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FOR IMMEDIATE RELEASE

PPR AND COSTAR JOIN FORCES TO FORM ULTIMATE COMMERCIAL REAL ESTATE INFORMATION SOLUTION

COMBINATION WILL BRING GREATER INSIGHT TO INVESTORS AND LENDERS

Boston, MA (July 20, 2009) – Property and Portfolio Research (PPR), the industry's leading provider of research advisory services, announced today that it has been acquired by CoStar Group, Inc. (NASDAQ: CSGP), the leading provider of information/marketing services to the commercial real estate industry. The transaction combines the largest commercial real estate database and data collection team with the industry's best analytical team with a view towards developing new insights, products, and tools for firms in the commercial real estate market.

"This is a terrific opportunity for both companies and our clients," said Bret Wilkerson, CEO of PPR. "Commercial real estate research and analytics are even more important given today's market, and there is an urgent need for greater understanding of the asset class going forward. We have a very high regard for what CoStar has built over the past 20 years and we look forward to using our analytical horsepower to help unleash even more value from Costar's rich dataset for the benefit of our combined clients."

"I am very pleased to add the premier provider of market analysis and forecasting for commercial real estate investment to our comprehensive, international information platform," said CoStar President and CEO Andrew C. Florance. "Bringing together PPR's outstanding team of economists and analysts with the industry's largest research organization and the most extensive database of commercial real estate information we believe will add value to product offerings and create additional growth opportunities for our combined services."

CoStar plans to preserve PPR's distinct identity and operate PPR as an independent subsidiary. The PPR team will remain at its headquarters located in Boston, MA, and offices in London and Hong Kong. Serving clients across the globe, we believe PPR will continue to be the leading provider of independent global real estate research and portfolio strategy services to the institutional real estate community.

ABOUT PPR

With offices in Boston, London and Hong Kong, PPR is the leading provider of independent global real estate research and portfolio strategy services to the institutional real estate community. PPR provides views on markets in North America, Europe and Asia and offers expertise in real estate market analysis, real estate portfolio analysis, mortgage risk analysis, and the design of productive real estate investment strategies. Clients include commercial banks, insurance companies, Wall Street firms, rating agencies, government agencies, pension funds, investment advisors, real estate investment trusts, and private investors. PPR is wholly owned by CoStar Group, Inc. (CSGP). Additional information is available at www.pprglobal.com.

ABOUT COSTAR GROUP

CoStar Group, Inc. (Nasdaq:CSGP) is the number one provider of information/marketing services to commercial real estate professionals in the United States as well as the United Kingdom. CoStar's suite of services offers customers access via the Internet to the most comprehensive database of commercial real estate information throughout the U.S. as well as in the United Kingdom and France. Headquartered in Bethesda, MD, CoStar has approximately 1,300 people working for the company worldwide, including the largest professional research organization in the industry. For more information, visit <http://www.costar.com>.

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This news release includes "forward-looking statements" including, without limitation, statements regarding PPR's expectations, beliefs, intentions or strategies regarding the future. These statements are subject to many risks and uncertainties that could cause actual results to differ materially from these statements. There can be no assurance that PPR and CoStar together will develop new insights, products and tools for firms in the commercial real estate market; that PPR's analytical capabilities will unleash even more value from CoStar's rich dataset; that the combination of PPR with CoStar will add value to product offerings and create additional growth opportunities for combined services; that PPR will always operate as an independent subsidiary with a distinct identity; and that PPR will continue to be the leading provider of independent global real estate research and portfolio strategy services to the institutional real estate community. All forward-looking statements are based on information available to CoStar on the date hereof, and CoStar assumes no obligation to update such statements.