COSTAR GROUP INC

Form 4

February 29, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

OMB APPROVAL

Number:

3235-0287 January 31,

Expires:

2005

0.5

Estimated average

burden hours per

response...

if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

Check this box

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 See Instruction

30(h) of the Investment Company Act of 1940

1(b).

(Last)

10TH FLOOR

(Print or Type Responses)

1. Name and Address of Reporting Person * Marples Paul

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

(Middle)

COSTAR GROUP INC [CSGP]

(Check all applicable)

C/O COSTAR GROUP, INC., 2 BETHESDA METRO CENTER,

(First)

3. Date of Earliest Transaction

(Month/Day/Year) 02/27/2008

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

below) Managing Director, FOCUS

(Street)

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

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

BETHESDA, MD 20814-5388

(City) (State) (Zip)

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

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3) (Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Ownership Indirect (I) (Instr. 4) (Instr. 4)

(A) or Code V Amount (D) Reported Transaction(s)

(Instr. 3 and 4) Price

Common

per share

Stock, par 02/27/2008 value \$0.01

\$0 Α 2,100 Α

 $30,282^{(1)}$

D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

1

Edgar Filing: COSTAR GROUP INC - Form 4

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. Transactic Code (Instr. 8)	5. Number Doof 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to Acquire Common Stock	\$ 43.99	02/27/2008		A	5,300	(2)	02/26/2018	Common Stock	5,300

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
Marples Paul C/O COSTAR GROUP, INC. 2 BETHESDA METRO CENTER, 10TH FLOOR BETHESDA, MD 20814-5388			Managing Director, FOCUS			

Signatures

/s/ Jonathan Coleman, 02/29/2008 Attorney-in-Fact

**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 18,182 shares of Common Stock and 12,100 shares of Common Stock subject to unvested Restricted Stock Grants.
- (2) The option vests 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporting Owners 2