

EXHIBIT 2



RSP & Associates LLC

AGC Center
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August 11, 2004

CoStar Group
Attn: Mr. Scott A. Zebrak
Deputy General Counsel & Director
Intellectual Property
2 Bethesda Metro Center
Bethesda, Maryland 20814-5388

Subject: CoStar Account Status

Dear Mr. Zebrak:

As requested, please accept this letter as a written synopsis of the issues we discussed via telephone on Monday, August 9, 2004.

Reiterated, my position remains unchanged. I have been using CoStar Comps since around 1998 in conjunction with my commercial real estate appraisal and consulting business. I have not knowingly provided unauthorized access to my subscription. As explained, I would imagine my usage is high due to the volume of appraisal and consulting work conducted in the Portland-Vancouver metropolitan market. My firm completed several hundred appraisals in recent years, logging in and out of the CoStar system multiple times per day from on-site and off-site offices/computers.

In response to your accusations of passcode sharing, I can only speculate that the informal system I established among my employees to accommodate off-site research activity (home offices, client offices, laptop, etc.) has been compromised on a limited basis by unknown individuals. I have already taken steps to eliminate the exposure to future unauthorized activity.

Your impromptu suspension of my subscription is not warranted and I request a rapid conclusion to your ongoing "investigation." I expect to be fully reimbursed and/or credited for the time paid for and lost due to this misunderstanding.

It is my hope that this issue can be resolved in short order.

Sincerely,

RSP & ASSOCIATES LLC

A handwritten signature in black ink, appearing to read "RSP", is written over a horizontal line.

Ryan S. Prusse, MAI