

**MEMORANDUM of UNDERSTANDING
BETWEEN
COSTAR GROUP
AND
U.S. DEPARTMENT OF ENERGY
OFFICE of ENERGY EFFICIENCY AND RENEWABLE ENERGY**

September 21, 2015

I. PURPOSE AND GOALS

This Memorandum of Understand (MOU) is between the Department of Energy (DOE) Office of Energy Efficiency and Renewable Energy (EERE) and CoStar Group, Inc. (hereafter, each individually a "Party" and collectively the "Parties") for the intention of establishing and collaborating on a series of activities to advance national energy efficiency progress in support of the President's goal to make commercial and industrial buildings 20% more energy efficient over the next 10 years and accelerate private sector investment in energy efficiency.

The purpose of this MOU is to:

- Define a framework for collaboration between EERE and CoStar Group, Inc.; and
- Identify specific areas of collaborative focus that align with the programmatic interests of EERE and the capabilities of CoStar Group.

Background

Section 911 of the Energy Policy Act of 2005 (Pub. L. No. 109-58) authorizes DOE to conduct programs of energy efficiency research, development, demonstration, and commercial application. EERE, through its Building Technologies Office (BTO), leads national efforts to improve commercial energy efficiency and reduce the environmental impact of energy-related activities. BTO contributes to its efforts to provide reliable, affordable, and environmentally sound energy for America today and in the future.

In partnership with the private sector, state and local governments, national laboratories, and universities, BTO works to improve the efficiency of buildings and their equipment, components, and systems. BTO conducts research, development, and demonstration into technologies for improving commercial, multifamily and residential building energy efficiency. The program supports research and development activities and provides tools, guidelines, training, and access to technical and financial resources.

CoStar Group (NASDAQ:CSGP) is a provider of commercial real estate information, analytics and online marketplaces. Founded in 1987, CoStar Group conducts research to produce and maintain a database of commercial real estate information and provides a suite of online services, including LoopNet, Apartments.com, ApartmentFinder.com, and ApartmentHomeLiving.com. CoStar Group is headquartered in Washington, DC, and maintains offices throughout the U.S., in Europe and Toronto with a staff of approximately 2,900 worldwide.

Collaborative Objectives

The objective of the Parties to this MOU is to coordinate, leverage, and build upon the capabilities of CoStar Group and the technical expertise and programming within EERE in order to advance national energy efficiency progress in support of the President's goal to make commercial and industrial buildings 20 percent more energy efficient over the next 10 years and accelerate private sector investment in energy efficiency. Specific areas of collaboration are listed below:

CoStar Group intends to –

- Display building energy efficiency and energy performance information, including ENERGY STAR Portfolio Manager® scores that are made available to the public, in CoStar Group property databases and online marketplaces.
- Provide real estate information and expertise to EERE pursuant to a mutually acceptable license agreement in order to facilitate national building energy efficiency research projects, including energy efficiency analyses at the city level; the impact of energy efficiency and sustainability on real estate valuation, energy costs, net operating income, occupant health, comfort and productivity; and other topics, in a manner to be agreed upon jointly by the Parties.
- Provide expertise and information to EERE pursuant to a mutually acceptable license agreement in order to support the DOE Better Buildings program, and work with EERE to promote the Better Buildings program and the solutions of the market-leading partners through CoStar Group communication channels.

EERE intends to –

- Provide expertise on the type and format of building energy attributes and performance data to be displayed in CoStar Group property databases and online marketplaces, and facilitate the development of data-related solutions that effectively connect the building energy performance efforts of CoStar Group, federal government agencies, state and local governments, and other relevant parties.
- Develop and support research projects on building energy efficiency, including by contributing expertise from DOE and national laboratory staff, and promote the results of those projects.
- Provide information and resources related to the Better Buildings program.
- Announce CoStar Group achievements in achieving key milestones in implementing the MOU, subject to CoStar Group's review for accuracy.

II. ROLES AND RESPONSIBILITIES OF THE PARTIES

Each Party to this MOU intends to carry out its responsibilities through the individuals and offices identified below as practical and appropriate and when called upon to help with specific MOU-relevant Projects.

- A. EERE, through BTO and its Better Building program, plans to provide expertise on building energy efficiency and state and local building energy efficiency data trends. BTO will support the activities of this collaboration.
- B. CoStar Group intends to support the activities of this collaboration through its research, marketing, and communications departments.

III. MOU MANAGEMENT

Each Party to this MOU intends to provide employee support for collaboration and projects. Each Party intends to designate a member(s) of its staff to serve as the Party's Principal Point of Contact (POC) for and manager of the Party's participation in the collaboration. The principal POC for each party shall respond to inquiries related to their respective activities and associated areas of expertise and authority.

All Parties expressly acknowledge that the activities under this MOU shall be subject to change, including without limitation business priorities, the availability of resources, appropriated funds and personnel or the approval of other sources of funding.

IV. LIMITATIONS

Nothing in this MOU is to be construed as indicating a financial commitment by (i) CoStar Group or (ii) signatory agencies for the expenditure of funds except as authorized in specific appropriations.

As required by the Antideficiency Act, 31 U.S.C. §§ 1341-42, all commitments made by the Parties in this MOU are subject to business priorities, the availability of appropriated funds and to budget priorities. Nothing in this MOU, in and of itself, obligates any Party to expend funds or appropriations or to enter into any contract, assistance agreement, interagency agreement, or incur other financial obligations. Any transaction involving transfers of funds

between the Parties to the MOU will be handled in accordance with applicable laws, regulations, and procedures under separate written agreements.

This MOU does not, and is not intended to, impose any legally binding requirements on CoStar Group, Federal agencies, states or the regulated public. Policy and procedures within this MOU are intended solely as guidance. If necessary, the Parties intend to jointly issue any formal guidance interpreting this MOU and background materials upon which it is based. This MOU does not constitute final agency action on any issue. Any actions contemplated by the MOU are to be carried out in an appropriate administrative process by the action agency in accordance with all applicable laws and regulations.

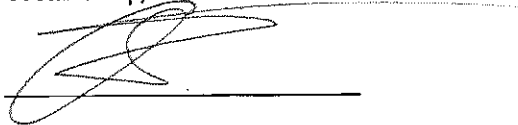
This MOU does not create any right or benefit, substantive or procedural, enforceable by law or equity, by persons who are not party to this agreement, against the Parties, their officers or employees, or any other person. This MOU does not direct or apply to any person outside of the Parties. This MOU in no way restricts either of the Parties from participating in any activity with other public or private agencies, organizations or individuals.

V. COMMENCEMENT/DURATION/MODIFICATION/TERMINATION

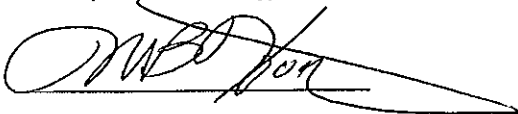
This MOU is to take effect upon the last signature date of the Parties, and shall remain in effect for a period of 24 months. This MOU may be extended or modified at any time while it is in effect, per the mutual written agreement of the Parties. Additionally, a Party may terminate its participation in the MOU at any time by providing written notice to the other Parties, at least 60 days in advance of the desired termination date.

Signed,

Andrew C. Florance
President and CEO
CoStar Group, Inc.

A handwritten signature in black ink, appearing to read 'A. Florance', written over a horizontal line.

Kathleen Hogan, Deputy Assistant Secretary
Office of Energy Efficiency and Renewable Energy
U.S. Department of Energy

A handwritten signature in black ink, appearing to read 'K. Hogan', written over a horizontal line.