



NEWS

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Noted Real Estate Economist Dr. Norm Miller Joins CoStar Group to Direct Integration of PPR's Industry-Leading Analytic and Forecasting Assets With CoStar's Database of Comprehensive Real Estate Information

BETHESDA, MD – November 13, 2009 – CoStar Group, Inc. (Nasdaq: CSGP), the number one provider of information, marketing and analytic services to the commercial real estate industry, today announced that Dr. Norm Miller will join the company as Vice President of Analytics. The appointment is effective January 1, 2010.

A respected scholar and real estate thought leader, Dr. Miller has served for the past two-and-a-half years as professor and director of academic programs for the Burnham-Moores Center for Real Estate at the University of San Diego. In his new position with CoStar, Dr. Miller will work closely with the team of real estate economists at Property and Portfolio Research, Inc. (PPR) to integrate PPR's industry-leading investment analysis tools and market forecast services with CoStar's research database to achieve a common operating platform. CoStar's senior management will remain actively involved in the operation and management of PPR, which CoStar acquired earlier this year.

"Having worked with Norm for many years, I can think of no one more qualified to work closely with Dr. Ruijue Peng and her exceptional team of economists at PPR to coordinate this major integration effort," said CoStar Group CEO Andrew Florance. "We believe the combination of PPR's strong analytic and market forecasting capabilities with the industry's most comprehensive and widely-used database of commercial real estate information will greatly benefit both PPR and CoStar's customers, and we are committed to achieving this integration as quickly as possible."

"Norm's impeccable academic background as an economist, his extensive work in applied real estate econometrics, and his experience working with CoStar's research and product development groups make him an outstanding choice for directing this important collaborative effort to bring about this integration and make PPR's investment analysis and forecasting advantages available to CoStar's broad client base," Florance added.

"I welcome this opportunity to join CoStar and I look forward to working with Dr. Peng and her colleagues at PPR to support their work in providing advanced real estate analytic solutions by incorporating CoStar's unmatched data resources," said Dr. Miller. "Working together, I am confident we will realize the full potential of this combination to extend PPR's leading position as a strategic consultant for real estate investors and lenders, and expand CoStar's business intelligence and analytics platform."

A similar integration effort is underway involving Resolve Technology, another recent CoStar acquisition. Through these acquisitions, CoStar intends to provide real estate investors with the ability to access and analyze market-level trends, and drill down into the property and transaction level details, thereby providing customers with greater transparency and insight into their real estate investment decisions.

CoStar also intends to further broaden its thought leadership in the real estate analytics area by working closely with top researchers and faculty involved in real estate research as well as by hiring additional staff with backgrounds in geo-spatial analysis, economic forecasting and strategic consulting.

In addition to his work as a professor and extensive and respected academic publication record, Dr. Miller has worked closely with CoStar for a number of years. With CoStar Group CEO Andrew Florance, Dr. Miller co-authored the first study confirming the income premium associated with green buildings that was recognized by the American Real Estate Society as the best paper published in the *Journal of Real Estate Portfolio Management* in 2008. His most recent book, *Commercial Real Estate Analysis and Investment*, with Geltner, Eicholtz and Clayton, is in its second edition and is considered the leading graduate-level textbook in the world. Dr. Miller is a past president The American Real Estate Society (ARES), and he also serves as the editor of the *Journal of Sustainable Real Estate*, a new academic journal published by ARES with support from CoStar Group.

Dr. Miller will remain affiliated as a professor with the University of San Diego and as an Emeritus Professor from the University of Cincinnati. He is also a faculty member at the Homer Hoyt Institute Maury Seldin School of Advanced Studies and a Distinguished Fellow with NAIOP, the Commercial Real Estate Development Association.

About CoStar Group, Inc.

CoStar Group, Inc. (Nasdaq:CSGP) is the number one provider of information, marketing and analytic 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 1,400 people working for the company worldwide, including the largest professional research organization in the industry. For more information, visit <http://www.costar.com>.

This news release includes "forward-looking statements" including, without limitation, statements regarding CoStar'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. More information about potential factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, those stated in CoStar's filings from time to time with the Securities and Exchange Commission, including CoStar's Form 10-K for the year ended December 31, 2008, and Form 10-Q for the quarter ended September 30, 2009, under the heading "Risk Factors." In addition to these statements, there can be no assurance that PPR will integrate its investment analysis tools and market forecast services with CoStar's research database to achieve a common operating platform; that CoStar's senior management will remain actively involved in the operation and management of PPR; that the combination of PPR's analytic and market forecasting capabilities with CoStar's database of commercial real estate information will happen quickly or benefit both PPR and CoStar's customers; that Dr.

Miller's academic background, extensive work in applied real estate econometrics, and his experience working with CoStar's research and product development groups make him an outstanding choice for directing this integration or will result in making PPR's investment analysis and forecasting advantages available to CoStar's client base; that the combination of PPR and CoStar will extend PPR's leading position as a strategic consultant for real estate investors and lenders, and expand CoStar's business intelligence and analytics platform; that through recent acquisitions the company will be able to provide real estate investors with the ability to access and analyze market-level trends, and drill down into the property and transaction level details, thereby providing customers with greater transparency and insight into their real estate investment decisions; and that the company will expand its thought leadership in the real estate analytics area by working closely with top researchers and faculty involved in real estate research as well as by hiring additional staff with backgrounds in geo-spatial analysis, economic forecasting and strategic consulting. All forward-looking statements are based on information available to CoStar on the date hereof, and CoStar assumes no obligation to update such statements.