

EXHIBIT 5

Ref: LegalSH
Dept:

Date: 21OCT04 SHIPPING \$11.42
Wgt: 0.2 lbs SPECIAL \$1.08
HANDLING \$0.00
TOTAL \$12.50

SERVICE: STANDARD OVERNIGHT
TRACK: 6754 7424 0989



October 21, 2004

Via Federal Express

Nathan Celko
Hazleton, LLC
3535 N Russett
Portland, Oregon 97212

Re: **Your Use of CoStar Services**

Dear Mr. Celko:

I am writing to address the license agreement between CoStar Realty Information, Inc. ("CoStar") and Hazleton, LLC, which you signed on September 27, 2004, relating to the delivery of the CoStar COMPS® and CoStar Property® services (the "Hazleton/CoStar License Agreement"). According to CoStar's review, it appears that Hazleton is in violation of such agreement.

In your conversations with CoStar personnel, you indicated that Hazleton is in the business of buying distressed properties to improve and sell. You also indicated that you operate Hazleton out of your house. Accordingly, the Hazleton/CoStar License Agreement allowed for only one designated person (you) at Hazleton to use the licensed CoStar services from the licensed site, 3535 N. Russett, Portland, Oregon (your home address).

Yet CoStar recently learned that you actually work as an Appraiser Assistant at RSP & Associates. Among other things, your name is contained on the RSP telephone directory and you are listed on the Oregon Appraiser Assistant Registry with a work telephone number of (503) 582-4944, which is the main line at RSP. Notwithstanding the limitations of the license, CoStar's records indicate that the CoStar services delivered pursuant to the Hazleton/CoStar License Agreement over the past month have been accessed solely through an IP address that was previously used by RSP or by individuals with the CoStar UserID's assigned to authorized users at RSP.

As you are no doubt aware, presenting yourself to CoStar sales personnel as Hazleton and not RSP is significant because RSP is not licensed to use any CoStar subscription services and has been instructed to permanently refrain from accessing or using any subscription-only CoStar database service.

Despite all of this, it is my understanding that yesterday you told Troy Jones of CoStar that you have no relationship with RSP other than RSP performing a couple of appraisals for properties purchased by Hazleton, at the

CoStar Realty Information, Inc.

2 Bethesda Metro Center

10th Floor

Bethesda, MD 20814-5388

301.215.8300 *tel*

800.204.5960 *toll free*

301.718.2444 *fax*

800.613.1301 *toll free fax*

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NASDAQ: CSGP

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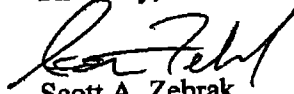
request of the bank you work with. That explanation appears to be inconsistent with the information described above.

This situation is unacceptable and constitutes a violation of CoStar's legal rights. Accordingly, CoStar hereby terminates the Hazleton/CoStar License Agreement, and CoStar demands that you immediately and permanently refrain from accessing or using any subscription-only CoStar service without express written permission from CoStar.

Additionally, you must not take any steps to delete, spoil, or destroy any documents, financial records, or other evidence, whether in print or electronic format, including email, relating or referring to this matter. Note that this letter is not intended as and shall not constitute a waiver or limitation as to any of CoStar's rights, claims or remedies, each of which such rights, claims and remedies are expressly reserved.

This is a serious matter. If contend that any of the information I have provided in this letter is incorrect, you need to let me know as soon as possible. In addition, if you would like to attempt to amicably resolve this matter, please call. I can be reached by telephone, at (301) 280-3890, and by facsimile, at (301) 664-9176.

Sincerely,



Scott A. Zebrak
Deputy General Counsel &
Director, Intellectual Property