

APPFOLIO INC  
Form 3  
June 25, 2015

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Kane Ida Kathleen		(Month/Day/Year)	APPFOLIO INC [APPF]	
(Last)	(First)	(Middle)	06/25/2015	
50 CASTILIAN DRIVE			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
GOLETA, CA 93117			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			(give title below) (specify below)	<input type="checkbox"/> Form filed by More than One Reporting Person
			Chief Financial Officer	

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

SEC 1473 (7-02)

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**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 of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date			
		Title	Amount or Number of Shares		

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Class B Common Stock <u>(1)</u>	Â <u>(2)(3)</u>	Â <u>(2)(3)</u>	Class A Common Stock	25,000	\$ <u>(2)</u> <u>(3)</u>	D <u>(2)</u> <u>(3)</u>	Â
Class B Common Stock <u>(4)</u>	Â <u>(2)(3)</u>	Â <u>(2)(3)</u>	Class A Common Stock	26,519	\$ <u>(2)</u> <u>(3)</u>	D <u>(2)</u> <u>(3)</u>	Â
Class B Common Stock <u>(5)</u>	Â <u>(2)(3)</u>	Â <u>(2)(3)</u>	Class A Common Stock	10,417	\$ <u>(2)</u> <u>(3)</u>	D <u>(2)</u> <u>(3)</u>	Â
Employee Stock Option (Right to Buy) <u>(6)</u>	03/01/2015	02/01/2025	Class B Common Stock <u>(2)</u> <u>(3)</u>	4,144	\$ 5.64	D	Â
Employee Stock Option (Right to Buy) <u>(7)</u>	03/01/2015	02/01/2025	Class B Common Stock <u>(2)</u> <u>(3)</u>	12,500	\$ 5.64	D	Â
Employee Stock Option (Right to Buy) <u>(8)</u>	03/01/2017	02/01/2025	Class B Common Stock <u>(2)</u> <u>(3)</u>	56,837	\$ 5.64	D	Â
Employee Stock Option (Right to Buy) <u>(9)</u>	03/01/2017	02/01/2025	Class B Common Stock <u>(2)</u> <u>(3)</u>	27,084	\$ 5.64	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kane Ida Kathleen 50 CASTILIAN DRIVE GOLETA, CA 93117	Â	Â	Â Chief Financial Officer	Â

## Signatures

/s/ Ida Kathleen Kane  
06/25/2015

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* 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).
- (1) Shares issued pursuant to a Restricted Stock Purchase Agreement which vests as to 6,250 shares on February 1, 2016 and then thereafter at a rate of 521 shares per month; includes up to 25,000 shares subject to vesting through February 1, 2019 that may be repurchased by AppFolio, Inc. (the "Issuer") at the original purchase price. All repurchase rights will automatically terminate immediately prior to the

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consummation of a change in control and will vest in full.

Each share of Class B Common Stock is convertible, at any time at the option of the holder, into one share of Class A Common Stock. In addition, each share of Class B Common Stock will convert automatically into one share of Class A Common Stock upon any transfer that occurs after the consummation of the initial public offering (the "IPO") of the Issuer, except for any transfers by (i) a partnership or limited liability company that was a registered holder of shares of Class B Common Stock at the effective time of the IPO to anyone who was a partner or member of any such partnership or limited liability company at the effective time, and (ii) a transfer to a "qualified recipient," as defined in the Issuer's amended and restated certificate of incorporation. The shares of Class B Common Stock have no expiration date.

- (2)
- (3) 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.

- (4) Includes up to 26,519 shares subject to vesting through December 1, 2017, vesting as to 4,145 shares on February 1, 2016 and then thereafter the remaining 22,374 shares vest at various different intervals through December 1, 2017. Unvested shares may be repurchased by the Issuer at the original purchase price. The options accelerate automatically and vest in full immediately prior to the consummation of a change in control.

- (5) Includes up to 10,417 shares subject to vesting through December 1, 2017, vesting at a rate of 1,042 shares per month commencing March 1, 2017. Unvested shares may be repurchased by the Issuer at the original purchase price. The options accelerate automatically and vest in full immediately prior to the consummation of a change in control.

- (6) Option vests at various intervals commencing October 1, 2018 through December 1, 2018. The options accelerate automatically and vest in full immediately prior to the consummation of a change in control.

- (7) Option vests at a rate of 1,042 shares per month, commencing January 1, 2018. The options accelerate automatically and vest in full immediately prior to the consummation of a change in control.

- (8) Option vests at a rate of 17,731 shares on February 1, 2016. The remaining 39,106 shares vest at various different intervals through February 1, 2019. The options accelerate automatically and vest in full immediately prior to the consummation of a change in control.

- (9) Option vests at a rate of 1,042 shares per month, commencing January 1, 2019. The options accelerate automatically and vest in full immediately prior to the consummation of a change in control.

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### Remarks:

ExhibitÂ List:

ExhibitÂ 24.1Â PowerÂ ofÂ Attorney

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

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