

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

1. Name and Address of Reporting Person* <u>DUCA MAURICE J</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 [APFF]</u>	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)
	3. Date of Earliest Transaction (Month/Day/Year) <u>11/22/2016</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

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			

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
Class B Common Stock	\$0.00	11/22/2016		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
Class B Common Stock	\$0.00							(1)(2)	(1)(2)	Class A Common Stock	(1)(2)		1,502,632	D	
Class B Common Stock	\$0.00							(1)(2)	(1)(2)	Class A Common Stock	(1)(2)		993,627	I ⁽⁴⁾	By IGSB Internal Venture Fund III
Class B Common Stock	\$0.00							(1)(2)	(1)(2)	Class A Common Stock	(1)(2)		1,358,126	I ⁽⁵⁾	By Pension Trust
Class B Common Stock	\$0.00							(1)(2)	(1)(2)	Class A Common Stock	(1)(2)		58,474	I ⁽⁶⁾	By R. Duca Pension Trust
Class B Common Stock	\$0.00							(1)(2)	(1)(2)	Class A Common Stock	(1)(2)		39,964	I	By Family Trust
Class B Common Stock	\$0.00							(1)(2)	(1)(2)	Class A Common Stock	(1)(2)		7,022	I ⁽⁷⁾	By Charitable Remainder Trust
Class B Common Stock	\$0.00							(1)(2)	(1)(2)	Class A Common Stock	(1)(2)		2,659	I ⁽⁸⁾	By Private Foundation

1. Name and Address of Reporting Person* <u>DUCA MAURICE J</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)
1. Name and Address of Reporting Person *		
Investment Group of Santa Barbara, LLC		
(Last)	(First)	(Middle)
C/O IGSB, INC.		
1485 E. VALLEY ROAD, SUITE H		
(Street)		
SANTA BARBARA	CA	93108
(City)	(State)	(Zip)

Explanation of Responses:

- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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 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-in-Fact for Timothy K. Bliss](#)

[11/22/2016](#)

[11/22/2016](#)

** 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 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.