

APPFOLIO INC  
Form 4  
July 03, 2017

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
STAD MARC

(Last) (First) (Middle)

ONE LETTERMAN  
DRIVE, BUILDING D, SUITE  
M500

(Street)

SAN FRANCISCO, CA 94129

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
06/29/2017

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)

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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Class A Common Stock	06/29/2017		C	61,084	A \$ 0 <sup>(1)</sup>	84,553	D
Class A Common Stock	06/29/2017		C	447,795	A \$ 0 <sup>(2)</sup>	1,941,339	I <sup>(3)</sup> <sup>(4)</sup> Refer to Footnote <sup>(3)</sup> <sup>(4)</sup>
Class A Common Stock	06/30/2017		S	2,311	D \$ 32.26	82,242	D
Class A Common Stock	06/30/2017		S	47,689	D \$	1,893,650	I <sup>(3)</sup> <sup>(5)</sup> Refer to

Common Stock 32.26 Footnote (3) (5)

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)

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. Amount or Number of Shares
Class B Common Stock	(1)	06/29/2017		C	61,084	(1)(6) (1)(6)	Class B Common Stock	61,084
Class B Common Stock	(2)	06/29/2017		C	447,795	(2)(6) (2)(6)	Class B Common Stock	447,795

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STAD MARC ONE LETTERMAN DRIVE BUILDING D, SUITE M500 SAN FRANCISCO, CA 94129		X		
Dragoneer Apartment, LLC 1 LETTERMAN DRIVE BUILDING D, SUITE M500 SAN FRANCISCO, CA 94129		X		
DRAGONEER GLOBAL FUND II, L.P. ONE LETTERMAN DRIVE BUILDING D, SUITE M500 SAN FRANCISCO, CA 94129		X		

## Signatures

/s/Marc Stad	07/03/2017
__Signature of Reporting Person	Date
Dragoneer Apartment, LLC, By Dragoneer Global, LLC, its manager, /s/Pat Robertson	07/03/2017
__Signature of Reporting Person	Date
Dragoneer Global Fund II, L.P., By Dragoneer Global GP II, LLC, its general partner, /s/Pat Robertson	07/03/2017
__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).

Each share of Class B Common Stock is convertible, at any time at the option of the holder, into one share of Class A Common Stock.

(1) Effective June 29, 2017, 61,084 shares of Class B Common Stock were voluntarily converted by Mr. Stad into an equal number of shares of Class A Common Stock of the issuer.

Each share of Class B Common Stock is convertible, at any time at the option of the holder, into one share of Class A Common Stock.

(2) Effective June 29, 2017, the Dragoneer Entities (as defined below) voluntarily converted 447,795 shares of Class B Common Stock (of which Dragoneer Apartment Fund (as defined below) held 260,305 shares) into an equal number of shares of Class A Common Stock of the issuer.

Mr. Stad is the managing member of Dragoneer Global GP, LLC ("Dragoneer GP"), Dragoneer Global GP II, LLC ("Global GP II"), and Dragoneer Investment Group, LLC ("Dragoneer Adviser"). Dragoneer GP is the manager of Dragoneer Apartment, LLC ("Dragoneer Apartment Fund") and Global GP II is the general partner of Dragoneer Global Fund II, L.P. ("Dragoneer Global Fund II" and, together

(3) with Dragoneer GP, Dragoneer Adviser, Dragoneer Apartment Fund, and Global GP II, the "Dragoneer Entities"). By virtue of the foregoing relationships, Mr. Stad and each of the Dragoneer Entities may be deemed to share beneficial ownership of some or all of the securities reported above. Mr. Stad and each of the Dragoneer Entities disclaims beneficial ownership of the reported securities, except to the extent of their respective pecuniary interest therein.

(4) The securities reported in the table above as having converted from Class B Common Stock to Class A Common Stock are held by Dragoneer Apartment Fund and certain other funds and managed accounts associated with the Dragoneer Entities and Mr. Stad.

(5) Certain Dragoneer Entities and certain other funds and managed accounts associated with the Dragoneer Entities and Mr. Stad sold shares of Class A Common Stock reported in the table above. Dragoneer Global Fund II sold 28,429 shares of Class A Common Stock, Dragoneer Apartment Fund sold 11,196 shares of Class A Common Stock, and certain other funds and managed accounts associated with the Dragoneer Entities and Mr. Stad sold 8,064 shares of Class A Common Stock.

(6) The shares of Class B Common Stock have no expiration date. However, all outstanding shares of Class B Common Stock convert automatically into shares of Class A Common Stock, on a one share for one share basis, on the date when the number of the Issuer's outstanding shares of Class B Common Stock represents less than 10% of the sum of its outstanding shares of Class A Common Stock and Class B Common Stock.

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.