APPFOLIO INC
Form 4
November 22, 2016

FORM 4

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

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

OMB APPROVAL

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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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
DUCA MAURICE J

(Last) (First) (Middle)

C/O IGSB, INC., 1485 E. VALLEY ROAD, SUITE H

(Street)

SANTA BARBARA, CA 93108

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
11/22/2016

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
_X_ 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)
			Code	V	Amount	(A) or (D)	Price			

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. P Deri Secu

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)						(Ins
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Class B Common Stock	$ 0	11/22/2016	P		32,377		(1)(2)	(1)(2)	Class A Common Stock	32,377	63
Class B Common Stock	$ 0						(1)(2)	(1)(2)	Class A Common Stock	(1) (2)	
Class B Common Stock	$ 0						(1)(2)	(1)(2)	Class A Common Stock	(1) (2)	
Class B Common Stock	$ 0						(1)(2)	(1)(2)	Class A Common Stock	(1) (2)	
Class B Common Stock	$ 0						(1)(2)	(1)(2)	Class A Common Stock	(1) (2)	
Class B Common Stock	$ 0						(1)(2)	(1)(2)	Class A Common Stock	(1) (2)	
Class B Common Stock	$ 0						(1)(2)	(1)(2)	Class A Common Stock	(1) (2)	
Class B Common Stock	$ 0						(1)(2)	(1)(2)	Class A Common Stock	(1) (2)	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DUCA MAURICE J C/O IGSB, INC. 1485 E. VALLEY ROAD, SUITE H SANTA BARBARA, CA 93108		X		
Investment Group of Santa Barbara, LLC		X		

C/O IGSB, INC.
1485 E. VALLEY ROAD, SUITE H
SANTA BARBARA, CA 93108

Signatures

Maurice J. Duca, By: /s/ Kimberly Shea, Attorney-in-Fact for Maurice J. Duca	11/22/2016
**Signature of Reporting Person	Date
Investment Group of Santa Barbara, LLC, A California limited liability company, By: Timothy K. Bliss, Member & Vice President, By: /s/ Kimberly Shea, Attorney-in-Fact for Timothy K. Bliss	11/22/2016
**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 shares of Class B Common Stock ("Class B Shares") do not have an expiration date. Each Class B Share is convertible, at any time at the option of the holder, into one share of AppFolio's Class A Common Stock (the "Class A Shares"). In addition, Class B Shares that are transferred by the Reporting Person will convert automatically, on a one share-for-one share basis, into Class A Shares, except for (i) any transfer by a partnership or limited liability company that was a registered holder of Class B Shares prior to June 30, 2015 that is made to anyone who was a partner or member of any such partnership or limited liability company prior to June 30, 2015, and (ii) any transfer to a "qualified recipient" (as defined in AppFolio's Amended and Restated Certificate of Incorporation), such as the Reporting Person.

(2) All of the outstanding Class B Shares will convert automatically into Class A Shares, on a one share-for-one share basis, on the date when the number of the Company's outstanding Class B Shares represents less than 10% of the sum of AppFolio's outstanding Class A and Class B Shares.

(3) These Class B Shares are owned by IGSB IVP III LLC, a private investment fund ("IVP III"), which is managed by Investment Group of Santa Barbara LLC ("IGSB"). On November 22, 2016, the Reporting Person, who is a member of IVP III, indirectly purchased a total of 32,377 Class B Shares, by means of a purchase of an additional interest in IVP III from another of its members, for an aggregate purchase price of $637,826.90. The Reporting Person also is one of the three members of IGSB and all decisions regarding the voting, conversion, transfer or other disposition of the Class B Shares owned by IVP III require the unanimous approval of all three members. As a result, the Reporting Person may be deemed to share voting and dispositive power, with IGSB and its other two members, over the Class B Shares owned by IVP III. However, the Reporting Person disclaims beneficial ownership of these shares, except to the extent of his pecuniary interest therein.

(4) These Class B Shares are owned by IGSB Venture Fund III LLC, a private investment fund, which is managed by IGSB. The Reporting Person is one of the three members of IGSB and all decisions regarding the voting, conversion and transfer or other disposition of these Class B Shares require the unanimous approval of all three members. As a result, the Reporting Person may be deemed to share voting and dispositive power over these Class B Shares with IGSB and its other two members. However, the Reporting Person disclaims beneficial ownership of these Shares, except to the extent of his pecuniary interest therein.

(5) These Class B Shares are owned by a pension plan of which the Reporting Person is the trustee and, in that capacity, the Reporting Person possesses sole voting and dispositive power over these Shares. However, the Reporting Person does not have any pecuniary interest in these Shares.

(6) These Class B Shares are owned by a pension plan of which the Reporting Person is both the trustee and the beneficiary. As a result, the Reporting Person possesses sole voting and dispositive power over these Shares.

(7) These Class B Shares are held by a trust of which the Reporting Person is a co-trustee and, in that capacity, may be deemed to share voting and dispositive power over these Shares with the other trustee. However, the Reporting Person does not have a pecuniary interest in these Shares and he disclaims beneficial ownership thereof because decisions with respect to the voting and disposition of these Shares require the approval of the other trustee.

(8) These Class B Shares are held by a private foundation of which the Reporting Person is the president. The Reporting Person does not have any pecuniary interest in these Shares and disclaims beneficial ownership thereof because decisions with respect to the voting and disposition of these Shares are subject to the oversight and the approval of the foundation's board of directors.

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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Explanation of Responses: