

APPFOLIO INC  
Form 4  
January 14, 2016

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
Clarity Ventures, Inc.

2. Issuer Name and Ticker or Trading Symbol  
APPFOLIO INC [APPF]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
1482 EAST VALLEY ROAD, SUITE 300

3. Date of Earliest Transaction (Month/Day/Year)  
01/12/2016

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

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_\_ Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

SANTA BARBARA, CA 93108

(City) (State) (Zip)

**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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
CLASS A COMMON STOCK	01/12/2016		P	15,600	A	\$ 13.05	79,000 D <u>(2)</u>
						<u>(1)</u>	
CLASS A COMMON STOCK	01/12/2016		P	500	A	\$ 13.05	7,979 D <u>(3)</u>
						<u>(1)</u>	
CLASS A COMMON STOCK	01/13/2016		P	10,200	A	\$ 12.68	89,200 D <u>(2)</u>
						<u>(4)</u>	
CLASS A COMMON STOCK	01/13/2016		P	400	A	\$ 12.68	8,379 D <u>(3)</u>

STOCK	<u>(4)</u>		
CLASS A COMMON STOCK		175,025	D <u>(5)</u>
CLASS A COMMON STOCK		12,890	D <u>(6)</u>

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

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**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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Clarity Ventures, Inc. 1482 EAST VALLEY ROAD SUITE 300 SANTA BARBARA, CA 93108		X		
Clarity Ventures, L.P. 1482 EAST VALLEY ROAD SUITE 300 SANTA BARBARA, CA 93108		X		
Meadowridge Ventures, L.P. 1482 EAST VALLEY ROAD SUITE 300		X		

SANTA BARBARA, CA 93108

KARAN STEVEN L  
 1482 EAST VALLEY ROAD  
 SUITE 300  
 SANTA BARBARA, CA 93108 X

HUGHES JASON F  
 1482 EAST VALLEY ROAD  
 SUITE 300  
 SANTA BARBARA, CA 93108 X

## Signatures

/s/ Jason F. Hughes,  
 attorney-in-fact 01/14/2016

\_\_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) The price reported in Column 4 is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$12.85 to \$13.25, inclusive. The reporting persons undertake to provide to AppFolio, Inc., any security holder of AppFolio, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares purchased at each separate price within the range set forth in footnotes (1) and (4) to this Form 4.
  - (2) These shares are directly owned by Clarity Ventures, L.P. ("Clarity LP"). These shares are indirectly owned by Clarity Ventures, Inc. ("Clarity GP"), as the general partner of Clarity LP. These shares are also indirectly owned by Steven L. Karan ("Mr. Karan"), as the President and 100% owner of Clarity GP, and by Jason F. Hughes ("Mr. Hughes"), as an authorized officer of Clarity GP.
  - (3) These shares are directly owned by Meadowridge Ventures, L.P. ("Meadowridge"). These shares are indirectly owned by Clarity GP, as the general partner of Meadowridge. These shares are also indirectly owned by Mr. Karan, as the President and 100% owner of Clarity GP, and by Mr. Hughes, as an authorized officer of Clarity GP.
  - (4) The price reported in Column 4 is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$12.49 to \$12.84, inclusive.
  - (5) These shares are directly owned by Mr. Karan. These shares are held in the Steven L. Karan Roth IRA.
  - (6) These shares are directly owned by Mr. Hughes. These shares are held in the Jason F. Hughes Roth IRA.

### Remarks:

The reporting persons herein collectively form a Section 13(d) "group," together with the Steven L. Karan Revocable Trust da

### Exhibit List:

Exhibit 24 ? Confirming Statement (incorporated by reference to Exhibit 24 to the Form 3 filed by the reporting persons with t

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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