

Mail Stop 4561

May 5, 2006

Richard J. Boyle, Jr.
President, Chief Executive Officer and Chairman of the Board
LoopNet, Inc.
185 Berry Street, Suite 4000
San Francisco, CA 94107

Re: LoopNet, Inc.
Amendment No. 2 to Registration Statement on Form S-1
Filed April 27, 2006
File No. 333-132138

Dear Mr. Boyle:

We have reviewed your filing and have the following comments. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Summary

1. We note your response to comment 2. We are unable to locate the Exhibit A that you reference. Please advise. Further, we note that the disclosure on page 2 continues to base your statement that you are the largest online commercial real estate marketplace on the "number of registered members and property listings." Please provide support. Also, please revise to define "unique visitor."
2. Please provide support for your statement in the fourth paragraph on page 1 that BizBuySell is "the leading online marketplace for operating businesses for sale."
3. We note your response to comment 4. Please revise here and in the business section to disclose the minimum term for premium membership, if any. Further, please revise the business section to disclose whether the quarterly or annual membership has a minimum subscription period.

Use of Proceeds, page 21

4. We note from your prior response that you have revised the disclosure to note the potential uses of proceeds and that your 2006 budget was approved by the Board without the expectation of an IPO. Nevertheless, please revise to provide an estimate of the amount of proceeds that may be used for each identified activity.

Risk Factors, page 7

5. We note your statement on 7 that "we do not know the extent to which we have penetrated this market. If we reach the point at which we have attempted to sell our services to a significant majority of commercial real estate transaction participants in the United States, our ability to further increase the number of premium members could be limited." Please revise this risk factor in light of your disclosure on page 31 that you anticipate that revenues will not increase in the future at the same percentage rate as in previous periods as the "rate of premium member growth should decline on a percentage basis as a result of our larger premium member base."

Management's Discussion and Analysis, page 26

6. We note your statement that the key metrics that are material to an analysis of your business are the number of registered members, the number of premium members and the number of listings. However, we note from your discussion on page 7 that your growth depends in large part on increasing the number of your free basic members and then converting them into paying premium members as well as retaining existing premium members. In this connection we note that you track monthly rates of conversions of basic members to premium members which you disclose historically has been approximately five percent and your average monthly cancellation rate for premium members which you disclose has ranged between three and five percent. Please revise to include a discussion of these metrics or advise.

Summary Compensation Table, page 56

7. Refer to prior comment 9. We continue to note your disclosure that the executive officers purchased the restricted stock "at the then fair market value determined by our Board of Directors." Please explain to us why you believe the restricted shares were issued at the fair market value in light of your disclosure on page F-21. Specifically, we refer you to your disclosure in the "weighted average reassessed value of the underlying stock." We may have further comments. Alternatively, revise your disclosure to indicate that the shares were issued at a discounted rate rather than the fair market value.

Principal and Selling Stockholders, page 64

8. Please revise to name the natural persons holding voting control and dispositive powers over LoopNet Holdings LLC and PropertyFirst LLC. Provide similar disclosure for each entity identified in footnotes (1) and (2).

Consolidated Financial Statements

Consolidated Statements of Cash Flows, page F-6

9. Please provide us with your basis for classifying deferred initial public offering costs within operating activities on the statement of cash flows instead of financing activities.

Note 2 - Acquisition of BizBuySell, Inc. page F-12

10. Related to prior comment 13, we continue to believe that SAB 80 should not be applied to situations in which a registrant has only acquired one entity since formation. Please revise to include the financial statements of BizBuySell, Inc. required by Rule 3-05 of Regulation S-X.

Part II

Item 15. Recent Sales of Unregistered Securities, page II-1

11. We note your response to comment 16. Please revise to provide a more robust description of the "services previously rendered or services to be rendered" in connection with the issuance of the securities."
* * * *

As appropriate, please amend your registration statement in response to these comments. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filings reviewed by the staff to be certain that they have provided all information investors require for an informed decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

We will consider a written request for acceleration of the effective date of the registration statement as a confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. We will act on the request and, pursuant to delegated authority, grant acceleration of the effective date.

We direct your attention to Rules 460 and 461 regarding requesting acceleration of a registration statement. Please allow adequate time after the filing of any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

You may contact Rachel Zablow, Accountant, at (202) 551-3428 or Steven Jacobs, Accounting Branch Chief, at (202) 551-3403 if you have

questions regarding comments on the financial statements and related matters. Please contact Jeffrey Shady, Attorney-Advisor, at (202) 551-3471 or me at (202) 551-3780 with any other questions.

Sincerely,

Elaine Wolff
Branch Chief