FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL 3235-0287 OMB Number: Estimated average burden hours per response: 0.5

1. Name and Address of Reporting Person* Kane Ida Kathleen (Last) (First) 50 CASTILLIAN			2. Issuer Name and Ticker or Trading Symbol <u>APPFOLIO INC</u> [APPF] 3. Date of Earliest Transaction (Month/Day/Year) 05/20/2016	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title Other (specify below) below) Chief Financial Officer							
(Street) SANTA BARBARA (City)	NTA CA 93117 RBARA		4. If Amendment, Date of 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 Person							
	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned										

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)	ution Date, Transaction		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported	Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership		
			Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		(Instr. 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. Transa Code (8)		5. Number Derivativ Securitie Acquired or Dispos of (D) (In 3, 4 and 5	e s I (A) sed str.	6. Date Exerc Expiration Da (Month/Day/Y	te	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		(Instr. 4)		
Employee Stock Option (Right to Buy) ⁽¹⁾	\$13.43	05/20/2016		A		250,001		(2)	05/19/2026	Class A Common Stock	250,001 ⁽³⁾	\$0	250,001	D	

Explanation of Responses:

1. The options were granted pursuant to the Issuer's 2015 Stock Incentive Plan.

2. The options vest as to 50% of the underlying shares based upon the Issuer's achievement relative to pre-established targets relating to free cash flow for each of fiscal year 2017 and fiscal year 2018. The Issuer's performance relative to the targeted amount will be determined by the Compensation Committee by reference to the Issuer's 2017 and 2018 financial statements.

3. The reported amount of shares assumes achievement at the maximum level, which would require performance at 150% of the targeted amount. For performance at the targeted amount, approximately 67% of the options would vest. For fiscal year 2017, Issuer performance below 50% of target will result in no options vesting. For fiscal year 2018, Issuer performance below 80% of target will result in no options vesting. The specific vesting percentages for Issuer achievement relative to the performance below 50% of target will be determined by reference to sliding vesting scales for each of fiscal year 2017 and 2018.

Remarks:

/s/ Ida Kathleen Kane

** Signature of Reporting Person

05/24/2016

Date

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

* 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).

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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