

COSTAR GROUP INC  
Form 4  
July 31, 2013

**FORM 4**

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

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
FLORANCE ANDREW C

(Last) (First) (Middle)

C/O COSTAR GROUP, INC., 1331  
L STREET, NW

(Street)

WASHINGTON, DC 20005

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
COSTAR GROUP INC [CSGP]

3. Date of Earliest Transaction  
(Month/Day/Year)

07/29/2013

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

President and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3)          | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|  |                                      |  | Code                           | V   | Amount (A) or (D) Price   |  |                                   |
| Common Stock, par value \$0.01 per share | 07/29/2013                           |  | M                              |   | 4,000 A \$ 25   | 293,196 <sup>(1)</sup>                                   | D                                 |
| Common Stock, par value \$0.01 per share | 07/29/2013                           |  | M                              |   | 37,374 A \$ 51.92   | 330,570 <sup>(2)</sup>                                   | D                                 |
| Common Stock, par                        | 07/29/2013                           |  | S                              |   | 37,374 D \$ 155.86  | 293,196 <sup>(1)</sup>                                   | D                                 |

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|                         |            |  |   |        |   |           |               |
|-------------------------|------------|--|---|--------|---|-----------|---------------|
| value                   |            |  |   |        |   | (3)       |               |
| \$0.01 per share        |            |  |   |        |   |           |               |
| Common Stock, par value | 07/29/2013 |  | M | 4,234  | A | \$ 43.99  | 297,430 (4) D |
| \$0.01 per share        |            |  |   |        |   |           |               |
| Common Stock, par value | 07/29/2013 |  | S | 4,234  | D | \$ 157    | 293,196 (1) D |
| \$0.01 per share        |            |  |   |        |   |           |               |
| Common Stock, par value | 07/30/2013 |  | M | 30,520 | A | \$ 43.99  | 323,716 (5) D |
| \$0.01 per share        |            |  |   |        |   |           |               |
| Common Stock, par value | 07/30/2013 |  | S | 30,520 | D | \$ 157.03 | 293,196 (1) D |
| \$0.01 per share        |            |  |   |        |   | (6)       |               |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|-------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                      |       |
| Option to Acquire Common Stock             | \$ 25  | 07/29/2013                           |  | M                              | 4,000   | (7)  | 03/01/2019  | Common Stock               | 4,000 |

|                                |          |            |   |        |            |            |              |        |
|--------------------------------|----------|------------|---|--------|------------|------------|--------------|--------|
| Option to Acquire Common Stock | \$ 51.92 | 07/29/2013 | M | 37,374 | <u>(8)</u> | 12/11/2016 | Common Stock | 37,374 |
| Option to Acquire Common Stock | \$ 43.99 | 07/29/2013 | M | 4,234  | <u>(9)</u> | 02/26/2018 | Common Stock | 4,234  |
| Option to Acquire Common Stock | \$ 43.99 | 07/30/2013 | M | 30,520 | <u>(9)</u> | 02/26/2018 | Common Stock | 30,520 |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                   |       |
|--|---------------|-----------|-------------------|-------|
|  | Director      | 10% Owner | Officer           | Other |
| FLORANCE ANDREW C<br>C/O COSTAR GROUP, INC.<br>1331 L STREET, NW<br>WASHINGTON, DC 20005 | X             |           | President and CEO |       |

## Signatures

/s/ Jonathan Coleman,  
Attorney-in-Fact

07/31/2013

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Represents all shares of Common Stock owned, consisting of 91,562 shares of Common Stock and 201,634 shares of Common Stock subject to unvested Restricted Stock Grants.
- (2) Represents all shares of Common Stock owned, consisting of 128,936 shares of Common Stock and 201,634 shares of Common Stock subject to unvested Restricted Stock Grants.
- (3) Average based on sales prices ranging from \$155.00 to \$158.88.
- (4) Represents all shares of Common Stock owned, consisting of 95,796 shares of Common Stock and 201,634 shares of Common Stock subject to unvested Restricted Stock Grants.
- (5) Represents all shares of Common Stock owned, consisting of 122,082 shares of Common Stock and 201,634 shares of Common Stock subject to unvested Restricted Stock Grants.
- (6) Average based on sales prices ranging from \$157.00 to \$157.26.
- (7) The option vested in three equal installments on March 2, 2010, March 2, 2011 and March 2, 2012.
- (8) The option vested in three equal installments on December 12, 2007, December 12, 2008 and December 12, 2009.
- (9) The option vested in three equal installments on February 27, 2009, February 27, 2010 and February 27, 2011.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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