FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934

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						g Sy	mbol			neck all applic	able)	Person(s) to Iss	
fle)		3. Date of Earliest Transaction (Month/Day/Year) 11/22/2016						Officer below)	(give title	Other (: below)	specify		
08	4. If <i>i</i>	Ame	endment, [Date (of Original Fil	ed (Month/Da	uy/Year)		e) Form fi Y Form fi	led by One R	eporting Perso	n
	,												
- Non-Deriv	ative	Se	curities	s Ac	quired, D	isp	osed o	f, or Be	neficia	lly Owned			
Date		ar)	Execution if any	Date.	Code (Ins		4. Securit Disposed 5)	ties Acquire I Of (D) (Ins	ed (A) or tr. 3, 4 an	d Securitie Beneficia Owned F	s Fally (E following (I	orm: Direct 0) or Indirect 1 (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
. II. Danisa	o			•			Amount	(D)	Filce	Transact (Instr. 3 a	ion(s)		(11301. 4)
(e.g., p	uts, c		s, warra	ants	s, options	C	onvertil	ble secu	ırities)		T		
Conversion or Exercise (Month/Day/Year) Execution Date, or Exercise Price of One to price of Code (Instr. Derivative Securities Code (Instr. Derivative Securities Code (Instr. Derivative Securities Code (Instr. Derivative Code (Instr. Derivative Code (Instr. Code (Instr.		of Securiti Underlying Derivative	ies g Security	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)						
c	Code \	v	(A)	(D)	Date Exercisable			Title	or				
	P		32,377		(1)(2)		(1)(2)	Class A Common Stock	32,377	\$637,826.9	3,855,275 ⁽³	I(3)	By IGSB IVP III
					(1)(2)		(1)(2)	Class A Common Stock	(1)(2)		1,502,632	D	
					(1)(2)		(1)(2)	Class A Common Stock	(1)(2)		993,627	I ⁽⁴⁾	By IGSB Internal Venture Fund III
					(1)(2)		(1)(2)	Class A Common Stock	(1)(2)		1,358,126	I(2)	By Pension Trust
					(1)(2)		(1)(2)	Class A Common Stock	(1)(2)		58,474	I(e)	By R. Duc Pension Trust
					(1)(2)		(1)(2)	Class A Common Stock	(1)(2)		39,964	I	By Family Trust
					(1)(2)		(1)(2)	Class A Common Stock	(1)(2)		7,022	I ⁽⁷⁾	By Charitable Remainder Trust
	T		1 -		l	Γ		Class A			I		By Private
	2. Trans Date (Month/	dle) 3. Demed (Month/Day/Year) Deemed (e.g., puts, or code (ir s)) Code (ir s)	APPF 3. Date of 11/22/2 4. If Ame 2. Transaction Date (Month/Day/Year) The II - Derivative Sec (e.g., puts, call of the country of the puts, call of the puts of th	APPFOLIO 3. Date of Earliest 11/22/2016 4. If Amendment, I 4. If Amendment, I 2. Transaction Date (Month/Day/Year) (Month/Day/Year) 24. Deemed (e.g., puts, calls, warr. 25. Numb of Derivative Securities (e.g., puts, calls, warr. 27. Transaction Code (Instr. 8) 28. Deemed (Instr. 8) 5. Numb of Derivative Securities (A) or Derivative Secu	APPFOLIO INC 3. Date of Earliest Trans 11/22/2016 4. If Amendment, Date 4. If Amendment, Date 2. Transaction Date (Month/Day/Year) 2. Transaction Date (Month/Day/Year) 4. If Amendment, Date Execution Date if any (Month/Day/Year) 5. Number of Deemed Cution Date, (Ny Order (A) or Disposed of (D) (Instr. 3, 4 and 5) Code V (A) (D)	APPFOLIO INC [APPF] 3. 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1. Name and Address DUCA MAU	ss of Reporting Person* RICE J	
(Last) C/O IGSB, INC.	(First)	(Middle)
1485 E. VALLE	Y ROAD, SUITE H	
(Street) SANTA BARBARA	CA	93108

(City)	(State)	(Zip)
1. Name and Address Investment G		rson* a Barbara, LLC
(Last) C/O IGSB, INC. 1485 E. VALLE		(Middle)
(Street) SANTA BARBARA	CA	93108
(City)	(State)	(Zip)

Explanation of Responses:

- 1. The shares of Class B Common Stock ("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 share of AppFolio's Class A Common Stock (the "Class A Shares"). 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.
- 2. 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 B Shares.
- 3. 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"). On November 22, 2016, the Reporting Person, who is a member of IVP III, indirectly purchased a total of 32,377 Class B Shares, by means of a purchase of an additional interest in IVP III from another of its members, for an aggregate purchase price of \$637,826.90. The Reporting Person also is one of the three members of IGSB and all decisions regarding the voting, conversion, transfer or other disposition of the Class B Shares owned by IVP III 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 the Class B Shares owned by IVP III. However, the Reporting Person disclaims beneficial ownership of these shares, except to the extent of his pecuniary interest therein.
- 4. These Class B Shares are owned by IGSB Venture Fund III LLC, a private investment fund, which is managed by IGSB. The Reporting Person is one of the three members of IGSB and all decisions regarding the voting, conversion and transfer or other 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 over these Class B Shares with IGSB and its other two members. However, the Reporting Person disclaims beneficial ownership of these Shares, except to the extent of his pecuniary interest therein
- 5. These Class B Shares are owned by a pension plan of which the Reporting Person is the trustee and, in that capacity, the Reporting Person possesses sole voting and dispositive power over these Shares. However, the Reporting Person does not have any pecuniary interest in these Shares.
- 6. 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.
- 7. These Class B Shares are held by a trust of which the Reporting Person is a co-trustee and, in that capacity, 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.
- 8. 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-inFact for Maurice J. Duca
Investment Group of Santa
Barbara, LLC, A California
limited liability company, By:
Timothy K. Bliss, Member &
Vice President, By: /s/
Kimberly Shea, Attorney-inFact for Timothy K. Bliss
** 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.

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.