

**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>IGSB IVP III, LLC</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)  Director <input checked="" type="checkbox"/> 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/17/2017</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			
Class A Common Stock	10/17/2017		J <sup>(1)</sup>		13,072	A	\$0.00 <sup>(1)</sup>	13,072	D <sup>(2)</sup>	

**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)		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)					

1. Name and Address of Reporting Person\*  
IGSB IVP III, LLC  
 (Last) (First) (Middle)  
C/O IGSB, INC.  
1485 E VALLEY ROAD, SUITE H  
 (Street)  
SANTA BARBARA CA 93108  
 (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:**

- Pro rata distribution of shares of Class A Common Stock (the "Class A Shares") from two limited partnerships of which, in each case, the reporting person is a limited partner.
- The Reporting Person is a private investment fund managed by Investment Group of Santa Barbara LLC ("IGSB").

**Remarks:**

IGSB IVP III, LLC, A  
California limited liability  
company, By: 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 10/19/2017

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 10/19/2017

\*\* 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.**