



NEWS

Contacts:

Analysts/Investors:
Brian J. Radecki - Chief Financial Officer
(301) 664-9132
bradecki@costar.com

Media:
Timothy J. Trainor - Communications Director
(301) 280-7695
ttrainor@costar.com

CoStar Group Honored by U.S. Environmental Protection Agency with 2009 ENERGY STAR® Award for Promoting Energy Efficiency Within Commercial Real Estate Industry

BETHESDA, MD — March 19, 2009 - CoStar Group, Inc. (Nasdaq: CSGP), the number one provider of information/marketing services to the commercial real estate industry, today announced that it has been selected by the U.S. Environmental Protection Agency (EPA) to receive the 2009 Excellence in ENERGY STAR Promotion Award. The award recognizes CoStar's outstanding contribution to reducing greenhouse gas emissions through significant consumer education efforts aimed at increasing awareness of ENERGY STAR buildings and workspaces within the commercial real estate marketplace. CoStar will be recognized at an awards ceremony in Washington, D.C. on March 31, 2009.

CoStar, which became an ENERGY STAR partner last year, is being honored for its work in communicating the value of ENERGY STAR labeling to commercial property stakeholders through a landmark study sponsored in partnership with the Burnham-Moores Center for Real Estate at the University of San Diego. The CoStar study is believed to be the first to document the additional value that ENERGY STAR-labeled buildings attract in the market, generally outperforming their non-labeled peer buildings in several key categories, including higher rents, occupancy levels and sale prices.

To promote the study's findings, which found similar results for LEED-certified buildings, CoStar executives made numerous presentations at conferences around the nation hosted by real estate associations, brokerage firms and government agencies. Interest in the study remains high nearly a full year after the first formal report on the study was released.

“CoStar first began flagging ENERGY STAR-labeled buildings in our commercial property database in 2007 as an initial step to heighten awareness about the connection between asset values and energy efficiency within our industry, providing industry professionals with a fast and

convenient means for identifying ENERGY STAR buildings in their markets and across the country,” noted CoStar Group President and Chief Executive Officer Andrew Florance.

“Last year, we built on that initial effort through our study, which informed real estate professionals exactly what those blue ENERGY STAR icons on certain buildings stand for, and in many cases, how those icons may affect the value of their properties,” Florance added. “CoStar remains committed to our partnership with ENERGY STAR and the goal of making energy efficiency a fundamental part of doing business in the commercial real estate marketplace, helping our customers protect the environment, and make informed choices about the location of their stores and workplaces.”

As part of ongoing efforts to increase awareness of energy efficiency issues in the built environment, CoStar has co-sponsored The Journal of Sustainable Real Estate (JOSRE) with the goal of publishing a new collection of research papers addressing sustainable real estate issues, including ENERGY STAR. Information on JOSRE, as well as CoStar’s study, is available on CoStar’s web site at <http://www.costar.com/josre/>.

The Excellence in ENERGY STAR Promotion Award is given to a variety of organizations to recognize their efforts to improve energy efficiency and reduce pollution, resulting in significant cost savings. Award winners are selected from more than 12,000 organizations that participate in the ENERGY STAR program.

Last year alone, with the help of ENERGY STAR, Americans saved \$19 billion on their energy bills and reduced greenhouse gas emissions equivalent to those of 29 million vehicles, according to the EPA.

“Partners like CoStar Group are leading the way by showing Americans how they can protect our environment through energy efficiency,” said Kathleen Hogan, Director of the Climate Protection Partnerships Division at the U.S. EPA. “By promoting ENERGY STAR, they are making it easier for consumers to find energy-efficient properties in the marketplace.”

About ENERGY STAR

ENERGY STAR was introduced by the U.S. Environmental Protection Agency in 1992 as a voluntary market-based partnership to reduce greenhouse gas emissions through increased energy efficiency. Today, ENERGY STAR offers businesses and consumers energy-efficient solutions to save energy and money and help protect the environment for future generations. More than 12,000 organizations are ENERGY STAR partners committed to improving the energy efficiency of products, homes, buildings and businesses. For more information about ENERGY STAR, visit www.energystar.gov or call toll-free 1-888-STAR-YES (1-888-782-7937).

About CoStar Group, Inc.

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>.

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 under the heading "Risk Factors." In addition to these statements, there can be no assurance that all ENERGY STAR-labeled buildings will outperform their non-labeled peer buildings; that all commercial properties will see a positive correlation between asset values and energy efficiency; that the ENERGY STAR icon on a building will affect the value of the property; and that improved energy efficiency and/or reduced pollution will result in significant cost savings. All forward-looking statements are based on information available to CoStar on the date hereof, and CoStar assumes no obligation to update such statements.