

COSTAR GROUP INC  
Form SC 13G/A  
February 14, 2012

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 13G**

Under the Securities Exchange Act of 1934  
(Amendment No. 2)\*

**CoStar Group, Inc.**

---

(Name of Issuer)

**Common Stock, \$0.01 par value**

---

(Title of Class of Securities)

**22160N109**

---

(CUSIP Number)

**December 31, 2011**

---

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)  
 Rule 13d-1(c)  
 Rule 13d-1(d)

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see Instructions).

CUSIP No.: 22160N109

1                      NAME OF REPORTING PERSON  
                            Daruma Asset Management, Inc.

I.R.S. IDENTIFICATION NO. OF

ABOVE PERSON (ENTITIES ONLY)  
13-3831899

2 CHECK THE APPROPRIATE BOX IF  
A MEMBER OF A GROUP  
(a)   
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF  
ORGANIZATION  
New York

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY EACH  
REPORTING  
PERSON WITH

5 SOLE VOTING POWER  
0

6 SHARED VOTING POWER  
343,530

7 SOLE DISPOSITIVE POWER  
0

8 SHARED DISPOSITIVE POWER  
864,170

9 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON  
864,170

10 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES

11 PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (9)  
3.41%

12 TYPE OF REPORTING PERSON  
IA

CUSIP No.: 22160N109

NAME OF REPORTING PERSON  
Mariko O. Gordon

1 I.R.S. IDENTIFICATION NO. OF  
ABOVE PERSON (ENTITIES ONLY)  
N/A

2 CHECK THE APPROPRIATE BOX IF  
A MEMBER OF A GROUP  
(a)    
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF  
ORGANIZATION  
USA

NUMBER OF 5 SOLE VOTING POWER  
SHARES 0

BENEFICIALLY 6 SHARED VOTING POWER  
OWNED BY EACH 343,530

REPORTING 7 SOLE DISPOSITIVE POWER  
PERSON WITH 0

8 SHARED DISPOSITIVE POWER  
864,170

9 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON  
864,170

10 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES

11 PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (9)  
3.41%

12 TYPE OF REPORTING PERSON  
IN, HC

CUSIP No.: 22160N109

ITEM 1(a). NAME OF  
ISSUER:

CoStar Group,  
Inc.

ITEM 1(b). ADDRESS OF  
ISSUER'S

PRINCIPAL  
EXECUTIVE  
OFFICES:

1331 L Street,  
NW  
Washington, DC  
20005

ITEM 2(a). NAME OF  
PERSON  
FILING:

Daruma Asset  
Management,  
Inc.  
Mariko O.  
Gordon

ITEM 2(b). ADDRESS OF  
PRINCIPAL  
BUSINESS  
OFFICE OR, IF  
NONE,  
RESIDENCE:

80 West 40th  
Street  
9th Floor  
New York, NY  
10018

ITEM 2(c). CITIZENSHIP:

Daruma Asset  
Management,  
Inc. - New York  
Mariko O.  
Gordon - USA

ITEM 2(d). TITLE OF  
CLASS OF  
SECURITIES:

Common Stock,  
\$0.01 par value

ITEM 2(e). CUSIP  
NUMBER:

22160N109

ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO SECTION 240.13d-1(b), or 13d-2(b) or (c) CHECK  
WHETHER THE PERSON FILING IS A:

- (a)  Broker or dealer registered under Section 15 of the Act (15 U.S.C. 78c);
- (b)  Bank as defined in Section 3(a)(6) of the Act (15 U.S.C. 78c);
- (c)  Insurance company as defined in Section 3(a)(19) of the Act (15 U.S.C. 78c);
- (d)  Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8);
- (e)  An investment adviser in accordance with 240.13d-1(b)(1)(ii)(E);

- (f)  An employee benefit plan or endowment fund in accordance with 240.13d-1(b)(1)(ii)(F);
- (g)  A parent holding company or control person in accordance with 240.13d-1(b)(1)(ii)(G);
- (h)  A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i)  A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j)  A non-U.S. institution in accordance with 240.13d-1(b)(1)(ii)(J);
- (k)  Group, in accordance with 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with 240.13d1(b)(1)(ii)(J), please specify the type of institution:

ITEM

4. OWNERSHIP:

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

Daruma Asset Management, Inc. - 864,170

Mariko O. Gordon 864,170

(b) Percent of class:

Daruma Asset Management, Inc. - 3.41%

Mariko O. Gordon 3.41%

(c) Number of shares as to which the person has:

(i) Sole power to vote or to direct the vote:

Daruma Asset Management, Inc. - 0

Mariko O. Gordon 0

(ii) Shared power to vote or to direct the vote:

Daruma Asset Management, Inc. - 343,530

Mariko O. Gordon 343,530

(iii) Sole power to dispose or to direct the disposition of:

Daruma Asset Management, Inc. - 0

Mariko O. Gordon 0

(iv) Shared power to dispose or to direct the disposition of:

Daruma Asset Management, Inc. - 864,170

Mariko O. Gordon 864,170

OWNERSHIP OF

ITEM 5. FIVE PERCENT OR LESS OF A CLASS:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of

more than five percent of the class of securities, check the following [X].

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON:

The 864,170 shares beneficially owned by Daruma Asset Management, Inc. and Mariko O. Gordon are held in the accounts of private investment vehicles and managed accounts advised by Daruma Asset Management, Inc.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY:

N/A

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP:

N/A

ITEM 9. NOTICE OF DISSOLUTION OF GROUP:

N/A

ITEM 10. CERTIFICATION:

By signing below I certify that, to the

best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 14, 2012

Date

Daruma Asset Management, Inc.

/s/ Veronica T. Stork

---

Signature

Veronica T. Stork, Chief Compliance Officer

---

Name/Title

February 14, 2012

Date

Mariko O. Gordon

/s/ Mariko O. Gordon

---

Signature

Mariko O. Gordon, CFA, Chief Executive Officer

---

Name/Title

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (see 18 U.S.C. 1001).

SIGNATURE

CUSIP No.: 22160N109

Exhibit A

AGREEMENT

The undersigned agree that this Schedule 13G/A dated February 14, 2012 relating to the Common Stock, \$0.01 par value per share of CoStar Group, Inc. shall be filed on behalf of the undersigned.

DARUMA ASSET MANAGEMENT, INC.

By: /s/ Veronica T. Stork

Name: Veronica T. Stork

Title: Chief Compliance Officer

MARIKO O. GORDON

/s/ Mariko O. Gordon

Mariko O. Gordon, CFA