



CoStar Group, Inc.


CSGP NASDAQ

IT Services / Consulting

Market Capitalization USD:

\$1,315.23 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Andrew C. Florance

Age: 48

CEO Since: 1995

	2009	2010	2011
Base Salary	\$456,560	\$456,560	\$500,122
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$385,379	\$350,559	\$1,025,000
Benefits and Perquisites	\$10,942	\$9,362	\$6,104
TOTAL ANNUAL COMPENSATION	\$852,881	\$816,481	\$1,531,226
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$584,326	\$745,416	\$900,769
Stock Awards	\$535,000	\$871,174	\$1,006,016
TOTAL COMPENSATION	\$1,972,207	\$2,433,071	\$3,438,011
Median of Other Named Executive Officers Total Compensation	\$524,812	\$712,745	\$937,558
Value Realized on Exercise of Stock Option	\$704,150	\$592,571	\$1,759,432
Value Realized on Vesting of Stock	\$442,659	\$3,176,730	\$1,254,852
TOTAL REALIZED EQUITY COMPENSATION	\$1,146,809	\$3,769,301	\$3,014,284

Proxy Date: 25 Apr 2012

Annual Meeting Date: 5 Jun 2012

Equity Reserves: 12.10%

Stock Option Run Rate: 0.70%

Performance Comparison

■ S&P500 ■ Industry ■ CSGP



Peer Comparisons (TRBC) =IT Services / Consulting

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
CSGP	CoStar Group, Inc.	\$1,972,207	\$2,433,071	\$3,438,011	\$1,315,227,293
PAY	VeriFone Systems, Inc.	\$1,801,371	\$7,221,154		\$3,686,260,566
AKAM	Akamai Technologies, Inc.	\$7,053,507	\$5,964,827	\$11,876,747	\$3,665,420,684
SLH	Solera Holdings, Inc.	\$3,233,783	\$5,887,247		\$3,578,470,147
SXCI	SXC Health Solutions Corp.	\$2,741,000	\$3,736,000	\$6,516,000	\$3,467,945,275
MDRX	Allscripts Healthcare Solutions, Inc.	\$1,063,745	\$4,072,270		\$3,387,130,092
IT	Gartner, Inc.	\$7,312,886	\$8,178,344	\$7,971,111	\$3,365,942,936

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Advent Software, Inc., Liquidity Services Inc., Advisory Board Company, LoopNet Inc., Arbitron Inc., Morningstar Inc., Blackbaud Inc., Move Inc., Blackboard Inc., NeuStar Inc., comScore Inc., RealPage, Inc., Corporate Executive Board Company, Rightnow Technologies Inc., DealerTrack Holdings Inc., Taleo Corp., Digital River Inc., TradeStation Group Inc., ExlService Holdings Inc., Travelzoo Inc., FactSet Research Systems Inc., Ultimate Software Group Inc., Forrester Research Inc., Vocus Inc., Global Traffic Network Inc., WebMD Health Corp., Harris Interactive Inc., Wright Express Corp., Lionbridge Technologies Inc.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Michael R. Klein	Chairman	70	Male	25	Outside Related
Christopher J. Nassetta	Member	49	Male	10	Outside Related
David Bonderman	Member	69	Male	17	Outside Related