

LoopNet, Inc.
Form 425
October 27, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 26, 2011

COSTAR GROUP, INC.
(Exact name of registrant as specified in its charter)

| | | |
|---|-------------------------------------|---|
| Delaware (State or other jurisdiction of incorporation) | 0-24531 (Commission File Number) | 52-2091509 (IRS Employer Identification No.) |
|---|-------------------------------------|---|

| | |
|---|---------------------|
| 1331 L Street, NW, Washington, DC (Address of principal executive offices) | 20005 (Zip Code) |
|---|---------------------|

Registrant's telephone number, including area code: (202) 346-6500

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On October 26, 2011, CoStar Group, Inc. (“CoStar”) announced its financial results for the quarter ended September 30, 2011. The full text of the press release (the “Press Release”) issued in connection with the announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in the Press Release shall be considered “furnished” pursuant to this Current Report on Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended, nor shall it be deemed incorporated by reference into any of the Registrant’s reports or filings with the Securities and Exchange Commission, whether made before or after the date hereof, except as expressly set forth by specific reference in such a filing.

Item 8.01. Other Events.

On October 25, 2011, CoStar acquired Virtual Premise, Inc. (“Virtual Premise”), a Software as a Service (SaaS) provider of real estate information management solutions, pursuant to a merger agreement. CoStar paid approximately \$17.2 million in cash, approximately 80% of which was paid on the closing date and the remaining 20% of which will be paid 270 days after the closing date, subject to purchase price adjustments for any post-closing net working capital adjustments and indemnification claims made prior to such date. The acquisition of Virtual Premise is not expected to significantly impact CoStar’s fourth quarter 2011 revenue. Virtual Premise will continue to operate as a separate subsidiary of CoStar for the foreseeable future.

Item 9.01. Financial Statements and Exhibits.

| Exhibit No. | Description |
|--------------|---|
| Exhibit 99.1 | CoStar Group, Inc. Press Release Dated October 26, 2011 |

Additional Information.

In connection with the proposed acquisition of LoopNet, Inc. (“LoopNet”), CoStar filed with the SEC, and the SEC declared effective, a Registration Statement on Form S-4 that included a preliminary proxy statement of LoopNet that also constituted a preliminary prospectus of CoStar. On June 7, 2011, CoStar filed a final prospectus and LoopNet filed a definitive proxy statement and LoopNet began mailing the proxy statement/prospectus to LoopNet stockholders, who approved the proposed transaction on July 11, 2011. Investors and security holders are encouraged to read these materials as well as any other relevant documents filed with the SEC regarding the proposed transaction, because they contain important information regarding the proposed transaction. Copies of all documents filed with the SEC regarding the proposed transaction, including the proxy statement/prospectus, may be obtained free of charge at the SEC’s website, www.sec.gov. Copies of the proxy statement/prospectus and the filings with the SEC that are incorporated by reference in the proxy statement/prospectus can also be obtained, free of charge, from CoStar’s website, www.costar.com/Investors.aspx under the tab “SEC Filings” or from LoopNet’s website, investor.loopnet.com, under the tab “Investor Relations.”

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COSTAR GROUP, INC.

By:

/s/ Brian J. Radecki

Date: October 26, 2011

Name: Brian J. Radecki

Title: Chief Financial Officer

Exhibit Index

Exhibit 99.1

CoStar Group, Inc. Press Release Dated October 26, 2011

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