



**Part II** Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attached.

Blank lines for providing Internal Revenue Code section(s) and subsection(s).

18 Can any resulting loss be recognized? ▶ See attached.

Blank lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is 2025.

Blank lines for providing other information necessary to implement the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ Chris Lown Date ▶ 04/01/2025  
Print your name ▶ Chris Lown Title ▶ Chief Financial officer

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**MATTERPORT INC.****ATTACHMENT TO FORM 8937  
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES****MERGERS INVOLVING COSTAR GROUP, INC.****Part II, Item 14: Description of organizational action.**

On February 28, 2025, pursuant to that certain Agreement and Plan of Merger and Reorganization, dated as of April 21, 2024 (the “Merger Agreement”), by and among Matterport, Inc. (“Matterport”), CoStar Group, Inc. (“CoStar”), Matrix Merger Sub, Inc., a wholly owned subsidiary of CoStar (“Merger Sub I”) and Matrix Merger Sub II LLC, a wholly owned subsidiary of CoStar (“Merger Sub II”), (i) Merger Sub I merged with and into Matterport (the “First Merger”), with Matterport surviving the First Merger as a wholly owned subsidiary of CoStar (the “Surviving Corporation”) and (ii) the Surviving Corporation merged with and into Merger Sub II (the “Second Merger”) and, together with the First Merger, the “Mergers”), with Merger Sub II surviving the Second Merger as a wholly owned subsidiary of CoStar.

As a result of the Mergers, each share of Matterport’s common stock issued and outstanding was converted into the right to receive (a) \$2.75 in cash and (b) 0.03552 shares of CoStar common stock.

Each holder of Matterport common stock that otherwise would have been entitled to receive a fractional share of CoStar common stock received cash in lieu of such fractional share.

**Part II, Item 15: Describe the quantitative effect of the organizational action on the basis of the security in the hands of the U.S. taxpayer as an adjustment per share or as a percentage of old stock basis.**

Further discussion of material U.S. federal income tax consequences of the Mergers can be found in the Form S-4 of CoStar as filed with the Securities and Exchange Commission on May 20, 2024, under the heading “Material U.S. Federal Income Tax Consequences” (available at: <https://www.sec.gov/Archives/edgar/data/1057352/000119312524143159/d813688ds4.htm>) (the “Form S-4”).

Consistent with the Intended Tax Treatment (as defined in the Form S-4), based on the value of CoStar common stock at the time the Mergers were completed, the Mergers will be reported as, and CoStar and Matterport believe that the Mergers qualified as, a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code (the “Code”).

A holder of Matterport common stock recognized gain (but not loss) in an amount equal to the lesser of: (i) the amount by which the sum of the fair market value of CoStar common stock and cash received by the holder exceeded such holder’s tax basis in its Matterport common stock, and (ii) the amount of cash received by such holder (in each case excluding any cash received instead of fractional share interests in CoStar common stock).

The aggregate tax basis of CoStar common stock received in the Mergers will be the same as the aggregate tax basis of Matterport common stock exchanged for CoStar common stock, decreased by the amount of cash received in the Mergers (excluding any cash received instead of fractional share interests in CoStar common stock), and increased by the amount of any gain recognized in the exchange (excluding any gain recognized with respect to fractional share interests in CoStar common stock for which cash is received).

A holder of Matterport common stock who received cash instead of a fractional share of CoStar common stock will recognize gain or loss equal to the difference between the amount of cash received and the tax basis allocated to the fractional share of CoStar common stock that would have been received.

**Part II Item 16: Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

Although U.S. federal income tax laws do not provide a single method for calculating the fair market value, one approach, which is consistent with the Merger Agreement, is to use the 20-day volume weighted average trading price of CoStar common stock ending on (and including) the NASDAQ trading day that was three trading days prior to February 28, 2025. Using this approach, the fair market value of each share of CoStar common stock received in the Mergers was \$76.54.

Other approaches to determine fair market value are possible, including, for example, the trading price on February 28, 2025. Shareholders should consult with a tax advisor to determine what measure of fair market value is appropriate.

**Part II, Item 17: List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

Sections 354(a)(1), 356(a)(1), 358(a)(1), 368(a)(1)(A), and 1001.

**Part II, Item 18: Can any resulting loss be recognized?**

A holder of Matterport common stock who received cash instead of a fractional share of CoStar common stock will recognize gain or loss equal to the difference between the amount of cash received and the tax basis allocated to the fractional share of CoStar common stock that would have been received.

**THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE TAX ADVICE AND DOES NOT PURPORT TO BE COMPLETE OR TO DESCRIBE THE CONSEQUENCES THAT MAY APPLY TO PARTICULAR CATEGORIES OF SHAREHOLDERS. SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THEIR TAX CONSEQUENCES FROM THE MERGERS.**