

Radecki Brian J
Form 4
March 06, 2013

FORM 4

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

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).

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 *
Radecki Brian J

(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)

03/04/2013

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chief Financial Officer

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

X 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	03/04/2013		F		695 D \$ 103.17	63,836 (1)	D
Common Stock, par value \$0.01 per share	03/05/2013		M		11,266 A \$ 42.29	75,102 (2)	D
Common Stock, par	03/05/2013		S		11,266 D \$ 103 (3)	63,836 (1)	D

value
\$0.01 per
share

Common
Stock, par
value 03/05/2013
\$0.01 per
share

M 9,333 A \$ 57.16 73,169 ⁽⁴⁾ D

Common
Stock, par
value 03/05/2013
\$0.01 per
share

S 9,333 D \$ 104 63,836 ⁽¹⁾ D

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)	Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	
Option to Acquire Common Stock	\$ 42.29	03/05/2013		M	11,266	⁽⁵⁾ 03/11/2020	Common Stock	11,266
Option to Acquire Common Stock	\$ 57.16	03/05/2013		M	9,333	⁽⁶⁾ 03/03/2021	Common Stock	9,333

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Radecki Brian J
C/O COSTAR GROUP, INC.
1331 L STREET, NW
WASHINGTON, DC 20005

Chief Financial Officer

Signatures

/s/ Jonathan Coleman,
Attorney-in-Fact

03/06/2013

__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 18,635 shares of Common Stock and 45,201 shares of Common Stock subject to unvested Restricted Stock Grants.
- (2) Represents all shares of Common Stock owned, consisting of 29,901 shares of Common Stock and 45,201 shares of Common Stock subject to unvested Restricted Stock Grants.
- (3) Average based on sales prices ranging from \$103.00 to \$103.03.
- (4) Represents all shares of Common Stock owned, consisting of 27,968 shares of Common Stock and 45,201 shares of Common Stock subject to unvested Restricted Stock Grants.
- (5) The option vests in three equal installments on March 12, 2011, March 12, 2012, and March 12, 2013.
- (6) The option vests in three equal installments on March 4, 2012, March 4, 2013, and March 4, 2014.

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.