fair value" of their shares (as determined in accordance with the FBCA). Pursuant to the FBCA, "fair value" of the shares of BBX Capital's Common Stock held by a BBX Capital shareholder exercising appraisal rights means the value of such shares immediately before the effective time of the merger excluding any appreciation or depreciation in anticipation of the merger (unless exclusion would be inequitable) and could be more than, less than or equal to the value of the shares of BFC's Class A Common Stock that the shareholder would otherwise have received in connection with the merger pursuant to the terms of the merger agreement. Merely voting against the approval of the merger agreement will not

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serve to assert the appraisal rights of a BBX Capital shareholder under the FBCA. In addition, a proxy submitted by a BBX Capital shareholder not marked “Against” or “Abstain” with respect to the merger agreement will be voted “For” the approval of the merger agreement and, accordingly, will result in the waiver of such shareholder’s appraisal rights. In addition to not voting, or causing or permitting to be voted, any of their shares of BBX Capital’s Class A Common Stock in favor of the merger, BBX Capital’s shareholders who wish to exercise appraisal rights must comply with the other requirements under the FBCA for exercising and perfecting appraisal rights, as described in the section of this joint proxy statement/prospectus entitled “Appraisal Rights” beginning on page 94. These requirements include, among others, that the shareholder deliver to BBX Capital, before the vote on the merger agreement is taken at the BBX Capital meeting, written notice of the shareholder’s intent to demand payment for his, her or its shares of BBX Capital’s Class A Common Stock if the merger is completed. This written notice must be delivered either in person or by mail (certified mail, return receipt requested, being the recommended form of transmittal) to BBX Capital Corporation, 401 East Las Olas Boulevard, Suite 800, Fort Lauderdale, Florida 33301, Attention: Corporate Secretary. Annex F to this joint proxy statement/prospectus contains the full text of Sections 607.1301 through 607.1333 of the FBCA, which relate to appraisal rights. You are encouraged to read these provisions carefully and in their entirety. A dissenting shareholder’s receipt of cash in exchange for his, her or its shares of BBX Capital’s Class A Common Stock pursuant to the appraisal rights process will be a taxable transaction to such shareholder. Any BBX Capital shareholder wishing to assert and exercise appraisal rights is urged to consult with his, her or its legal counsel before attempting to assert and exercise those rights.

Unless waived by BFC, BFC’s obligation to consummate the merger is conditioned upon holders of not more than 10% of the outstanding shares of BBX Capital’s Common Stock duly and validly exercising, or remaining entitled to exercise immediately prior to the effective time of the merger, their appraisal rights in accordance with the FBCA. BFC’s shareholders are not entitled to appraisal rights in connection with the merger.

Risks (page 21)

In evaluating the merger, you should carefully read this joint proxy statement/prospectus in its entirety, including all of the annexes hereto, and especially consider the factors discussed in the section entitled “Risk Factors” beginning on page 21.

Recommendations of BBX Capital’s Special Committee and Board of Directors (page 68)

A special committee comprised of the disinterested members of BBX Capital’s board of directors was formed and designated to, among other things and with the assistance of its legal and financial advisors, negotiate, review and evaluate the terms and conditions of, and determine the advisability of, the merger. After such negotiation, review and evaluation, as well as consideration of the opinion of its financial advisor, Sandler O’Neill + Partners, L.P. (“Sandler O’Neill”), the BBX Capital special committee determined that the merger is advisable, fair to and in the best interests of BBX Capital’s shareholders. On the basis of such determination, the BBX Capital special committee recommended that the full board of directors of BBX Capital approve, and recommend to the shareholders of BBX Capital that they approve, the merger agreement.

After evaluation and consideration of the merger agreement, the recommendation of the BBX Capital special committee and the opinion of Sandler O’Neill, the board of directors of BBX Capital determined that the merger is advisable, fair to and in the best interests of BBX Capital’s shareholders. Accordingly, the board of directors of BBX Capital approved the merger agreement and recommends that BBX Capital’s shareholders vote “FOR” the approval of the merger agreement.

To review the background of, and BBX Capital’s reasons for, the merger, as well as certain risks related to the merger, see, in particular, the sections of this joint proxy statement/prospectus entitled “The Merger — Background of the Merger,” “The Merger — Recommendation of the BBX Capital Board and its Reasons for the Merger” and “Risk Factors.”

Opinion of the Financial Advisor to the BBX Capital Special Committee (page 73)

On May 7, 2013, Sandler O’Neill delivered to the BBX Capital special committee Sandler O’Neill’s oral opinion, which was subsequently confirmed in writing, as to the fairness of the merger consideration, from

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a financial point of view, to the holders of BBX Capital's Class A Common Stock. Sandler O'Neill's opinion was addressed to the BBX Capital special committee and only addressed the fairness of the merger consideration, from a financial point of view, to the holders of BBX Capital's Class A Common Stock. It does not address any other aspect or implication of the merger. Sandler O'Neill has consented to the inclusion of its written opinion in this joint proxy statement/prospectus. The full text of Sandler O'Neill's written opinion, dated as of May 7, 2013, which sets forth the assumptions made, matters considered, procedures followed, and limitations on the review undertaken by Sandler O'Neill in rendering its opinion, is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference. Further, the summary of Sandler O'Neill's opinion and related analyses contained herein is qualified in its entirety by reference to the full text of the opinion. Neither Sandler O'Neill's opinion nor such summary is intended to be, and neither constitutes, a recommendation to any of BBX Capital's shareholders or any other security holder as to how they should vote or act with respect to any matter relating to the merger or otherwise.

Recommendation of BFC's Board of Directors (page 71)

After evaluation and consideration of the merger agreement and the opinion of Keefe, Bruyette & Woods, Inc. ("KBW"), which served as financial advisor to BFC's board of directors for the purposes of rendering such opinion, the board of directors of BFC determined that the merger is advisable, fair to and in the best interests of BFC and its shareholders. Accordingly, the board of directors of BFC approved the merger and recommends that BFC's shareholders vote "FOR" the merger.

To review the background of, and BFC's reasons for, the merger, as well as certain risks related to the merger, see, in particular, the sections of this joint proxy statement/prospectus entitled "The Merger — Background of the Merger," "The Merger — Recommendation of the BFC Board and its Reasons for the Merger" and "Risk Factors."

Opinion of the Financial Advisor to BFC's Board of Directors (page 79)

On May 7, 2013, KBW delivered its opinion to BFC's board of directors to the effect that, as of May 6, 2013, the date of KBW's opinion, and based upon and subject to the assumptions, qualifications and limitations set forth therein, the exchange ratio in the merger pursuant to the merger agreement was fair, from a financial point of view, to BFC. KBW's opinion was addressed to BFC's board of directors and only addressed the fairness, from a financial point of view, to BFC of the exchange ratio in the merger pursuant to the merger agreement. It does not address any other aspect or implication of the merger. KBW has consented to the inclusion of its written opinion in this joint proxy statement/prospectus. The full text of KBW's written opinion, dated as of May 6, 2013, which sets forth the assumptions made, matters considered, procedures followed, and limitations on the review undertaken by KBW in rendering its opinion, is attached as Annex C to this joint proxy statement/prospectus and is incorporated herein by reference. Further, the summary of KBW's opinion and related analyses contained herein is qualified in its entirety by reference to the full text of the opinion. Neither KBW's opinion nor such summary is intended to be, and neither constitutes, a recommendation to any of BFC's shareholders or any other security holder as to how they should vote or act with respect to any matter relating to the merger or otherwise.

Limitation on the Solicitation, Negotiation and Discussion of Other Acquisition Proposals (page 105)

The merger agreement contains restrictions on the ability of each of BFC and BBX Capital to, among other things, solicit, negotiate and discuss with third parties other proposals relating to the acquisition of either company. Notwithstanding these restrictions, if at any time prior to BBX Capital or BFC, as the case may be, receiving the approval of its shareholders required to consummate the merger, BBX Capital's special committee or board of directors or BFC's board of directors receives an unsolicited, bona fide written acquisition proposal not in violation of the "no solicitation" provisions of the merger agreement and BBX Capital's special committee or board of directors or BFC's board of directors, as the case may be, reasonably determines in good faith, after consultation with their respective financial, legal and other

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profession advisors, that such proposal will result in, or is reasonably expected to result in, a more favorable proposal to the applicable company's shareholders from a financial point of view than the merger or other revised proposal submitted by BFC or BBX Capital and is reasonably capable of being consummated on the terms proposed (a "superior proposal"), then, after receiving the advice of outside counsel that it may be necessary to take such actions to comply with its fiduciary duties under applicable law, BBX Capital or BFC, as the case may be, may (i) furnish information about its business to the person making such proposal and (ii) participate in discussions or negotiations regarding such proposal with the person making such proposal.

Change of the Recommendation of the Board of Directors of BFC or BBX Capital (page 106)

The merger agreement provides that the board of directors of BFC and BBX Capital may withhold, withdraw, modify or change its recommendation of the advisability of the merger or approve or recommend any other acquisition or similar proposal only if, at any time prior to BBX Capital or BFC, as the case may be, receiving the approval of its shareholders required to consummate the merger, a superior proposal was received without violation of the "no solicitation" provisions of the merger agreement and BBX Capital's special committee or board of directors or BFC's board of directors, as the case may be, determines in good faith and after consultation with their financial advisors and legal counsel that the failure to take such actions would be inconsistent with their fiduciary duties under applicable law.

Interests of Certain Persons in the Merger (page 85)

Shareholders should note that some directors and executive officers of BFC and BBX Capital have interests in the merger that are different from, or are in addition to, the interests of BFC's and BBX Capital's shareholders generally. As of the date of this joint proxy statement/prospectus, Alan B. Levan, the Chairman, Chief Executive Officer and President of BFC, John E. Abdo, the Vice Chairman of BFC, and their respective affiliates collectively beneficially own shares of BFC's Class A Common Stock and Class B Common Stock representing approximately 71% of the general voting power and approximately 23% of the total outstanding common stock of BFC. These shares consist of 12,907,051 shares, or approximately 17%, of BFC's Class A Common Stock and 6,521,228 shares, or approximately 87%, of BFC's Class B Common Stock. Each of Messrs. Levan and Abdo was also previously granted 1,389,073 restricted shares of BFC's Class A Common Stock which are scheduled to vest in three equal annual installments beginning on September 30, 2014. In addition, during October 2013, BFC's Compensation Committee approved restricted stock award grants to each of Messrs. Levan and Abdo of 297,408 shares of BFC's Class A Common Stock which would vest in one lump sum during October 2017. The grant of 160,408 of those restricted shares to each of Messrs. Levan and Abdo is subject to the approval of BFC's shareholders of an amendment of BFC's 2005 Stock Incentive Plan to increase the number of shares available for grant under such plan. BFC currently intends to seek the approval of its shareholders to the plan amendment at its 2014 Annual Meeting of Shareholders. BFC's Compensation Committee has the right to vote the shares of BFC's Class A Common Stock subject to unvested restricted stock awards; however, the shares subject to unvested restricted stock awards which remain subject to shareholder approval are not considered issued or outstanding and may not be voted by BFC's Compensation Committee or any other person. Messrs. Levan and Abdo also serve as Chairman and Chief Executive Officer of BBX Capital and Vice Chairman of BBX Capital, respectively. Further, as a result of their ownership position in BFC's Class A Common Stock and Class B Common Stock, Messrs. Levan and Abdo may be deemed to control BFC and therefore may be deemed to beneficially own the 8,133,353 shares, or approximately 51%, of BBX Capital's Class A Common Stock and all 195,045 shares of BBX Capital's Class B Common Stock owned directly by BFC, which in the aggregate represent approximately 52% of the total outstanding common stock of BBX Capital and 72% of the total voting power of BBX Capital. In addition to the shares which they may be deemed to beneficially own through BFC, Messrs. Levan and Abdo currently beneficially own 157,438 shares and 169,184 shares, respectively, of BBX Capital's Class A Common Stock. Each of Messrs. Levan and Abdo was also previously granted 282,601 restricted shares of BBX Capital's Class A Common Stock which are scheduled to vest in three equal annual installments beginning on September 30, 2014 and 143,333 restricted shares of BBX Capital's Class A Common Stock which were granted during October 2013 and are scheduled to vest



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during October 2017. Prior to vesting, BBX Capital's compensation committee has (or, following the merger, BFC's compensation committee will have) the right to vote the shares subject to the BBX Capital Class A Common Stock restricted stock awards. Based on their current holdings and current share information with respect to BFC and BBX Capital, if the merger is consummated on the contemplated terms, Messrs. Levan and Abdo would beneficially own shares of BFC's Class A Common Stock and Class B Common Stock representing approximately 70% of the general voting power and approximately 16% of the total common stock of BFC. In addition, pursuant to the terms of the merger agreement, the restricted shares of BBX Capital's Class A Common Stock previously granted to Messrs. Levan and Abdo, as described above, which are unvested at the effective time of the merger will be converted into restricted shares of BFC's Class A Common Stock upon consummation of the merger and be subject to the same terms and conditions as in effect at the effective time of the merger, provided that the number of shares will be multiplied by the exchange ratio in the merger. Messrs. Levan and Abdo are parties to an agreement pursuant to which they have agreed to vote their shares of BFC's Class B Common Stock in favor of the election of the other to BFC's board of directors for so long as they are willing and able to serve as directors of BFC. Additionally, Mr. Abdo has agreed to vote the shares of BFC's Class B Common Stock he owns in the same manner that Mr. Levan votes his shares of BFC's Class B Common Stock. Mr. Abdo has also agreed, subject to certain exceptions, not to transfer certain of his shares of BFC's Class B Common Stock and to obtain the consent of Mr. Levan prior to the conversion of certain of his shares of BFC's Class B Common Stock into shares of BFC's Class A Common Stock. See the section of this joint proxy statement/prospectus entitled "Security Ownership of Certain Beneficial Owners and Management" for information regarding the ownership interests of BBX Capital's and BFC's other directors and executive officers in BBX Capital's and BFC's securities.

Jarett S. Levan, the son of Mr. Alan Levan, is a director and the President of BBX Capital and a director and Executive Vice President of BFC, Seth M. Wise is Executive Vice President of BBX Capital and a director and Executive Vice President of BFC, and John K. Grelle is Executive Vice President and Chief Financial Officer of BBX Capital and Executive Vice President, Chief Financial Officer, Chief Accounting Officer and Chief Risk Officer of BFC.

Each of Alan B. Levan, John E. Abdo, Jarett S. Levan, Seth M. Wise and John K. Grelle has employment agreements with BFC and with BBX Capital pursuant to which he is paid by the applicable company an annual base salary and is entitled to receive from the applicable company bonus payments under bonus plans established from time to time. It is expected that, following the merger, each of Messrs. Alan Levan, Abdo, Jarett Levan, Wise and Grelle will continue to receive the full amounts payable to him or to which he is otherwise entitled under both of these agreements.

The directors of BFC immediately prior to the effective time of the merger will continue to serve as directors of BFC following the merger. In addition, BFC has agreed to cause the individuals serving as directors of BBX Capital immediately prior to the effective time of the merger who are not also directors of BFC to be appointed to BFC's board of directors at the effective time of the merger. In connection therewith, it is currently anticipated that Norman H. Becker, Steven M. Coldren, Bruno L. Di Giulian, Willis N. Holcombe, Anthony P. Segreto and Charlie C.

Winningham, II will be appointed to BFC's board of directors upon consummation of the merger. BFC's directors will continue to receive compensation, which may include equity-based compensation, from BFC for their services. BFC currently provides compensation to its directors for board and committee service at levels which are equal to or less than the compensation which BBX Capital pays to its directors for board and committee service.

The members of BBX Capital's special committee received compensation for their service on the special committee. The merger agreement also provides for indemnification in favor of the current and former directors and officers of BBX Capital and for the maintenance or purchase of directors' and officers' liability insurance tail policies with respect to matters arising from facts or events which occurred before the effective time of the merger.

Each of BFC's board of directors and BBX Capital's special committee and board of directors was aware of these interests.

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No “Golden Parachute” Compensation (page 87)

Neither BFC nor BBX Capital has any arrangement or understanding with its or the other company’s Named Executive Officers concerning any type of compensation that is based on or otherwise relates to the merger. Further, prior to the execution of the merger agreement, each of BBX Capital’s executive officers delivered a letter to BBX Capital pursuant to which the executive officer (i) confirmed that neither the merger nor any of the other transactions contemplated by the merger agreement would be deemed to constitute a “Change in Control” under his employment agreement with BBX Capital and (ii) expressly waived any rights under his employment agreement with BBX Capital that might be triggered in the event that a “Change in Control” was deemed to have occurred either due to the consummation of the merger or the other transactions contemplated by the merger agreement. As a result, the advisory shareholder vote relating to “golden parachute compensation” otherwise required by Item 402(t) of Regulation S-K of the SEC is not applicable to the merger.

Regulatory Matters (page 91)

Neither BFC nor BBX Capital is aware of any regulatory approvals or filings required for the completion of the merger other than the filing of this joint proxy statement/prospectus with the SEC and BFC’s compliance with applicable federal and state securities laws in connection with the issuance of the shares of BFC’s Class A Common Stock in the merger.

Resale of BFC’s Class A Common Stock (page 91)

The shares of BFC’s Class A Common Stock to be issued in connection with the merger will not be subject to any restrictions on transfer arising under the Securities Act, except for shares issued to any BBX Capital shareholder who may be deemed to be an affiliate of BFC for purposes of Rule 144 under the Securities Act after the completion of the merger and shares issued in respect of BBX Capital restricted stock awards which are outstanding and unvested at the effective time of the merger.

Comparison of Rights of Common Shareholders of BFC and BBX Capital (page 118)

BBX Capital’s shareholders, whose rights are currently governed by BBX Capital’s Restated Articles of Incorporation and BBX Capital’s Amended and Restated Bylaws, will, upon consummation of the merger and provided they do not exercise and perfect their appraisal rights, become holders of BFC’s Class A Common Stock, and their rights will be governed by BFC’s Amended and Restated Articles of Incorporation and BFC’s Bylaws, in each case as amended. In addition, both BBX Capital and BFC are Florida corporations and, therefore, the rights of BBX Capital’s shareholders who receive shares of BFC’s Class A Common Stock in the merger will also continue to be governed by the FBCA.

Litigation Regarding the Merger (page 91)

A consolidated purported class action lawsuit relating to the merger is pending in the 17th Judicial Circuit in and for Broward County, Florida. The litigation seeks to enjoin the merger or, if it is completed, to recover relief as determined by the presiding court. BFC and BBX Capital believe that the lawsuit is without merit and intend to vigorously defend the action.

Material U.S. Federal Income Tax Consequences of the Merger (page 89)

The merger has been structured to qualify as a tax-free “reorganization” under Section 368(a) of the Code. Accordingly, BBX Capital’s shareholders will generally not recognize any gain or loss for U.S. federal income tax purposes upon the exchange of their shares of BBX Capital’s Class A Common Stock for shares of BFC’s Class A Common Stock pursuant to the merger agreement. The tax basis in the shares of BFC’s Class A Common Stock received in the merger by each BBX Capital shareholder will be equal to such shareholder’s current tax basis in the shares of BBX Capital’s Class A Common Stock exchanged for the shares of BFC’s Class A Common Stock.

Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. (“Stearns Weaver”) will issue an opinion to BFC and BBX Capital as of the effective date of the merger to the effect that the merger will qualify as a tax-free “reorganization” under Section 368(a) of the Code and that BFC and BBX Capital will each be a party to that “reorganization” under Section 368(b) of the Code.

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As previously described, BBX Capital’s shareholders are entitled to pursue appraisal rights in connection with the merger pursuant to which they may receive a cash payment in an amount equal to the “fair value” of their shares (as determined in accordance with the FBCA). A dissenting shareholder’s receipt of cash in exchange for his, her or its shares of BBX Capital’s Class A Common Stock pursuant to the appraisal rights process will be a taxable transaction to such shareholder.

This summary may not be applicable to all shareholders of BBX Capital. You should read the section of this joint proxy statement/prospectus entitled “The Merger — Material U.S. Federal Income Tax Consequences of the Merger” for a more complete discussion of the U.S. federal income tax consequences of the merger. Tax matters can be complicated, and the tax consequences of the merger to you will depend on your particular tax situation. You are urged to consult your tax advisor to determine the tax consequences of the merger to you.

Anticipated Accounting Treatment (page 91)

The merger will be accounted for as an equity transaction by BFC for financial reporting and accounting purposes under U.S. generally accepted accounting principles (“GAAP”). The results of operations of BBX Capital will continue to be included in the consolidated financial statements of BFC.

Termination of the Merger Agreement (page 107)

The merger agreement may be terminated at any time prior to the effective time of the merger upon the mutual written consent of BFC and BBX Capital. In addition, each of BFC and BBX Capital may terminate the merger agreement under certain circumstances, including, without limitation:

- 
- if the requisite shareholder approvals are not obtained;
- 
- if the merger has not been consummated by April 30, 2014;
- 
- if any order, decree, ruling or other judgment issued by any court or other governmental entity prohibiting the consummation of the merger is in effect and has become final and nonappealable;
- 
- if any law is enacted, promulgated or issued, which is deemed applicable to the merger and would make consummation of the merger illegal;
- 
- if KBW, in the case of BFC, or Sandler O’Neill, in the case of BBX Capital, withdraws, revokes or annuls its fairness opinion;
- 
- if, after complying with the “no-solicitation” and “superior proposal” provisions of the merger agreement, BBX Capital’s special committee or board of directors or BFC’s board of directors determines to approve or recommend another acquisition or similar proposal, or withholds or withdraws its recommendation of the merger;
-

- if the other company breaches in any material respect any of its representations, warranties, covenants or other agreements contained in the merger agreement, and such breach is not timely cured and would result in the failure to satisfy a condition to the non-breaching party's or parties' obligation to consummate the merger; or
- 
- if any event, change or occurrence that, individually or together with any other event, change or occurrence, has had or could reasonably be expected to have a "Material Adverse Effect" on the other company.

BFC may also terminate the merger agreement at any time prior to the effective time of the merger if a tender offer or exchange offer for ten percent or more of the total number of outstanding shares of BBX Capital's Class A Common Stock and Class B Common Stock is commenced or a registration statement or statement on Schedule TO with respect thereto is filed (other than by BFC or certain of its affiliates) and BBX Capital's board of directors, notwithstanding the "no solicitation" provisions of the merger agreement, recommends that BBX Capital's shareholders tender their shares in such tender or exchange offer or publicly announces its intention to take no position with respect to such tender offer.

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No fee or amount will be required to be paid to the other company in the event the merger agreement is terminated for any reason, except that either company may be subject to liability to the other if it willfully or intentionally breaches the merger agreement.

Recent Events (page 92)

On October 30, 2013, Renin Holdings LLC, a newly formed joint venture entity currently beneficially owned 81% by BBX Capital and 19% by BFC, through newly formed acquisition subsidiaries (Renin Holdings LLC and its acquisition subsidiaries are referred to collectively as the “Renin purchasers”), acquired substantially all of the assets and assumed certain liabilities of Renin Corp. and its subsidiaries (the “Renin acquisition”) for approximately \$12.8 million in cash, net of \$1.7 million distributed to Renin Holdings, LLC during the first quarter of 2014 following the finalization of the working capital adjustment and indemnification obligations of Renin Corp. and its subsidiaries under the terms of the purchase agreement. Bluegreen funded approximately \$9.4 million of the transaction consideration in the form of a term loan and revolver facility to the Renin purchasers.

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## Market Price and Dividend Information

BFC's Class A Common Stock is currently listed for trading on the OTCQB under the trading symbol "BFCF." BBX Capital's Class A Common Stock is listed for trading on the NYSE under the trading symbol "BBX." As previously described, consummation of the merger is conditioned upon, among other things, BFC's Class A Common Stock being approved for listing on a national securities exchange (or inter-dealer quotation system of a registered national securities association) at the effective time of the merger.

The merger agreement was publicly announced following the close of trading on May 7, 2013. The table below sets forth the closing prices for BFC's Class A Common Stock and BBX Capital's Common Stock, as quoted on the OTCQB and NYSE, respectively, on May 7, 2013 and March 12, 2014, the last trading day before the date of this joint proxy statement/prospectus. The table also includes the equivalent prices per share of BBX Capital's Class A Common Stock that holders of such stock would receive in connection with the merger if the merger were completed on those dates, applying the exchange ratio of 5.39 shares of BFC's Class A Common Stock for each share of BBX Capital's Class A Common Stock.

	<b>BFC's Class A Common Stock</b>	<b>BBX Capital's Class A Common Stock</b>	<b>Equivalent Value of BBX Capital's Class A Common Stock</b>
May 7, 2013	\$ 2.40	\$ 13.08	\$ 12.94
March 12, 2014	\$ 4.00	\$ 21.58	\$ 21.56

The above table shows only historical comparisons. These comparisons may not provide meaningful information to BFC's and BBX Capital's shareholders in determining whether to approve the merger. Shareholders of BFC and BBX Capital may wish to obtain current market quotations and should carefully review the other information contained in this joint proxy statement/prospectus prior to voting their shares.

BFC has never paid cash dividends on its Class A Common Stock or Class B Common Stock. BFC pays regular quarterly cash dividends of \$187,500 with respect to its outstanding 5% Cumulative Preferred Stock. BFC may not pay or set apart for payment any dividend or other distribution (other than a dividend or distribution payable solely in common stock) on its Class A Common Stock or Class B Common Stock until such time as all accrued and unpaid dividends on BFC's 5% Cumulative Preferred Stock have been or contemporaneously are declared or paid and a sum is set apart sufficient for payment of such accrued and unpaid dividends. BFC currently expects to utilize its available cash to pursue opportunities in accordance with its business and investment strategies and does not currently anticipate that it will pay cash dividends to holders of its Class A Common Stock or Class B Common Stock for the foreseeable future.

BBX Capital did not pay any cash dividends on its Class A Common Stock or Class B Common Stock during the years ended December 31, 2012 or 2011. BBX Capital currently expects to utilize its available cash to pursue opportunities in accordance with its business and investment strategies and does not currently anticipate that it will pay cash dividends to its shareholders for the foreseeable future.

The merger agreement contains restrictions on the right of BFC and BBX Capital to make dividend payments or other capital distributions during the interim period between the date of the merger agreement and the effective time of the merger.

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## Comparative Per Share Data

The following tables set forth historical per share information for BFC and BBX Capital. The tables also set forth pro forma per share information after giving effect to (i) both the Renin acquisition, which was consummated on October 30, 2013, and Woodbridge's April 2, 2013 acquisition of all of the shares of Bluegreen's common stock not previously owned by Woodbridge and the related \$71.75 million investment in Woodbridge made by BBX Capital in exchange for a 46% equity interest in Woodbridge (which is collectively referred to within this section as the "Bluegreen transaction") and (ii) the Renin acquisition, the Bluegreen transaction and the proposed merger between BFC and BBX Capital as an equity transaction. The pro forma equivalent information for BBX Capital was derived by multiplying the pro forma net income (loss) per common share from continuing operations information for the year ended December 31, 2012 and the nine months ended September 30, 2013 and book value per common share information as of September 30, 2013, in each case by the exchange ratio of 5.39 shares of BFC's Class A Common Stock for each share of BBX Capital's Class A Common Stock.

The pro forma per share data provided in the tables below is for informational purposes only and is not necessarily indicative of the historical results that would have been achieved had the transactions been consummated on the dates assumed for purposes of preparing the information or the future results that BFC will experience in the event the merger is completed. The pro forma per share data has been derived from and should be read in conjunction with the unaudited pro forma condensed consolidated financial statements and related notes included in this joint proxy statement/prospectus beginning on page 109. The historical per share data has been derived from and should be read in conjunction with the historical consolidated financial statements and related notes of BFC and BBX Capital contained in each company's respective Annual Report on Form 10-K for the year ended December 31, 2012 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which are incorporated by reference into this joint proxy statement/prospectus. For additional information, please see the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information."

	September 30, 2013					
	BFC			BBX Capital		
	Historical	Pro Forma for Renin Acquisition and Bluegreen Transaction	Pro Forma for Renin Acquisition, Bluegreen Transaction and Proposed BFC/BBX Merger	Historical	Pro Forma Equivalent for Renin Acquisition and Bluegreen Transaction	Pro Forma Equivalent for Renin Acquisition, Bluegreen Transaction and Proposed BFC/BBX Merger
Net (loss) income per common share from continuing operations:						
Basic	\$ 0.07	\$ 0.10	\$ 0.06	\$ (0.11 )	\$ 0.54	\$ 0.32
Diluted	\$ 0.07	\$ 0.10	\$ 0.06	\$ (0.11 )	\$ 0.54	\$ 0.32
Book value per share (1):						
Basic	\$ 2.73	\$ 2.73	\$ 2.79	\$ 15.78	\$ 14.71	\$ 15.04
Diluted	\$ 2.73	\$ 2.72	\$ 2.79	\$ 15.78	\$ 14.66	\$ 15.04

(1)

- Historical basic and diluted book value per share reflects the Bluegreen transaction, which was consummated on April 2, 2013.

	December 31, 2012					
	BFC			BBX Capital		
	Historical	Pro Forma for Renin Acquisition and Bluegreen Transaction	Pro Forma for Renin Acquisition, Bluegreen Transaction and Proposed BFC/BBX Merger	Historical	Pro Forma Equivalent for Renin Acquisition and Bluegreen Transaction	Pro Forma Equivalent for Renin Acquisition, Bluegreen Transaction and Proposed BFC/BBX Merger
Net income (loss) per common share from continuing operations:						
Basic	\$ 0.26	\$ 0.57	\$ 0.26	\$ (1.81 )	\$ 3.07	\$ 1.40
Diluted	\$ 0.25	\$ 0.56	\$ 0.25	\$ (1.81 )	\$ 3.02	\$ 1.35

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## Selected Historical Consolidated Financial Information of BFC

The following table summarizes BFC's historical consolidated financial condition and results as of, and for the periods ended on, the dates indicated below. The interim period financial data set forth below is not necessarily indicative of BFC's results of operations for the full year or any other interim period. In addition, such interim financial data is unaudited; however, BFC's management believes that such data reflects all adjustments (consisting only of normal recurring adjustments) necessary for a fair statement of its results of operations and financial condition as of the dates, and for the periods, indicated. You should not assume the results of operations for past periods indicate results for any future period. The following information is only a summary and should be read together with BFC's consolidated financial statements and related notes contained in, and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of, BFC's Annual Report on Form 10-K for the year ended December 31, 2012 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which are incorporated by reference into this joint proxy statement/prospectus. For additional information, please see the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information."

	As of and for the Nine Months Ended September 30,		As of and for the Years Ended December 31,				
	2013	2012	2012	2011	2010	2009	2008
	(In thousands, except for per share data)						
Statements of Operations Data:							
Total revenues	\$ 405,548	360,728	485,955	445,428	431,699	104,033	96,460
Total cost and expenses	361,212	338,337	467,303	477,498	581,070	424,877	271,815
Gain on bargain purchase of investment in Bluegreen	—	—	—	—	—	184,642	—
Gain (loss) on settlement of investment in subsidiary	—	—	—	10,690	(977 )	29,679	—
Gain on extinguishment of debt	—	29,875	29,875	11,625	13,049	—	—
Equity in earnings (loss) from unconsolidated affiliates	—	440	467	1,256	(851 )	33,381	15,064
Impairment of unconsolidated affiliates	—	—	—	—	—	(31,181 )	(96,579 )
Impairment of other investments	—	—	—	—	—	(2,396 )	(15,548 )
Investment gains	—	9,307	9,307	—	—	6,654	2,076
Other income	1,267	1,977	2,161	1,837	2,687	3,104	7,743
Income (loss) from continuing operations before income taxes	45,603	63,990	60,462	(6,662 )	(135,463)	(96,961 )	(262,599)
	24,669	14,631	16,225	1,775	9,215	(65,139 )	(8,265 )

	As of and for the Nine Months Ended September 30,			As of and for the Years Ended December 31,			
Less: Provision (benefit) for income taxes							
Income (loss) from continuing operations	20,934	49,359	44,237	(8,437 )	(144,678)	(31,822 )	(254,334)
Loss (income) from discontinued operations, net of income taxes	(320 )	275,546	267,863	(11,069 )	(35,509 )	(59,717 )	(74,277 )
Extraordinary gain, net of income taxes	—	—	—	—	—	—	9,145
Net income (loss)	20,614	324,905	312,100	(19,506 )	(180,187)	(91,539 )	(319,466)
Less: Net income (loss) attributable to noncontrolling interests	15,271	143,816	146,085	(8,236 )	(76,339 )	(120,611)	(260,567)
Net income (loss) attributable to BFC	5,343	181,089	166,015	(11,270 )	(103,848)	29,072	(58,899 )
Preferred Stock dividends	—	(188 )	(188 )	(750 )	(750 )	(750 )	(750 )
Net income (loss) allocable to common stock	\$ 5,343	180,901	165,827	(12,020 )	(104,598)	28,322	(59,649 )
Common Share Data (1) (2)							
Basic earnings (loss) per share of common stock:							
Earnings (loss) per share from continuing operations	\$ 0.07	0.40	0.26	(0.09 )	(1.13 )	1.04	(1.12 )
(Loss) earnings per share from discontinued operations	(0.01 )	1.94	1.88	(0.07 )	(0.26 )	(0.55 )	(0.40 )
Earnings per share from extraordinary items	—	—	—	—	—	—	0.20
Net (loss) earnings per share of common stock	\$ 0.06	2.34	2.14	(0.16 )	(1.39 )	0.49	(1.32 )
Diluted earnings (loss) per share of common stock:							
Earnings (loss) per share from continuing operations	\$ 0.07	0.40	0.25	(0.09 )	(1.13 )	1.04	(1.12 )
	(0.01 )	1.92	1.84	(0.07 )	(0.26 )	(0.55 )	(0.40 )

	As of and for the Nine Months Ended September 30,			As of and for the Years Ended December 31,			
(Loss) earnings per share from discontinued operations							
Earnings per share from extraordinary items	—	—	—	—	—	—	0.20
Net earnings (loss) per share of common stock	\$ 0.06	2.32	2.09	(0.16 )	(1.39 )	0.49	(1.32 )
Basic weighted average number of common shares outstanding	83,227	77,135	77,142	75,790	75,379	57,235	45,097
Diluted weighted average number of common shares outstanding	84,653	77,766	79,087	75,898	75,379	57,235	45,097

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	As of September 30, 2013	2012	As of December 31, (In thousands)			
			2011	2010	2009	2008
Balance Sheet Data (at period end):						
Loans, loans held for sale and notes receivable, net	\$ 663,998	804,420	3,015,673	3,614,455	3,963,086	4,317,645
Inventory	\$ 199,035	196,749	213,325	265,319	384,007	268,763
Securities	\$ 1,241	3,824	109,547	556,842	467,520	979,417
Total assets	\$ 1,427,802	1,547,188	4,778,155	5,813,066	6,042,101	6,395,582
Deposits	\$ —	—	3,279,852	3,891,190	3,948,818	3,919,796
Securities sold under agreements to repurchase, federals funds purchased and other short term borrowings	\$ —	—	—	22,764	27,271	279,726
BB&T preferred interest in FAR, LLC	\$ 110,646	196,877	—	—	—	—
Other borrowings (3)	\$ 687,299	621,832	1,063,947	1,428,966	1,350,393	1,544,531
BFC shareholders' equity	\$ 214,837	298,967	121,534	144,665	246,876	112,867
Noncontrolling interests	\$ 164,583	208,822	63,276	78,256	159,312	262,554
Total equity	\$ 379,420	507,789	184,810	222,921	406,188	375,421

(1)

- Since its inception, BFC has not paid any cash dividends on its common stock.

(2)

- While BFC has two classes of common stock outstanding, the two-class method is not presented because BFC's capital structure does not provide for different dividend rates or other preferences, other than voting rights, between the two classes.

(3)

- Other borrowings consist of Federal Home Loan Bank advances, notes and mortgage notes payable and other borrowings, receivable-backed notes payable and junior subordinated debentures.

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## Selected Historical Parent Company Only Financial Information of BFC

The following table summarizes BFC's historical parent company only financial condition and results as of, and for the periods ended on, the dates indicated below. The interim period financial data set forth below is not necessarily indicative of BFC's results of operations for the full year or any other interim period. In addition, such interim financial data is unaudited; however, BFC's management believes that such data reflects all adjustments (consisting only of normal recurring adjustments) necessary for a fair statement of its results of operations and financial condition as of the dates, and for the periods, indicated. You should not assume the results of operations for past periods indicate results for any future period. The following information is only a summary and should be read together with BFC's consolidated financial statements and related notes contained in, and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of, BFC's Annual Report on Form 10-K for the year ended December 31, 2012 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which are incorporated by reference into this joint proxy statement/prospectus. For additional information, please see the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information."

	As of and for the Nine Months Ended September 30,		As of and for the Years Ended December 31,				
	2013	2012	2012	2011	2010	2009	2008
Statements of Operations Data:							
Revenues	\$ 213	10,655	10,892	2,175	2,018	1,202	2,489
Expenses	12,308	9,214	21,478	7,680	8,586	8,567	11,405
(Loss) income before earnings (loss) from subsidiaries	(12,095 )	1,441	(10,586 )	(5,505 )	(6,568 )	(7,365 )	(8,916 )
Equity in earnings (loss) from consolidated and other subsidiaries	17,438	181,475	178,428	(5,765 )	(98,590 )	35,920	(74,015 )
Income (loss) from continuing operations before income taxes	5,343	182,916	167,842	(11,270 )	(105,158 )	28,555	(82,931 )
Provision (benefit) for income taxes	—	1,827	1,827	—	(1,310 )	(517 )	(14,887 )
Income (loss) from continuing operations	5,343	181,089	166,015	(11,270 )	(103,848 )	29,072	(68,044 )
Extraordinary gain, net of taxes	—	—	—	—	—	—	9,145
Net income (loss)	5,343	181,089	166,015	(11,270 )	(103,848 )	29,072	(58,899 )
Preferred stock dividends	—	(188 )	(188 )	(750 )	(750 )	(750 )	(750 )
Net income (loss) to common shareholders	\$ 5,343	180,901	165,827	(12,020 )	(104,598 )	28,322	(59,649 )

	<b>As of and for the Nine Months Ended September 30,</b>		<b>As of and for the Years Ended December 31,</b>				
Statements of Cash Flow Data:							
Operating Activities:							
Net income (loss) attributable to BFC	\$ 5,343	181,089	166,015	(11,270 )	(103,848 )	29,072	(58,899 )
Other operating activities	549	(188,528)	(178,536)	604	94,687	(35,317 )	53,391
Net cash provided by (used in) operating activities	5,892	(7,439 )	(12,521 )	(10,666 )	(9,161 )	(6,245 )	(5,508 )
Net cash provided by (used in) investing activities	—	25,866	25,866	7,689	13,559	(915 )	(2,469 )
Net cash provided by (used in) financing activities	230	2	(362 )	(563 )	(748 )	(750 )	(804 )
Increase (decrease) in cash and cash equivalents	6,122	18,429	12,983	(3,540 )	3,650	(7,910 )	(8,781 )
Cash at beginning of period	14,401	1,418	1,418	4,958	1,308	9,218	17,999
Cash at end of period	\$ 20,523	19,847	14,401	1,418	4,958	1,308	9,218

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	<b>As of September 30, 2013</b>	<b>2012</b>	<b>As of December 31,</b>				<b>2008</b>	
			<b>2011</b>	<b>2010</b>	<b>2009</b>			
			<b>(In thousands)</b>					
Balance Sheet Data:								
Assets								
Cash and cash equivalents	\$ 20,523	14,401	1,418	4,958	1,308		9,218	
Securities available for sale at fair value	42	36	16,311	38,829	18,981		16,523	
Investment in and advances to subsidiaries	226,633	308,741	117,242	119,340	248,194		103,435	
Note receivable due from Woodbridge Holdings, LLC.	—	9,545	7,574	2,012	—		—	
Other assets	2,051	1,094	1,004	1,444	1,121		1,196	
Total assets	\$ 249,249	333,817	143,549	166,583	269,604		130,372	
Liabilities and Shareholders' Equity								
Shares subject to mandatory redemption	12,230	11,851	—	—	—		—	
Other liabilities	22,182	22,999	10,986	10,889	11,699		6,476	
Deferred income taxes	—	—	—	—	—		—	
Total liabilities	34,412	34,850	10,986	10,889	11,699		6,476	
Redeemable 5% Cumulative Preferred Stock	—	—	11,029	11,029	11,029		11,029	
Shareholders' equity	214,837	298,967	121,534	144,665	246,876		112,867	
Total liabilities and shareholders' equity	\$ 249,249	333,817	143,549	166,583	269,604		130,372	

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## Selected Historical Consolidated Financial Information of BBX Capital

The following table summarizes BBX Capital's historical consolidated financial condition and results as of, and for the periods ended on, the dates indicated below. The interim period financial data set forth below is not necessarily indicative of BBX Capital's results of operations for the full year or any other interim period. In addition, such interim financial data is unaudited; however, BBX Capital's management believes that such data reflects all adjustments (consisting only of normal recurring adjustments) necessary for a fair statement of its results of operations and financial condition as of the dates, and for the periods, indicated. You should not assume the results of operations for past periods indicate results for any future period. The following information is only a summary and should be read together with BBX Capital's consolidated financial statements and related notes contained in, and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of, BBX Capital's Annual Report on Form 10-K for the year ended December 31, 2012 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which are incorporated by reference into this joint proxy statement/prospectus. For additional information, please see the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information."

	For the Nine Months Ended September 30,		For the Years Ended December 31,				
	2013	2012	2012	2011	2010	2009	2008
	(In thousands, except for per share data)						
Income Statement							
Total revenues	\$ 15,508	21,346	28,310	41,644	50,331	56,155	83,231
Provision for (reversals of) loan losses	(3,502 )	(1,135 )	2,405	37,874	91,455	131,180	87,841
Asset impairments	5,069	4,477	9,931	14,666	5,303	6,964	1,359
Total other expenses	27,232	50,439	63,194	68,096	86,936	94,227	109,962
Equity earnings in Woodbridge Holdings, LLC	11,625	—	—	—	—	—	—
Loss from continuing operations before income taxes	(1,666 )	(32,435 )	(47,220 )	(78,992 )	(133,363 )	(176,216 )	(115,931 )
(Benefit) provision for income taxes	20	(12,511 )	(18,744 )	(19,480 )	127	(31,719 )	8,461
Loss from continuing operations	(1,686 )	(19,924 )	(28,476 )	(59,512 )	(133,490 )	(144,497 )	(124,392 )
Discontinued operations, net of tax (5)	—	270,471	264,238	30,771	(9,760 )	(41,322 )	(78,247 )
Net loss	(1,686 )	250,547	235,762	(28,741 )	(143,250 )	(185,819 )	(202,639 )
Less: net income attributable to non-controlling interest	—	—	—	(336 )	(931 )	—	—
Net loss attributable to BBX	\$ (1,686 )	250,547	235,762	(29,077 )	(144,181 )	(185,819 )	(202,639 )



	<b>For the Nine Months Ended September 30,</b>			<b>For the Years Ended December 31,</b>			
Capital Corporation							
Basic and diluted earnings per share							
Basic and diluted (loss) earnings from continuing operations	\$ (0.11 )	(1.27 )	(1.81 )	(4.21 )	(12.04 )	(30.46 )	(41.04 )
Basic and diluted earnings (loss) per share from discontinued operations (5)	—	17.23	16.81	2.17	(0.87 )	(8.71 )	(25.81 )
Basic and diluted (loss) earnings per share	\$ (0.11 )	15.96	15.00	(2.04 )	(12.91 )	(39.17 )	(66.85 )
Per common share data							
Cash dividends declared per common share	\$ —	—	—	—	—	0.025	0.075
Class A							
Cash dividends declared per common share	—	—	—	—	—	0.025	0.075
Class B							
Book value per share (3)	15.78	16.15	15.24	(1.08 )	1.18	14.38	108.59

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		As of September 30, 2013	2012	2011	As of December 31,		
					2010	2009	2008
(In thousands)							
Balance Sheet (at period end)							
Loans, net	\$	192,139	317,310	2,503,804	3,047,944	3,694,326	4,326,651
Securities		770	3,389	92,923	515,680	432,818	948,592
Total assets		409,108	470,703	3,678,119	4,509,433	4,815,617	5,814,557
Deposits		—	—	3,280,083	3,893,014	3,969,680	3,919,796
Securities sold under agreements to repurchase and other short term borrowings		—	—	—	22,764	27,271	284,423
Other borrowings (4)		132,837	207,178	359,114	514,385	613,043	1,284,087
Total equity	\$	252,000	240,324	(16,926 )	14,743	141,571	243,968
Asset quality ratios							
Non-performing assets, net of reserves, as a percent of total loans, tax certificates and repossessed assets	%	82.02	71.20	15.70	13.70	9.39	6.55
Loan loss allowance as a percent of non-performing loans	%	3.29	2.60	37.62	42.06	56.56	47.76
Loan loss allowance as a percent of total loans	%	2.65	1.78	5.04	5.10	4.83	3.08

(1)

- Cash dividends declared on common shares divided by income from continuing operations.

(2)

- The denominator of book value per share for each period was computed by combining the number of shares of BBX Capital's Class A Common Stock and Class B Common Stock outstanding at the end of such period.

(3)

- Other borrowings consisted of BB&T's preferred interest in Florida Asset Resolution Group, LLC and notes payable as of December 31, 2012 and September 30, 2013. Other borrowings were primarily Federal Home Loan Bank advances, subordinated debentures, and junior subordinated debentures as of December 31, 2011, 2010, 2009 and 2008.

(4)

- Discontinued operations include the results of operations of BankAtlantic's Community Banking, Investments, Tax Certificates and Capital Services reporting units for all periods presented. Discontinued operations for the years ended December 31, 2010, 2009 and 2008 included earnings (losses) related to the 2007 sale of Ryan Beck & Co., BBX Capital's former wholly owned subsidiary, of (\$0.5) million, \$3.7 million and \$16.6 million, respectively.

(5)

- During the year ended December 31, 2009, BBX Capital recognized a tax benefit associated with the enactment of tax legislation that increased the 2009 net operating loss carry-back period from two years to five years. During each of the years in the five-year period ended December 31, 2012, and the nine months ended September 30, 2013 and 2012, BBX Capital recorded a deferred tax valuation allowance for its entire net deferred tax asset. During the years ended December 31, 2012 and 2011, BBX Capital recognized a tax benefit of \$18.7 million and \$19.2 million, respectively, from the reduction in the deferred tax asset valuation allowance associated with income from discontinued operations.

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**RISK FACTORS**

In addition to the other information included in or incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in the section entitled “Special Note Regarding Forward-Looking Statements,” you should carefully consider the risks described below before deciding how to vote your shares. If any of the following risks actually occur, the financial condition or results of operations of BFC, BBX Capital or the combined company after the merger could be materially and adversely affected and the value of BFC’s Class A Common Stock or Class B Common Stock or BBX Capital’s Class A Common Stock could decline.

**Risks Related to the Merger**

The exchange ratio set forth in the merger agreement is fixed.

In connection with the merger, each share of BBX Capital’s Class A Common Stock outstanding at the effective time of the merger (other than shares owned by BFC and holders of BBX Capital’s Class A Common Stock who properly exercise and perfect their appraisal rights) will be converted automatically into the right to receive 5.39 shares of BFC’s Class A Common Stock. Pursuant to the terms of the merger agreement, this exchange ratio will not be adjusted except to reflect any stock split, reverse stock split or similar transaction affecting BFC’s Class A Common Stock or BBX Capital’s Class A Common Stock prior to the effective time of the merger. The market price of BFC’s Class A Common Stock and the market price of BBX Capital’s Class A Common Stock have fluctuated in the past, including during the period between the date of the merger agreement and the date of this joint proxy statement/prospectus. See the section of this joint proxy statement/prospectus entitled “Comparative Stock Prices and Dividends” for information regarding the historical market prices of BFC’s Class A Common Stock and BBX Capital’s Class A Common Stock. The market prices of BFC’s Class A Common Stock and BBX Capital’s Class A Common Stock will likely continue to fluctuate between the date of this joint proxy statement/prospectus and the closing of the merger. It is not expected that the merger will close prior to the first quarter of 2015. In addition, closing of the merger is currently subject to a number of closing conditions, including the listing of BFC’s Class A Common Stock on a national securities exchange (or inter-dealer quotations system of a registered national securities association). Future variations in the market price of BFC’s Class A Common Stock and BBX Capital’s Class A Common Stock could be the result of market assessments of the likelihood that the merger will be consummated or the timing of the consummation of the merger, general market and economic conditions and other factors both within and beyond the control of BFC or BBX Capital. Except for ratable adjustments in connection with stock splits, reverse stock splits and similar transactions as described above, the merger agreement does not provide for any adjustment for changes in the market price of either BFC’s Class A Common Stock or BBX Capital’s Class A Common Stock, the results of the respective companies, the passage of time or any other factor. Increases or decreases in the market price of BFC’s Class A Common Stock will impact the value of the shares of BFC’s Class A Common Stock that BBX Capital’s shareholders receive in the merger, which as a result of such changes, as well as increases or decreases in the market price of BBX Capital’s Class A Common Stock, may be more than or less than the market value of the shares of BBX Capital’s Class A Common Stock held by BBX Capital’s shareholders at the effective time of the merger. Similarly, the value of the shares of BFC’s Class A Common Stock that BBX Capital’s shareholders receive in the merger may be more than or less than the market value calculated pursuant to the exchange ratio on the date of the merger agreement. Shareholders of both companies may wish to obtain current market quotations for BFC’s Class A Common Stock and BBX Capital’s Class A Common Stock prior to voting their shares. However, because the date that the merger may be consummated will be after the respective BFC and BBX Capital shareholder meetings, at the time of the meetings, shareholders will not know the market value of the shares of BFC’s Class A Common Stock that holders of BBX Capital’s Class A Common Stock will receive upon consummation of the merger or the market value of such holder’s shares of BBX Capital’s Class A Common Stock at the effective time of the merger.

BFC and BBX Capital may be unable to satisfy all the conditions to consummating the merger, including the approval for listing of BFC’s Class A Common Stock on a national securities exchange at the effective time of the merger. Consummation of the merger is subject to a number of closing conditions. While the companies have agreed in the merger agreement to use all commercially reasonable efforts to satisfy the closing conditions,

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the companies may not be successful in their efforts to do so. Specifically, consummation of the merger is conditioned upon BFC's Class A Common Stock being approved for listing on a national securities exchange (or inter-dealer quotation system of a registered national securities association) at the effective time of the merger. The same condition applied to the stock-for-stock merger which was previously proposed between BFC and Bluegreen during 2011 and 2012, and in that case BFC was unsuccessful in its efforts to obtain the listing of its Class A Common Stock on a national securities exchange or qualified inter-dealer quotation system due to public policy concerns expressed by the securities exchanges relating to the pending action brought by the SEC against BBX Capital and its Chairman, Alan B. Levan, who also serves as BFC's Chairman. In that action, the SEC alleges that BBX Capital and Mr. Levan violated securities laws by not timely disclosing known adverse trends in BankAtlantic's commercial real estate loans, selectively disclosing problem loans and engaging in improper accounting treatment of certain specific loans which may have resulted in a material understatement of BBX Capital's net loss in its Annual Report on Form 10-K for the year ended December 31, 2007. The SEC also alleges that Mr. Levan intentionally misled investors in related earnings calls. The SEC is seeking a finding by the court of violations of securities laws, a permanent injunction barring future violations, civil money penalties and, in the case of Mr. Levan, an order barring him from serving as an officer or director of a public company. Discovery in the action is now closed. The court has denied summary judgment as to most issues, but granted the SEC's motion for partial summary judgment that certain statements in one of Mr. Levan's answers on a July 25, 2007 investor conference call were false. The grant of partial summary judgment does not resolve any of the SEC's claims in its favor. With respect to Mr. Levan's answer on the July 25, 2007 conference call, the jury will still determine issues relating to materiality and scienter. The SEC action was not, as previously anticipated, heard during the January 2014 trial calendar and the case is currently on the trial calendar in November 2014. BFC has been advised by the NYSE and NASDAQ that, subject to a change in their position in the future, they would not consider approval of any application for listing of BFC's Class A Common Stock during the pendency of the litigation brought by the SEC against BBX Capital and its Chairman. Accordingly, BFC has not yet filed an application for the listing of its Class A Common Stock and may or may not do so depending on whether a national securities exchange or qualified inter-dealer quotation system indicates an application could be considered for approval prior to resolution of the litigation. The pendency of the SEC action and delays in resolving the action have had the effect of delaying any listing of BFC's Class A Common Stock. BBX Capital believes the claims in the SEC action are without merit and intends to vigorously defend the action. However, there is no assurance as to the timing or resolution of the case, or the listing of the shares. It is not expected that the merger will be consummated prior to the first quarter of 2015. Pursuant to the terms of the merger agreement, either BFC or BBX may terminate the merger agreement if the merger is not consummated by April 30, 2014.

If the conditions to closing the merger are not satisfied or waived, then the merger will not be completed and the companies would have incurred significant transaction costs without consummating the transaction. In addition, if the merger is not completed, or if there are significant delays in completing the merger, the market prices of BBX Capital's Class A Common Stock and BFC's Class A Common Stock and Class B Common Stock may be adversely impacted as a result of negative reactions from the financial markets, including market price declines to the extent that current prices reflect a positive market assumption that the merger will be completed. Delays in completing the merger may also negatively impact the respective operations and financial results of the companies due to, among other things, the diversion of management attention to the merger rather than each company's operations and pursuit of other opportunities that could have been beneficial to that company, which in turn may also adversely impact the market price of BBX Capital's Class A Common Stock and/or BFC's Class A Common Stock or Class B Common Stock. In addition, a consolidated purported class action lawsuit relating to the merger is pending in Florida. The litigation seeks to enjoin the merger or, if it is completed, to recover relief as determined by the presiding court. While BFC and BBX Capital believe that the lawsuit is without merit and intend to vigorously defend the action, the outcome of litigation is inherently uncertain and, if not favorably resolved, the lawsuit may prevent the completion of the merger or it may result in an award of damages and

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related fees and costs which could have a material and adverse impact on the combined company's financial condition if the merger is completed. See also the risk factor below captioned "A consolidated purported class action lawsuit is pending in Florida which seeks to enjoin the merger or recover damages if the merger is completed."

BBX Capital's shareholders will have a significantly reduced voting interest in BFC after the merger as compared to the voting interest they currently have in BBX Capital.

BBX Capital's shareholders currently have the right to vote on the election of BBX Capital's directors and on other matters affecting BBX Capital which require shareholder approval. Under BBX Capital's Restated Articles of Incorporation, each share of BBX Capital's Class A Common Stock is entitled to one vote, and all such shares together currently represent 53% of BBX Capital's total voting power. BBX Capital's Class B Common Stock, 100% of the outstanding shares of which are currently owned by BFC, represents the remaining 47% of BBX Capital's total voting power. Collectively, BBX Capital's shareholders other than BFC currently beneficially own approximately 48% of the outstanding shares of BBX Capital's Class A Common Stock, which represents in the aggregate approximately 27% of BBX Capital's total voting power.

Upon the completion of the merger, each BBX Capital shareholder that receives shares of BFC's Class A Common Stock will become a shareholder of BFC and will have the right to vote on the election of BFC's directors and on other matters affecting BFC which requires shareholder approval. Under BFC's Amended and Restated Articles of Incorporation, each share of BFC's Class A Common Stock entitles the holder thereof to one vote, with all holders of BFC's Class A Common Stock having in the aggregate 22% of the total voting power of BFC and all holders of BFC's Class B Common Stock having in the aggregate the remaining 78% of the general voting power of BFC. Accordingly, while BBX Capital's shareholders will collectively receive shares in the merger constituting approximately 37% of the outstanding shares of BFC's Class A Common Stock and 34% of BFC's total common equity following the merger, these shares will only represent approximately 8% of the total voting power of BFC. As a result, BBX Capital's shareholders will have a significantly reduced voting interest in BFC after the merger than they currently have in BBX Capital.

The cash position of the combined company following the merger would be materially and adversely impacted if a significant amount of BBX Capital's shareholders exercise their appraisal rights in connection with the merger. Under the FBCA, BBX Capital's shareholders are entitled to exercise appraisal rights in connection with the merger and receive a cash payment equal to the "fair value" of their shares of BBX Capital's Class A Common Stock (as determined in accordance with the FBCA) in lieu of the shares of BFC's Class A Common Stock which they are entitled to receive in accordance with the terms of the merger agreement. The exercise of appraisal rights and the resulting cash payments made in respect thereof will impact the combined company's cash balances following the merger. In addition, while BFC's obligation to consummate the merger is conditioned upon holders of not more than 10% of the outstanding shares of BBX Capital's Common Stock duly and validly exercising, or remaining entitled to exercise immediately prior to the effective time of the merger, their appraisal rights in accordance with the FBCA, BFC's board of directors may choose to waive such condition and consummate the merger even if a greater number of BBX Capital's shareholders exercise appraisal rights. In that case, the adverse impact of the cash payments made to dissenting shareholders on the combined company's cash position will be exacerbated.

If the merger is consummated, shareholders of BFC will increase their exposure to the business and operations of BBX Capital and Bluegreen, and shareholders of BBX Capital will increase their exposure to the business and operations of Bluegreen.

BFC is a holding company whose principal holdings include a 52% equity interest in BBX Capital and, through Woodbridge, a 54% equity interest in Bluegreen. Through its investment in Woodbridge, BBX Capital holds the remaining 46% equity interest in Bluegreen. Upon completion of the merger, BBX Capital will become a wholly owned subsidiary of BFC, and BFC will therefore have a 100% interest in BBX Capital and Bluegreen. Accordingly, BFC's shareholders will, following the merger, be subject to increased exposure to the businesses and operations of BBX Capital and Bluegreen. In addition, BBX Capital's

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shareholders (other than those who properly exercise and perfect their appraisal rights in accordance with the FBCA) will become shareholders of BFC and be subject to increased exposure to Bluegreen's business and operations as well as risks relating to the ownership of BFC's Class A Common Stock. See "Risks Related to BFC" below for a description of the material risks relating to BFC and the ownership of its Class A Common Stock, and "Risks Relating to BBX Capital" and "Risks Relating to Bluegreen" below a description of the material risks which BBX Capital and Bluegreen face.

Certain executive officers and directors of BFC and BBX Capital have interests in the merger that are different from, or in addition to, the interests of BFC's and BBX Capital's shareholders generally.

Shareholders should be aware that certain directors and executive officers of each of BFC and BBX Capital have interests in the merger that are different from, or are in addition to, the interests of BFC's and BBX Capital's shareholders generally.

As of the date of this joint proxy statement/prospectus, Alan B. Levan, the Chairman, Chief Executive Officer and President of BFC, John E. Abdo, the Vice Chairman of BFC, and their respective affiliates collectively beneficially own shares of BFC's Class A Common Stock and Class B Common Stock representing approximately 71% of the general voting power and approximately 23% of the total outstanding common stock of BFC. These shares consist of 12,907,051 shares, or approximately 17%, of BFC's Class A Common Stock and 6,521,228 shares, or approximately 87%, of BFC's Class B Common Stock. Each of Messrs. Levan and Abdo was also previously granted 1,389,073 restricted shares of BFC's Class A Common Stock which are scheduled to vest in three equal annual installments beginning on September 30, 2014. In addition, during October 2013, BFC's Compensation Committee approved restricted stock award grants to each of Messrs. Levan and Abdo of 297,408 shares of BFC's Class A Common Stock which would vest in one lump sum during October 2017. The grant of 160,408 of those restricted shares to each of Messrs. Levan and Abdo is subject to the approval of BFC's shareholders of an amendment of BFC's 2005 Stock Incentive Plan to increase the number of shares available for grant under such plan. BFC currently intends to seek the approval of its shareholders to the plan amendment at its 2014 Annual Meeting of Shareholders. BFC's Compensation Committee has the right to vote the shares of BFC's Class A Common Stock subject to unvested restricted stock awards; however, the shares subject to unvested restricted stock awards which remain subject to shareholder approval are not considered issued or outstanding and may not be voted by BFC's Compensation Committee or any other person. Messrs. Levan and Abdo also serve as Chairman and Chief Executive Officer of BBX Capital and Vice Chairman of BBX Capital, respectively. Further, as a result of their ownership position in BFC's Class A Common Stock and Class B Common Stock, Messrs. Levan and Abdo may be deemed to control BFC and therefore may be deemed to beneficially own the 8,133,353 shares, or approximately 51%, of BBX Capital's Class A Common Stock and all 195,045 shares of BBX Capital's Class B Common Stock owned directly by BFC, which in the aggregate represent approximately 52% of the total outstanding common stock of BBX Capital and 72% of the total voting power of BBX Capital. In addition to the shares which they may be deemed to beneficially own through BFC, Messrs. Levan and Abdo currently beneficially own 157,438 shares and 169,184 shares, respectively, of BBX Capital's Class A Common Stock. Each of Messrs. Levan and Abdo was also previously granted 282,601 restricted shares of BBX Capital's Class A Common Stock which are scheduled to vest in three equal annual installments beginning on September 30, 2014 and 143,333 restricted shares of BBX Capital's Class A Common Stock which were granted during October 2013 and are scheduled to vest during October 2017. Prior to vesting, BBX Capital's compensation committee has (or, following the merger, BFC's compensation committee will have) the right to vote the shares subject to the BBX Capital Class A Common Stock restricted stock awards. Based on their current holdings and current share information with respect to BFC and BBX Capital, if the merger is consummated on the contemplated terms, Messrs. Levan and Abdo would beneficially own shares of BFC's Class A Common Stock and Class B Common Stock representing approximately 70% of the general voting power and approximately 16% of the total common stock of BFC. In addition, pursuant to the terms of the merger agreement, the restricted shares of BBX Capital's Class A Common Stock previously granted to Messrs. Levan and Abdo, as described above, which are unvested at the effective time of the merger will be converted into restricted shares of BFC's Class A Common Stock upon consummation of the merger and be subject to the same terms and conditions as in effect at the effective time of the merger, provided that the number of shares will be multiplied by the exchange ratio in the merger. Messrs. Levan and Abdo are parties to an agreement





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pursuant to which they have agreed to vote their shares of BFC's Class B Common Stock in favor of the election of the other to BFC's board of directors for so long as they are willing and able to serve as directors of BFC. Additionally, Mr. Abdo has agreed to vote the shares of BFC's Class B Common Stock he owns in the same manner that Mr. Levan votes his shares of BFC's Class B Common Stock. Mr. Abdo has also agreed, subject to certain exceptions, not to transfer certain of his shares of BFC's Class B Common Stock and to obtain the consent of Mr. Levan prior to the conversion of certain of his shares of BFC's Class B Common Stock into shares of BFC's Class A Common Stock. See the section of this joint proxy statement/prospectus entitled "Security Ownership of Certain Beneficial Owners and Management" for information regarding the ownership interests of BBX Capital's and BFC's other directors and executive officers in BBX Capital's and BFC's securities.

Jarett S. Levan, the son of Mr. Alan Levan, is a director and the President of BBX Capital and a director and Executive Vice President of BFC, Seth M. Wise is Executive Vice President of BBX Capital and a director and Executive Vice President of BFC, and John K. Grelle is Executive Vice President and Chief Financial Officer of BBX Capital and Executive Vice President, Chief Financial Officer, Chief Accounting Officer and Chief Risk Officer of BFC.

Each of Alan B. Levan, John E. Abdo, Jarett S. Levan, Seth M. Wise and John K. Grelle has employment agreements with BFC and with BBX Capital pursuant to which he is paid by the applicable company an annual base salary and is entitled to receive from the applicable company bonus payments under bonus plans established from time to time. It is expected that, following the merger, each of Messrs. Alan Levan, Abdo, Jarett Levan, Wise and Grelle will continue to receive the full amounts payable to him or to which he is otherwise entitled under both of these agreements.

The directors of BFC immediately prior to the effective time of the merger will continue to serve as directors of BFC following the merger. In addition, BFC has agreed to cause the individuals serving as directors of BBX Capital immediately prior to the effective time of the merger who are not also directors of BFC to be appointed to BFC's board of directors at the effective time of the merger. In connection therewith, it is currently anticipated that Norman H. Becker, Steven M. Coldren, Bruno L. Di Giulian, Willis N. Holcombe, Anthony P. Segreto and Charlie C. Wingham, II will be appointed to BFC's board of directors upon consummation of the merger. Following the merger, BFC's directors will continue to receive compensation, which may include equity-based compensation, from BFC for their services. BFC currently provides compensation to its directors for board and committee service at levels which are equal to or less than the compensation which BBX Capital pays to its directors for board and committee service.

In addition, the members of BBX Capital's special committee received compensation for their service on the special committee.

The merger agreement also provides for indemnification in favor of the current and former directors and officers of BBX Capital and for the maintenance or purchase of directors' and officers' liability insurance tail policies with respect to matters arising from facts or events which occurred before the effective time of the merger.

In considering the information contained in this joint proxy statement/prospectus, you should be aware of these interests. Please see the section of this joint proxy statement/prospectus entitled "The Merger — Interests of Certain Persons in the Merger" for further information about these interests.

Substantial sales of BFC's Class A Common Stock could adversely affect its market price.

It is currently estimated that up to approximately 41.2 million shares of BFC's Class A Common Stock may be issued in connection with the merger (before giving effect to any reverse stock split which may be effected by BFC), which would represent approximately 37% of the total number of shares of BFC's Class A Common Stock outstanding after the merger. In addition, the above share amount does not include approximately 155,000 shares of BFC's Class A Common Stock which may be purchased upon exercise of outstanding BBX Capital stock options to be assumed by BFC in the merger and approximately 6.9 million shares of BFC's Class A Common Stock subject to BBX Capital restricted stock awards to be assumed by BFC in the merger (in each case before giving effect to any reverse stock split which may be effected by BFC). Other than the shares issued to shareholders of BBX Capital who may be deemed to be affiliates of BFC for purposes of Rule 144 under the Securities Act after the completion of the merger and shares issued

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in respect of BBX Capital restricted stock awards which are outstanding and unvested at the effective time of the merger, the shares issued in connection with the merger will not be subject to restrictions on resale. The issuance and potential resale of these new shares could have the effect of depressing the market price of BFC's Class A Common Stock.

The board of directors of BFC and BBX Capital may, to the extent permitted by applicable law, choose to waive any conditions to consummation of the merger and proceed to consummate the transaction.

The merger agreement contains conditions precedent to the obligations of the parties to consummate the merger. The merger agreement also provides that these conditions precedent may to the extent permitted by applicable law be waived, in whole or in part, and the merger consummated notwithstanding that a condition precedent has not been fulfilled or satisfied and notwithstanding that the waiver of the condition may directly or indirectly impact the financial condition of the combined company. The determination to waive the fulfillment of a condition will be made by the board of directors of the company entitled to the benefit of the condition. No additional vote of the shareholders will be required in connection with the waiver of a condition precedent.

The merger agreement limits the ability of BBX Capital and BFC to pursue an alternative transaction proposal to the merger, and BFC's existing ownership interest in BBX Capital limits BBX Capital's ability to consummate any alternative transaction.

BFC currently owns shares of BBX Capital's Class A Common Stock and Class B Common Stock representing approximately 72% of the total voting power of BBX Capital. As a result, a sale of BBX Capital to a third party cannot be accomplished without BFC's support. In light of such voting interest and the fact that BFC expressly advised the BBX Capital special committee of its desire to maintain its ownership position in BBX Capital and that it would not support a third party sale, the BBX Capital special committee did not conduct a market check or auction process with respect to the possible sale of BBX Capital. Such a market check or auction process, if BBX Capital had been in a position to conduct one, may have resulted in different terms for BBX Capital's shareholders.

Further, the merger agreement generally prohibits each of BBX Capital and BFC from soliciting, initiating, encouraging or otherwise facilitating certain alternative transaction proposals with any third party, which may have the effect of limiting each company's ability to pursue offers from third parties that could result in greater value to its shareholders relative to the terms and conditions of the merger agreement. Notwithstanding the foregoing, the merger agreement provides each company with the right to furnish information about its business to any person who makes an unsolicited superior proposal to the merger and participate in discussions or negotiations regarding, and in specific circumstances to accept, such proposal in lieu of the merger. Further, neither company would be required to pay to the other any termination or similar fee if it chooses to accept any such superior proposal. However, BFC's control position and desire to maintain its ownership interest in BBX Capital is believed to limit the likelihood that any potential competing acquirer would come forward.

A consolidated purported class action lawsuit is pending in Florida which seeks to enjoin the merger or recover damages if the merger is completed.

During May 2013, two purported class action lawsuits seeking to enjoin the merger or, if it is completed, to recover relief as determined by the presiding court to be appropriate were filed in the 17th Judicial Circuit in and for Broward County, Florida. During September 2013, the two lawsuits were consolidated into a single action. In the consolidated action, the plaintiff alleges that BBX Capital's directors as well as BFC and the executive officers of BFC and BBX Capital breached their fiduciary duties in initiating, timing, structuring, negotiating and approving the merger and, as a result, the merger is not entirely fair to BBX Capital's unaffiliated shareholders. The lawsuit also includes an allegation that BFC and Merger Sub aided and abetted the alleged breaches of fiduciary duties. While BFC and BBX Capital believe that the lawsuit is without merit and intend to vigorously defend the action, the outcome of litigation is inherently uncertain. If resolved unfavorably, the litigation may prevent completion of the merger, in which case BFC and BBX Capital would have incurred significant transaction costs without consummating the transaction, or it may result in an award of damages and fees and costs which could have a material and adverse impact on the combined company's cash position if the merger is completed. In

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addition, regardless of the outcome of the litigation, the costs of defending the action may be substantial. See the section of this joint proxy statement/prospectus entitled “The Merger — Litigation Regarding the Merger” for additional information regarding the litigation.

The companies are subject to contractual restrictions during the pendency of the merger, which could adversely affect their respective businesses and operations.

Under the terms of the merger agreement, the companies are subject to certain restrictions on the conduct of their businesses prior to completing the merger. These restrictions may adversely affect each company’s ability to execute certain of its business strategies, including the ability in certain cases to enter into contracts or incur capital expenditures to grow its business. Further, as previously described, during the pendency of the merger, management attention and company resources may be diverted towards consummation of the merger instead of the businesses and operations of the companies, which could have a material and adverse effect on the companies.

The amount of the cash payment that BBX Capital’s shareholders will receive if they choose to exercise their appraisal rights is uncertain and subject to certain risks.

As previously described, BBX Capital’s shareholders are entitled to pursue appraisal rights in connection with the merger. If a BBX Capital shareholder exercises his, her or its appraisal rights and follows the required procedures specified in the FBCA (which are summarized in the section of this joint proxy statement/prospectus entitled “Appraisal Rights” and included in their entirety as Annex F to this joint proxy statement/prospectus) he, she or it will have the right to receive a cash payment equal to the “fair value” of his, her or its shares of BBX Capital’s Class A Common Stock (as determined in accordance with the FBCA). The express procedures of the FBCA must be followed and, if they are not, shareholders wishing to exercise their appraisal rights may lose such rights. Moreover, pursuant to the FBCA, the “fair value” of the shares of BBX Capital’s Class A Common Stock held by a BBX Capital shareholder asserting appraisal rights means the value of such shares immediately before the effective time of the merger, regardless of when the vote on the merger is taken and excluding any appreciation or depreciation in anticipation of the merger (unless exclusion would be inequitable), and could be more than, less than or equal to the value of the shares of BFC’s Class A Common Stock that the shareholder would otherwise have received in connection with the merger pursuant to the terms of the merger agreement. It is not currently expected that the merger will be consummated prior to the first quarter of 2015. Further, the “fair value” cash payment could potentially be determined in judicial proceedings, the result of which cannot be predicted. In addition, a dissenting shareholder’s receipt of cash in exchange for his, her or its shares of BBX Capital’s Class A Common Stock pursuant to the appraisal rights process will be a taxable transaction to such shareholder. Any BBX Capital shareholder wishing to assert and exercise appraisal rights is urged to consult with his, her or its legal counsel before attempting to assert and exercise those rights.

The Internal Revenue Service may disagree with the companies’ description of the federal income tax consequences of the merger.

Although BFC and BBX Capital will receive an opinion of legal counsel as to the anticipated federal income tax consequences of the merger, neither BFC nor BBX Capital has applied for, or expects to obtain, a ruling from the Internal Revenue Service with respect to the federal income tax consequences of the merger. No assurance can be given that the Internal Revenue Service will agree with the positions taken in the legal opinion or will not challenge the income tax consequences of the merger.

The fairness opinions of Sandler O’Neill and KBW were rendered subject to certain assumptions made and limitations on the review undertaken by such firms and have not been updated since their date of issuance.

KBW delivered a written opinion, dated May 6, 2013, as to the fairness as of that date, from a financial point of view, of the exchange ratio pursuant to the merger agreement to BFC. Sandler O’Neill delivered a written opinion, dated May 7, 2013, as to the fairness as of that date, from a financial point of view, of the merger consideration pursuant to the merger agreement to the holders of BBX Capital’s Class A Common Stock. Neither of the fairness opinions address any other aspect or implication of the merger or the merger agreement or constitute a recommendation as to how any shareholder should vote on the merger agreement, the merger or any other matter. In addition, each opinion was rendered based on certain

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assumptions made, procedures followed, matters considered and limitations on the review undertaken. Further, each opinion speaks only as of the date of its issuance, and neither opinion has been updated since such date or is expected to be updated at any future date. Consequently, such opinions do not take into account events occurring or information that became available after their respective dates, and such subsequent events and information as well as changes in the operations and prospects of BFC or BBX Capital, general market and economic conditions, and other factors (including those which may be beyond the control of BFC and/or BBX Capital and on which the fairness opinions were based) may alter the value of the companies or the market price of their stock. Neither KBW nor Sandler O’Neill expresses any opinion as to what the value of shares of BFC’s Class A Common Stock would actually be when issued in the merger or the prices at which the securities of BFC or BBX Capital may trade or be purchased or sold at any time.

Sandler O’Neill’s opinion and KBW’s opinion are included as Annex B and Annex C, respectively, to this joint proxy statement/prospectus. Descriptions of such opinions and summaries of the material financial analyses performed in connection with rendering the opinions are set forth in the sections of this joint proxy statement/prospectus entitled “The Merger — Opinion of the Financial Advisor to the BBX Capital Special Committee,” in the case of Sandler O’Neill’s opinion, and “The Merger — Opinion of the Financial Advisor to BFC’s Board of Directors,” in the case of KBW’s opinion. The unaudited pro forma financial information in this joint proxy statement/prospectus is presented for illustrative purposes only and may not be reflective of the operating results and financial condition of the combined company following completion of the merger.

The unaudited pro forma financial information in this joint proxy statement/prospectus is presented for illustrative purposes only. The unaudited pro forma financial information reflects adjustments, which are based upon information available to BFC’s management as of the date of this joint proxy statement/prospectus, and assumptions that BFC’s management believes are reasonable under circumstances existing as of the date of this joint proxy statement/prospectus. Certain adjustments have been excluded for purposes of preparing the unaudited pro forma financial information, and actual adjustments may differ materially from the adjustments made in connection with the preparation of the unaudited pro forma financial information. Accordingly, the unaudited pro forma financial information is not necessarily indicative of what the combined company’s actual financial position or results of operations would have been had the merger been completed on the dates assumed nor should such information be relied upon as being indicative of the future results of operations or financial condition of the combined company. See the section of this joint proxy statement/prospectus entitled “Unaudited Pro Forma Condensed Consolidated Financial Information” for additional information.

**Risks Related to BFC**

The following are risks related to BFC and the ownership of its Class A Common Stock and Class B Common Stock. In addition to the risks set forth below, BFC is also subject to the risks faced by BBX Capital and Bluegreen based on BFC’s investment in those companies. The material risks faced by BBX Capital and Bluegreen are described below under “Risks Related to BBX Capital” and “Risks Related to Bluegreen,” respectively.

BFC has in the past incurred cash flow deficits at its parent company level and will rely on dividends from its subsidiaries in the future.

BFC is engaged in making investments in operating businesses. Historically, BFC, at its parent company level, has not had revenue generating operating activities and has incurred cash flow deficits. BFC has financed operating cash flow deficits with available working capital, issuances of equity or debt securities, and with dividends from its subsidiaries, which BFC has been dependent upon to fund its operations and investments. BFC historically received dividends on the shares of Benihana’s stock that it owned. Benihana was acquired by Safflower in a cash merger during August 2012. While BFC received cash proceeds in exchange for its shares of Benihana’s common stock in the transaction, BFC no longer holds an investment in Benihana and, accordingly, will not receive dividends in the future from Benihana. In addition, BBX Capital may not be in a position to, and does not expect to, pay dividends for the foreseeable

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future, and any payment of dividends by BBX Capital requires the declaration of such dividend by BBX Capital's board of directors, a majority of whom are independent under the listing standards of the NYSE and, accordingly, such decision is not in BFC's control. Further, certain of Bluegreen's credit facilities contain terms which may limit the payment of cash dividends without the lender's consent or waiver. Decisions with respect to dividends by BBX Capital and Bluegreen are generally based on, among other things, the applicable company's operating results, financial condition, cash flow and operating and cash needs. BFC expects to receive dividends from Woodbridge in order to fund its current and future operations and investments; however, dividend decisions by Woodbridge are currently subject to the approval of the boards of directors of both BFC and BBX Capital, and may not be paid to BFC to the extent or when anticipated or at all.

Among other expenses that BFC incurs and payments it makes in the ordinary course of its business, BFC pays regular quarterly dividends of \$187,500 on its 5% Cumulative Preferred Stock. In addition, former shareholders of Woodbridge Holdings Corporation ("WHC"), the predecessor by merger to Woodbridge, were entitled under the FBCA to exercise appraisal rights in connection with the 2009 merger between BFC and WHC. Dissenting shareholders, who collectively held approximately 4.2 million shares of WHC's Class A Common Stock, exercised appraisal rights and requested payment for their shares. During July 2012, the presiding court in the appraisal rights proceeding determined the fair value of the dissenting shareholders' shares of WHC's Class A Common Stock to be \$1.78 per share (or approximately \$7.5 million in total) and awarded legal and other costs in favor of the dissenting shareholders. During March 2013, the court awarded legal fees and pre and post judgment interest to the dissenting shareholders totaling approximately \$4.4 million, resulting in a total award of approximately \$11.9 million (including the \$7.5 million based on the \$1.78 per share value determination). While Woodbridge intends to appeal the court's ruling with respect to its fair value determination and the award of legal fees and costs, the outcome of the appeal is uncertain. Further, regardless of the outcome of the appeal, Woodbridge will likely be required to make a significant payment (of up to approximately \$11.9 million if the appeal is unsuccessful) to the dissenting shareholders. Additional information regarding this litigation is set forth in the "Legal Proceedings" section of BFC's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this joint proxy statement/prospectus. In addition, as previously described, shareholders of BBX Capital that duly exercise and perfect appraisal rights in connection with the currently proposed merger between BFC and BBX Capital will be entitled to receive a cash payment in an amount equal to the "fair value" of their shares of BBX Capital's Class A Common Stock (as determined in accordance with the FBCA). If the merger is completed, the payment made to dissenting shareholders of BBX Capital may have a material and adverse impact on the combined company's cash position following the merger. If cash flow is not sufficient to fund BFC's liquidity needs, BFC might seek to liquidate some of its investments or seek to fund its operations with the proceeds of additional equity or debt financing. Such financing may not be available on commercially reasonable terms, if at all, and if BFC chooses to liquidate its investments, it may be forced to do so at depressed prices.

Adverse conditions and events where BFC's investments are currently concentrated or in the industries in which its subsidiaries operate could adversely impact its results and future growth.

BBX Capital's business and the real estate collateralizing its commercial real estate loans and home equity loans are concentrated in Florida and have been adversely impacted by the downturn in economic conditions generally and in Florida in particular. In addition, Bluegreen's operations were adversely impacted by the economic downturn. The impact of the economic downturn, including the persistence or deterioration of adverse economic conditions, natural disasters, including tropical storms and hurricanes, or adverse changes in laws or regulations applicable to BFC or the companies in which BFC holds investments could further adversely impact BFC's operating results and financial condition.

BFC may issue additional securities and incur additional indebtedness at BFC or at its subsidiaries.

If BFC's cash flow is not sufficient to meet its liquidity needs or BFC's board of directors otherwise determines it to be appropriate, BFC may seek to raise funds in the future through the issuance of debt or equity securities. There is generally no restriction on BFC's ability to issue debt or equity securities which

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are pari passu or have a preference over its Class A Common Stock and Class B Common Stock. Authorized but unissued shares of BFC's capital stock are available for issuance from time to time at the discretion of BFC's board of directors, and any such issuance may be dilutive to BFC's shareholders. In addition, any securities issuances in the future by a subsidiary of BFC may dilute BFC's economic investment or voting interest in that company.

Further, BFC and its subsidiaries have in the past and may in the future incur significant amounts of debt. Any indebtedness could have several important effects on BFC, including, without limitation, that BFC may be required to use available cash for the payment of principal and interest due on its debt and that the outstanding indebtedness and leverage at BFC or its subsidiaries will impact liquidity, and any negative changes in general economic and industry conditions will increase such impact.

BFC will face risks and uncertainties with respect to any acquisitions which it pursues in the future.

BFC has most recently focused on providing strategic support to its existing investments with a view to the improved performance of the organization as a whole. However, in the future, BFC may seek to make opportunistic investments outside of its existing portfolio, including investments in real estate based opportunities and middle market operating businesses. While BFC will seek investments and acquisitions primarily in companies that it believes will provide opportunities for growth, BFC may not be successful in identifying these opportunities. Investments or acquisitions that BFC does complete may not prove to be successful or even if successful may not initially generate income, or may generate income on an irregular basis or over a long time period, which would cause BFC's results of operations to vary significantly on a quarterly basis and from year to year. Acquisitions may expose BFC to additional risks and may have a material adverse effect on its results of operations. Any acquisitions BFC makes may fail to accomplish BFC's strategic objectives or otherwise not perform as expected or adversely impact BFC's financial condition or operating results. Acquisitions will also expose BFC to the risks of any business that BFC acquires.

In addition, BFC will likely face competition in making investments or acquisitions, which could increase the costs associated with the investment or acquisition, and BFC will likely incur substantial costs in connection with its evaluation of potential acquisition and investment opportunities whether or not the acquisition or investment is ultimately consummated. Further, BFC's investments or acquisitions may rely on additional debt or equity financing, which will subject BFC to the risks and uncertainties described in the preceding risk factor. If BFC requires additional financing in the future, the financing may not be available when needed or on favorable terms, if at all. Additionally, BFC does not intend to seek shareholder approval of any investments or acquisitions unless required by law or regulation.

Alan B. Levan and John E. Abdo's control position may adversely affect the market price of BFC's Class A Common Stock and Class B Common Stock.

As of the date of this joint proxy statement/prospectus, Alan B. Levan, the Chairman, Chief Executive Officer and President of BFC, John E. Abdo, the Vice Chairman of BFC, and their respective affiliates collectively beneficially own shares of BFC's Class A Common Stock and Class B Common Stock representing approximately 71% of the general voting power and approximately 23% of the total outstanding common stock of BFC. These shares consist of 12,907,051 shares, or approximately 17%, of BFC's Class A Common Stock and 6,521,228 shares, or approximately 87%, of BFC's Class B Common Stock. Each of Messrs. Levan and Abdo was also previously granted 1,389,073 restricted shares of BFC's Class A Common Stock which are scheduled to vest in three equal annual installments beginning on September 30, 2014. In addition, during October 2013, BFC's Compensation Committee approved restricted stock award grants to each of Messrs. Levan and Abdo of 297,408 shares of BFC's Class A Common Stock which would vest in one lump sum during October 2017. The grant of 160,408 of those restricted shares to each of Messrs. Levan and Abdo is subject to the approval of BFC's shareholders of an amendment of BFC's 2005 Stock Incentive Plan to increase the number of shares available for grant under such plan. BFC currently intends to seek the approval of its shareholders to the plan amendment at its 2014 Annual Meeting of Shareholders. BFC's Compensation Committee has the right to vote the shares of BFC's Class A Common Stock subject to unvested restricted stock awards; however, the shares subject to unvested restricted stock awards which remain subject to shareholder approval are not considered issued or

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outstanding and may not be voted by BFC's Compensation Committee or any other person. Messrs. Levan and Abdo are parties to an agreement pursuant to which they have agreed to vote their shares of BFC's Class B Common Stock in favor of the election of the other to BFC's board of directors for so long as they are willing and able to serve as directors of BFC. Additionally, Mr. Abdo has agreed to vote the shares of BFC's Class B Common Stock he owns in the same manner that Mr. Levan votes his shares of BFC's Class B Common Stock. Mr. Abdo has also agreed, subject to certain exceptions, not to transfer certain of his shares of BFC's Class B Common Stock and to obtain the consent of Mr. Levan prior to the conversion of certain of his shares of BFC's Class B Common Stock into shares of BFC's Class A Common Stock. Because BFC's Class A Common Stock and Class B Common Stock vote as a single class on most matters (as described in further detail in the section of this joint proxy statement/prospectus entitled "Description of BFC's Capital Stock"), Messrs. Levan and Abdo effectively have the voting power to elect the members of BFC's board of directors and control the outcome of any other vote of BFC's shareholders, except in those limited circumstances where the FBCA mandates that the holders of BFC's Class A Common Stock vote as a separate class. Messrs. Levan and Abdo's control position may have an adverse effect on the market price of BFC's Class A Common Stock and/or Class B Common Stock. In addition, their interests may conflict with the interests of BFC's other shareholders. The loss of the services of BFC's key management and personnel could adversely affect its business and the businesses of its subsidiaries.

BFC's ability to successfully implement its business strategy will depend on its ability to attract and retain experienced and knowledgeable management and other professional staff. BFC may not be successful in attracting and retaining key management personnel. As previously described, during January 2012, the SEC filed a lawsuit against BBX Capital and its Chairman and Chief Executive Officer, Alan B. Levan, alleging violations of securities laws. In addition to injunctive relief and monetary penalties, the complaint seeks an officer and director bar with respect to Mr. Levan. While BBX Capital believes that it and Mr. Levan fully complied with applicable law, the outcome of this litigation is uncertain. Additional information regarding this litigation is set forth in the risk factor entitled "BFC and BBX Capital may be unable to satisfy all the conditions to consummating the merger, including the approval for listing of BFC's Class A Common Stock on a national securities exchange at the effective time of the merger" beginning on page 21. As described above, Mr. Levan is also the Chairman, Chief Executive Officer and President of BFC and, together with John E. Abdo, may be deemed to control BFC by virtue of their collective ownership interest in BFC's Class A Common Stock and Class B Common Stock. In the event Mr. Levan is restricted from serving, or is otherwise unable to serve, as an executive officer and/or director of BFC or any of its public company subsidiaries, including BBX Capital, BFC and its business, as well as the businesses of its subsidiaries, may be adversely impacted. Provisions in BFC's Amended and Restated Articles of Incorporation and Bylaws, as well as BFC's shareholder rights plan, may make it difficult for a third party to acquire BFC and could impact the price of BFC's Class A Common Stock and/or Class B Common Stock.

BFC's Amended and Restated Articles of Incorporation and Bylaws contain provisions that could delay, defer or prevent a change of control of BFC or its management. These provisions could make it more difficult for shareholders to elect directors and take other corporate actions. As a result, these provisions could limit the price that investors are willing to pay in the future for shares of BFC's Class A Common Stock or Class B Common Stock. These provisions include:

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- the provisions in BFC's Amended and Restated Articles of Incorporation regarding the voting rights of BFC's Class B Common Stock;
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- the authority of BFC's board of directors to issue additional shares of common or preferred stock and to fix the relative rights and preferences of the preferred stock without additional shareholder approval; and
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- advance notice procedures to be complied with by shareholders in order to make shareholder proposals or nominate directors.

In addition, BFC currently has in place a shareholder rights plan which is designed to preserve certain tax benefits available to BFC. However, because the rights plan provides a deterrent to investors from

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acquiring a 5% or greater ownership interest in BFC's Class A Common Stock and Class B Common Stock, it may have an anti-takeover effect. As previously described, pursuant to the terms of the merger agreement, BFC has taken steps to exempt the currently proposed merger and other transactions contemplated by the merger agreement from the operation of its rights plan.

Additional information regarding the above-described provisions of BFC's Amended and Restated Articles of Incorporation and Bylaws, as well as the terms of BFC's shareholder rights plan, is set forth in the section of this joint proxy statement/prospectus entitled "Description of BFC's Capital Stock." BBX Capital's Restated Articles of Incorporation and Amended and Restated Bylaws contain similar provisions as those described above. See "Risks Related to BBX Capital — Provisions in BBX Capital's Restated Articles of Incorporation and Amended and Restated Bylaws, and BBX Capital's recently adopted shareholder rights plan, may make it difficult for a third party to acquire BBX Capital and could depress the price of BBX Capital's Class A Common Stock."

Dividends and distributions from BFC's subsidiaries to their respective parent companies may be subject to claims in the future from creditors of the subsidiary.

Subsidiaries have in the past and may in the future make dividends or distributions to their parent companies.

Dividend payments and other distributions by a subsidiary to its parent company may, in certain circumstances, be subject to claims made by creditors of the subsidiary which made the payment or distribution. Any such claim, if successful, may have a material and adverse impact on the financial condition of the parent company against which the claim was brought.

There are inherent uncertainties involved in estimates, judgments and assumptions used in the preparation of financial statements in accordance with GAAP. Any changes in estimates, judgments and assumptions used could have a material adverse effect on BFC's financial position and operating results.

The consolidated financial statements included in the periodic reports BFC files with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2012 and its subsequent Quarterly Reports on Form 10-Q, which are incorporated by reference into this joint proxy statement/prospectus, are prepared in accordance with GAAP. The preparation of financial statements in accordance with GAAP involves making estimates, judgments and assumptions that affect reported amounts of assets (including goodwill and other intangible assets), liabilities and related reserves, revenues, expenses and income. This includes estimates, judgments and assumptions for assessing the amortization/accretion of purchase accounting fair value differences and the future value of goodwill and other intangible assets pursuant to applicable accounting guidance. BFC bases its estimates on historical experience and on various other assumptions that BFC believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. However, estimates, judgments and assumptions are inherently subject to change in the future. As a result, BFC's estimates, judgments and assumptions may prove to be incorrect and BFC's actual results may differ from these estimates under different assumptions or conditions. If any estimates, judgments or assumptions change in the future, or BFC's actual results differ from BFC's estimates or assumptions, BFC may be required to record additional expenses or impairment charges, which would be recorded as a charge against its earnings and could have a material adverse impact on its financial condition and operating results.

BFC's investment in BBX Capital subjects BFC to equity pricing risks.

BBX Capital's Class A Common Stock is currently listed for trading on the NYSE. Because BBX Capital is consolidated in BFC's financial statements, the decline in the market price of BBX Capital's Class A Common Stock would not impact BFC's consolidated financial statements. However, the market price of BFC's Class A Common Stock and/or Class B Common Stock, which is important to its valuation and ability to obtain equity or debt financing, would likely be adversely affected by a decline in the market price of BBX Capital's Class A Common Stock. The market price of BBX Capital's Class A Common Stock is subject to a number of factors, many of which may be beyond the control of BBX Capital, including general economic trends and conditions. In addition, BFC's control position with respect to BBX Capital may have an adverse effect on the market price of BBX Capital's Class A Common Stock. If the merger is completed, BBX Capital's Class A Common Stock will no longer be publicly traded.

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Certain members of BFC's board of directors and certain of BFC's executive officers are also directors and executive officers of BBX Capital and directors of Bluegreen.

Alan B. Levan, BFC's Chairman and Chief Executive Officer, and John E. Abdo, BFC's Vice Chairman, are also directors and executive officers of BBX Capital and directors of Bluegreen. None of these individuals is obligated to allocate a specific amount of time to the management of BFC, and they may devote more time and attention to the operations of BFC's affiliates than they devote directly to BFC's operations. Jarett S. Levan and Seth M. Wise, each of whom serves as an Executive Vice President of BFC and as a member of its board of directors, is an executive officer of BBX Capital, and Mr. Jarett Levan is also a member of BBX Capital's board of directors. Further, John K. Grelle serves as Executive Vice President and Chief Financial Officer of both BFC and BBX Capital.

Pending legal proceedings and the impact of any finding of liability or damages could adversely impact BFC and its financial condition and operating results.

BFC and its subsidiaries are subject to the pending legal proceedings described in the "Legal Proceedings" section of its Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this joint proxy statement/prospectus, including the above-described appraisal rights litigation arising from the 2009 merger between BFC and Woodbridge Holdings Corporation and the SEC action against BBX Capital and its Chairman, as well as proceedings that may arise from time to time. While BFC believes that the parties to these proceedings have meritorious defenses in the pending legal actions, the ultimate outcomes of these matters are uncertain. Judgments against, or damages, fines or penalties imposed on, BFC, its subsidiaries or its officers in these actions, as well as actions which BFC and its subsidiaries may face in the future, may have a material adverse impact on BFC's operating results and financial condition. See "Where You Can Find More Information" for additional information regarding pending legal proceedings to which BFC and its subsidiaries are subject. In addition, as previously described, a consolidated purported class action lawsuit is pending in Florida which seeks to enjoin the merger or, if it is completed, to recover damages as determined by the presiding court. See "The Merger — Litigation Regarding the Merger" for additional information with respect to such litigation.

BFC is subject to environmental laws related to its real estate activities and the cost of compliance could adversely affect its business.

As a current or previous owner or operator of real property, BFC may be liable under federal, state and local environmental laws, ordinances and regulations for the costs of removal or remediation of hazardous or toxic substances on, under or in the property. These laws often impose liability whether or not BFC knew of, or was responsible for, the presence of such hazardous or toxic substances. The cost of investigating, remediating or removing such hazardous or toxic substances may be substantial.

**Risks Related to BBX Capital**

The following are risks related to BBX Capital and ownership of its Class A Common Stock. In addition to the risks set forth below, BBX Capital is also subject to the risks faced by Bluegreen, as described in "Risks Related to Bluegreen" below, based on BBX Capital's investment in Bluegreen. In addition, shareholders of BBX Capital (other than shareholders that exercise appraisal rights in accordance with the FBCA) will become shareholders of BFC as a result of the merger, and will therefore be subject to the risks that BFC faces, including continued exposure to the risks faced by BBX Capital and Bluegreen, as well as those relating to ownership of BFC's Class A Common Stock, as described in "Risks Related to BFC" above.

BBX Capital's business and operations and the mix of BBX Capital's assets significantly changed as a result of the sale of BankAtlantic to BB&T during July 2012, and BBX Capital's financial condition and results of operations depend on the monetization of BBX Capital's assets at or near their current book values and BBX Capital's results of operations will vary depending upon the timing of such monetization and the success of any investment of available funds.

On July 31, 2012, BBX completed the sale to BB&T of all of the issued and outstanding shares of capital stock of BankAtlantic, the former wholly owned banking subsidiary of BBX Capital (the stock sale and related transactions are sometimes hereinafter referred to as the "BankAtlantic Sale"). Pursuant to the

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terms of the stock purchase agreement between BBX Capital and BB&T, prior to the closing of the BankAtlantic Sale, BankAtlantic formed two subsidiaries, BBX Capital Asset Management, LLC (“CAM”) and Florida Asset Resolution Group, LLC (“FAR”). BankAtlantic contributed to FAR certain performing and non-performing loans, tax certificates and real estate owned that had an aggregate carrying value on BankAtlantic’s balance sheet of approximately \$346 million as of July 31, 2012 (the date the BankAtlantic Sale was consummated). FAR assumed all liabilities related to these assets. BankAtlantic also contributed approximately \$50 million in cash to FAR on July 31, 2012 and thereafter distributed all of the membership interests in FAR to BBX Capital. At the closing of the BankAtlantic Sale, BBX Capital transferred to BB&T 95% of the outstanding preferred membership interests in FAR in connection with BB&T’s assumption of BBX Capital’s outstanding TruPS obligations. BBX Capital continues to hold the remaining 5% of FAR’s preferred membership interests. Under the terms of the Amended and Restated Limited Liability Company Agreement of FAR, which was entered into by BBX Capital and BB&T at the closing of the BankAtlantic Sale, BB&T will hold its 95% preferred interest in the net cash flows of FAR until such time as it has recovered \$285 million in preference amount plus a priority return of LIBOR + 200 basis points per annum on any unpaid preference amount. At that time, BB&T’s interest in FAR will terminate, and BBX Capital will thereafter be entitled to any and all residual proceeds from FAR through its ownership of FAR’s Class R units. BBX Capital entered into an incremental \$35 million guarantee in BB&T’s favor to further support BB&T’s recovery of the \$285 million preferred interest within seven years. BB&T’s preferred interest in FAR as of September 30, 2013 was reduced through cash distributions to approximately \$110.6 million. BBX Capital’s services certain nonaccrual loans for FAR and oversees the third party servicer that manages the other assets of FAR. Prior to the closing of the BankAtlantic Sale, BankAtlantic contributed to CAM certain non-performing commercial loans, commercial real estate owned and previously written-off assets that had an aggregate carrying value on BankAtlantic’s balance sheet of \$125 million as of July 31, 2012. CAM assumed all liabilities related to these assets. BankAtlantic also contributed approximately \$82 million in cash to CAM. Prior to the closing of the BankAtlantic Sale, BankAtlantic distributed all of the membership interests in CAM to BBX Capital. CAM remains a wholly owned subsidiary of BBX Capital.

As a result of the BankAtlantic Sale, BBX Capital’s business and operations significantly changed from its business and operations prior to the sale of BankAtlantic. As a consequence, BBX Capital’s financial condition and results of operations will be dependent in the near term, in large part, on BBX Capital’s ability to successfully manage and monetize the assets currently held by BBX Partners, Inc. (“BBX Partners”), which held approximately \$13 million of loans and real estate owned as of September 30, 2013, the assets currently held by CAM, and the assets held in FAR as well as on the cash flow BBX Capital receives based on its interest in FAR. Additionally, because a majority of FAR’s assets are serviced by a third party servicer, BBX Capital is also dependent on the ability and efforts of such servicer to efficiently manage and monetize the assets. Further, nonaccrual loans and real estate may not be easily salable in the event BBX Capital decides to liquidate an asset through a sale transaction. BBX Capital’s financial condition and results of operations will be dependent in the longer term on these factors as well as BBX Capital’s ability to successfully invest these cash flows. If the assets held in CAM and BBX Partners and the assets held in FAR are not monetized at or near the current book values ascribed to them, or if these assets are liquidated for amounts less than book value, BBX Capital’s financial condition and results of operations would be adversely affected, and BBX Capital’s ability to successfully pursue BBX Capital’s business goals could be adversely affected. Because a majority of these assets do not generate income on a regular basis, BBX Capital does not expect to generate significant revenue or income with respect to these assets until such time as an asset is monetized through repayments or transactions involving the sale, joint venture or development of the underlying real estate. Accordingly, BBX Capital expects its revenues and results of operations to vary significantly on a quarterly basis and from year to year.

BBX Capital’s future acquisitions may reduce BBX Capital’s earnings, require BBX Capital to obtain additional financing and expose BBX Capital to additional risks.

BBX Capital’s business strategy includes investments in or acquisitions of middle market operating companies, such as the Renin acquisition, and some of these investments and acquisitions may be material. While BBX Capital will seek investments and acquisitions primarily in companies that provide opportunities for growth, BBX Capital may not be successful in identifying these opportunities. Investments

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or acquisitions that BBX Capital does complete may not prove to be successful or even if successful may not initially generate income, or may generate income on an irregular basis or over a long time period, thus causing BBX Capital's results of operations to vary significantly on a quarterly basis and from year to year. Acquisitions may expose BBX Capital to additional risks and may have a material adverse effect on BBX Capital's results of operations. Any acquisitions BBX Capital makes may:

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- fail to accomplish BBX Capital's strategic objectives;
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- not perform as expected; and/or
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- expose BBX Capital to the risks of the business that BBX Capital acquires.

In addition, BBX Capital will likely face competition in making investments or acquisitions which could increase the costs associated with the investment or acquisition. BBX Capital's investments or acquisitions may rely on additional debt or equity financing. The issuance of debt will result in additional leverage which could limit BBX Capital's operating flexibility, and the issuance of equity could result in additional dilution to BBX Capital's then-current shareholders. In addition, such financing could consist of equity securities which have rights, preferences or privileges senior to BBX Capital's Class A Common Stock.

If BBX Capital requires additional financing in the future, the financing may not be available when needed or on favorable terms, if at all. Additionally, BBX Capital does not intend to seek shareholder approval of any investments or acquisitions unless required by law or regulation.

BBX Capital plans to conduct some of its operations through unconsolidated joint ventures with independent third parties in which BBX Capital does not have a controlling interest, and BBX Capital may be adversely impacted by a joint venture partner's failure to fulfill its obligations.

By using joint ventures, BBX Capital can reduce the amount it invests in real estate properties. However, BBX Capital's joint venture partners may become financially unable or unwilling to fulfill their obligations under the joint venture agreements. Most joint ventures borrow money to help finance their activities, and although recourse on the loans is generally limited to the joint ventures and their properties, BBX Capital and its joint venture partners may be required to provide financial support. If joint venture partners do not perform on their obligations, BBX Capital may incur significant expenditures which may have an adverse effect on BBX Capital's operating results or financial condition.

The decline in the Florida real estate market has adversely affected, and may continue to adversely affect, BBX Capital's earnings and financial condition.

The deterioration of economic conditions in the Florida residential real estate market, including the cumulative decline in median home prices in all major metropolitan areas in Florida, and the downturn in the Florida commercial real estate market, resulted in substantial non-performing assets and provision for loan losses. The loans retained by BBX Capital through CAM and FAR in the BankAtlantic Sale were primarily in the Florida market, and adverse changes to the Florida economy or the real estate market may negatively impact BBX Capital's earnings and financial condition. BBX Capital's loan portfolio is concentrated in loans secured by real estate, a majority of which are located in Florida, which makes BBX Capital susceptible to credit losses from downturns in the real estate market.

Conditions in the United States real estate market deteriorated significantly beginning in 2007, particularly in Florida. BBX Capital's loan portfolio is concentrated in commercial real estate loans (most of which are located in Florida), residential mortgages (nationwide), and consumer home-equity loans (mainly in Florida). BBX Capital has a heightened exposure to credit losses that may arise from this concentration as a result of the significant downturn in the Florida real estate markets. At September 30, 2013, approximately 84% of BBX Capital's loan portfolio based on

book value was located in Florida.

An increase in BBX Capital's allowance for loan losses will result in reduced earnings.

BBX Capital is exposed to the risk that its borrowers will be unable to repay their loans according to their terms and that any collateral securing the payment of their loans will not be sufficient to assure full repayment. BBX Capital's management evaluates the collectability of its loan portfolio and provides an allowance for loan losses that it believes is adequate based upon such factors as:

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- the risk characteristics of various classifications of loans;
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- previous loan loss experience;
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- specific loans that have probable loss potential;
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- delinquency trends;
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- estimated fair value of the collateral; and
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- current economic conditions.

Many of these factors are difficult to predict or estimate accurately, particularly in a changing economic environment. The process of determining the estimated losses inherent in BBX Capital’s loan portfolio requires subjective and complex judgments and the level of uncertainty concerning economic conditions may adversely affect BBX Capital’s ability to estimate the losses which may be incurred in its loan portfolio. If such evaluation is incorrect and borrower defaults cause losses exceeding the portion of the allowance for loan losses allocated to those loans, or if BBX Capital perceives adverse trends that require it to significantly increase its allowance for loan losses in the future, BBX Capital’s earnings could be significantly and adversely affected.

Non-performing assets take significant time to resolve and adversely affect BBX Capital’s results of operations and financial condition, and could result in further losses in the future.

At September 30, 2013, BBX Capital’s non-performing loans totaled approximately \$145 million, or 74% of BBX Capital’s total loan portfolio. At September 30, 2013, BBX Capital’s non-performing assets (which include non-performing loans and foreclosed real estate) were approximately \$235 million, or 57% of BBX Capital’s total assets. In addition, BBX Capital had approximately \$5 million in accruing loans that were 31-89 days delinquent at September 30, 2013. BBX Capital’s non-performing assets adversely affect BBX Capital’s net income through foreclosure costs, operating expenses and taxes. Until BBX Capital monetizes these assets, BBX Capital expects to continue to incur additional losses relating to these non-performing loans and non-performing assets. BBX Capital records interest income on non-performing loans on a cash basis and generally incurs operating losses associated with real estate owned. When BBX Capital receives the collateral in foreclosures or similar proceedings, BBX Capital is required to mark the related collateral to the then fair market value, generally based on appraisals of the property obtained by BBX Capital. These loans and real estate owned also increase BBX Capital’s risk profile, and increases in the level of non-performing loans and non-performing assets adversely affect BBX Capital’s results of operations and financial condition. While BBX Capital seeks to manage its nonperforming assets, decreases in the value of these assets or deterioration in the financial condition of BBX Capital’s borrowers, which is often impacted by economic and market conditions beyond BBX Capital’s control, could adversely affect BBX Capital’s business, results of operations and financial condition. In addition, the resolution of non-performing assets requires significant commitments of management time.

FAR's consumer loan portfolio is concentrated in home equity loans collateralized by properties located in South Florida.

The decline in residential real estate prices and higher unemployment throughout Florida over the past several years has resulted in an increase in mortgage delinquencies and higher foreclosure rates. Additionally, in response to adverse conditions in the economy and real estate markets, financial institutions and other lenders have tightened underwriting standards which has limited the ability of borrowers to refinance. These conditions have adversely impacted delinquencies and credit loss trends for home equity loan portfolios. The majority of FAR's home equity loans are residential second mortgages that exhibit higher loss severity than residential first mortgages. If home prices remain depressed, FAR may experience higher credit losses from this loan portfolio. Since the collateral for this portfolio consists primarily of second mortgages, it is unlikely that FAR will be successful in recovering all or any portion of its loan proceeds in the event of a default unless FAR is prepared to repay the first mortgage and such repayment and the costs associated with a foreclosure are justified by the value of the property.

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The cost and outcome of pending legal proceedings may impact BBX Capital's results of operations. BBX Capital and its subsidiaries are currently parties in ongoing litigation which has resulted in significant non-interest expenses relating to legal and other professional fees. Pending proceedings include litigation which has been brought by the SEC (as previously described), litigation arising out of BBX Capital's workouts and foreclosures, and legal proceedings associated with BankAtlantic's tax certificate business. While, based on current information, BBX Capital believes that it has meritorious defenses in these proceedings, BBX Capital anticipates continued elevated legal and related costs in connection with the actions, and the ultimate outcomes of the matters are uncertain. See the "Legal Proceedings" section of BBX Capital's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this joint proxy statement/prospectus, for additional information regarding the material legal proceedings to which BBX Capital is currently subject. See "Where You Can Find More Information." In addition, as previously described, a consolidated purported class action lawsuit is pending in Florida which seeks to enjoin the merger or, if it is completed, to recover damages as determined by the presiding court. See "The Merger — Litigation Regarding the Merger" for additional information with respect to such litigation.

Adverse market conditions may affect BBX Capital's business and results of operations.

BBX Capital's financial condition and results of operations have been, and may continue to be, adversely impacted as a result of the downturn in the U.S. housing and commercial real estate markets and general economic conditions. Dramatic declines in the national and, in particular, Florida housing markets over the past years, with falling home prices and increasing foreclosures and unemployment, have negatively impacted the credit performance of BBX Capital's loans and resulted in significant asset impairments. Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors reduced or ceased providing funding to borrowers. This market turmoil and tightening of credit led to an increased level of commercial and consumer delinquencies, lack of consumer confidence, increased market volatility and widespread reduction of business activity generally. The continuing economic pressure on consumers and lack of confidence in the financial markets has adversely affected and may continue to adversely affect BBX Capital's business, financial condition and results of operations. Further negative market and economic developments may cause adverse changes in payment patterns, causing increases in delinquencies and default rates, which may impact BBX Capital's charge-offs and provisions for loan losses. A worsening of conditions would likely exacerbate the adverse effects of these difficult market conditions. In particular, BBX Capital may experience and may continue to be impacted by the following risks in connection with these events:

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- BBX Capital's borrowers may be unable to make timely repayments of their loans, or the value of real estate collateral securing the payment of such loans may decrease, which could result in increased delinquencies, foreclosures and customer bankruptcies, any of which would increase levels of non-performing loans resulting in significant credit losses and increased expenses and could have a material adverse effect on BBX Capital's operating results;
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- disruptions in the capital markets or other events, including actions by rating agencies and deteriorating investor expectations, may adversely impact BBX Capital's ability to borrow funds on favorable terms or at all; and
- 
- continued asset valuation declines could further increase BBX Capital's credit losses and result in additional impairments.

Adverse events in Florida, where BBX Capital's business is currently concentrated, could adversely impact BBX Capital's results and future growth.



BBX Capital's business, the primary source of repayment for its loans and the real estate collateralizing its loans are primarily concentrated in Florida. As a result, BBX Capital is exposed to geographic risks, as high unemployment rates, declines in the housing industry and declines in the real estate market have generally been more severe in Florida than in the rest of the country. Adverse changes in laws and regulations in Florida would have a negative impact on BBX Capital's revenues, financial condition and business. Further, the State of Florida is subject to the risks of natural disasters such as tropical storms and

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hurricanes, which may disrupt BBX Capital's operations, adversely impact the ability of BBX Capital's borrowers to timely repay their loans and the value of any collateral held by BBX Capital, or otherwise have an adverse effect on BBX Capital's results of operations. The severity and impact of tropical storms, hurricanes and other weather related events are unpredictable.

BBX Capital's recent financial performance may adversely affect its ability to access capital and may have a material adverse effect on its business, financial condition and results of operations.

BBX Capital incurred losses from continuing operations of \$28.5 million, \$59.5 million and \$133.5 million during the years ended December 31, 2012, 2011 and 2010, respectively, and \$1.7 million during the nine months ended September 30, 2013.

BBX Capital's ability to fund its operations and investment opportunities may depend on its ability to raise capital in the secondary markets and on its ability to monetize its portfolio of non-performing loans and real estate owned. Its ability to raise additional capital will depend on, among other things, conditions in the financial markets at the time, which are outside of BBX Capital's control, as well as litigation and BBX Capital's financial condition, results of operations and prospects. The failure to obtain capital in amounts needed to fund operations or anticipated investments may have a material adverse effect on BBX Capital's results of operation and financial condition.

BBX Capital is controlled by BFC and its controlling shareholders, and this control position may adversely affect the market price of BBX Capital's Class A Common Stock.

BFC currently owns shares of BBX Capital's Class A Common Stock and Class B Common Stock representing approximately 72% of BBX Capital's total voting power. Additionally, Alan B. Levan, Chairman and Chief Executive Officer of BBX Capital and Chairman, Chief Executive Officer and President of BFC, and John E. Abdo, Vice Chairman of BBX Capital and BFC, collectively beneficially own shares of BFC's Class A Common Stock and Class B Common Stock representing approximately 71% of BFC's total voting power. BBX Capital's Class A Common Stock and Class B Common Stock vote as a single group on most matters. Accordingly, BFC, directly, and Messrs. Levan and Abdo, indirectly through BFC, are in a position to control BBX Capital, elect BBX Capital's board of directors and significantly influence the outcome of any shareholder vote. This control position may have an adverse effect on the market price of BBX Capital's Class A Common Stock.

BFC can reduce its economic interest in BBX Capital and still maintain voting control.

BBX Capital's Class A Common Stock and Class B Common Stock generally vote together as a single class, with BBX Capital's Class A Common Stock possessing a fixed 53% of the aggregate voting power of BBX Capital, and BBX Capital's Class B Common Stock possessing a fixed 47% of such aggregate voting power. BBX Capital's Class B Common Stock currently represents less than 1% of BBX Capital's total common equity and 47% of BBX Capital's total voting power. As a result, the voting power of BBX Capital's Class B Common Stock does not bear a direct relationship to the economic interest represented by the shares.

Any issuance of shares of BBX Capital's Class A Common Stock will further dilute the relative economic interest of BBX Capital's Class B Common Stock, but will not decrease the voting power represented by BBX Capital's Class B Common Stock. Further, BBX Capital's Restated Articles of Incorporation provide that these relative voting percentages will remain fixed until such time as BFC and its affiliates own less than 97,253 shares of BBX Capital's Class B Common Stock, which is approximately 50% of the number of shares of BBX Capital's Class B Common Stock that BFC now owns, even if additional shares of BBX Capital's Class A Common Stock are issued. Therefore, BFC may sell up to approximately 50% of its shares of BBX Capital's Class B Common Stock (after converting those shares to shares of Class A Common Stock), and significantly reduce its economic interest in BBX Capital, while still maintaining its voting power. If BFC were to take this action, it would widen the disparity between the equity interest represented by BBX Capital's Class B Common Stock and its voting power. Any conversion of shares of BBX Capital's Class B Common Stock into shares of Class A Common Stock would further dilute the voting interests of the holders of the Class A Common Stock.

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Provisions in BBX Capital's Restated Articles of Incorporation and Amended and Restated Bylaws, and BBX Capital's recently adopted shareholder rights plan, may make it difficult for a third party to acquire BBX Capital and could depress the price of BBX Capital's Class A Common Stock.

BBX Capital's Restated Articles of Incorporation and Amended and Restated Bylaws contain provisions that could delay, defer or prevent a change of control of BBX Capital or its management. These provisions could make it more difficult for shareholders to elect directors and take other corporate actions. As a result, these provisions could limit the price that investors are willing to pay in the future for shares of BBX Capital's Class A Common Stock. These provisions include:

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- the provisions in BBX Capital's Restated Articles of Incorporation regarding the voting rights of BBX Capital's Class B Common Stock;
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- the authority of BBX Capital's board of directors to issue additional shares of common or preferred stock and to fix the relative rights and preferences of the preferred stock without additional shareholder approval; and
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- advance notice procedures to be complied with by shareholders in order to make shareholder proposals or nominate directors.

In addition, on February 7, 2013, BBX Capital adopted a shareholder rights plan which is designed to preserve certain tax benefits available to BBX Capital. However, because the rights plan provides a deterrent to investors from acquiring a 5% or greater ownership interest in BBX Capital's Class A Common Stock, it may have an anti-takeover effect. As previously described, pursuant to the terms of the merger agreement, BBX Capital has taken steps to exempt the currently proposed merger and other transactions contemplated by the merger agreement from the operation of the rights plan and to cause the rights issued pursuant to the rights plan to expire immediately prior to the effective time of the merger if the rights plan is not otherwise terminated.

The loss of key personnel or the failure to attract and retain highly qualified personnel could adversely affect BBX Capital's operations.

BBX Capital's performance is largely dependent on the talents and efforts of skilled individuals. BBX Capital's business operations could be adversely affected if BBX Capital is unable to retain and motivate its existing employees and attract new employees as needed. In addition, as previously described, the SEC has filed a lawsuit against BBX Capital's Chairman and Chief Executive Officer, Alan B. Levan, alleging violations of securities laws. In addition to injunctive relief and monetary penalties, the complaint seeks an officer and director bar with respect to Mr. Levan. While BBX Capital believes that it and Mr. Levan fully complied with applicable law, the outcome of this litigation is uncertain. See the risk factor entitled "BFC and BBX Capital may be unable to satisfy all the conditions to consummating the merger, including the approval for listing of BFC's Class A Common Stock on a national securities exchange at the effective time of the merger" beginning on page 21 for additional information regarding the SEC action. In the event Mr. Levan is restricted from serving, or is otherwise unable to serve, as an executive officer and/or director of BBX Capital, BBX Capital and its business, as well as the businesses of its subsidiaries, may be adversely impacted.

### Risks Related to Bluegreen

The following are risks related to Bluegreen, which is a wholly owned subsidiary of Woodbridge. BFC currently owns 54% of Woodbridge's outstanding membership interests, and BBX Capital owns the remaining 46% of BBX Capital's outstanding membership interests. Accordingly, the shareholders of BFC and BBX Capital are each exposed to the risks which Bluegreen faces, including those related to the vacation ownership and real estate industries in which Bluegreen operates. If the merger is completed, BFC, through Woodbridge, would own 100% of Bluegreen, and BFC's

shareholders, including shareholders of BBX Capital that receive shares of BFC's Class A Common Stock in the merger, would therefore have increased exposure to the risks faced by Bluegreen. In addition, Bluegreen's results and financial condition are consolidated into BFC's financial statements, while BBX Capital currently accounts for its interest in Bluegreen under the equity

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method of accounting. If the merger is completed, Bluegreen will continue to be consolidated into BFC's financial statements. Accordingly, any adverse changes to Bluegreen's results and financial condition will negatively impact the results and financial condition of BFC, both before and after the merger, and BBX Capital, pending completion of the merger.

Bluegreen's business and operations, including its ability to market vacation ownership interests ("VOIs"), is subject to general economic conditions, as well as interest rates and the availability of financing.

Bluegreen's business has been adversely affected by unfavorable general economic and industry conditions, including high unemployment rates and job insecurity, declines in discretionary spending, housing values and availability of financing, and geopolitical conflicts. If recent recovery trends do not continue or, economic conditions deteriorate, Bluegreen's business and results may be adversely impacted, particularly if financing for Bluegreen or its customers is unavailable or if changes in general economic conditions or other factors adversely affect Bluegreen's customers' ability to pay amounts owed under notes receivable. Further, adverse changes affecting the vacation ownership industry, such as an oversupply of vacation ownership units, a reduction in demand for such units, changes in travel and vacation patterns, changes in governmental regulation of the industry, imposition of increased taxes by governmental authorities, the declaration of bankruptcy and/or credit defaults by other vacation ownership companies and negative publicity for the industry, could also have a material adverse effect on Bluegreen's business. In addition, Bluegreen's operations and results may be negatively impacted if Bluegreen is unable to update its strategy over time and from time to time in response to changing market conditions and economic indicators.

The vacation ownership and hospitality industries are highly competitive, and Bluegreen may not be able to compete successfully.

Bluegreen competes with various high profile and well-established operators, many of which have greater liquidity and financial resources than Bluegreen. Many of the world's most recognized lodging, hospitality and entertainment companies develop and sell VOIs in resort properties. Bluegreen also competes with numerous smaller owners and operators of vacation ownership resorts. Bluegreen's ability to remain competitive and to attract and retain customers depends on its customers' satisfaction with its products and services as well as on distinguishing the quality, value, and efficiency of its products and services from those offered by its competitors. Customer dissatisfaction with experiences at its resorts or otherwise as a member of the Bluegreen Vacation Club, including due to an inability to use points for desired stays, could result in negative publicity and/or a decrease in sales, or otherwise adversely impact Bluegreen's ability to successfully compete in the vacation ownership and hospitality industries. Bluegreen may not be able to timely and sufficiently identify and remediate the cause of customer dissatisfaction. Any of these events could materially and adversely impact Bluegreen's operating results and financial condition.

Bluegreen would incur substantial losses and Bluegreen's liquidity position could be adversely impacted if the customers to whom Bluegreen provides financing default on their obligations.

Prior to December 15, 2008, Bluegreen did not perform credit checks on the purchasers of its VOIs in connection with Bluegreen's financing of their purchases. Effective December 15, 2008, Bluegreen implemented a FICO<sup>®</sup> score-based credit underwriting program. Bluegreen enhanced this credit underwriting program during January 2010. While Bluegreen's loan portfolio originated after December 15, 2008 has to date experienced defaults at a lower rate than loans originated prior to that date, Bluegreen's FICO<sup>®</sup> score-based underwriting standards may not continue to result in decreased default rates or otherwise result in the improved performance of Bluegreen's notes receivable. Adverse conditions in the mortgage industry, including credit scores as well as borrower's financial profiles, and other factors outside Bluegreen's control may increase the default rates Bluegreen experiences or otherwise negatively impact the performance of Bluegreen's notes receivable. Although in many cases Bluegreen may have recourse against a buyer for the unpaid purchase price, certain states have laws that limit Bluegreen's ability to recover personal judgments against customers who have defaulted on their loans or the cost of doing so may not be justified. Historically, Bluegreen has generally not pursued such recourse against Bluegreen's customers. In the case of Bluegreen's notes receivable secured by VOIs, if Bluegreen is unable to collect the defaulted amount due, Bluegreen traditionally has terminated the customer's interest in the Bluegreen Vacation Club

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and then remarketed the recovered VOI. Irrespective of Bluegreen's remedy in the event of a default, Bluegreen cannot recover the marketing, selling and administrative costs associated with the original sale. In addition, Bluegreen will need to incur such costs again in order to resell the VOI. If default rates for Bluegreen's borrowers remain at current levels or increase, Bluegreen may be required to increase its provision for credit losses. In addition, it may cause buyers of, or lenders whose loans are secured by, Bluegreen's VOI notes receivable to reduce the amount of availability under receivables purchase and credit facilities, or to increase the interest costs associated with such facilities. In such event, the cost of financing may increase and Bluegreen may not be able to secure financing on terms acceptable to Bluegreen, if at all, which would adversely affect Bluegreen's earnings, financial position and liquidity.

Under the terms of Bluegreen's pledged and receivable sale facilities, Bluegreen may be required, under certain circumstances, to replace receivables or to pay down the loan to within permitted loan-to-value ratios. Additionally, the terms of Bluegreen's securitization-type transactions require Bluegreen to repurchase or replace loans if Bluegreen breaches any of the representations and warranties Bluegreen made at the time it sold the receivables. These agreements also often include provisions that require substantially all of Bluegreen's cash flow from its retained interest in the receivable portfolios sold to be paid to the parties who purchased the receivables from Bluegreen in the event of defaults by customers in excess of stated thresholds. In addition, Bluegreen guaranteed certain payments under its Legacy Securitization (which is described in further detail in Note 19 to the consolidated financial statements of BFC included in BFC's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this joint proxy statement/prospectus). See "Where You Can Find More Information." Substantially all of the timeshare receivables backing the notes subject to the Legacy Securitization were generated prior to December 15, 2008, when Bluegreen implemented its FICO<sup>®</sup> score-based credit underwriting program, and relate to loans to borrowers with FICO<sup>®</sup> scores below 600.

While Bluegreen has attempted to restructure its business to reduce its need for and reliance on financing for liquidity in the short term, there is no assurance that such restructuring will be successful or that Bluegreen's business and profitability will not otherwise continue to depend on Bluegreen's ability to obtain financing, which may not be available on favorable terms, or at all.

Bluegreen offers financing of up to 90% of the purchase price to purchasers of Bluegreen's VOIs. However, Bluegreen incurs selling, marketing and administrative cash expenditures prior to and concurrent with the sale. These costs generally exceed the down payment Bluegreen receives at the time of the sale. Accordingly, Bluegreen's ability to borrow against or sell Bluegreen's notes receivable has historically been a critical factor in Bluegreen's continued liquidity, and Bluegreen therefore has depended on funds from its credit facilities and securitization transactions to finance its operations. The disruption in the credit markets which began in 2007 made obtaining additional and replacement external sources of liquidity more difficult and more costly. The number of banks and other finance companies willing to provide "warehouse" lines of credit for VOI receivables decreased, and the term securitization market was unavailable for an extended period of time. If Bluegreen's pledged receivables facilities terminate or expire and Bluegreen is unable to extend them or replace them with comparable facilities, or if Bluegreen is unable to continue to participate in securitization-type transactions and "warehouse" facilities on acceptable terms, Bluegreen's liquidity, cash flow and profitability would be materially and adversely affected.

In addition, financing for real estate acquisition and development and the capital markets for corporate debt have been limited. In response to these conditions, during 2008, Bluegreen adopted initiatives, which included limiting sales and encouraging higher down payments on sales, in an attempt to conserve cash. Bluegreen also has increased its focus on expanding Bluegreen's fee-based service business. However, there is no assurance that the implementation of these initiatives will enhance Bluegreen's financial position or otherwise be successful. If these initiatives do not have their intended results, Bluegreen's financial condition may be materially and adversely impacted.

Notwithstanding the initiatives implemented by Bluegreen since 2008 to improve its cash position, Bluegreen anticipates that it will continue to seek and use external sources of liquidity, including funds that Bluegreen obtains pursuant to additional borrowings under Bluegreen's existing credit facilities, under credit facilities that Bluegreen may obtain in the future, under securitizations in which Bluegreen may participate in the future or pursuant to other borrowing arrangements, to:



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- support its operations;
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- finance the acquisition and development of VOI inventory or property and equipment;
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- finance a substantial percentage of its sales; and
- 
- satisfy its debt and other obligations.

Bluegreen's ability to service or to refinance its indebtedness or to obtain additional financing (including Bluegreen's ability to consummate future term securitizations) depends on the credit markets and on Bluegreen's future performance, which is subject to a number of factors, including the success of Bluegreen's business, results of operations, leverage, financial condition and business prospects, prevailing interest rates, general economic conditions and perceptions about the vacation ownership and real estate industries. Further, reputational and other risks to both the lender and to Bluegreen associated with the 2007 bankruptcy of BFC's former Levitt and Sons, LLC subsidiary and the previously described lawsuit brought by the SEC against BBX Capital and its Chairman and Chief Executive Officer, Alan B. Levan, who is also Chairman of Bluegreen's board of directors, may be considered by lenders in connection with both making and renewing extensions of credit.

As of September 30, 2013, Bluegreen had approximately \$7.9 million of indebtedness scheduled to become due in the next twelve months. Historically, much of Bluegreen's debt has been renewed or refinanced in the ordinary course of business. However, Bluegreen may not in the future be able to obtain sufficient external sources of liquidity on attractive terms, or at all, or otherwise renew, extend or refinance a significant portion of its outstanding debt. Any of these occurrences may have a material and adverse impact on Bluegreen's liquidity and financial condition. Bluegreen's indebtedness may impact its financial condition and results of operations, and the terms of Bluegreen's indebtedness may limit its activities.

Bluegreen's level of debt and debt service requirements have several important effects on Bluegreen's operations. Significant debt service cash requirements reduce the funds available for operations and future business opportunities and increase Bluegreen's vulnerability to adverse economic and industry conditions, as well as conditions in the credit markets, generally. In addition, Bluegreen's leverage position increases its vulnerability to economic and competitive pressures and may limit funds available for acquisitions, working capital, capital expenditures, dividends, and other general corporate purposes. Further, the financial covenants and other restrictions contained in indentures, credit agreements and other agreements relating to Bluegreen's indebtedness require Bluegreen to meet certain financial tests and restrict Bluegreen's ability to, among other things, pay dividends, borrow additional funds, dispose of assets or make investments. If Bluegreen fails to comply with the terms of its debt instruments, such debt may become due and payable immediately, which would have a material adverse impact on Bluegreen's cash position and financial condition. Significant resources may be required to monitor Bluegreen's compliance with its debt instruments (from a quantitative and qualitative perspective), and such monitoring efforts may not be effective in all cases.

The ratings of third-party rating agencies could adversely impact Bluegreen's ability to obtain, renew or extend credit facilities, or otherwise raise funds.

Rating agencies from time to time review prior corporate and specific transaction ratings in light of tightened ratings criteria. Bluegreen currently has a "B" corporate credit rating with a "stable" outlook with Standard & Poor's. If rating agencies were to downgrade Bluegreen's corporate credit ratings, Bluegreen's ability to raise funds on favorable terms, or at all, and Bluegreen's liquidity, financial condition and results of operations could be adversely impacted. In



addition, if rating agencies downgraded their original ratings on certain bond classes in Bluegreen's securitizations, holders of such bonds may be required to sell bonds in the marketplace, and such sales could occur at a discount, which could impact the perceived value of the bonds and Bluegreen's ability to sell future bonds on favorable terms, or at all. While Bluegreen is not currently aware of any reasonably likely downgrades to its corporate credit rating or the ratings of bond classes in Bluegreen's securitizations, such ratings changes can occur without advance notice.

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Bluegreen's future success depends on Bluegreen's ability to market its products and services successfully and efficiently, and marketing expenses may increase.

Bluegreen competes for customers with hotel and resort properties and other vacation ownership resorts. The identification of sales prospects and leads, and the marketing of Bluegreen's products and services to them are essential to Bluegreen's success. Bluegreen has incurred and will continue to incur the expenses associated with marketing programs in advance of closing sales to the leads that Bluegreen identifies. If Bluegreen's lead identification and marketing efforts do not yield enough leads or Bluegreen is unable to successfully convert sales leads to sales, Bluegreen may be unable to recover the expense of its marketing programs and systems and Bluegreen's business, operating results and financial condition would be adversely affected. In addition, while Bluegreen has in the past focused its marketing efforts primarily on sales to existing owners, which typically carry a relatively lower marketing cost, as opposed to new customers, Bluegreen has recently shifted its marketing focus on selling to new customers as opposed to existing owners, which has increased Bluegreen's sales and marketing expenses as compared to historical levels. If Bluegreen's marketing expenses continue to increase and Bluegreen is not successful in offsetting the cost increase with greater sales revenue, Bluegreen's operating results and financial condition would be adversely impacted. In addition, Bluegreen's marketing efforts are subject to the risk of changing consumer behavior. Changes in consumer behavior may adversely impact the effectiveness of marketing efforts and strategies which Bluegreen has in place, and Bluegreen may not be able to timely respond to such changes.

Bluegreen may not be successful in increasing or expanding its fee-based services relationships, and Bluegreen's fee-based service activities may not be profitable, which may have an adverse impact on Bluegreen's results of operations and financial condition.

In July 2009, Bluegreen began offering fee-based marketing, sales, resort management and other services to third-party developers. During 2012, Bluegreen continued to expand its fee-based service business, which Bluegreen believes enables it to leverage its expertise in sales and marketing, resort management, mortgage servicing, construction management and title services. Bluegreen currently intends for its fee-based services to become an increasing portion of its business over time as they generally produce positive cash flow and typically require less capital investment than Bluegreen's traditional vacation ownership business. Bluegreen has attempted to structure these activities to cover Bluegreen's costs and generate a profit. However, Bluegreen's fee-based services business remains relatively new and Bluegreen has limited experience with respect to its pricing and operation. In addition, while Bluegreen's fee-based marketing and sales services do not require Bluegreen to use its receivable credit facility capacity, Bluegreen's clients do typically have to maintain their own receivable-backed credit facilities. Should Bluegreen's clients not be able to maintain their facilities, Bluegreen's fee-based marketing and sales business could be materially adversely impacted. Sales of third party developers' VOIs must generate sufficient cash to comply with the terms of the developers' financings as well as to pay the fees or commissions due Bluegreen. The third party developers may not be able to obtain or maintain financing necessary for its operations, which could impact Bluegreen's ability to sell the developers' inventory. While Bluegreen could attempt to structure other arrangements where it would utilize its receivable credit facilities in order to provide fee-based marketing and sales services, this would reduce the credit otherwise available to Bluegreen. In addition, when Bluegreen performs fee-based sales and marketing services, Bluegreen sells VOIs in a resort developed by a third party as an interest in the Bluegreen Vacation Club. This subjects Bluegreen to a number of risks typically associated with selling products developed by others under your own brand name, including litigation risks. Additionally, demand for the third party resorts may be below Bluegreen's expectations and the third party developers may not satisfy their obligations.

As part of the expansion of Bluegreen's fee-based service business, during January 2012, Bluegreen began selling VOI inventory in connection with a new category of sales requiring low levels of capital deployment whereby Bluegreen acquires VOI inventory from its resorts' property owner associations ("POAs") on a non-committed basis, in close proximity to the timing of Bluegreen's selling of such VOIs ("POA Sales"). VOIs are typically obtained by the POAs through foreclosure in connection with maintenance fee defaults and are generally acquired by Bluegreen at a discount. While Bluegreen intends to increase its POA Sales efforts in the future and enter into similar arrangements with third-party developers as part of Bluegreen's fee-based services initiative, Bluegreen may not be successful in increasing its POA Sales or entering into similar arrangements, and in any event these efforts may not result in Bluegreen achieving improved results.



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Bluegreen's results of operations and financial condition may be materially and adversely impacted if Bluegreen does not continue to participate in exchange networks and other strategic alliances with third parties or if Bluegreen's customers are not satisfied with the networks in which Bluegreen participates or Bluegreen's strategic alliances. Bluegreen Vacation Club members may participate in the Resort Condominiums International, LLC ("RCI"), an unaffiliated external exchange network. The RCI exchange network allows an owner to exchange stays in its VOI for occupancy at over 4,000 participating resorts located throughout the world in over 100 countries, based upon availability and the payment of a variable exchange fee. In 2012, approximately 8% of Bluegreen's owners utilized the RCI exchange network for an exchange of two or more nights. Bluegreen also has a joint venture with Shell Vacation Club ("Shell"), an unaffiliated privately-held resort developer, called Select Connections™. Select Connections™ provides Bluegreen Vacation Club owners who purchased or upgraded their VOI since July 1, 2007 with the ability to use their vacation points to reserve accommodations in approximately 23 Shell locations for a nominal fee. The Select Connections™ joint venture also provides members of Shell access to certain Bluegreen Vacation Club resorts. Bluegreen Vacation Club members, for an additional annual fee, may also participate in the Bluegreen Traveler Plus™ program, which allows them to use their points for a variety of hotel stays, RV site stays within the "Coast to Coast" network, or various cruise vacations. In addition, during January 2013, Bluegreen entered into multi-year strategic alliance agreements with Choice Hotels International Inc. ("Choice"). Choice currently franchises approximately 6,200 hotels in the United States and more than 30 foreign countries and territories and its brands include Comfort Inn, Comfort Suites, Quality, Sleep Inn, Clarion, Cambria Suites, MainStay Suites, Suburban Extended Stay Hotel, Econo Lodge and Rodeway Inn. Subject to the terms and conditions of the agreements, including specified timelines and payments to be made by Bluegreen to Choice, Choice has agreed, among other things, to brand 21 Bluegreen Vacation Club resorts as part of the Choice Hotels Ascend™ Hotel Collection, a network of historic, boutique and unique hotels in the United States, Canada, Scandinavia and Latin America. Additionally, the components of the Choice Hotels loyalty program, Choice Privileges ® will be combined with the Bluegreen Traveler Plus™ program, which will allow Bluegreen Traveler Plus™ participants to enroll as members of Choice Privileges ®, be upgraded to Elite Gold status to receive special benefits, and to convert their Bluegreen Vacation Club points into Choice Privileges ® points, which can be used for stays at participating Choice hotels. Bluegreen Vacations Club members will also be eligible to access discounted rates at all 6,200 Choice hotels, subject to availability.

Bluegreen believes that its participation in the above-described exchange networks and other strategic alliances, as well as Bluegreen's Traveler Plus™ program, make ownership of Bluegreen's VOIs more attractive by providing owners with the ability to take advantage of vacation experiences in addition to stays at Bluegreen's resorts. However, Bluegreen may not be able to continue to participate in the RCI or Select Connections™ exchange networks at some point in the future. In addition, these networks and the Bluegreen Travelers Plus™ Program may not continue to operate effectively, and Bluegreen's customers may not continue to be satisfied with them. Further, Bluegreen's relationship with Choice may not be well received by Bluegreen's customers or otherwise result in the benefits Bluegreen expects to derive from the relationship. In addition, Bluegreen may not be successful in identifying and entering into new strategic relationships in the future. If any of these events should occur, Bluegreen's results of operations and financial condition may be materially and adversely impacted.

The resale market for VOIs could adversely affect Bluegreen's business.

Based on Bluegreen's experience at its resorts and at destination resorts owned by third parties, Bluegreen believes that resales of VOIs in the secondary market generally are made at net sales prices below their original customer purchase prices. The relatively lower sales prices are partly attributable to the high marketing and sales costs associated with the initial sales of such VOIs. Accordingly, the initial purchase of a VOI may be less attractive to prospective buyers. Also, buyers who seek to resell their VOIs compete with Bluegreen's efforts to sell its VOIs. While VOI resale clearing houses or brokers currently do not have a material impact on Bluegreen's business, if a secondary market for VOIs were to become more organized and liquid, the resulting availability of resale VOIs at lower prices could adversely affect Bluegreen's sales prices and the number of sales Bluegreen can close, which in turn would adversely affect Bluegreen's business and results of operations.

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Bluegreen is subject to the risks of the real estate market and the risks associated with real estate development, including the decline in real estate values and the deterioration of other conditions relating to the real estate market and real estate development.

Real estate markets are cyclical in nature and highly sensitive to changes in national and regional economic conditions, including:

- - levels of unemployment;
- - levels of discretionary disposable income;
- - levels of consumer confidence;
- - the availability of financing;
- - overbuilding or decreases in demand;
- - interest rates; and
- - federal, state and local taxation methods.

The adverse trends experienced in the real estate market beginning in 2007 exerted pressure upon Bluegreen, and have had, and may continue to have, an adverse impact on Bluegreen's operations. Further, while general economic trends have recently shown signs of improvement, a deterioration in general economic conditions or continued adverse conditions in the real estate market would have a material adverse effect on Bluegreen's business.

To the extent Bluegreen decides to acquire more real estate inventory in the future, the availability of land for development of resort properties at favorable prices at that time will be critical to Bluegreen's profitability and the ability to cover Bluegreen's significant selling, general and administrative expenses, cost of capital and other expenses. If Bluegreen is unable to acquire such land or resort properties at a favorable cost, it could have an adverse impact on Bluegreen's results of operations. While Bluegreen believes that the property it has purchased at their adjusted carrying amounts will generate appropriate margins, land prices remain significantly below historical levels, and the projects Bluegreen acquired prior to or during the recent economic downturn may have been purchased at higher price levels than available in the current market.

The profitability of Bluegreen's real estate development activities is also impacted by the cost of construction materials and services. Should the cost of construction materials and services rise, the ultimate cost of Bluegreen's future resorts inventory when developed could increase and have a material, adverse impact on Bluegreen's results of operations. Adverse outcomes in legal or other regulatory procedures, including claims for development-related defects, could adversely affect Bluegreen's financial condition and operating results.

In the ordinary course of business, Bluegreen is subject to litigation, legal and regulatory proceedings which result in significant expenses relating to legal and other professional fees. In addition, litigation is inherently uncertain, and adverse outcomes in the litigation and other proceedings to which Bluegreen is subject could adversely affect Bluegreen's financial condition and operating results.

Bluegreen engages third-party contractors to construct Bluegreen's resorts. Bluegreen also historically engaged third-party contractors to develop the communities within the Bluegreen Communities' business. As previously disclosed, Bluegreen sold substantially all of the assets which comprised its Bluegreen Communities business during May 2012. Notwithstanding Bluegreen's use of third-party contractors, Bluegreen's customers may assert claims against Bluegreen for construction defects or other perceived development defects, including, without limitation, structural integrity, the presence of mold as a result of leaks or other defects, water intrusion, asbestos, electrical issues, plumbing issues, road construction, water and sewer defects and defects in the engineering of amenities. In addition, certain state and local laws may impose liability on property developers with respect to development defects discovered in the future. Bluegreen could have to accrue a significant portion of the cost to repair such defects in the quarter when such defects arise or when the repair costs are reasonably estimable. In addition, liabilities related to Bluegreen Communities that were not assumed by the purchaser of the assets which comprised Bluegreen Communities during May 2012, including those relating to Bluegreen Communities' operations prior to the

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closing of the transaction, remain Bluegreen's responsibility. See the "Legal Proceedings" section of BFC's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this joint proxy statement/prospectus, for additional information regarding pending legal matters with respect to Bluegreen, including those relating to Bluegreen Communities. A significant number of claims for development-related defects could adversely affect Bluegreen's liquidity, financial condition and operating results.

Bluegreen may be adversely affected by extensive federal, state and local laws and regulations and changes in applicable laws and regulations, including with respect to the imposition of additional taxes on operations. In addition, results of audits of Bluegreen's tax returns or those of Bluegreen's subsidiaries may have a material and adverse impact on Bluegreen's financial condition.

The federal government and the states and local jurisdictions in which Bluegreen operates have enacted extensive regulations that affect the manner in which Bluegreen markets and sells VOIs and conducts its other business operations. In addition, many states have adopted specific laws and regulations regarding the sale of VOIs. Many states, including Florida and South Carolina, where some of Bluegreen's resorts are located, extensively regulate the creation and management of timeshare resorts, the marketing and sale of timeshare properties, the escrow of purchaser funds prior to the completion of construction and closing, the content and use of advertising materials and promotional offers, the delivery of an offering memorandum and the creation and operation of exchange programs and multi-site timeshare plan reservation systems. Moreover, with regard to sales conducted in South Carolina, the closing of real estate and mortgage loan transactions must be conducted under the supervision of an attorney licensed in South Carolina and otherwise in accordance with South Carolina's Time Sharing Transaction Procedures Act. Most states also have other laws that regulate Bluegreen's activities, such as timeshare project registration laws, real estate licensure laws, mortgage licensure laws, sellers of travel licensure laws, anti-fraud laws, consumer protection laws, telemarketing laws, prize, gift and sweepstakes laws, and consumer credit laws. Bluegreen's management of, and dealings with, POAs, including Bluegreen's purchase of defaulted inventory from POAs, also subject Bluegreen to state laws and resort rules and regulations, including those with respect to the establishment of budgets and expenditures, rule-making, and the imposition of maintenance assessments.

Bluegreen is currently authorized to market and sell VOIs in all states in which its operations are currently conducted. If Bluegreen's agents or employees violate applicable regulations or licensing requirements, however, their acts or omissions could cause the states where the violations occurred to revoke or refuse to renew Bluegreen's licenses, render Bluegreen's sales contracts void or voidable, or impose fines on Bluegreen based on past activities.

In addition, the federal government and the states and local jurisdictions in which Bluegreen conducts business have generally enacted extensive regulations relating to direct marketing and telemarketing, including the federal government's national "Do Not Call" list. These regulations have impacted Bluegreen's marketing of VOIs, and Bluegreen has taken steps in an attempt to decrease its dependence on restricted calls. These steps have increased, and are expected to continue to increase, Bluegreen's marketing costs. Bluegreen cannot predict the impact that these legislative initiatives or any other legislative measures that may be proposed or enacted in the future may have on its marketing strategies and results. Further, from time to time, complaints are filed against Bluegreen by individuals claiming that they received calls in violation of the applicable regulations.

Currently, most states have taxed VOIs as real estate, imposing property taxes that are billed to the respective POAs that maintain the related resorts and have not sought to impose sales tax upon the sale of the VOI or accommodations tax upon the use of the VOI. From time to time, however, various states have attempted to promulgate new laws or apply existing laws impacting the taxation of VOIs to require that sales or accommodations taxes be collected. Should new state or local laws be implemented or interpreted to impose sales or accommodations taxes on VOIs, Bluegreen's business could be materially and adversely affected.

From time to time, consumers file complaints against Bluegreen in the ordinary course of Bluegreen's business. Bluegreen could be required to incur significant costs to resolve these complaints or enter into consents with regulators regarding Bluegreen's activities. Bluegreen may not remain in material compliance

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with all applicable federal, state and local laws and regulations, and violations of applicable laws may have adverse implications on Bluegreen, including negative public relations, potential litigation and regulatory sanctions. The expense, negative publicity and potential sanctions associated with any failure to comply with applicable laws or regulations could have a material adverse effect on Bluegreen's results of operations, liquidity or financial position. In addition, VOIs may in the future be deemed to be securities under federal or state law and therefore subject to applicable securities regulation, which could have a material adverse effect on Bluegreen due to, among other things, the cost of compliance with such regulations.

Environmental liabilities, including claims with respect to mold or hazardous or toxic substances, could have a material adverse impact on Bluegreen's financial condition and operating results.

Under various federal, state and local laws, ordinances and regulations, as well as common law, Bluegreen may be liable for the costs of removal or remediation of certain hazardous or toxic substances, including mold, located on, in or emanating from property that Bluegreen owns, leases or operates, as well as related costs of investigation and property damage at such property. These laws often impose liability without regard to whether Bluegreen knew of, or was responsible for, the presence of the hazardous or toxic substances. The presence of such substances, or the failure to properly remediate such substances, may adversely affect Bluegreen's ability to sell or lease the property or to borrow money using the property or receivables generated from the sale of the property as collateral. Noncompliance with environmental, health or safety requirements may require Bluegreen to cease or alter operations at one or more of its properties. Further, Bluegreen may be subject to common law claims by third parties based on damages and costs resulting from violations of environmental regulations or from contamination associated with one or more of its properties.

A failure to maintain the integrity of internal or customer data could result in damage to Bluegreen's reputation and/or subject Bluegreen to costs, fines, or lawsuits.

Bluegreen's operations and activities require the collection and retention of large volumes of internal and customer data, including credit card numbers and other personally identifiable information of Bluegreen's customers and employees. The integrity and protection of that customer, employee and company data is critical to Bluegreen. If that data is inaccurate or incomplete, Bluegreen could make faulty decisions. Bluegreen's customers and employees also have a high expectation that Bluegreen will adequately protect their personal information. The information, security and privacy requirements imposed by governmental regulation are increasingly demanding. Bluegreen's systems may not be able to satisfy these changing requirements and employee and customer expectations, or may require significant additional investments or time in order to do so. Efforts to hack or breach security measures, failures of systems or software to operate as designed or intended, viruses, operator error, or inadvertent releases of data all threaten Bluegreen's information systems and records. Bluegreen's reliance on computer, Internet-based and mobile systems and communications and the frequency and sophistication of efforts by hackers to gain unauthorized access to such systems have increased significantly in recent years. A significant theft, loss, or fraudulent use of customer, employee, or company data could adversely impact Bluegreen's reputation and could result in remedial and other expenses, fines, or litigation.

A failure to keep pace with developments in technology could impair Bluegreen's operations or competitive position. The vacation ownership and hospitality industries continue to demand the use of sophisticated technology and systems, including technology utilized for property management, brand assurance and compliance, procurement and reservation systems. These technologies can be expected to require refinements, including to comply with the legal requirements such as privacy regulations and requirements established by third parties. Bluegreen is in the process of updating its information technology platform, which has required, and is likely to continue to require, significant capital expenditures. Bluegreen's older systems which have yet to be updated may increase the risk of operational inefficiencies, financial loss and non-compliance with applicable legal and regulatory requirements, and Bluegreen may not be successful in updating such systems in the time frame or at the cost anticipated. Further, as a result of the rapidly



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changing technological environment, new systems which Bluegreen has put in place or expects to put in place in the near term will become outdated in the future and new technology will be required, and Bluegreen may not be able to replace those systems as quickly as its competition or within budgeted costs and time frames. Further, Bluegreen may not achieve the benefits that may have been anticipated from any new technology or system.

The loss of the services of Bluegreen's key management and personnel could adversely affect Bluegreen's business. Bluegreen's ability to successfully implement its business strategy will depend on Bluegreen's ability to attract and retain experienced and knowledgeable management and other professional staff. If Bluegreen's efforts to retain and attract key management and other personnel are unsuccessful, Bluegreen's business, prospects, results of operations and financial condition may be materially and adversely impacted.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, business strategies, operating efficiencies or synergies, competitive positions, growth opportunities, plans and objectives of management, markets for the securities of BFC and BBX Capital, the merger and the effects thereof (if consummated) upon the companies and other matters relating to the companies and their respective subsidiaries, including Bluegreen. Statements included in or incorporated by reference into this joint proxy statement/prospectus that are not historical facts are identified as “forward-looking statements” for the purpose of the safe harbor provided by Section 21E of the Exchange Act and Section 27A of the Securities Act. Words such as “estimate,” “project,” “anticipate,” “plan,” “intend,” “expect,” “believe” and similar expressions are intended to identify forward-looking statements. These forward-looking statements, wherever they occur in this joint proxy statement/prospectus or in the documents incorporated into this joint proxy statement/prospectus by reference, reflect the judgment of the management of the applicable company, and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Forward-looking statements should therefore be considered in light of various important factors, including, without limitation, those set forth below and the risks and uncertainties described in the “Risk Factors” sections of this joint proxy statement/prospectus and the documents incorporated herein by reference. Risks and uncertainties associated with the merger include, but are not limited to, the following:

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- the parties’ ability to satisfy the conditions to closing the merger, including BFC’s ability to obtain the listing of its Class A Common Stock on a national securities exchange (or inter-dealer quotation system of a registered national securities association) at the effective time of the merger, and otherwise consummate the merger on the contemplated terms;
- 
- the expected benefits of the merger, including those described in the sections of this joint proxy statement/prospectus entitled “The Merger — Recommendation of the BBX Capital Board and Its Reasons for the Merger” and “The Merger — Recommendation of the BFC Board and Its Reasons for the Merger,” may not be realized to the extent anticipated, or at all;
- 
- the outcome of the pending litigation challenging the merger, as described in the section of this joint proxy statement/prospectus entitled “The Merger — Litigation Regarding the Merger”, and any future actions which may be instituted against BFC and/or BBX Capital in connection with the merger;
- 
- the substantial costs incurred and to be incurred by BFC and BBX Capital with respect to the merger, including the legal fees and other expenses incurred and to be incurred in connection with the litigation challenging the merger;
- 
- diversion of management attention to the merger instead of the operations of BFC and BBX Capital and their pursuit of business and investment opportunities;
-

- fluctuations in the trading prices of BFC's Class A Common Stock and BBX Capital's Class A Common Stock;
- 
- the impact on the combined company's financial condition and cash position of the cash payments which will be required to be made to shareholders of BBX Capital who exercise appraisal rights if the merger is consummated; and
- 
- the other risks and uncertainties described in the "Risk Factors — Risks Related to the Merger" section of this joint proxy statement/prospectus.

In addition to the risks and uncertainties related to the merger, risks and uncertainties associated with BFC, include, but are not limited to, the following:

- 
- BFC has negative cash flow and limited sources of cash and relies on dividends from its subsidiaries to fund its ongoing operations;

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- 
- risks associated with BFC's current business strategy, including the risk that BFC will not be in a position to provide strategic support to its affiliated entities or that such support will not achieve the anticipated benefits, and the risk that BFC will not be in a position to make new investments or that any investments made, including BFC's investment in Renin, will not prove to be advantageous;
- 
- the risks and uncertainties affecting BFC and its subsidiaries, and their respective results, operations, markets, products, services and business strategies, including with respect to BBX Capital, risks associated with its ability to successfully implement its currently anticipated plans and uncertainties regarding BBX Capital's ability to generate earnings under its new business strategy;
- 
- the risk that creditors of BFC's subsidiaries or other third parties may seek to recover from the subsidiaries' respective parent companies, including BFC, distributions or dividends made by such subsidiaries or other amounts owed by such subsidiaries to such creditors or third parties;
- 
- BFC's shareholders' interests will be diluted if additional shares of BFC's Common Stock are issued, including shares issued in connection with the merger, and BFC's investments in its subsidiaries will be diluted if such subsidiaries issue additional shares of stock to the public or persons other than BFC;
- 
- adverse conditions in the stock market, the public debt market and other capital markets, and the impact of such conditions on the activities of BFC and its subsidiaries;
- 
- the impact of the economy on BFC, the price and liquidity of BFC's Common Stock and BFC's ability to obtain additional capital, including the risk that if BFC needs or otherwise believes it is advisable to issue debt or equity securities to fund its operations, it may not be possible to issue any such securities on favorable terms, if at all;
- 
- the performance of entities in which BFC has made investments may not be profitable or their results as anticipated;
- 
- BFC is dependent upon dividends from its subsidiaries to fund its operations; BFC's subsidiaries may not be in a position to pay dividends or otherwise make a determination to pay dividends to its shareholders; dividend payments may be subject to certain restrictions, including, in the case of Bluegreen, restrictions contained in its debt instruments; any payment of dividends by a subsidiary of BFC is subject to declaration by such subsidiary's board of directors or managers (which, in the case of BBX Capital, is currently comprised of a

majority of independent directors under the listing standards of the NYSE) as well as the boards of directors of both BBX Capital and BFC in the case of dividend payments by Woodbridge; and dividend decisions may not be made in BFC's best interests;

- 
- risks relating to Woodbridge's April 2013 acquisition of Bluegreen, including that the transaction may not result in the realization of the expected benefits, as well as the significant costs incurred in connection with the transaction, including with respect to the shareholder class action lawsuits relating to the transaction;
- 
- the uncertainty regarding, and the impact on BFC's cash position of, the amount of cash that will be required to be paid to former shareholders of Woodbridge Holdings Corporation who exercised appraisal rights in connection with the 2009 merger between BFC and Woodbridge Holdings Corporation, including the legal and other professional fees and other costs and expenses of the appraisal rights proceeding;
- 
- the preparation of financial statements in accordance with GAAP involves making estimates, judgments and assumptions, and any changes in estimates, judgments and assumptions used could have a material adverse impact on the financial condition and operating results of BFC or its subsidiaries;
- 
- risks related to litigation and other legal proceedings involving BFC and its subsidiaries, including (i) the legal and other professional fees and other costs and expenses of such proceedings, as well

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as the impact of any finding of liability or damages on the financial condition and operating results of BFC or its subsidiaries and (ii) with respect to the pending action brought by the SEC against BBX Capital and its Chairman, who also serves as BFC's Chairman, reputational risks and risks relating to the loss of the services of BFC's Chairman (as well as the impact of such action on BFC's ability to obtain the listing of its Class A Common Stock on a national securities exchange or qualified inter-dealer quotation system, as required by the terms of the merger agreement);

- 
- the risks and uncertainties described below with respect to BBX Capital and Bluegreen;
- 
- the other risks and uncertainties described in the "Risk Factors — Risks Relating to BFC" section of this joint proxy statement/prospectus; and
- 
- BFC's success at managing the risks involved in the foregoing.

With respect to BBX Capital, the risks and uncertainties include, but are not limited to, the following:

- 
- the impact of economic, competitive and other factors affecting BBX Capital and its markets, products and services; decreases in real estate values, and increased unemployment or sustained high unemployment rates on BBX Capital's business generally; the ability of BBX Capital's borrowers to service their obligations; and the value of collateral securing BBX Capital's outstanding loans;
- 
- credit risks and loan losses, and the related sufficiency of the allowance for loan losses, including the impact of the economy and real estate market values on BBX Capital's assets and the credit quality of its loans;
- 
- the risk that loan losses will continue and the risks of additional charge-offs, impairments and required increases in BBX Capital's allowance for loan losses;
- 
- the impact of and expenses associated with litigation, including, but not limited to, the pending action brought by the SEC against BBX Capital and its Chairman;
- 
- adverse conditions in the stock market, the public debt market and other financial and credit markets, and the impact of such conditions on BBX Capital's activities;
- 
- the risks associated with the impact of periodic valuations of BBX Capital's assets for impairment;

- 
- the risks related to BBX Capital’s ability to successfully implement its currently anticipated business plans, which may not be realized as anticipated, if at all, or which may not be profitable, including BBX Capital’s investment in Woodbridge, the success of which will be dependent on the results of Bluegreen;
- 
- the risks associated with the assets retained by BBX Capital in CAM and FAR, including that they may not be monetized at the values currently ascribed to them, and that the assets retained by FAR may not be monetized in amounts sufficient to repay BB&T’s full preference amount;
- 
- the risks relating to BBX Capital’s acquisition of Renin, including that such acquisition may not be advantageous to BBX Capital and that BBX Capital may not realize the anticipated benefits;
- 
- the risks relating to BBX Capital’s potential future investments, including that they may not achieve the returns anticipated, if at all;
- 
- the other risks and uncertainties described in the “Risk Factors — Risks Relating to BBX Capital” section of this joint proxy statement/prospectus; and
- 
- BBX Capital’s success at managing the risks involved in the foregoing.

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With respect to Bluegreen, the risks and uncertainties include, but are not limited to, the following:

- 
- the overall state of the economy, interest rates and the availability of financing, as well as competitive and other factors, may affect Bluegreen's operations, markets, products and services, including its ability to market VOIs;
- 
- the risks related to Bluegreen's notes receivable and loans, including that Bluegreen would incur substantial losses and its liquidity position could be adversely impacted if Bluegreen experiences a significant number of defaults and, if actual default trends differ from Bluegreen's expectations, Bluegreen may be required to increase its allowance for loan losses and record impairment charges, which may be material, in connection with any such increase;
- 
- the risk that, if financing is required, Bluegreen may not be able to draw down on, or renew or extend, existing credit facilities or successfully securitize additional VOI notes receivable and/or obtain receivable-backed credit facilities on favorable terms, or at all;
- 
- while Bluegreen has attempted to restructure its business to reduce its need for and reliance on financing for liquidity in the short term, there is no assurance that such restructuring will be successful or that Bluegreen's business and profitability will not otherwise continue to depend on its ability to obtain financing, which may not be available on favorable terms, or at all, and Bluegreen may need to increase its capital expenditures in the future;
- 
- Bluegreen's future success depends on its ability to market its products successfully and efficiently, and Bluegreen's marketing expenses may continue to increase, particularly if Bluegreen's marketing efforts continue to focus on new customers rather than sales to existing owners, and may not result in increased sales;
- 
- loss, damage or interruption to any of the products or services offered at Bluegreen's resorts may negatively impact Bluegreen's operations;
- 
- Bluegreen competes with various high profile and well-established operators, many of which have greater liquidity and financial resources than Bluegreen, and Bluegreen may not be able to compete effectively;
- 
- Bluegreen may not be able to meet its customers' expectations as to the quality, value and efficiency of its products and services, and customer dissatisfaction with Bluegreen's products and services may result in negative publicity and/or decreased sales, or otherwise adversely impact Bluegreen's operating results and



financial condition;

- 
- an increase in the points assigned to Bluegreen's VOI inventory, including as a result of any future acquisition of higher cost VOIs, may cause the cost of Bluegreen's products and services to no longer align with its customers' financial ability, result in customer dissatisfaction relating to an inability to use points for desired stays or otherwise adversely impact Bluegreen and its business and operations;
- 
- Bluegreen may not be successful in increasing or expanding its fee-based services relationships and its fee-based service activities may not be profitable, which may have an adverse impact on its results of operations and financial condition;
- 
- Bluegreen's results of operations and financial condition may be materially and adversely impacted if Bluegreen Resorts does not continue to participate in exchange networks or its customers are not satisfied with the networks in which it participates;
- 
- the resale market for VOIs could adversely affect Bluegreen's business;
- 
- Bluegreen is subject to the risks of the real estate market and the risks associated with real estate development, including the decline in real estate values and the deterioration of other conditions relating to the real estate market and real estate development;
- 
- Bluegreen has a complex inventory management process, and Bluegreen faces the risk of customer dissatisfaction, financial loss, reputational damage, and non-compliance with applicable legal and regulatory requirements if it fails to manage its inventory effectively;

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- 
- 
- adverse outcomes in legal or other regulatory procedures, including assessments and claims for development-related defects and the costs and expenses associated with litigation, could adversely affect Bluegreen's financial condition and operating results;
- 
- Bluegreen may be adversely affected by federal, state and local laws and regulations and changes in applicable laws and regulations, including the imposition of additional taxes on operations;
- 
- results of audits of Bluegreen's tax returns or those of its subsidiaries may have a material and adverse impact on Bluegreen's financial condition;
- 
- Bluegreen has outstanding indebtedness which may negatively impact its available cash and its flexibility in the event of a deterioration of economic conditions and increase Bluegreen's vulnerability to adverse economic changes and conditions, and Bluegreen's level of indebtedness may increase in the future;
- 
- environmental liabilities, including claims with respect to mold or hazardous or toxic substances, could have a material adverse impact on Bluegreen's business;
- 
- the ratings of third-party rating agencies could adversely impact Bluegreen's ability to obtain, renew, or extend credit facilities, debt, or otherwise raise capital;
- 
- Bluegreen may not be able to accurately forecast its short-term and long-term cash needs;
- 
- there are inherent uncertainties involved in estimates, judgments and assumptions used in the preparation of financial statements in accordance with GAAP, and any changes in estimates, judgments and assumptions used could have a material adverse impact on Bluegreen's operating results and financial condition;
- 
- fraud or undetected material errors in financial reporting may negatively impact Bluegreen's reputation and may result in financial loss;
-

- the loss of the services of Bluegreen’s key management and personnel could adversely affect Bluegreen’s business;
- 
- the other risks and uncertainties described in the “Risk Factors — Risks Relating to Bluegreen” section of this joint proxy statement/prospectus; and
- 
- Bluegreen’s success at managing the risks involved in the foregoing.

The risks and uncertainties described above and elsewhere in this joint proxy statement/prospectus or in the documents incorporated into this joint proxy statement/prospectus should not be considered a complete statement of all potential risks and uncertainties. In addition, shareholders are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which the statements were made, and it should not be assumed that the statements remain accurate as of any future date. Except as required by applicable law, rule or regulation, none of BFC, BBX Capital or any other person undertakes any obligation to update the forward-looking statements to reflect future events or circumstances. In the event that BFC, BBX Capital or any other person updates any forward-looking statement, no inference should be made that additional updates with respect to that statement, related matters, or any other forward-looking statements will be made. Any corrections or revisions and other important assumptions and factors that could cause actual results to differ materially from those set forth in the forward-looking statements, including discussions of significant risk factors, may appear in BFC’s or BBX Capital’s public filings with the SEC, which are accessible at [www.sec.gov](http://www.sec.gov), and which you are advised to consult. For additional information, please see the section of this joint proxy statement/prospectus entitled “Where You Can Find More Information.”

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THE BBX CAPITAL SPECIAL MEETING

General

This joint proxy statement/prospectus is being provided to BBX Capital's shareholders as part of a solicitation of proxies by the board of directors of BBX Capital for use at the special meeting of BBX Capital's shareholders.

Date, Time and Place

The special meeting of BBX Capital's shareholders will be held on April 29, 2014 at 10:30 a.m., local time, at the Riverside Hotel, 620 East Las Olas Boulevard, Fort Lauderdale, Florida 33301.

Purpose of the Meeting

At the meeting, BBX Capital's shareholders will be asked to consider and vote upon the proposal to approve the merger agreement.

Record Date; Shares Entitled to Vote

Only shareholders of record of BBX Capital at the close of business on March 4, 2014, the record date for the BBX Capital meeting, are entitled to notice of, and to vote at, the meeting and any adjournment or postponement thereof. As of the close of business on the record date, 17,088,390 shares of BBX Capital's Class A Common Stock and 195,045 shares of BBX Capital's Class B Common Stock were outstanding and eligible to be voted at the meeting. A complete list of BBX Capital's shareholders of record will be open for examination by any shareholder of record of BBX Capital at BBX Capital's principal executive offices, 401 East Las Olas Boulevard, Suite 800, Fort Lauderdale, Florida 33301, during regular business hours for a period of no less than ten days prior to the meeting. The list will also be available for examination by any shareholder of record of BBX Capital present at the meeting.

Voting Rights

Holders of BBX Capital's Class A Common Stock and Class B Common Stock will vote as one class on the merger agreement. Holders of BBX Capital's Class A Common Stock are entitled to one vote per share, with all holders of BBX Capital's Class A Common Stock having in the aggregate 53% of the general voting power. The number of votes represented by each share of BBX Capital's Class B Common Stock, which represents in the aggregate 47% of the general voting power, is calculated in accordance with the Company's Restated Articles of Incorporation. At the meeting, each outstanding share of BBX Capital's Class B Common Stock will be entitled to 77.69 votes.

Quorum

The presence at the meeting, in person or by proxy, of the holders of shares of BBX Capital's Class A Common Stock and Class B Common Stock representing a majority of the total voting power of such stock as of the close of business on the record date will constitute a quorum, permitting the conduct of business at the meeting.

Voting Choices

BBX Capital's shareholders may vote for or against, or abstain from voting on, the merger agreement.

Vote Required for Approval

Under the FBCA, approval of the merger agreement requires the affirmative vote of holders of shares of BBX Capital's Class A Common Stock and Class B Common Stock representing a majority of the votes entitled to be cast on the proposal. Abstentions and failures to vote will have the same effect as votes cast against the merger agreement. As described below, BFC owns shares of BBX Capital's Class A Common

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Stock and Class B Common Stock representing in the aggregate approximately 72% of BBX Capital's total voting power and has agreed to vote those shares in favor of the merger agreement, which would constitute the requisite approval of the merger agreement by BBX Capital's shareholders under the FBCA.

### Recommendation of the Board of Directors of BBX Capital

For the reasons described in this joint proxy statement/prospectus, including the recommendation of BBX Capital's special committee and the opinion of the financial advisor to BBX Capital's special committee as to the fairness of the merger consideration, from a financial point of view, to the holders of BBX Capital's Class A Common Stock, the board of directors of BBX Capital has determined that the merger is advisable, fair to and in the best interests of BBX Capital's shareholders. Accordingly, the board of directors of BBX Capital recommends that BBX Capital's shareholders vote "FOR" the merger agreement. See "The Merger — Recommendation of the BBX Capital Board and Its Reasons for the Merger."

### Shares Owned by BFC and Directors and Executive Officers of BBX Capital

BFC currently owns 8,133,353 shares of BBX Capital's Class A Common Stock, representing approximately 51% of the outstanding shares of such stock, and all 195,045 outstanding shares of BBX Capital's Class B Common Stock. These shares represent in the aggregate approximately 72% of BBX Capital's total voting power. BFC agreed in the merger agreement to vote all of the shares of BBX Capital's Common Stock that it owns in favor of the merger agreement, which would constitute the requisite approval of the merger agreement by BBX Capital's shareholders under the FBCA. Alan B. Levan, who serves as Chairman, Chief Executive Officer and President of BFC and Chairman and Chief Executive Officer of BBX Capital, and John E. Abdo, who serves as Vice Chairman of each of BFC and BBX Capital, may be deemed to beneficially own the shares of BBX Capital's Class A Common Stock and Class B Common Stock owned by BFC by virtue of their collective ownership interest in BFC's Class A Common Stock and Class B Common Stock.

In addition to the shares of BBX Capital's Class A Common Stock and Class B Common Stock which Messrs. Levan and Abdo may be deemed to beneficially own by virtue of their ownership interest in BFC, BBX Capital's directors and executive officers, including Messrs. Levan and Abdo, may be deemed to collectively own and are entitled to vote 432,266 shares, or approximately 2.7%, of BBX Capital's Class A Common Stock. While it is expected that BBX Capital's directors and executive officers will vote all such shares in favor of the merger agreement, none of them nor any other person other than BFC has any binding agreement to do so.

In addition to the shares indicated in the preceding two paragraphs, BBX Capital's compensation committee has the right to vote 1,277,802 shares of BBX Capital's Class A Common Stock underlying unvested restricted stock awards previously granted to executive officers of BBX Capital. These shares represent approximately 7% of the total number of outstanding shares of BBX Capital's Class A Common Stock. It is currently expected that BBX Capital's compensation committee will vote these shares in accordance with the recommendation of BBX Capital's board of directors in favor of the merger agreement.

### Voting of Shares

If you are a shareholder of record of BBX Capital, which means your shares are registered directly in your name with AST, BBX Capital's stock transfer agent, you can give a proxy to be voted at the meeting by mailing in the enclosed proxy card or by transmitting your voting instructions by telephone or internet as described in further detail on the enclosed proxy card. Shareholders of record of BBX Capital may also vote their shares at the meeting as described below.

If you hold your shares of BBX Capital in "street name," which means your shares are held in a stock brokerage account or by a bank or other nominee and you are considered the beneficial owner of the shares but not the shareholder of record, you must vote your shares in accordance with the directions set forth on the voting instruction card enclosed or provided by your broker, bank or other nominee.

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### Voting in Person

If you are a shareholder of record of BBX Capital, you may attend the meeting and vote your shares in person, rather than signing and returning your proxy card or otherwise transmitting your voting instructions as described on the proxy card.

If you hold your shares of BBX Capital in “street name,” you are also invited to attend the meeting. However, because you are not the shareholder of record, you may not vote your shares in person at the meeting unless you obtain a “legal proxy” from your broker, bank or other nominee giving you the right to vote the shares in person.

The votes of all shareholders of BBX Capital are important. Accordingly, all shareholders of BBX Capital should sign and return the enclosed proxy card or otherwise transmit their voting instructions as described on the proxy card, whether or not they plan to attend the meeting in person. Shareholders of record and “street name” holders who have obtained proxies to vote their shares in person can always change their votes at the meeting if they desire to do so.

### Revocation of Proxies

If you are a shareholder of record of BBX Capital, you may revoke your proxy by providing written notice of revocation addressed to, or in person to, BBX Capital Corporation, 401 East Las Olas Boulevard, Suite 800, Fort Lauderdale, Florida 33301, Attention: Corporate Secretary. Shareholders of record may also submit a new valid proxy bearing a later date or transmit new voting instructions by telephone or the internet in accordance with the voting procedures described on the proxy card. To be valid, any such revocation notice or new proxy card must be received, and any new voting instructions must be transmitted, in each case by no later than 11:59 p.m., local time, on the date immediately preceding the meeting. In addition, shareholders of record may revoke previously granted proxies or change their vote by attending the meeting and voting in person, although attendance at the meeting will not by itself revoke a previously granted proxy.

The options described in the preceding paragraph do not apply to shareholders of BBX Capital who hold their shares in “street name.” Rather, shareholders of BBX Capital who hold their shares in “street name” must contact their broker, bank or other nominee to find out how to change their vote.

### Failure to Vote Shares or Provide Voting Instructions to Nominee Holders

The failure of a shareholder of record of BBX Capital to return his, her or its proxy card or vote his, her or its shares at the meeting or by telephone or the internet pursuant to the directions set forth on the proxy card will have the same effect as voting against the merger agreement.

If you hold your shares in “street name” through a broker, bank or other nominee and do not provide your broker, bank or other nominee with voting instructions with respect to your shares, your broker, bank or other nominee will not have discretion to vote your shares on the merger agreement. Therefore, without instructions, your shares will not be voted on the merger agreement and will effectively count as votes against the merger agreement. You should follow the directions provided by your broker, bank or other nominee regarding how to instruct your broker, bank or other nominee to vote your shares.

### Proxy Cards Returned without Voting Instructions

All properly signed and dated proxies received by BBX Capital prior to the vote at the meeting that do not contain any direction as to how to vote will be voted “FOR” the merger agreement.

### Proxy Solicitation

BBX Capital is soliciting proxies for the special meeting of its shareholders. BBX Capital will bear the entire cost of soliciting proxies from its shareholders, except that BBX Capital and BFC have each agreed to share equally all expenses incurred in connection with this joint proxy statement/prospectus and the registration statement of which this joint proxy statement/prospectus is a part, including the preparation, printing, mailing, filing and legal and other professional fees and expenses associated therewith. In addition to the solicitation of proxies by mail, BBX Capital will request that brokers, banks and other nominees send

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proxies and proxy materials to BBX Capital's "street name" holders and secure their voting instructions, if necessary. BBX Capital will reimburse those nominee holders for their reasonable expenses in so doing. Additionally, BBX Capital and BFC have engaged Georgeson, a proxy solicitation firm, to assist in the solicitation of proxies from their respective shareholders. BBX Capital and BFC have agreed to pay Georgeson customary fees for its services, as well as reimburse Georgeson for its out-of-pocket expenses for such items as mailing, copying, phone calls, faxes and other related matters, and indemnify Georgeson against any losses arising out of its proxy soliciting services. BBX Capital also may use its directors, officers and other employees, who will not be specially compensated, to solicit proxies from BBX Capital's shareholders, either personally or by telephone, the Internet, telegram, facsimile or special delivery letter.

Other Business

No business other than the vote on the merger agreement will be considered or acted upon at the meeting.

Assistance

If you are a shareholder of BBX Capital and you need assistance in completing your proxy card or otherwise providing your voting instructions, or if you have questions regarding the meeting or the merger agreement, please contact the information agent for the merger, Georgeson, at (888) 613-9988.

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THE BFC SPECIAL MEETING

General

This joint proxy statement/prospectus is being provided to BFC's shareholders as part of a solicitation of proxies by the board of directors of BFC for use at the special meeting of BFC's shareholders.

Date, Time and Place

The special meeting of BFC's shareholders will be held on April 29, 2014 at 10:00 a.m., local time, at the Riverside Hotel, 620 East Las Olas Boulevard, Fort Lauderdale, Florida 33301.

Purposes of the Meeting

At the meeting, BFC's shareholders will be asked to consider and vote upon a proposal to approve the merger.

Record Date; Shares Entitled to Vote

Only shareholders of record of BFC at the close of business on March 4, 2014, the record date for the BFC meeting, are entitled to notice of, and to vote at, the meeting and any adjournment or postponement thereof. As of the close of business on the record date, 75,848,502 shares of BFC's Class A Common Stock and 7,334,043 shares of BFC's Class B Common Stock were outstanding and eligible to be voted at the meeting.

A complete list of BFC's shareholders of record will be open for examination by any shareholder of record of BFC at BFC's principal executive offices, 401 East Las Olas Boulevard, Suite 800, Fort Lauderdale, Florida 33301, during regular business hours for a period of no less than ten days prior to the meeting. The list will also be available for examination by any shareholder of record of BFC present at the meeting.

Voting Rights

The holders of BFC's Class A Common Stock and Class B Common Stock will vote together as a single class on the merger. Each share of BFC's Class A Common Stock entitles the holder thereof to one vote per share, with all holders of BFC's Class A Common Stock having in the aggregate 22% of the general voting power of BFC. The number of votes represented by each share of BFC's Class B Common Stock, which represents in the aggregate 78% of the general voting power of BFC, is calculated in accordance with BFC's Amended and Restated Articles of Incorporation. At the meeting, each outstanding share of BFC's Class B Common Stock will be entitled to 36.67 votes.

Quorum

The presence at the meeting, in person or by proxy, of the holders of shares BFC's Class A Common Stock and Class B Common Stock representing a majority of the total voting power of such stock as of the close of business on the record date will constitute a quorum, permitting the conduct of business at the meeting.

Voting Choices

BFC's shareholders may vote for or against, or abstain from voting on, the merger.

Vote Required for Approval

The merger will be approved by BFC's shareholders if it receives the affirmative vote of a majority of the votes entitled to be cast on such proposal. Abstentions and failures to vote will have the same effect as votes against the merger.



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**Recommendation of the Board of Directors of BFC**

For the reasons described in this joint proxy statement/prospectus, including the opinion of KBW to BFC's board of directors as to the fairness of the exchange ratio in the merger, from a financial point of view, to BFC, the board of directors of BFC has determined that the merger is advisable, fair to and in the best interests of BFC and its shareholders. Accordingly, the board of directors of BFC recommends that BFC's shareholders vote "FOR" the merger. See "The Merger — Recommendation of the BFC Board and Its Reasons for the Merger."

**Shares Owned by Directors and Executive Officers of BFC**

BFC's directors and executive officers collectively own and are entitled to vote 13,213,803 shares, or approximately 17%, of BFC's Class A Common Stock, and 6,361,808 shares, or approximately 87%, of BFC's Class B Common Stock, representing in the aggregate approximately 71% of BFC's total voting power. Included in those shares are a total of 12,116,991 shares of BFC's Class A Common Stock and 6,333,728 shares of BFC's Class B Common Stock owned in the aggregate by Alan B. Levan, who serves Chairman, Chief Executive Officer and President of BFC and Chairman and Chief Executive Officer of BBX Capital, and John E. Abdo, who serves as Vice Chairman of BFC and BBX Capital. Messrs. Levan and Abdo have indicated their intention to vote all of the shares of BFC's Class A Common Stock and Class B Common Stock owned by them in favor of the merger, although neither of them nor any other person has any binding commitment to do so. If Messrs. Levan and Abdo vote their shares as expected, then the approval of the merger by BFC's shareholders is assured.

In addition to the shares indicated in the preceding paragraph, BFC's compensation committee has the right to vote 4,577,220 shares of BFC's Class A Common Stock underlying unvested restricted stock awards previously granted to executive officers of BFC. These shares represent approximately 6% of the total number of outstanding shares of BFC's Class A Common Stock. It is currently expected that BFC's compensation committee will vote these shares in accordance with the recommendation of BFC's board of directors in favor of the merger.

**Voting of Shares**

If you are a shareholder of record of BFC, which means your shares are registered directly in your name with AST, BFC's stock transfer agent, you can give a proxy to be voted at the meeting by mailing in the enclosed proxy card or by transmitting your voting instructions by telephone or internet as described in further detail on the enclosed proxy card. Shareholders of record of BFC may also vote their shares at the meeting as described below.

If you hold your shares of BFC in "street name," which means your shares are held in a stock brokerage account or by a bank or other nominee and you are considered the beneficial owner of the shares but not the shareholder of record, you must vote your shares in accordance with the directions set forth on the voting instruction card enclosed or provided by your broker, bank or other nominee.

**Voting in Person**

If you are a shareholder of record of BFC, you may attend the meeting and vote your shares in person, rather than signing and returning your proxy card or otherwise transmitting your voting instructions as described on the proxy card.

If you hold your shares of BFC in "street name," you are also invited to attend the meeting. However, because you are not the shareholder of record, you may not vote your shares in person at the meeting unless you obtain a "legal proxy" from your broker, bank or other nominee giving you the right to vote the shares in person.

The votes of all shareholders of BFC are important. Accordingly, all shareholders of BFC should sign and return the enclosed proxy card or otherwise transmit their voting instructions as described on the proxy card, whether or not they plan to attend the meeting in person. Shareholders of record and "street name" holders who have obtained proxies to vote their shares in person can always change their votes at the meeting if they desire to do so.

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### Revocation of Proxies

If you are a shareholder of record of BFC, you may revoke your proxy by providing written notice of revocation addressed to, or in person to, BFC Financial Corporation, 401 East Las Olas Boulevard, Suite 800, Fort Lauderdale, Florida 33301, Attention: Corporate Secretary. Shareholders of record may also submit a new valid proxy bearing a later date or transmit new voting instructions by telephone or the internet in accordance with the voting procedures described on the proxy card. To be valid, any such revocation notice or new proxy card must be received, and any new voting instructions must be transmitted, in each case by no later than 11:59 p.m., local time, on the date immediately preceding the meeting. In addition, shareholders of record may revoke previously granted proxies or change their vote by attending the meeting and voting in person, although attendance at the meeting will not by itself revoke a previously granted proxy.

The options described in the preceding paragraph do not apply to shareholders of BFC who hold their shares in "street name." Rather, shareholders of BFC who hold their shares in "street name" must contact their broker, bank or other nominee to find out how to change their vote.

### Failure to Vote Shares or Provide Voting Instructions to Nominee Holders

The failure of a shareholder of record of BFC to return his, her or its proxy card or vote his, her or its shares at the meeting or by telephone or the internet pursuant to the directions set forth on the proxy card will have the same effect as voting against the merger.

If you hold your shares in "street name" through a broker, bank or other nominee and do not provide your broker, bank or other nominee with voting instructions with respect to your shares, your broker, bank or other nominee will not have discretion to vote your shares on the merger. Therefore, without instructions, your shares will not be voted at the meeting and will effectively count as votes against the merger. You should follow the directions provided by your broker, bank or other nominee regarding how to instruct your broker, bank or other nominee to vote your shares.

### Proxy Cards Returned without Voting Instructions

All properly signed and dated proxies received by BFC prior to the vote at the meeting that do not contain any direction as to how to vote will be voted "FOR" the merger.

### Proxy Solicitation

BFC is soliciting proxies for the special meeting of its shareholders. BFC will bear the entire cost of soliciting proxies from its shareholders, except that BFC and BBX Capital have each agreed to share equally all expenses incurred in connection with this joint proxy statement/prospectus and the registration statement of which this joint proxy statement/prospectus is a part, including the preparation, printing, mailing, filing and legal and other professional fees and expenses associated therewith. In addition to the solicitation of proxies by mail, BFC will request that brokers, banks and other nominees send proxies and proxy materials to BFC's "street name" holders and secure their voting instructions, if necessary. BFC will reimburse those nominee holders for their reasonable expenses in so doing.

Additionally, BFC and BBX Capital have engaged Georgeson, a proxy solicitation firm, to assist in the solicitation of proxies from their respective shareholders. BFC and BBX Capital have agreed to pay Georgeson customary fees for its services, as well as reimburse Georgeson for its out-of-pocket expenses for such items as mailing, copying, phone calls, faxes and other related matters, and indemnify Georgeson against any losses arising out of its proxy soliciting services. BFC also may use its directors, officers and other employees, who will not be specially compensated, to solicit proxies from BFC's shareholders, either personally or by telephone, the Internet, telegram, facsimile or special delivery letter.

### Other Business

No business other than the proposal to approve the merger will be considered or acted upon at the meeting.

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Assistance

If you are a shareholder of BFC and you need assistance in completing your proxy card or otherwise providing your voting instructions, or if you have questions regarding the BFC meeting or the merger, please contact the information agent for the merger, Georgeson, at (888) 613-9988.

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THE MERGER

General

The boards of directors of BFC and BBX Capital have each approved the merger on the terms and subject to the conditions described in this joint proxy statement/prospectus. Upon consummation of the merger, BBX Capital will merge with and into BBX Merger Sub, LLC, a wholly owned subsidiary of BFC formed solely for purposes of the merger (“Merger Sub”), BBX Capital’s separate corporate existence will cease, and Merger Sub will continue as the surviving company of the merger and as a wholly owned subsidiary of BFC. Under the terms of the merger agreement, BBX Capital’s shareholders (other than BFC and shareholders who duly exercise and perfect their appraisal rights in accordance with the FBCA) will be entitled to receive 5.39 shares of BFC’s Class A Common Stock in exchange for each share of BBX Capital’s Class A Common Stock that they hold at the effective time of the merger. This exchange ratio will be subject to adjustment only in connection with a stock split, reverse stock split or other similar transaction involving BFC’s Class A Common Stock or BBX Capital’s Class A Common Stock, including any reverse stock split effected by BFC in connection with the listing of its Class A Common Stock on a national securities exchange or inter-dealer quotation system of a registered national securities association. BFC will not issue fractional shares of its Class A Common Stock in the merger, but instead, the aggregate number of shares of BFC’s Class A Common Stock to which each eligible shareholder of BBX Capital will be entitled in connection with the merger will be rounded up to the next largest whole share. The shares of BBX Capital’s Class A Common Stock and Class B Common Stock owned by BFC will be canceled in connection with the merger without any consideration therefor. Consideration is also being given to changing BFC’s name to “BBX Capital Corporation” at or following the effective time of the merger.

The terms and conditions of the merger are contained in the merger agreement, which is attached as Annex A to this joint proxy statement/prospectus. Please carefully read the merger agreement, as it is the legal document that governs the merger.

The Companies

BFC Financial Corporation

401 East Las Olas Boulevard, Suite 800

Fort Lauderdale, FL 33301

(954) 940-4900

BFC is a Florida-based holding company whose principal holdings include a 52% equity interest in BBX Capital and, through its investment in Woodbridge, a 54% equity interest in Bluegreen, a sales, marketing and management company primarily focused on the hospitality and vacation ownership industries. As described below, BBX Capital holds the remaining 46% equity interest in Bluegreen. BFC also holds interests in other investments and subsidiaries and previously held a significant investment in Benihana Inc. (“Benihana”) until the acquisition of Benihana by Safflower Holdings Corp. during August 2012.

BFC’s business strategy has been to invest in and acquire businesses in diverse industries either directly or through controlled subsidiaries. Most recently, BFC has focused on providing strategic support to its existing investments with a view to the improved performance of the organization as a whole. In the future, BFC may also seek to make opportunistic investments outside of its existing portfolio, including investments in real estate based opportunities and operating businesses. However, BFC does not currently have pre-determined parameters as to any future investment. In furtherance of its goals, BFC expects to continue to evaluate various financing transactions, including raising additional debt or equity as well as other alternative sources of new capital.

As of December 31, 2012 and September 30, 2013, BFC had total consolidated assets of approximately \$1.5 billion and \$1.4 billion, respectively, and shareholders’ equity attributable to BFC of approximately \$299.0 million and \$214.8 million, respectively. Net income attributable to BFC for the year ended December 31, 2012 was approximately \$166.0 million, including a gain on sale of approximately \$293 million recognized by BFC in connection with BBX Capital’s sale of BankAtlantic to BB&T during July 2012, as described below. Net income attributable to BFC was approximately \$5.3 million for the nine months ended September 30, 2013.

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Additional information about BFC is included in documents incorporated by reference into this joint proxy statement/prospectus. For further information, please see the section of this joint proxy statement/prospectus entitled “Where You Can Find More Information.”

BBX Capital Corporation

401 East Las Olas Boulevard, Suite 800

Fort Lauderdale, FL 33301

(954) 940-4000

BBX Capital is a Florida-based company involved in the ownership, financing, acquisition, development and management of real estate and real estate related assets. BBX Capital is also involved in the investment in or acquisition of operating businesses. In addition, BBX Capital anticipates engaging in joint venture arrangements with developers for residential and commercial development projects in which BBX Capital funds its equity investment in the real estate joint ventures through cash investments or by contributing real estate properties.

On July 31, 2012, BBX Capital sold BankAtlantic to BB&T. Prior to such transaction, BBX Capital was a bank holding company and its principal asset was its ownership of BankAtlantic, a federal savings bank.

On April 2, 2013, BBX Capital invested \$71.75 million in Woodbridge in exchange for a 46% equity interest in Woodbridge. BBX Capital’s investment in Woodbridge was made in connection with the consummation of Woodbridge’s acquisition through a cash merger of all of the shares of Bluegreen’s common stock not previously owned by Woodbridge. Prior to BBX Capital’s investment in Woodbridge and the merger involving Bluegreen and Woodbridge, Woodbridge was a wholly owned subsidiary of BFC and owned approximately 54% of Bluegreen’s outstanding common stock.

The majority of BBX Capital’s assets do not generate income on a regular or predictable basis. Recognizing the nature of its assets, BBX Capital’s goal is to build long-term value. BBX Capital does not expect to generate significant revenues from its assets until the assets are monetized through repayments or transactions involving the sale, joint venture or development of the underlying real estate. BBX Capital currently intends to utilize the cash flow from the monetization of its assets to pay operating expenses and to invest in income producing real estate, real estate developments and real estate joint ventures and to invest in operating businesses. BBX Capital is seeking to balance its cash needs and the timing of monetizing its existing assets with new investments to maximize its returns. In some cases, this may involve immediate sale and in other cases a longer term hold or development (either directly or with a joint venture partner). BBX Capital anticipates funding investments and operations through the monetization of its assets, cash flows from its 5% preferred interest in FAR, returns from its investments, such as dividends from its investment in Woodbridge, borrowings and through joint venture partners or solicitation of funds from investors. As of December 31, 2012 and September 30, 2013, BBX Capital had total consolidated assets of approximately \$470.7 million and \$409.1 million, respectively, and shareholders’ equity of approximately \$240.3 million and \$252.0 million, respectively. Net income generated by BBX Capital for the year ended December 31, 2012 was approximately \$235.8 million, including a gain on sale of BankAtlantic of approximately \$290.6 million. BBX Capital incurred a net loss of approximately \$1.7 million for the nine months ended September 30, 2013.

Additional information about BBX Capital is included in documents incorporated by reference into this joint proxy statement/prospectus. For further information, please see the section of this joint proxy statement/prospectus entitled “Where You Can Find More Information.”

**Background of the Merger**

BFC has held a significant investment in BBX Capital (or its predecessor company) for over 25 years. BFC currently owns shares of BBX Capital’s Class A Common Stock and Class B Common Stock representing approximately 52% of BBX Capital’s total outstanding equity and 72% of BBX Capital’s total voting power. In recent years, BFC has primarily focused on providing overall support for its controlled subsidiaries with a view to the improved performance of the organization as a whole. Consistent with this

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strategy, BFC's board of directors has focused on possible ways to maximize the utilization of assets and resources within the consolidated organization. In addition, for several years, the companies have been of the view that, subject to regulatory and tax issues, it would be more efficient and less complex from an organizational point of view to merge the entities and move forward with a single public company. However, in the past, regulatory issues, including those related to the regulation of BBX Capital and BFC as unitary savings and loan holding companies prior to BBX Capital's sale of BankAtlantic to BB&T during July 2012, and tax issues presented significant barriers to pursuing a business combination transaction between the companies.

At a meeting of BFC's board of directors held on January 7, 2013, Alan B. Levan, who serves as Chairman, Chief Executive Officer and President of BFC and as Chairman and Chief Executive Officer of BBX Capital, discussed with BFC's board of directors the possibility of considering a future strategic transaction between BFC and BBX Capital. After a discussion of certain of the potential reasons for and benefits of a transaction between BFC and BBX Capital, BFC's board of directors advised Mr. Levan that it would be receptive to considering such a transaction.

At a meeting of BFC's board of directors held on March 4, 2013, Mr. Levan advised BFC's board of directors that BFC's management was continuing its consideration of a possible strategic transaction between BFC and BBX Capital but that no material developments had occurred since the January 7, 2013 meeting of the board.

On April 1, 2013, BFC's board of directors held a meeting at which the possibility of pursuing a strategic transaction between BFC and BBX Capital was further discussed. Mr. Levan discussed with the board certain of the potential benefits of the merger, specifically noting the simplification of BFC's corporate structure and a greater market capitalization of the combined company. Potential structures for the transaction were also discussed, including a stock-for-stock merger of equals based on the respective market prices of BFC's Class A Common Stock and BBX Capital's Class A Common Stock, which at the time would have resulted in an exchange ratio of approximately 4.3 shares of BFC's Class A Common Stock for each share of BBX Capital's Class A Common Stock. Mr. Levan also discussed with the board certain other items relating to the potential transaction, including tax considerations, a contemplated time line for completing the transaction, and the contemplated requirement that BFC's Class A Common Stock be listed on a national securities exchange (or inter-dealer quotation system of a registered national securities association) as well as the pending SEC litigation against BBX Capital and Mr. Levan and the impact that such litigation may have on BFC's ability to obtain the listing of its Class A Common Stock. The board also discussed the potential engagement of a financial advisor with respect to the transaction.

On April 2, 2013, Woodbridge acquired all of the then-outstanding shares of Bluegreen not previously owned by Woodbridge in a cash merger transaction. In connection with the financing of the transaction, BFC and Woodbridge entered into a Purchase Agreement with BBX Capital on April 2, 2013. Pursuant to the terms of the purchase agreement, BBX Capital invested \$71.75 million in Woodbridge in exchange for a 46% equity interest in Woodbridge. In connection with the transactions, Bluegreen became a wholly owned subsidiary of Woodbridge, and BFC and BBX Capital own 54% and 46%, respectively, of Woodbridge. See the section of this joint proxy statement/prospectus entitled "Material Contracts Between BFC and BBX Capital, and Other Relationships and Related Party Transactions" for additional information with respect to the cash merger transaction involving Woodbridge and Bluegreen, the related investment in Woodbridge by BBX Capital, and the Purchase Agreement and other agreements and instruments entered into between BFC and BBX Capital in connection with BBX Capital's investment in Woodbridge.

At a meeting of BBX Capital's board of directors held on April 2, 2013, Mr. Levan advised the members of BBX Capital's board of directors of BFC's interest in pursuing a possible merger of equals between the two companies as described above. Because of the affiliation between BFC and BBX Capital and the interests of certain of the executive officers and directors of the companies in the merger, including those of Mr. Alan Levan as well as John E. Abdo and Jarett S. Levan, a special committee comprised of the disinterested members of BBX Capital's board of directors was formed to explore the possible combination of the two companies. Directors David A. Lieberman (Chairman), Steven M. Coldren, Bruno Di Giulian, Willis N. Holcombe, Anthony P. Segreto and Charlie C. Winningham II, each of whom is an independent director of BBX Capital, were appointed to the special committee. Mr. Lieberman resigned from the board of directors of BBX Capital on June 4, 2013, believing his role as Chairman of the special committee had been completed, and reiterated his support for the merger.



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BBX Capital's special committee was formed to explore the possible combination of BFC and BBX Capital and, with the assistance of the special committee's legal and financial advisors, negotiate, review and evaluate the terms and conditions of a transaction between the companies. As previously described, BFC currently owns shares of BBX Capital's Class A Common Stock and Class B Common Stock representing approximately 72% of the total voting power of BBX Capital and, as a result, a sale of BBX Capital to a third party cannot be accomplished without BFC's support. In light of such voting interest and the fact that BFC expressly advised BBX Capital's special committee of its desire to maintain its ownership position in BBX Capital and that it would not support a third party sale, BBX Capital's special committee did not conduct a market check or auction process with respect to the possible sale of BBX Capital nor did it consider potential business combinations with parties other than BFC. Instead, BBX Capital's special committee, together with its legal and financial advisors, explored, considered and negotiated a transaction with BFC seeking to obtain an exchange ratio that was both fair to and the highest possible for BBX Capital's shareholders. BBX Capital's special committee held its initial meeting on April 2, 2013 following the meeting of BBX Capital's board of directors. The meeting was held for the purpose of approving the engagement of legal counsel and an independent financial advisor for the special committee. After discussion, the special committee unanimously approved the engagement of Hogan Lovells as independent legal counsel and Sandler O'Neill as its financial advisor with respect to the proposed transaction. Sandler O'Neill was formally engaged to serve as financial advisor to BBX Capital's special committee with respect to the transaction pursuant to a letter agreement dated April 23, 2013. The special committee selected Sandler O'Neill based on, among other things, Sandler O'Neill's experience in providing financial advice in connection with mergers, acquisitions, sales of companies, businesses and other assets, and other transactions.

On April 8, 2013, a special meeting of BFC's board of directors was held for the purpose of discussing the possible transaction between BFC and BBX Capital. Mr. Levan advised the board that management was continuing to explore and consider potential structures for the transaction. Mr. Levan discussed with the board tax matters relating to, and the potential pricing of, the transaction. Mr. Levan also informed the board that BBX Capital's special committee had advised him that it was receptive to exploring a potential transaction with BFC and had discussed the engagement of a financial advisor with respect to the potential transaction.

A special meeting of BFC's board of directors was held on April 19, 2013. At the meeting, Mr. Levan updated the board on the status of the possible transaction between BFC and BBX Capital. Mr. Levan informed the board that BBX Capital's special committee had engaged Sandler O'Neill to serve as its financial advisor with respect to the transaction and the law firm of Hogan Lovells to serve as its legal counsel with respect to the transaction. Mr. Levan discussed with the board the engagement of Stearns Weaver, BFC's regular outside legal counsel, to serve as legal advisor to BFC with respect to the transaction, as well as the potential engagement of a financial advisor to render a fairness opinion to BFC's board of directors with respect to the transaction. Mr. Levan advised the board that he had engaged in discussions with KBW relating to the engagement of such firm as financial advisor to BFC's board of directors for the transaction. KBW was subsequently formally engaged to serve as financial advisor to BFC's board of directors with respect to the transaction. BFC's board of directors selected KBW because, among other considerations, KBW is a nationally recognized investment banking firm with substantial experience in transactions similar to the merger and is familiar with BFC and its business. The board also discussed the potential time line for completing, and the processes and actions required to complete, the transaction, as well as matters relating to the structure and form of the transaction based on, among other things, accounting and tax considerations.

Over the next several days, KBW and Sandler O'Neill engaged in discussions regarding the structure and terms of a potential merger between BFC and BBX Capital. These discussions included negotiations with respect to an exchange ratio that might be acceptable to both companies, with Sandler O'Neill proposing an exchange ratio of 5.39 shares of BFC's Class A Common Stock for each share of BBX Capital's Class A Common Stock and KBW responding with a proposed exchange ratio of 5.3 shares of BFC's Class A Common Stock for each share of BBX Capital's Class A Common Stock.

On April 29, 2013, a special meeting of BFC's board of directors was held for the purpose of continuing the discussion of a possible transaction between BFC and BBX Capital. At the request of



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Mr. Levan, representatives of KBW attended the meeting and discussed with the board the status of its due diligence process, including its discussions with the management teams of BFC, BBX Capital and Bluegreen, as well as its discussions with representatives of Sandler O’Neill, and considerations relating to the contemplated exchange ratio in the merger. The scope of KBW’s engagement with respect to the transaction, specifically to make a determination as to the fairness, from a financial point of view, of the exchange ratio in the merger to BFC, was also discussed. The board was advised of the status of the discussions between KBW and Sandler O’Neill with respect to the exchange ratio for the merger. Mr. Levan then discussed with the board, and with the representatives from KBW and Stearns Weaver answered questions from the board regarding, certain of the potential benefits of the merger, including simplification of BFC’s corporate structure and cost savings related to, among other things, accounting, tax and SEC reporting matters, and the formal processes to be taken by the companies with respect to the merger.

On April 29, 2013, BBX Capital’s special committee held a meeting to discuss the potential transaction with BFC. At the meeting, representatives of Sandler O’Neill reviewed with BBX Capital’s special committee certain preliminary financial analyses regarding BBX Capital, BFC and the proposed merger. Sandler O’Neill discussed with the special committee the status of negotiations with KBW relating to the proposed terms of the merger, including the exchange ratio. Hogan Lovells summarized the fiduciary and legal duties that may be applicable to the members of the special committee in connection with their evaluation of a transaction with BFC, and the provisions of law applicable to a potential transaction between BBX Capital and BFC. Hogan Lovells then discussed with the special committee, among other items, a timeline to close the transaction, executive compensation matters, stock exchange listing requirements, termination rights in the event BBX Capital receives a more favorable offer after entering into a merger agreement with BFC, and the possible impact of the ongoing SEC litigation on the proposed transaction.

On April 30, 2013, Stearns Weaver sent a preliminary draft of the merger agreement to Hogan Lovells.

KBW and Sandler O’Neill continued to discuss the exchange ratio for the merger. Based on these discussions, the currently proposed exchange ratio of 5.39 shares of BFC’s Class A Common Stock for each share of BBX Capital’s Class A Common Stock was established as the exchange ratio to be presented to BFC’s board of directors and BBX Capital’s special committee.

On May 1, 2013, attorneys from Stearns Weaver and Hogan Lovells participated in a telephone conference call during which they discussed the proposed merger and the merger agreement. At the request of Hogan Lovell’s attorneys, Stearns Weaver’s attorneys also discussed, among other things, BFC’s efforts to list its Class A Common Stock on a national securities exchange in connection with BFC’s previously proposed stock-for-stock merger with Bluegreen as well as the reasons why BFC was not able to secure such listing at that time and the facts and circumstances relating thereto. See “Risk Factors — Risks Related to the Merger — BFC and BBX Capital may be unable to satisfy all the conditions required to complete the merger, including the approval for listing of BFC’s Class A Common Stock on a national securities exchange at the effective time of the merger” above for additional information with respect to BFC’s efforts to list its Class A Common Stock on a national securities exchange in connection with BFC’s previously proposed stock-for-stock merger with Bluegreen. The conference call also included a discussion regarding BBX Capital’s special committee’s request for confirmation that BBX Capital’s executive officers would not be seeking compensation, or the acceleration of benefits or other compensation, in connection with the merger, pursuant to their respective employment agreements with BBX Capital. This was confirmed and BBX Capital’s executive officers executed and delivered letters to such effect prior to BBX Capital’s entry into the merger agreement on May 7, 2013. On the conference call, the attorneys from Stearns Weaver and Hogan Lovells also discussed the contemplated condition to closing the merger that holders of not more than 10% of BBX Capital’s Common Stock exercise appraisal rights in connection with the merger. This condition was included in the initial draft of the merger agreement sent by Stearns Weaver and, following this discussion, it was agreed that this would remain a condition to closing.

A special meeting of BFC’s board of directors was held on May 2, 2013. At the meeting, Mr. Levan discussed with the board the proposed structure of the merger, including the formation of a merger subsidiary into which BBX Capital would merge, with the merger subsidiary to be the surviving company of the merger and continue as a wholly owned subsidiary of BFC. The contemplated composition of BFC’s

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board of directors following the merger was also discussed, with Mr. Levan specifically noting that the merger agreement contemplates for the directors of BBX Capital who are not also directors of BFC to be appointed to BFC's board of directors upon consummation of the merger. The board also discussed and considered certain risks relating to the transaction, including the possibility of shareholder litigation challenging the transaction and the contemplated requirement that BFC's Class A Common Stock be approved for listing on a national securities exchange (or inter-dealer quotation system of a registered national securities) at the effective time of the merger as well as the impact that the pending SEC litigation against BBX Capital and Mr. Levan may have on the ability of BFC to obtain such listing. Attorneys from Stearns Weaver then reviewed, and answered questions from the board regarding, the material terms and conditions of the then-current draft merger agreement. The right of BBX Capital's shareholders to exercise appraisal rights in connection with the merger was also discussed at length, including a discussion of the impact that payments made in respect of appraisal rights may have on the cash position of the combined company following the merger and the condition to BFC's obligation to close the merger that holders of not more than 10% of BBX Capital's Common Stock exercise appraisal rights in connection with the merger. Representatives of KBW then advised the board that the proposed exchange ratio would be 5.39 shares of BFC's Class A Common Stock for each share of BBX Capital's Class A Common Stock and made a presentation to the board relating to the proposed merger and its preliminary analysis of the fairness of the proposed exchange ratio. The contemplated time line for completing the transaction was also discussed.

On May 2, 2013, BBX Capital's special committee met with its legal and financial advisors for continued discussions regarding the potential merger. At the meeting, representatives of Sandler O'Neill reviewed with the special committee certain financial analyses regarding BBX Capital, BFC and the proposed transaction. Hogan Lovells reviewed with the special committee various terms and conditions of the merger agreement, including the structure of the merger, the board structure for the combined company, the treatment of BBX Capital stock options and restricted stock, provisions and matters relating to executive compensation, the indemnification of BBX Capital's officers and directors, the provisions contained in the merger agreement which restrict BBX Capital's right to solicit and consider competing transactions as well as the "superior proposal" exception thereto, and the proposed termination date of the merger agreement. Hogan Lovells also discussed with the members of the special committee provisions of law applicable to the transaction and the status of BBX Capital's shareholder rights agreement.

On May 3, 2013, Hogan Lovells provided comments to the draft merger agreement, which included, among other things, proposed revisions to the "Material Adverse Effect" definition in the merger agreement as well as to certain representations and warranties made by each company in the merger agreement, and further limitations on the ability of the companies' to take certain actions with respect to the compensation of their respective Named Executive Officers during the interim period between the date of the merger agreement and the effective time of the merger.

On May 6, 2013, attorneys from Stearns Weaver and Hogan Lovells participated in a telephone conference call during which they further negotiated the proposed terms of the merger agreement. Following such conference call, Stearns Weaver sent a revised draft of the merger agreement to Hogan Lovells reflecting the matters discussed on the call, including the addition of representations relating to the exemption of the merger from the operation of BFC's and BBX Capital's respective shareholder rights plans and an agreement that BFC and BBX Capital would share equally all expenses relating to this joint proxy statement/prospectus. Because the "no solicitation" and "superior proposal" provisions of the merger agreement presented in the initial draft of the merger agreement sent by Stearns Weaver were equally applicable to both BFC and BBX Capital and were deemed by the companies and their respective legal advisors to be appropriate, these provisions were not the subject of extensive negotiations and were revised solely to reflect comments made by Hogan Lovells relating to the documentation that a party receiving an "acquisition proposal" would be required to provide to the other party. For additional information relating to the "no solicitation" and "superior proposal" provisions of the merger agreement, see the section of this joint proxy statement/prospectus entitled "The Merger Agreement — No Solicitation" and "The Merger Agreement — Superior Proposal." The revised draft sent by Stearns Weaver also reflected certain revisions relating to a change in the Merger Sub entity from a corporation to a limited liability company. Thereafter, Hogan Lovells and Stearns Weaver finalized the proposed terms of the merger agreement.

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A regular meeting of BFC's board of directors was held on May 6, 2013. At the meeting, representatives of KBW made a presentation to the board relating to the proposed merger and its analysis of the fairness of the exchange ratio, as well as changes made to the presentation from the presentation that was made on May 2, 2013. In addition, attorneys from Stearns Weaver reviewed the material terms and conditions of the then-current draft of the merger agreement, specifically noting and discussing revisions made to the merger agreement since the draft that was distributed for the May 2, 2013 meeting. The attorneys from Stearns Weaver also discussed the ownership interests of BFC's directors and executive officers, including Mr. Levan and John E. Abdo in BBX Capital's Common Stock. See "Interests of Certain Persons in the Merger" below for additional information regarding these interests. The contemplated time line for finalizing and entering into the merger agreement was also discussed.

A special meeting of BFC's board of directors was held on May 7, 2013 for the purpose of considering and acting upon the merger agreement. Copies of the proposed final draft of the merger agreement and KBW presentation were delivered to BFC's board of directors prior to the meeting. The attorneys from Stearns Weaver noted that there were no material changes to the merger agreement compared to the draft that was distributed in advance of, and reviewed and discussed at, the preceding day's meeting. In addition, representatives of KBW noted that there were no material changes to its presentation regarding the fairness of the exchange ratio in the merger from the presentation that was made to the board at the preceding day's meeting. Thereafter, KBW rendered to BFC's board of directors its oral opinion (which was subsequently confirmed in writing), to the effect that, as of May 6, 2013 and based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by KBW in its opinion, the exchange ratio in the merger pursuant to the merger agreement was fair, from a financial point of view, to BFC. The board then further discussed and deliberated with respect to the proposed merger. Following such discussions and deliberations, the board unanimously determined that the merger was advisable, fair to and in the best interests of BFC and its shareholders, and adopted resolutions approving the merger agreement and the merger.

On May 7, 2013, BBX Capital's special committee met with its legal and financial advisors. A copy of the proposed final draft of the merger agreement had previously been delivered to the members of the special committee. The proposed final draft of the merger agreement was discussed and considered by BBX Capital's special committee, with Hogan Lovells reviewing and discussing with the special committee the material terms, conditions and provisions of the merger agreement. Sandler O'Neill then reviewed and discussed its financial analyses with respect to BFC, BBX Capital and the proposed merger. Thereafter, Sandler O'Neill rendered to BBX Capital's special committee its opinion, to the effect that, as of May 7, 2013, and based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Sandler O'Neill in preparing its opinion, the merger consideration pursuant to the merger agreement was fair from a financial point of view to the holders of BBX Capital's Class A Common Stock. After discussions and deliberations, BBX Capital's special committee unanimously determined that the merger was advisable, fair to and in the best interests of BBX Capital and its shareholders and adopted resolutions approving the merger agreement and the merger, and recommended that BBX Capital's board also approve the merger agreement and the merger.

BBX Capital's board of directors held a meeting on May 7, 2013 immediately following the meeting of BBX Capital's special committee to consider and discuss the merger agreement and the merger. Hogan Lovells and Sandler O'Neill participated in the meeting at the request of BBX Capital's special committee. A copy of the proposed final draft of the merger agreement had previously been delivered to each member of BBX Capital's board of directors. At the meeting, BBX Capital's special committee informed BBX Capital's board of directors of its approval of the merger agreement and the merger and its recommendation that the full board also approve the merger agreement and the merger. After further discussion and consideration, BBX Capital's board of directors unanimously determined that the merger was advisable, fair to and in the best interests of BBX Capital and its shareholders and adopted resolutions approving the merger agreement and the merger.

The merger agreement was entered into and publicly announced on May 7, 2013.

**Role and Recommendation of BBX Capital's Special Committee**

The board of directors of BBX Capital designated a special committee comprised solely of disinterested and independent members of the board to, among other things, negotiate, review and evaluate



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the terms and conditions of the merger agreement and determine the advisability of the merger. Directors David A. Lieberman (Chairman), Steven M. Coldren, Bruno Di Giulian, Willis N. Holcombe, Anthony P. Segreto and Charlie C. Winningham II were appointed to the special committee. As previously described, Mr. Lieberman resigned from the board of directors of BBX Capital on June 4, 2013, believing his role as Chairman of the special committee had been completed, and reiterated his support for the merger.

The special committee, with the assistance of Hogan Lovells, outside legal counsel to the special committee, and Sandler O'Neill, financial advisor to the special committee, negotiated the terms and conditions of the merger agreement on behalf of BBX Capital and, after review and consideration, the special committee determined that the merger is advisable, fair to and in the best interests of BBX Capital's shareholders and approved the merger agreement and the merger. The special committee therefore recommended that the board of directors of BBX Capital approve the merger agreement and the merger and recommend to BBX Capital's shareholders that they approve the merger agreement.

The special committee was aware of the interests of certain officers and directors of BBX Capital in the merger, as described below under "Interests of Certain Persons in the Merger."

In arriving at its determination, the special committee consulted with Hogan Lovells with respect to legal and regulatory matters and with Sandler O'Neill with respect to its financial analyses. In arriving at its determination, the special committee also independently considered the factors described below under "Recommendation of the BBX Capital Board and its Reasons for the Merger." In light of the number and wide variety of factors considered in connection with its evaluation of the merger, the special committee did not consider it practicable to, and did not attempt to, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. The special committee viewed its determination and recommendation as being based on the information available and factors presented to and considered by it. In addition, individual directors serving on the special committee may have given different weight to different factors.

Recommendation of the BBX Capital Board and Its Reasons for the Merger

After considering the recommendation of BBX Capital's special committee and the other factors discussed below, the board of directors of BBX Capital determined that the merger is advisable, fair to and in the best interests of BBX Capital's shareholders, approved the merger agreement and recommends that BBX Capital's shareholders vote "FOR" the merger agreement at the BBX Capital special meeting.

In reaching this determination, the board of directors of BBX Capital considered the following material factors weighing positively in favor of the merger:

- 
- the fact that, based on share and market price information as of May 7, 2013, the date of the merger agreement, BFC, after the merger, will have a pro forma market capitalization of approximately \$283.2 million compared to BBX Capital's stand-alone market capitalization of \$206.7 million, which can enhance shareholder liquidity;
- 
- the fact that the proposed merger would simplify the current ownership structure into one combined company with a shared strategy;
- 
- the fact that the proposed merger would diversify the risks to which BBX Capital's shareholders are exposed over a greater amount of assets and increase their exposure to the business, operations and assets of Bluegreen and decrease their exposure to the assets of CAM and FAR;
-

- the requirement that BFC's Class A Common Stock be approved for listing on a national securities exchange (or inter-dealer quotation system of a registered national securities association) at the effective time of the merger;
- 
- the opinion of Sandler O'Neill rendered to BBX Capital's special committee that, as of May 7, 2013 and subject to and based on the qualifications, limitations and assumptions set forth in the opinion, the consideration to be received by holders of BBX Capital's Class A Common Stock (other than BFC and its affiliates) in the merger is fair, from a financial point of view, to such

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holders (see “The Merger — Opinion of the Financial Advisor to BBX Capital’s Special Committee” for additional information regarding Sandler O’Neill’s opinion and the financial analyses performed by Sandler O’Neill in connection with the rendering of its opinion);

- 
- the opportunity for holders of BBX Capital’s Class A Common Stock to benefit from any increase in the trading price of BFC’s Class A Common Stock between the date of the merger agreement and the effective time of the merger;
- 
- the fact that all outstanding stock options and shares of restricted stock of BBX Capital will be assumed by BFC in the merger;
- 
- the fact that none of the members of senior management of BBX Capital or BFC will receive any severance payments or other “golden parachute compensation” in connection with the merger;
- 
- the fact that, while the merger agreement generally prohibits BBX Capital from soliciting certain alternative transactions to the merger, BBX Capital does have the right to furnish information about its business to any person making an unsolicited “superior proposal” and to participate in negotiations regarding, and, in specific circumstances, to accept, such “superior proposal” in lieu of the merger;
- 
- the absence of any termination or similar fee to be paid if the merger agreement is terminated (other than based upon a willful or intentional breach), including in the event BBX Capital accepts a “superior proposal” in lieu of the merger, as described above;
- 
- the fact that both companies already have overlapping ownership of assets and the same management, and that three of BBX Capital’s directors, including its Chairman and Vice Chairman, are also directors of BFC and the merger agreement requires BFC to cause the directors of BBX Capital immediately prior to the effective time of the merger who are not also directors of BFC to be appointed to BFC’s board of directors upon consummation of the merger;
- 
- other factors related to BFC’s long-term relationship with BBX Capital, including the limited business integration risks in connection with the merger and BFC’s knowledge of BBX Capital’s business, operations, financial condition, earnings and prospects, as well as the risks associated with its business and prospects;
- 
- the efficiencies that could be realized as a result of the merger in legal, accounting and audit fees as well as fees relating to SEC reporting;

- 
- the expected qualification of the merger as a “reorganization” within the meaning of Section 368(a) of the Code, resulting in the shares of BFC’s Class A Common Stock to be received by holders of BBX Capital’s Class Common Stock in connection with the merger not being subject to federal income tax, as described under the section entitled “The Merger — Material U.S. Federal Income Tax Consequences of the Merger”; and
- 
- the fact that the financial and other terms and conditions of the merger agreement were the product of extensive negotiations among the parties.

The board of directors of BBX Capital, in reaching its decision to approve the merger, also considered the following potential risks and uncertainties related to the merger:

- 
- the risk that the pending litigation brought by the SEC against BBX Capital and Alan B. Levan may not be resolved favorably or in a timely manner, and the impact of an adverse outcome of such litigation on the ability of the companies to consummate the merger;
- 
- the possibility of shareholder litigation seeking to enjoin the merger or recover damages if the merger is completed, including the impact that such litigation and any potential liability arising therefrom may have on the ability of the companies to consummate the merger, and on the business, operations and financial condition of BBX Capital prior to the completion of the merger



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and, if the merger is consummated, on the business, operations and financial condition of the combined company following the completion of the merger (See “The Merger — Litigation Regarding the Merger” for information relating to the consolidated purported class action lawsuit challenging the merger);

- 
- the risk that the merger may not otherwise be consummated on the contemplated terms, or at all, and the substantial costs to be incurred in connection with the merger, including transaction expenses arising from the merger, whether or not the merger is consummated;
- 
- the possibility that BBX Capital’s shareholders could be adversely affected by a decrease in the trading price of BFC’s Class A Common Stock between the date of the merger agreement and the effective time of the merger;
- 
- the possibility that holders of a significant amount of shares of BBX Capital’s Class A Common Stock may exercise appraisal rights, which could cause the merger not to be completed or, if the merger is completed, have a material adverse impact on the combined company’s cash position;
- 
- possible disruptions to BBX Capital’s operations, and management distractions that could arise from the merger;
- 
- the possibility that the expected benefits from the merger described above may not be realized to the extent anticipated or at all;
- 
- the limitations generally imposed by the merger agreement on the solicitation or consideration by BBX Capital of alternative business combinations prior to the consummation of the merger, subject to the exception described above, and the fact that, in light of BFC’s ownership and voting interest in BBX Capital and its intention to maintain its ownership position in BBX Capital, BBX Capital did not seek out any alternative transactions prior to signing the merger agreement;
- 
- the interests that directors and executive officers of BBX Capital have with respect to the merger in addition to their interests as shareholders of BBX Capital generally, as described under “The Merger — Interests of Certain Persons in the Merger”; and
- 
- other risks associated with the merger and the businesses and operations of BFC and its subsidiaries, including the risks and uncertainties described in the “Risk Factors” and “Special Note Regarding Forward-Looking Statements” sections of this joint proxy statement/prospectus.

The board of directors of BBX Capital reviewed and considered the potential benefits, advantages and opportunities of the merger against the uncertainties and risks described above, both generally and particularly in light of the fact that there can be no assurance about future results. After such review and consideration, the board of directors of BBX Capital concluded that the potential benefits of the merger outweighed the potential uncertainties and risks relating to the merger. In reaching its determination to approve and recommend the merger agreement, the board of directors of BBX Capital did not quantify or assign any relative or specific weights to the various factors that it considered. Rather, the board of directors of BBX Capital viewed its determination and recommendation as being based on an overall analysis and on the totality of the information presented to and factors considered by it. In addition, in considering the factors described above, individual members of the board of directors of BBX Capital may have given different weight to different factors.

**Recommendation of the BFC Board and its Reasons for the Merger**

The board of directors of BFC believes that there are substantial benefits to BFC and its shareholders that can be obtained as a result of the merger and has determined that the merger is advisable, fair to and in the best interests of BFC and its shareholders. Accordingly, the board of directors of BFC has approved the merger and recommends that BFC's shareholders vote "FOR" the merger at the BFC special meeting. In reaching its decision to approve the merger, the board of directors of BFC consulted with KBW, financial advisor to the board of directors of BFC, and Stearns Weaver, BFC's outside legal counsel, and considered the following material factors which weighed positively in favor of the merger:

- - the fact that BFC would realize a significant increase in its shareholders' equity upon consummation of the merger;

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- 
- the fact that, based on share and market price information as of May 6, 2013, BFC, after the merger, will have a pro forma market capitalization of approximately \$253.7 million compared to a stand-alone market capitalization of \$167.1 million;
- 
- the potential increased visibility and trading liquidity for BFC's capital stock resulting from the merger, including as a result of the listing of BFC's Class A Common Stock on a national securities exchange or qualified inter-dealer quotation system at the effective time of the merger and the increased market capitalization described above, and the potential benefits related thereto, including that it may increase BFC's ability to raise capital to the extent necessary to support the business and investment plans of BFC and its subsidiaries;
- 
- the simplification of BFC's balance sheet that would result from the merger;
- 
- the judgment, advice and analysis of BFC's senior management with respect to the potential benefits of the merger;
- 
- the opinion of KBW rendered to BFC's board of directors to the effect that, as of the date of the opinion, and subject to and based on the qualifications and assumptions set forth in the opinion, the exchange ratio pursuant to the merger agreement was fair, from a financial point of view, to BFC (see "The Merger — Opinion of the Financial Advisor to BFC's Board of Directors" for additional information regarding KBW's opinion and the financial analyses performed by KBW in connection with the rendering of its opinion);
- 
- factors related to BFC's long-term relationship with BBX Capital, including the limited business integration risks in connection with the merger and BFC's knowledge of BBX Capital's business, operations, financial condition, earnings and prospects, as well as the risks associated with its business and prospects;
- 
- the fact that the merger would simplify the current ownership structure into one combined company with a shared strategy;
- 
- the fact that none of the members of senior management of BFC or BBX Capital will receive any severance payments or other "golden parachute compensation" in connection with the merger;
-

- the fact that, while the merger agreement generally prohibits BFC from soliciting certain alternative transactions to the merger, BFC does have the right to furnish information about its business to any person making an unsolicited “superior proposal” and to participate in negotiations regarding, and, in specific circumstances, to accept, such “superior proposal” in lieu of the merger;
- 
- the absence of any termination or similar fee to be paid if the merger agreement is terminated (other than based upon a willful or intentional breach), including in the event BFC accepts a “superior proposal” in lieu of the merger, as described above;
- 
- the fact that the merger will result in tax consolidation, thereby eliminating the potential for “double taxation” on BFC’s share of BBX Capital’s earnings;
- 
- the efficiencies and cost savings that could be realized as a result of the merger, including in respect of legal, accounting and audit fees as well as fees relating to SEC reporting; and
- 
- the fact that financial and other terms and conditions of the merger agreement were the product of extensive negotiations among the parties.

The board of directors of BFC, in reaching its decision to approve the merger, also considered the following potential uncertainties and risks related to the merger:

- 
- the risk that the pending litigation brought by the SEC against BBX Capital and Alan B. Levan may not be resolved favorably or in a timely manner, and the impact of an adverse outcome of such litigation on the business and operations of BBX Capital and the ability of the companies to consummate the merger;

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- 
- the possibility of shareholder litigation seeking to enjoin the merger or recover damages if the merger is completed, including the impact that such litigation and any potential liability arising therefrom may have on the ability of the companies to consummate the merger, and on the business, operations and financial condition of BFC prior to the completion of the merger and, if the merger is consummated, on the business, operations and financial condition of the combined company following the completion of the merger (See “The Merger — Litigation Regarding the Merger” for information relating to the consolidated purported class action lawsuit challenging the merger);
- 
- the risk that the merger may not otherwise be consummated on the contemplated terms, or at all, and the substantial costs to be incurred in connection with the merger, including transaction expenses arising from the merger, whether or not the merger is consummated;
- 
- the possibility that holders of a significant amount of shares of BBX Capital’s Class A Common Stock may exercise appraisal rights, which could cause the merger not to be completed or, if the merger is completed, have a material adverse impact on the combined company’s cash position;
- 
- the risks related to changes in the market price of BFC’s Class A Common Stock, including the risk that the value of the shares of BFC’s Class A Common Stock issuable in connection with merger may, at the effective time of the merger, exceed the value of those shares as of the date on which the board of directors of BFC approved the merger;
- 
- possible disruptions to BFC’s operations, and management distractions that could arise from the merger;
- 
- the possibility that the expected benefits from the merger described above may not be realized to the extent anticipated or at all;
- 
- the limitations generally imposed by the merger agreement on the solicitation or consideration by BFC of alternative business combinations prior to the consummation of the merger, subject to the exception described above;
- 
- the interests that certain executive officers and directors of BFC have with respect to the merger in addition to their interests as shareholders of BFC generally, as described under “The Merger — Interests of Certain Persons in the Merger;” and

- other risks and uncertainties associated with the merger and BBX Capital's business, including those described in the "Risk Factors" and "Special Note Regarding Forward-Looking Statements" sections of this joint proxy statement/prospectus.

The board of directors of BFC reviewed and considered the potential benefits, advantages and opportunities of the merger against the uncertainties and risks described above, both generally and particularly in light of the fact that there can be no assurance about future results. After such review and consideration, the board of directors of BFC concluded that the potential benefits of the merger outweighed the potential uncertainties and risks relating to the merger. In reaching its determination to approve, and recommend to BFC's shareholders that they approve, the merger, the board of directors of BFC did not quantify or assign any relative or specific weights to the various factors that it considered. Rather, the board of directors of BFC viewed its determination and recommendation as being based on an overall analysis and on the totality of the information presented to and factors considered by it. In addition, in considering the factors described above, individual members of the board of directors of BFC may have given different weight to different factors.

#### Opinion of the Financial Advisor to the BBX Capital Special Committee

##### General

By letter dated April 24, 2013, BBX Capital's special committee retained Sandler O'Neill + Partners, L.P. to act as its financial advisor in connection with a possible transaction between BBX Capital and BFC. Sandler O'Neill is a nationally recognized investment banking firm whose principal business specialty is financial institutions. In the ordinary course of its investment banking business, Sandler O'Neill is regularly engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions and other corporate transactions.

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Sandler O’Neill acted as financial advisor to BBX Capital’s special committee in connection with the proposed merger and participated in certain of the negotiations leading up to the execution of the merger agreement. At its May 7, 2013 meeting, the special committee reviewed the merger agreement and Sandler O’Neill delivered to the special committee its oral opinion, that, as of such date, the merger consideration was fair to the holders of BBX Capital’s Common Stock from a financial point of view. Immediately following the special committee meeting, the full board of directors of BBX Capital met to review the recommendation of the special committee. At that meeting, the board reviewed the merger agreement and the special committee’s recommendation, and Sandler O’Neill delivered to the board its oral opinion, that, as of such date, the merger consideration was fair to the holders of BBX Capital’s Common Stock from a financial point of view. Sandler O’Neill’s oral opinion was subsequently confirmed in writing. The full text of Sandler O’Neill’s written opinion dated May 7, 2013 is attached as Annex B to this joint proxy statement/prospectus. The opinion outlines the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Sandler O’Neill in rendering its opinion. The description of the opinion set forth below is qualified in its entirety by reference to the opinion. BBX Capital’s shareholders are urged to read the entire opinion carefully in connection with their consideration of the proposed merger.

Sandler O’Neill’s opinion speaks only as of the date of the opinion. The opinion was directed to BBX Capital’s special committee and is directed only to the fairness of the merger consideration to the holders of BBX Capital’s Class A Common Stock from a financial point of view. Sandler O’Neill’s opinion shall not be reproduced or used for any other purposes, without Sandler O’Neill’s prior written consent. Sandler O’Neill’s opinion does not address the underlying business decision of BBX Capital to engage in the merger or any other aspect of the merger, the relative merits of the merger as compared to any other alternative business strategies that might exist for BBX Capital or the effect of any other transaction in which BBX Capital might engage. Sandler O’Neill’s opinion is not a recommendation to any shareholder of BBX Capital as to how such shareholder should vote at BBX Capital’s special meeting with respect to the merger or any other matter. Sandler O’Neill does not express any opinion as to the fairness of the amount or nature of the compensation to be received in the merger by BBX Capital’s officers, directors, or employees, or class of such persons, relative to the compensation to be received in the merger by any other shareholders of BBX Capital, if any. In connection with rendering its opinion on May 7, 2013, Sandler O’Neill reviewed and considered, among other things:

- - the merger agreement;
- - certain publicly available financial statements and other historical financial information of BBX Capital that Sandler O’Neill deemed relevant;
- - certain publicly available financial statements and other historical financial information of BFC that Sandler O’Neill deemed relevant;
- - internal financial projections for BFC and BBX Capital for the year ending December 31, 2013 as provided by senior management of the companies;
- - internal financial projections for Woodbridge and Bluegreen for the years ending December 31, 2013 through December 31, 2016 as provided by senior management of BFC;

- 
- the expected relative contributions of assets, liabilities, cash flow, equity and earnings of BFC and BBX Capital to the combined company following the merger;
- 
- the current market environment generally; and
- 
- such other information, financial studies, analyses and investigations and financial, economic and market criteria as Sandler O’Neill considered relevant.

Sandler O’Neill also discussed with certain members of senior management of BBX Capital the business, financial condition, results of operations and prospects of BBX Capital, including discussions with senior management regarding certain liquidation scenarios. Sandler O’Neill held similar discussions with certain members of senior management of BFC regarding the business, financial condition, results of operations and prospects of BFC.



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In performing its review, Sandler O'Neill relied upon the accuracy and completeness of all of the financial and other information that was available to it from public sources, that was provided to Sandler O'Neill by BBX Capital and BFC or their respective representatives or that was otherwise reviewed by Sandler O'Neill, and Sandler O'Neill has assumed such accuracy and completeness for purposes of rendering its opinion. Sandler O'Neill further relied on the assurances of the management teams of BBX Capital and BFC that they were not aware of any facts or circumstances that would make any of such information inaccurate or misleading. Sandler O'Neill was not asked to and did not undertake an independent verification of any of such information and assumes no responsibility or liability for the accuracy or completeness thereof. Sandler O'Neill did not make an independent evaluation or appraisal of the specific assets, the collateral securing assets or the liabilities (contingent or otherwise) of BBX Capital or BFC or any of their respective subsidiaries.

In preparing its analyses, Sandler O'Neill received internal financial projections and estimates for BBX Capital and BFC and its subsidiaries as provided by the senior management teams of BBX Capital and BFC. Sandler O'Neill also received and used in its analyses certain projections of transaction costs, purchase accounting adjustments and expected cost savings which were prepared by and/or reviewed with the management of BBX Capital and BFC. With respect to those projections, estimates and judgments, management of BBX Capital and BFC confirmed to Sandler O'Neill that those projections, estimates and judgments reflected management's best currently available estimates and judgments of the future financial performance of BBX Capital and BFC, respectively, and Sandler O'Neill assumed that such performance would be achieved. Sandler O'Neill expressed no opinion as to such projections, estimates or the assumptions on which they are based. Sandler O'Neill also assumed that there was no material change in BBX Capital's or BFC's assets, financial condition, results of operations, business or prospects since the date of the most recent financial statements made available to Sandler O'Neill. Sandler O'Neill assumed in all respects material to its analyses that BBX Capital and BFC would remain as going concerns for all periods relevant to its analyses, that all of the representations and warranties contained in the merger agreement were true and correct, that each party to the merger agreement would perform all of the covenants required to be performed by such party under the merger agreement and that the conditions precedent in the merger agreement would be satisfied and not waived. Finally, Sandler O'Neill did not render any opinion with respect to the legal, accounting and tax matters relating to the merger and the other transactions contemplated by the merger agreement.

Sandler O'Neill's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it as of, the date of its opinion. Events occurring after the date of Sandler O'Neill's opinion could materially affect the opinion. Sandler O'Neill did not undertake to update, revise, reaffirm or withdraw its opinion or otherwise comment upon events occurring after the date thereof.

Summary of Financial Analyses Performed by Sandler O'Neill

In rendering its opinion, Sandler O'Neill performed a variety of financial analyses. The following is a summary of the material analyses performed by Sandler O'Neill, but is not a complete description of all the analyses underlying Sandler O'Neill's opinion. The summary includes information presented in tabular format. In order to fully understand the financial analyses, these tables must be read together with the accompanying text. The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex process involving subjective judgments as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. In arriving at its opinion, Sandler O'Neill did not attribute any particular weight to any analysis or factor that it considered. Rather, Sandler O'Neill made qualitative judgments as to the significance and relevance of each analysis and factor. Sandler O'Neill did not form an opinion as to whether any individual analysis or factor (positive or negative) considered in isolation supported or failed to support its opinion. Rather, Sandler O'Neill made its determination as to the fairness of the merger consideration on the basis of its experience and professional judgment after considering the results of all its analyses taken as a whole. The process, therefore, is not necessarily susceptible to a partial analysis or summary description. Sandler O'Neill believes that its analyses must be considered as a whole and that selecting portions of the factors and analyses to be considered without considering all factors and analyses, or attempting to ascribe relative weights to some or all such factors and analyses, could create an incomplete view of the evaluation process underlying its opinion.

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In performing its analyses, Sandler O'Neill also made numerous assumptions with respect to industry performance, business and economic conditions and various other matters, many of which cannot be predicted and are beyond the control of BBX Capital, BFC and Sandler O'Neill. The analyses performed by Sandler O'Neill are not necessarily indicative of actual values or future results, both of which may be significantly more or less favorable than suggested by such analyses. Sandler O'Neill prepared its analyses solely for purposes of rendering its opinion and provided such analyses to BBX Capital's special committee and full board of directors at their respective meetings held on May 7, 2013. Estimates on the values of companies do not purport to be appraisals or necessarily reflect the prices at which companies or their securities may actually be sold. Such estimates are inherently subject to uncertainty and actual values may be materially different. Accordingly, Sandler O'Neill's analyses do not necessarily reflect the value of BBX Capital's Class A Common Stock or the prices at which BBX Capital's Class A Common Stock may be sold at any time. The analysis and opinion of Sandler O'Neill was among a number of factors taken into consideration by BBX Capital's special committee in making its determination to approve, and recommend that BBX Capital's full board of directors approve, the merger agreement, and by BBX Capital's board of directors in making its determination to approve the merger agreement, and the analyses described below should not be viewed as determinative of such decisions with respect to the fairness of the merger consideration.

**Summary of Proposal**

Sandler O'Neill reviewed the financial terms of the proposed merger. Pursuant to the terms of the merger agreement, each share of BBX Capital's Class A Common Stock issued and outstanding immediately prior to the merger, other than shares held by BFC or shareholders who exercise appraisal rights in accordance with Florida law, will be converted into the right to receive 5.39 shares of BFC's Class A Common Stock (as such exchange ratio may be ratably adjusted in connection with BFC's contemplated reverse stock split or otherwise in accordance with the terms of the merger agreement). BFC currently owns approximately 52% of the outstanding shares of BBX Capital's Class A Common Stock and 100% of the outstanding shares of BBX Capital's Class B Common Stock, all of which will be canceled upon consummation of the merger. It is expected that, following the merger, BBX Capital's shareholders other than BFC (sometimes hereinafter referred to as the "BBX Capital minority shareholders") will collectively have an approximately 34.2% economic ownership interest and 11.2% voting interest in BFC, and existing shareholders of BFC will retain an approximately 65.8% economic ownership interest and 88.8% voting interest in BFC. Following the merger, BFC will have a 100% ownership interest in each of BBX Capital, Woodbridge and, indirectly through Woodbridge, Bluegreen.

**Has/Gets Summary**

The BBX Capital minority shareholders currently have an approximately 47.3% economic ownership interest in BBX Capital. BFC currently owns the remaining 52.7% economic interest in BBX Capital. In effect, the BBX Capital minority shareholders have a 47.3% implied equity interest in each of FAR, CAM and BBX Partners (collectively, the "Asset Workout Subsidiaries") and a 21.8% implied equity interest in Woodbridge, which owns 100% of Bluegreen. On a pro-forma basis, the BBX Capital minority shareholders will indirectly own 34.2% of the Asset Workout Subsidiaries (down from 47.3%) and 34.2% of Woodbridge (up from 21.8%). As a result, the economic interest of the BBX Capital minority shareholders increases from \$113.9 million to \$120.5 million.

	<b>BBX Capital Minority Shareholders</b>			
	<b>Has</b>		<b>Gets</b>	
Economic Interest in Woodbridge	21.8	%	34.2	%
Economic Interest in Asset Workout Subsidiaries	47.3	%	34.2	%
Pro Forma Economic Interest (\$000)	\$	113,865	\$	120,556

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("Has")**

(\$000)	Economic Interest %		Total Economic Value of Entity	Implied Economic Value to Minority Shareholders
<b>Minority Shareholders</b>				
Economic Ownership of Asset Workout Subsidiaries (1)	47.3	%	\$ 126,431	\$ 59,808
Economic Ownership of Woodbridge	21.8	%	\$ 248,415	\$ 54,056
Total Implied Economic Value For Minority Shareholders				\$ 113,865

(1)

- Liquidity discount based on current management estimates.

**BBX Capital Minority Shareholders  
("Gets")**

(\$000)	Economic Interest %		Total Economic Value of Entity	Implied Economic Value to Minority Shareholders
<b>Minority Shareholders</b>				
Economic Ownership of BFC	34.2	%	\$ 352,846	\$ 120,556
Calculating "Economic Value" of Asset Workout Subsidiaries				

**Economic Value of Assets of Asset Workout Subsidiaries (\$000)**

Tangible Net Worth of BBX Capital	\$	249,420	
Investment in Woodbridge		80,846	
Tangible Net Worth of Assets of Asset Workout Subsidiaries	\$	168,574	
Less: Liquidation Discount on Assets of Asset Workout Subsidiaries (1)		25.0	%
Adjusted Pro Forma Tangible Net Worth of Assets of Asset Workout Subsidiaries After Liquidation	\$	126,431	

(1)

- Liquidity discount based on current management estimates.

Calculating "Economic Value" of Woodbridge

**Value of Woodbridge (\$000)**

Implied Bluegreen Value Based on April 2, 2013 Purchase of 46% Minority Interest (1)	\$	318,065	
Less: TruPS (2)		(85,052	)

**Value of Woodbridge (\$000)**

Plus: Promissory Note Due (3)		11,800
Plus: Other Assets		3,602
Economic Value of Woodbridge	\$	248,415

(1)

- In connection with the April 2, 2013 merger of Bluegreen with a wholly owned subsidiary of Woodbridge, Bluegreen's minority shareholders received a total of approximately \$146.3 million in cash in consideration for their 46.0% ownership interest in Bluegreen.

(2)

- Woodbridge has \$85.0 million of trust preferred securities outstanding .

(3)

- Represents the \$11.75 million promissory note issued by BBX Capital in favor of Woodbridge in connection with BBX Capital's investment in Woodbridge.

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47.3% of Asset Workout Subsidiaries	\$	59,808
21.8% of Woodbridge		54,056
Implied Economic Value of BBX Capital Minority Shareholders Interest	\$	113,865
Valuation of Pro Forma BFC		

**Implied Economic Value of Pro Forma BFC (\$000)**

100% Ownership In Woodbridge	\$	248,415
100% Ownership in Asset Workout Subsidiaries		126,431
Less: Net Liabilities		(22,000 )
Pro Forma Economic Value of BFC	\$	352,846
BBX Capital Minority Shareholders Ownership %		34.2 %
Implied Pro Forma Economic Value to BBX Capital Minority Shareholders	\$	120,556

## Sensitivity Analysis

Sandler O'Neill also performed the following sensitivity analysis based on various liquidation discounts applicable to the Asset Workout Subsidiaries.

(\$000)

**Assumptions:**

Current Book Value of Asset Workout Subsidiaries	\$	168,574
Implied Economic Value of Woodbridge		248,415
Net Liabilities at BFC		22,000
BBX Capital Minority Shareholders Pro Forma Ownership of BFC		34.2 %

**Asset Workout Subsidiaries Liquidation Discount**

	0.0%	5.0%	10.0%	15.0%	20.0%	25.0%	30.0%	35.0%
<b>Implied Economic Value</b>								
Value of Asset Workout Subsidiaries at 47.3% Ownership	\$ 79,744	\$ 75,757	\$ 71,770	\$ 67,783				