

OMB APPROVAL	
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

1. Name and Address of Reporting Person* <u>RAUTH WILLIAM R III</u>  (Last) (First) (Middle) <u>C/O IGSB, INC.</u> <u>1485 E. VALLEY ROAD, SUITE H</u>  (Street) <u>SANTA BARBARA CA 93108</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>APPFOLIO INC [ APPF ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>12/01/2021</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

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 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) (Instr. 4)	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				
Class B Common Stock	\$0.00	12/01/2021		J <sup>(1)</sup>			3,554,584 <sup>(1)</sup>	(2)(3)	(2)(3)	Class A Common Stock	3,554,584	\$0.00	0	I	By IGSB IVP III, LLC
Class B Common Stock	\$0.00	12/01/2021		J <sup>(4)</sup>			993,627 <sup>(4)</sup>	(2)(3)	(2)(3)	Class A Common Stock	993,627	\$0.00	0	I	By IGSB Internal Venture Fund III, LLC
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		9,129	I	See Footnote <sup>(5)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		9,129	I	See Footnote <sup>(6)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		9,119	I	See Footnote <sup>(6)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		9,119	I	See Footnote <sup>(6)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		9,119	I	See Footnote <sup>(6)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		9,119	I	See Footnote <sup>(6)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		9,119	I	See Footnote <sup>(6)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		9,119	I	See Footnote <sup>(6)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		7,725	I	See Footnote <sup>(6)</sup>
Class B Common Stock	\$0.00							(2)(3)	(2)(3)	Class A Common Stock	(2)(3)		1,407	I	See Footnote <sup>(6)</sup>

Explanation of Responses:

- On December 1, 2021, three investment funds of IGSB IVP III, LLC ("IVP III") were dissolved, resulting in the termination of each of those investment funds and the distribution of an aggregate of 3,554,584 shares of AppFolio Class B Common Stock ("Class B Shares") held by those investment funds, pro-rata to the investors in those investment funds. No consideration was paid by any of those investors for the Class B Shares distributed to them. The Reporting Person was not an investor in any of these investment funds and he did not receive any of these Class B Shares in the distribution.
- Each Class B Share is convertible, at any time at the option of the holder, into one share of AppFolio Class A Common Stock ("Class A Shares"). In addition, Class B Shares that are sold or otherwise transferred 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).
- (Continued from Footnote 2) AppFolio's Class B Shares do not have an expiration date. However, 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.
- On December 1, 2021, four investment funds of IGSB Internal Venture Fund III, LLC ("IVF III") were dissolved, resulting in the termination of each of those investment funds and the distribution of an aggregate of 993,627 Class B Shares pro-rata to the investors in those investment funds. No consideration was paid by any of those investors for the Class B Shares distributed to them. The Reporting Person was not an investor in any of these investment funds and he did not receive any of these Class B Shares in the distribution.

5. These Class B Shares are owned by an irrevocable trust established for one of the Reporting Person's grandchildren. The Reporting Person and/or his spouse is the trustee of the trust and, therefore, may be deemed to possess sole voting and dispositive power over the Class B Shares owned by the trust. However, neither the Reporting Person nor his spouse is a beneficiary of the trust and neither of them has, and they disclaim, any pecuniary interest in these Class B Shares.

6. These Class B Shares are owned by an irrevocable trust established for another of the Reporting Person's grandchildren. The Reporting Person and/or his spouse is the trustee of the trust and, therefore, may be deemed to possess sole voting and dispositive power over the Class B Shares owned by the trust. However, neither the Reporting Person nor his spouse is a beneficiary of the trust and neither of them has, and they disclaim, any pecuniary interest in these Class B Shares.

**Remarks:**

William R. Rauth, III, By: /s/  
KIMBERLY SHEA Attorney-in- 12/03/2021  
Fact for William R. Rauth, III

\*\* Signature of Reporting Person                      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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