

## 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

OMB APPROVAL

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1. Name and Address of Reporting Person* <b>DUCA MAURICE J</b>			2. Issuer Name and Ticker or Trading Symbol <b>APPFOLIO INC [ APPF ]</b>			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <b>04/25/2017</b>			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person		
C/O IGSB, INC. 1485 E. VALLEY ROAD, SUITE H			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street)	CA	93108						
SANTA BARBARA	(State)	(Zip)						

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			
Class A Common Stock	04/26/2017		J <sup>(1)</sup>		300,070 <sup>(1)</sup>	D	(1)	0	D	
Class A Common Stock								400,000	I <sup>(2)</sup>	By Duca Fund 12 LLC (2)
Class A Common Stock								191,830	I <sup>(3)</sup>	By Pension Plan

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	04/25/2017		J <sup>(4)</sup>			300,070	(5)(6)	(5)(6)	Class A Common Stock	300,070	(4)	1,058,056	I <sup>(4)</sup>	By Pension Trust
Class B Common Stock	\$0.00	04/26/2017		J <sup>(7)</sup>		300,070		(5)(6)	(5)(6)	Class A Common Stock	300,070	(7)	1,827,702	D	
Class B Common Stock	\$0.00							(5)(6)	(5)(6)	Class A Common Stock	(5)(6)		3,855,275	I <sup>(8)</sup>	By IGSB IVP III
Class B Common Stock	\$0.00							(5)(6)	(5)(6)	Class A Common Stock	(5)(6)		993,627	I <sup>(9)</sup>	By IGSB Internal Venture Fund III
Class B Common Stock	\$0.00							(5)(6)	(5)(6)	Class A Common Stock	(5)(6)		58,474	I <sup>(10)</sup>	By R. Duca Pension Trust
Class B Common Stock	\$0.00							(5)(6)	(5)(6)	Class A Common Stock	(5)(6)		39,964	I	By Family Trust
Class B Common Stock	\$0.00							(5)(6)	(5)(6)	Class A Common Stock	(5)(6)		7,022	I <sup>(11)</sup>	By Charitable Remainder Trust
Class B Common Stock	\$0.00							(5)(6)	(5)(6)	Class A Common Stock	(5)(6)		2,659	I <sup>(12)</sup>	By Private Foundation

## Explanation of Responses:

- The Reporting Person exchanged these shares of AppFolio Class A Common Stock ("Class A Shares") for a like number of shares of AppFolio Class B Common Stock ("Class B Shares") in a private transaction.
- These Class A Shares are held by a limited liability company, of which the Reporting Person is the sole manager. In that capacity, the Reporting Person possesses sole voting and dispositive power over all of these Shares, but disclaims beneficial ownership over these Shares except to the extent of his pecuniary interest therein.
- These 191,830 Class A Shares are owned by the Pension Plan of which the Reporting Person is the sole trustee. In that capacity he possesses sole voting and investment power over these Class A Shares. However, the Reporting Person does not have and he disclaims any pecuniary interest in these Class A Shares.
- The 300,070 Class B Shares, which were held in a pension plan over which the Reporting Person possessed sole voting and dispositive power, were distributed, without consideration, to the beneficiary under the plan, leaving a total of 1,058,056 Class B Shares in the pension plan. The Reporting Person ceased to possess voting and dispositive power over these 300,070 Class B Shares upon their distribution to the beneficiary. As previously reported, the Reporting Person did not have a pecuniary interest in those 300,070 Class B Shares, and he does not have any pecuniary interest in, and disclaims beneficial ownership of, the 1,058,056 Class B Shares that remain in the pension plan.

5. The 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 Class A Share. 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.
6. 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 AppFolio's outstanding Class B Shares represents less than 10% of the sum of AppFolio's outstanding Class A and Class B Shares.
7. These Class B Shares were acquired in exchange for a like number of Class A Shares in the private transaction referenced in footnote (1) above.
8. 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"). The Reporting Person is one of the three members of IGSB and all decisions regarding the voting, conversion and 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, with IGSB and its other two members, over these Class B Shares owned by IVP III. However, the Reporting Person disclaims beneficial ownership of these Class B shares, except to the extent of his pecuniary interest therein.
9. These Class B Shares are owned by IGSB Internal Venture Fund III LLC, a private investment fund ("IVF III"), which is managed by IGSB. The Reporting Person is one of the three members of IGSB and all decisions regarding the voting, conversion and 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, with IGSB and its other two members, over these Class B shares owned by IVF III. However, the Reporting Person disclaims beneficial ownership of these Class B Shares, except to the extent of his pecuniary interest therein.
10. 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.
11. These Class B Shares are held by a trust of which the Reporting Person is a co-trustee and, in that capacity, he 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.
12. 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.

**Remarks:**

Maurice J. Duca, By: /s/  
Kimberly Shea, Attorney-in-Fact 04/27/2017  
for Maurice J. Duca

\*\* 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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