Marples Paul Form 4 October 27, 2010

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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OMB APPROVAL

if no longer subject to Section 16. Form 4 or Form 5 obligations may continue.

Check this box

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

See Instruction

Name and A Marples Pau	ddress of Reporting Person	2. Issuer Name and Ticker or Trading Symbol COSTAR GROUP INC [CSGP]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last)	(First) (Middle)	3. Date of Earliest Transaction	(Check all applicable)			
C/O COST <i>A</i> L STREET,	AR GROUP, INC., 133 NW	(Month/Day/Year) 1 10/26/2010	Director 10% Owner _X Officer (give title Other (specif below) Managing Director, FOCUS			
	(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person			
TTT A CITTATO	TON DO 20005		Form filed by More than One Reporting			

WASHINGTON, DC 20005

(City)	(State)	Zip) Table	e I - Non-E	Derivative Secu	rities Acq	uired, Disposed o	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)	4. Securities A on(A) or Dispos (Instr. 3, 4 and (A) or Amount (D)	ed of (D)	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)
Common Stock, par value \$0.01 per share	10/26/2010		S	1,250 D	\$ 50.38 (1)	19,527 (2)	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Person

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

	1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transacti	5. orNumber	6. Date Exerc Expiration D		7. Title Amount		8. Price of Derivative	9. Nu Deriv
Security (Instr. 3)		or Exercise Price of Derivative Security	(Monda Day/Teat)	any (Month/Day/Year)	Code (Instr. 8)	of	(Month/Day/Year)		Underlying Securities (Instr. 3 and	ying ies	Security (Instr. 5)	Secur Bene Owne Follo Repo Trans (Instr
					Code V	(A) (D)	Date Exercisable	Expiration Date	Title N	Amount or Number of Shares		

Reporting Owners

Relationships Reporting Owner Name / Address

> Officer Other Director 10% Owner

Marples Paul

C/O COSTAR GROUP, INC. 1331 L STREET, NW WASHINGTON, DC 20005

Managing Director, FOCUS

Signatures

/s/ Jonathan Coleman, Attorney-in-fact

10/26/2010

**Signature of Reporting Person

Date

Explanation of Responses:

- 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).
- (1) Average based on sales prices ranging from \$50.37 to \$50.40.
- Represents all shares of Common Stock owned, consisting of 10,793 shares of Common Stock and 8,734 shares of Common Stock **(2)** subject to unvested Restricted Stock Grants.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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