

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Randall Jason Robert</u>	2. Date of Event Requiring Statement (Month/Day/Year) 04/04/2016	3. Issuer Name and Ticker or Trading Symbol <u>APPFOLIO INC [APPF]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>SVP, AppFolio Property Manager</u>	5. If Amendment, Date of Original Filed (Month/Day/Year)
(Last) (First) (Middle) <u>4942 LA GAMA WAY</u>			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
(Street) <u>SANTA BARBARA CA 93111</u>			
(City) (State) (Zip)			

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Class B Common Stock</u>	<u>30,000</u>	<u>D</u>	

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
<u>Class B Common Stock⁽¹⁾</u>	<u>(2)(3)</u>	<u>(2)(3)</u>	<u>Class A Common Stock</u> <u>25,000</u>	<u>1.36</u>	<u>D</u>	
<u>Class B Common Stock⁽⁴⁾</u>	<u>(2)(3)</u>	<u>(2)(3)</u>	<u>Class A Common Stock</u> <u>25,000</u>	<u>1.8</u>	<u>D</u>	
<u>Employee Stock Option (Right to Buy)⁽⁵⁾</u>	<u>12/03/2015</u>	<u>12/02/2024</u>	<u>Class B Common Stock⁽²⁾</u> <u>(3)</u> <u>37,500</u>	<u>4.92</u>	<u>D</u>	
<u>Employee Stock Option (Right to Buy)⁽⁶⁾</u>	<u>12/03/2017</u>	<u>12/02/2024</u>	<u>Class B Common Stock⁽²⁾</u> <u>(3)</u> <u>25,000</u>	<u>4.92</u>	<u>D</u>	
<u>Employee Stock Option (Right to Buy)⁽⁷⁾</u>	<u>(8)</u>	<u>02/28/2026</u>	<u>Class A Common Stock</u> <u>99,999⁽⁹⁾</u>	<u>11.7</u>	<u>D</u>	

Explanation of Responses:

- The underlying restricted stock award of which 22,398 shares have vested as of the date of this filing, and then hereafter at a rate of 521 shares per month; includes 2,602 shares subject to vesting through August 15, 2016 and may be repurchased by the Issuer at the original purchase price. All repurchase rights will automatically terminate immediately prior to the consummation of a change in control and will vest in full.
- Each share of Class B Common Stock will convert automatically into one (1) share of Class A Common Stock upon any sale or transfer, except in the limited circumstances described in the Issuer's Amended and Restated Certificate of Incorporation. The shares of Class B Common Stock have no expiration date.
- All outstanding shares of Class B Common Stock will convert automatically into shares of Class A Common Stock, on a one share for one share basis, on the date when the number of the Issuer's outstanding shares of Class B Common Stock represents less than 10% of the sum of its outstanding shares of Class A Common Stock and Class B Common Stock.
- The underlying restricted stock award of which 18,231 shares have vested as of the date of this filing, and then hereafter at a rate of 521 shares per month; includes 6,769 shares subject to vesting through April 18, 2017 and may be repurchased by the Issuer at the original purchase price. All repurchase rights will automatically terminate immediately prior to the consummation of a change in control and will vest in full.
- The option with 11,719 shares vested as of the date of this filing with vesting thereafter at a rate of 781 shares per month. The options will automatically vest in full immediately prior to the consummation of a change in control.
- On December 3, 2017, 6,250 shares will vest and then thereafter at a rate of 521 shares a month. The options will automatically vest in full immediately prior to the consummation of a change in control.
- The options were granted pursuant to the Issuer's 2015 Stock Incentive Plan.
- The options are subject to vesting based on the Issuer's performance relative to a pre-established target relating to free cash flow for the year ended December 31, 2016. the Issuer's performance relative to the targeted amount will be determined by the Compensation Committee by reference to the Issuer's 2016 financial statements.
- The number of options subject to vesting will be determined by reference to a pre-established vesting schedule. The reported amount of shares assumes achievement at the maximum level, which would require performance at 150% of the targeted amount. For performance at 100% of the targeted amount, approximately 67% of the options would vest. For performance at 80% of targeted amount, approximately 33% of the options would vest. For performance below 80% of the targeted amount, no options would vest and the options would be forfeited.

Remarks:

EXHIBIT LIST: EX-24 Power of Attorney for Jason Randall

/s/Ida Kane, as Attorney-in-Fact for Jason Robert Randall 04/11/2016

** 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 5 (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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY

The undersigned hereby constitutes and appoints Brian Donahoo, Ida Kane and Lara Vacca, or any of them signing individually, the undersigned's true and lawful attorney-in-fact (each, an "Attorney-in-Fact") to:

- (1) complete and execute, for and on behalf of the undersigned, in the undersigned's capacity as an officer, director and/or beneficial owner of more than ten percent (10%) of any equity securities of AppFolio, Inc., a Delaware corporation (the "Company"), Forms 3, 4 and 5, and Schedules 13D and 13G, and such other forms and documents, including any amendments to any of the foregoing, as such Attorney-In-Fact shall in his or her discretion determine to be required or advisable pursuant to Section 16(a) and Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules and regulations promulgated thereunder, or any successor laws and regulations, as a consequence of, or in respect of, the undersigned's ownership, acquisition or disposition of securities of the Company;
- (2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such forms and schedules, including any amendments thereto, and timely file such forms and schedules, including any amendments thereto, with the United States Securities and Exchange Commission (the "SEC"), and any securities exchange or similar authority; and
- (3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such Attorney-in-Fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such Attorney-in-Fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such information as such Attorney-in-Fact may approve in such Attorney-in-Fact's discretion.

The undersigned hereby grants to each such Attorney-in-Fact full power and authority to do and perform each and every act and thing whatsoever requisite, necessary or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution and revocation, hereby ratifying and confirming all that each such Attorney-in-Fact, or each such Attorney-in-Fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that each of the foregoing Attorneys-in-Fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16(a) and Section 13(d) of the Exchange Act.

The undersigned agrees that each such Attorney-in-Fact may rely entirely on information furnished orally or in writing by the undersigned to each such Attorney-in-Fact. The undersigned also agrees to indemnify and hold harmless the Company and each such Attorney-in-Fact against any losses, claims, damages or liabilities (or actions in these respects) that arise out of or are based on any untrue statement or omission of necessary facts in the information provided by the undersigned to such Attorney-in-Fact for purposes of executing, acknowledging, delivering and filing Forms 3, 4 and 5, and Schedules 13D and 13G, including any amendments thereto, and agrees to reimburse the Company and each such Attorney-in-Fact for any legal or other expenses reasonably incurred in connection with investigating or defending against any such loss, claim, damage, liability or action.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4 and 5, or Schedules 13D and 13G, with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing Attorneys-in-Fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 5th day of April, 2016.

/s/ Jason Randall

Jason Randall