FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking” statements relating to RealPage, Inc.’s expected, possible or assumed future results; anticipated contributions to performance of its various product families, including the statement that Resident Services, Property Management and Asset Optimization product categories continue to fuel solid revenue traction; anticipated synergies resulting from the integration of NWP Services Corporation into RealPage, Inc.’s business; and RealPage, Inc.’s opportunities for operating leverage and operating cash flow growth. These forward-looking statements are based on management's beliefs and assumptions and on information currently available to management. Forward-looking statements include all statements that are not historical facts and may be identified by terms such as “expects,” “believes,” “plans,” or similar expressions and the negatives of those terms. Those forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The company may be required to revise its results upon finalizing its review of quarterly and full year results, which could cause or contribute to such differences. Additional factors that could cause or contribute to such differences include, but are not limited to, the following: (a) the possibility that general economic conditions, including leasing velocity or uncertainty, could cause information technology spending, particularly in the rental housing industry, to be reduced or purchasing decisions to be delayed; (b) an increase in insurance claims; (c) an increase in customer cancellations; (d) the inability to increase sales to existing customers and to attract new customers; (e) RealPage, Inc.'s failure to integrate acquired businesses and any future acquisitions successfully or to achieve expected synergies; (f) the timing and success of new product introductions by RealPage, Inc. or its competitors; (g) changes in RealPage, Inc.'s pricing policies or those of its competitors; (h) legal or regulatory proceedings; (i) the inability to achieve revenue growth or to enable margin expansion; and (j) such other risks and uncertainties described more fully in documents filed with or furnished to the Securities and Exchange Commission (“SEC”) by RealPage Inc., including its Quarterly Report on Form 10-Q previously filed with the SEC on May 6, 2016. All information provided in this release is as of the date hereof and RealPage Inc. undertakes no duty to update this information except as required by law.

In the company’s earnings releases, conference call remarks, slide presentations, and webcasts, the company may use or discuss non-GAAP financial measures, as defined by Regulation G. The GAAP financial measure most directly comparable to each non-GAAP financial measure used or discussed, and a reconciliation of the differences between each non-GAAP financial measure and the comparable GAAP financial measure, are included in this presentation. For such non-GAAP reconciliations, please reference this presentation, the Investor Relations section of www.realpage.com, and the company’s most recent SEC filings. A reconciliation between GAAP and non-GAAP measures is included in the appendix to this presentation and is available on the Investor Relations portion of the website www.realpage.com. This presentation should also be used in conjunction with the company’s IR Fact Sheet and “Explanation of Non-GAAP Financial Measures,” both previously furnished to the SEC by Form 8-K filed on August 3, 2016.

RealPage is a registered trademark of RealPage, Inc. This presentation also contains additional trademarks and service marks of ours and of other companies. We do not intend our use or display of other companies’ trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, these other companies.
STEVE WINN
CHAIRMAN & CEO
REALPAGE OVERVIEW

• Strong Q2’16 financial performance
• Q2’16 Non-GAAP total revenue growth of 25%
• Q2’16 Non-GAAP subscription growth of 27%
• Q2’16 operating cash flow growth of 20%
• Q2’16 Adjusted EBITDA growth of 43%
  • 280 basis point of expansion YOY
RENTAL HOUSING CONTINUES TO TEST PEAK OCCUPANCY LEVELS

- Occupancy at 96.2% in Q2'16
- Occupancy at peak rate for current economic cycle
- Rents grew 4.5% in Q2'16
- Rents positive for 24 consecutive quarters
- ~537,000 units under construction
- 2016 completions expected to top 300,000 for first time in three decades
• Non-GAAP on demand product family revenue grew 14% YOY in Q2’16
• OneSite steady grower
• Accounting achieving strong traction ~ new Enterprise Accounting solution
• AssetEye + Enterprise Accounting = addressing underserved needs of institutions
• Windsor, Propertyware traction
• Kigo ~ strong revenue traction and 4.6 million TTM booked nights
• eSupply + OpsTechnology = powerful tool for optimizing operational spend
Non-GAAP on demand product family revenue grew 60% YOY in Q2’16

NWP, Renter’s Insurance, Payments, Portals & Velocity all achieving strong revenue growth

Integrating NWP & Velocity to include best of both platforms

NWP synergies on track ~ 5x to 6x EBITDA exiting 2016
LEASING & MARKETING

• Non-GAAP on demand product family revenue declined 3% YOY in Q2’16

• Screening, online leasing and websites driving growth
  • Contact center headwinds continue

• Next generation contact center to include unified communication platform ~ rental housing prospects can use phone, text, email or chat
  • Live agent / automated agent model

• Website innovation driving growth ~ 2D/3D, virtual tours, improved client tools
• Non-GAAP on demand product family revenue grew 16% YOY in Q2’16
• Growth driven by YieldStar® and Business Intelligence
• Business Intelligence + Benchmarking = over 1 million active units
• RealWorld user conference highlighted industry veterans leveraging RealPage BI to make material impact
• Investment Analytics unlocking broader client base ~ lenders, brokers & research firms
• Innovation focused on unlocking insights from RP massive repository of data

• Lead Scoring ~ measure the effectiveness of each ad source and leasing agent

• Learning Management ~ new-hire and associate training is acute pain point
  • Video for easy consumption and administration
  • Training aides in compliance and can increase product usage

• European expansion ~ following large clients
ORGANIZATIONAL EFFECTIVENESS

• Structuring company for next phase of growth
• Disciplined expense strategy critical
  • Headquarters consolidation and remote office closures or reduced footprint
  • Data centers migration ~ expect to leverage IT spend
  • New product technology framework expected to accelerate development speed to market, reduce costs, and accelerate integration of acquisitions
• Expect more leverage from sales and marketing
• Ashley Glover named Chief Revenue Officer
  • Deep experience to evolve sales and operations
SUMMARY

- Nearly 80% of revenue experiencing exceptional adoption
- Expense efficiency initiatives driving significant Adjusted EBITDA margin expansion
  - 280 bp YOY
- Expect continued Adjusted EBITDA margin expansion marching towards goal of 30%+
- Driving significant FCF ROIC ~ 25% for Q2’16
  - Underscores importance of organic and inorganic growth
- Innovation engine building to full throttle
- Improving organizational effectiveness to support next phase of growth
- Balanced, flexible capital allocation strategy
• Strong Q2’16 performance
• Non-GAAP total revenue of $142.5 million – 25% YOY growth compared to Q2’15
• Adjusted EBITDA of $30.7 million – 43% YOY growth compared to Q2’15
  • 280 bp of margin expansion
• Non-GAAP diluted earnings per diluted share growth of 50% compared to Q2’15
• Balanced capital allocation strategy ~ 25% FCF ROIC during Q2’16
• Successful acquisition strategy extracting synergies
  • Indatus run-rate of 6x – 7x EBITDA
  • NWP on track to reflect 5x – 6x EBITDA
FINANCIAL SUMMARY

- Non-GAAP on demand revenue of $136.4 million – 24% YOY growth compared to Q2’15
  - Subscription = 91% and grew 27% YOY
- Broad-based revenue traction
  - Resident Services – 60% YOY growth
  - Property Management – 14% YOY growth
  - Asset Optimization – 16% YOY growth
LAND AND EXPAND

- Total ACV of $549 million – 21% YOY growth
- Top 100 average RPU of $70 in Q2 ’16
- Consistent growth across all client segments
- 20,000+ CAGR of 10% (2012 – 2015)
- 5,000 – 20,000 CAGR of 11% (2012 – 2015)
- Below 5,000 CAGR of 15% (2012 – 2015)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Q2’16</th>
</tr>
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<tr>
<td>ACV</td>
<td>$333.0</td>
<td>$378.1</td>
<td>$405.2</td>
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<td>UNITS</td>
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<td>RPU</td>
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<td>$42.39</td>
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TOP 50 RPU

- RPU range of $130 to $330
- Average $172 in RPU in Q2’16
- Broad distribution across client categories for Q2 ’16
- Top 50 average RPU 3.5x aggregate RPU of $49

![Top 50 RPU Chart]
• Continued expense discipline

• Adjusted gross margin diluted by 220 bp from NWP

• Non-GAAP operating expense margin improved 380 bp YOY

• Adjusted EBITDA margin expansion of 280 bp YOY ~ disciplined cost containment strategies

• Adjusted EBITDA margin diluted by 120 bp from NWP
  
  • NWP expected to be accretive exiting 2016

• Non-GAAP net income per diluted share of $0.18 ~ YOY growth of 50%
• Cash flow from operations grew 20% YOY

• Expanded & solidified capital structure ~ $125 million term loan expands total borrowing capacity to $325 million

• Continually seek cost efficient sources of capital to fund capital allocation strategy

• Capex elevated for headquarters ~ expected to return to 5% of revenue in 2017 and beyond

• Repurchased nearly 3.8 million shares program to date

<table>
<thead>
<tr>
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<th>Q2 2015</th>
<th>Q2 2016</th>
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<td><strong>BALANCE SHEET</strong></td>
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<td>Cash and Cash Equivalents</td>
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<td><strong>CASH FLOW</strong></td>
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<td>Operating Cash Flow</td>
<td>$26.3</td>
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<td>Capital Expenditures</td>
<td>$5.1</td>
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</table>

![Graph showing Adjusted EBITDA and Operating Cash Flow from 2012 to 2015.](image-url)
2016 EXPECTATIONS

• Q3’16 Non-GAAP total revenue of $146 million to $148 million
• Q3’16 Adjusted EBITDA of $31 million to $32 million
• Q3’16 Non-GAAP EPS of $0.18 to $0.19
• FY’16 Non-GAAP total revenue of $567 million to $573 million
• FY’16 Adjusted EBITDA of $122 million to $125 million
• FY’16 Non-GAAP EPS of $0.71 to $0.74

* - Recently, the U.S. Securities and Exchange Commission staff issued new guidance regarding the use of non-GAAP financial measures. While the company has reconciled guidance as part of its “Reconciliation of Non-GAAP Financial Measures to Comparable GAAP”
APPENDIX
The following is a reconciliation of the non-GAAP financial measures used by RealPage to describe its financial results determined in accordance with accounting principles generally accepted in the United States of America, or GAAP. An explanation of these measures is also included under the heading “Explanation of Non-GAAP Financial Measures.”

While the company believes that these non-GAAP financial measures provide useful supplemental information to investors regarding the underlying performance of our business operations, investors are reminded to consider these non-GAAP measures in addition to, and not as a substitute for, financial performance measures prepared in accordance with GAAP. In addition, it should be noted that these non-GAAP financial measures may be different from non-GAAP measures used by other companies, and the company may utilize other measures to illustrate performance in the future. Non-GAAP measures have limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP.

### Non-GAAP Total Revenue
Set forth below is a presentation of the company’s “Non-GAAP Total Revenue.” Please reference the “Explanation of Non-GAAP Financial Measures” section.

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Q1'14</th>
<th>Q2'14</th>
<th>Q3'14</th>
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<th>2014</th>
<th>Q1'15</th>
<th>Q2'15</th>
<th>Q3'15</th>
<th>Q4'15</th>
<th>2015</th>
<th>Q1'16</th>
<th>Q2'16</th>
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<td>Revenue (GAAP)</td>
<td>$257,979</td>
<td>$322,172</td>
<td>$377,022</td>
<td>$100,563</td>
<td>$94,988</td>
<td>$104,536</td>
<td>$104,464</td>
<td>$404,551</td>
<td>$110,470</td>
<td>$114,762</td>
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<td>$468,520</td>
<td>$128,383</td>
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<td>Acquisition-related and other deferred revenue</td>
<td>706</td>
<td>89</td>
<td>2,717</td>
<td>1,324</td>
<td>(207)</td>
<td>(392)</td>
<td>(290)</td>
<td>435</td>
<td>(466)</td>
<td>(552)</td>
<td>(614)</td>
<td>(545)</td>
<td>(2,157)</td>
<td>(343)</td>
<td>(258)</td>
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<td>Non-GAAP Total Revenue</td>
<td>$258,685</td>
<td>$322,261</td>
<td>$379,879</td>
<td>$101,787</td>
<td>$95,701</td>
<td>$104,844</td>
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<td>$120,974</td>
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<td>$466,363</td>
<td>$128,040</td>
<td>$142,467</td>
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### Adjusted EBITDA
Set forth below is a presentation of the company’s "Adjusted EBITDA" and "Adjusted EBITDA Margin." Please reference the "Explanation of Non-GAAP Financial Measures" section.

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Q1'14</th>
<th>Q2'14</th>
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<th>2015</th>
<th>Q1'16</th>
<th>Q2'16</th>
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<tr>
<td>Net income (loss) (GAAP)</td>
<td>$(1,231)</td>
<td>$5,183</td>
<td>$20,692</td>
<td>$(836)</td>
<td>$(6,291)</td>
<td>$(3,257)</td>
<td>$(3,257)</td>
<td>$110</td>
<td>$(10,274)</td>
<td>$(1,608)</td>
<td>$(3,318)</td>
<td>$(8,192)</td>
<td>$3,900</td>
<td>$(9,218)</td>
<td>$2,996</td>
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<tr>
<td>Acquisition-related and other deferred revenue</td>
<td>706</td>
<td>89</td>
<td>2,717</td>
<td>1,324</td>
<td>(207)</td>
<td>(392)</td>
<td>(290)</td>
<td>435</td>
<td>(466)</td>
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<td>(614)</td>
<td>(545)</td>
<td>(2,157)</td>
<td>(343)</td>
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<td>Depreciation, asset impairment, and loss on disposal of assets</td>
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<td>(3,310)</td>
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<td>308</td>
<td>391</td>
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<td>(5,605)</td>
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<td>(3,846)</td>
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<td>39</td>
<td>31</td>
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<td>—</td>
<td>—</td>
<td>2</td>
<td>—</td>
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<td>Net income (loss) (GAAP)</td>
<td>$(56,499)</td>
<td>$73,349</td>
<td>$90,312</td>
<td>$24,508</td>
<td>$12,504</td>
<td>$16,330</td>
<td>$17,247</td>
<td>$70,899</td>
<td>$20,060</td>
<td>$21,409</td>
<td>$24,218</td>
<td>$26,504</td>
<td>$92,191</td>
<td>$27,452</td>
<td>$30,662</td>
</tr>
</tbody>
</table>

### Adjusted EBITDA Margin
21.8%  | 22.8%  | 23.8%  | 24.1%  | 13.2%  | 15.7%  | 16.6%  | 17.4%  | 18.2%  | 18.7%  | 20.0%  | 21.9%  | 19.8%  | 21.4%  | 21.5%
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO COMPARABLE GAAP MEASURES**

**Non-GAAP Net Income**

Set forth below is a presentation of the company’s "Non-GAAP Net Income" and "Non-GAAP Net Income per Diluted Share." Please reference the "Explanation of Non-GAAP Financial Measures" section.

<table>
<thead>
<tr>
<th></th>
<th>Q1'14</th>
<th>Q2'14</th>
<th>Q3'14</th>
<th>Q4'14</th>
<th>Q1'15</th>
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<th>Q4'15</th>
<th>Q1'16</th>
<th>Q2'16</th>
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</thead>
<tbody>
<tr>
<td>Net income (loss) (GAAP)</td>
<td>$836</td>
<td>$6,291</td>
<td>$3,257</td>
<td>$110</td>
<td>$10,274</td>
<td>$1,608</td>
<td>$3,318</td>
<td>$8,192</td>
<td>$3,900</td>
<td>$9,218</td>
</tr>
<tr>
<td>Income tax expense (benefit)</td>
<td>(511)</td>
<td>(1,830)</td>
<td>(2,299)</td>
<td>(6,333)</td>
<td>(1,704)</td>
<td>189</td>
<td>(5,605)</td>
<td>3,274</td>
<td>(3,846)</td>
<td>2,114</td>
</tr>
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<td>Average on demand units</td>
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<td>(13,797)</td>
<td>7,174</td>
<td>(13,064)</td>
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<tr>
<td>Acquisition-related and other deferred revenue</td>
<td>1,324</td>
<td>(207)</td>
<td>(392)</td>
<td>(290)</td>
<td>435</td>
<td>(466)</td>
<td>(532)</td>
<td>(614)</td>
<td>(545)</td>
<td>(2,157)</td>
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<td>Asset impairment and loss on disposal of assets</td>
<td>20</td>
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<td>16</td>
<td>350</td>
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<td>6,059</td>
<td>6,927</td>
<td>6,791</td>
<td>25,377</td>
</tr>
<tr>
<td>Acquisition-related (income) expense</td>
<td>851</td>
<td>357</td>
<td>880</td>
<td>(111)</td>
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<td>1,992</td>
<td>585</td>
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<tr>
<td>Stock-based expense</td>
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<td>9,536</td>
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<td>37,050</td>
<td>10,747</td>
<td>11,250</td>
<td>8,669</td>
<td>7,456</td>
<td>38,122</td>
</tr>
<tr>
<td>Non-GAAP income before income taxes</td>
<td>20,095</td>
<td>7,715</td>
<td>10,876</td>
<td>11,883</td>
<td>50,569</td>
<td>14,762</td>
<td>15,917</td>
<td>18,841</td>
<td>20,790</td>
<td>70,110</td>
</tr>
<tr>
<td>Assumed rate for income tax expense (1)</td>
<td>40.0%</td>
<td>40.0%</td>
<td>40.0%</td>
<td>40.0%</td>
<td>40.0%</td>
<td>40.0%</td>
<td>40.0%</td>
<td>40.0%</td>
<td>40.0%</td>
<td>40.0%</td>
</tr>
<tr>
<td>Assumed provision for income tax expense</td>
<td>8,038</td>
<td>3,086</td>
<td>4,380</td>
<td>4,753</td>
<td>20,227</td>
<td>5,905</td>
<td>6,367</td>
<td>7,536</td>
<td>8,316</td>
<td>28,124</td>
</tr>
<tr>
<td>Non-GAAP Net Income</td>
<td>$12,057</td>
<td>$4,629</td>
<td>$6,526</td>
<td>$7,130</td>
<td>$30,342</td>
<td>$8,857</td>
<td>$9,550</td>
<td>$11,305</td>
<td>$12,474</td>
<td>$42,186</td>
</tr>
<tr>
<td>Non-GAAP Net Income per Diluted Share</td>
<td>$ (0.01)</td>
<td>$ (0.08)</td>
<td>$ (0.04)</td>
<td>$ 0.00</td>
<td>$ (0.13)</td>
<td>$ (0.02)</td>
<td>$ (0.04)</td>
<td>$ (0.11)</td>
<td>$ 0.05</td>
<td>$ (0.12)</td>
</tr>
<tr>
<td>Weighted average outstanding shares - diluted (2)</td>
<td>77,468</td>
<td>78,195</td>
<td>77,774</td>
<td>77,565</td>
<td>77,176</td>
<td>77,846</td>
<td>77,063</td>
<td>77,055</td>
<td>77,300</td>
<td>77,147</td>
</tr>
</tbody>
</table>

**Non-GAAP On Demand Revenue, Ending On Demand Units, RPU and ACV**

Set forth below is a presentation of the company’s "Non-GAAP On Demand Revenue," "Ending On Demand Units," "RPU," and "ACV." Please reference the "Explanation of Non-GAAP Financial Measures" section.

<table>
<thead>
<tr>
<th></th>
<th>Q1'14</th>
<th>Q2'14</th>
<th>Q3'14</th>
<th>Q4'14</th>
<th>Q1'15</th>
<th>Q2'15</th>
<th>Q3'15</th>
<th>Q4'15</th>
<th>Q1'16</th>
<th>Q2'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>On demand revenue (GAAP)</td>
<td>$97,008</td>
<td>$91,606</td>
<td>$100,347</td>
<td>$101,261</td>
<td>$106,460</td>
<td>$110,640</td>
<td>$116,772</td>
<td>$117,090</td>
<td>$123,411</td>
<td>$136,610</td>
</tr>
<tr>
<td>Acquisition-related and other deferred revenue</td>
<td>1,324</td>
<td>(207)</td>
<td>(392)</td>
<td>(290)</td>
<td>(466)</td>
<td>(532)</td>
<td>(614)</td>
<td>(545)</td>
<td>(343)</td>
<td>(258)</td>
</tr>
<tr>
<td>Non-GAAP On Demand Revenue</td>
<td>98,332</td>
<td>91,399</td>
<td>100,335</td>
<td>100,971</td>
<td>105,994</td>
<td>101,108</td>
<td>116,158</td>
<td>116,545</td>
<td>123,068</td>
<td>136,352</td>
</tr>
<tr>
<td>Ending On Demand Units</td>
<td>9,205</td>
<td>9,371</td>
<td>9,486</td>
<td>9,560</td>
<td>9,700</td>
<td>10,302</td>
<td>10,406</td>
<td>10,568</td>
<td>10,999</td>
<td>11,141</td>
</tr>
<tr>
<td>Average on demand units</td>
<td>9,154</td>
<td>9,328</td>
<td>9,434</td>
<td>9,528</td>
<td>9,630</td>
<td>10,001</td>
<td>10,354</td>
<td>10,487</td>
<td>10,783</td>
<td>11,070</td>
</tr>
<tr>
<td>RPU</td>
<td>$42.97</td>
<td>$39.19</td>
<td>$42.55</td>
<td>$42.39</td>
<td>$44.03</td>
<td>$44.04</td>
<td>$44.87</td>
<td>$44.45</td>
<td>$48.10</td>
<td>$49.27</td>
</tr>
<tr>
<td>ACV (3)</td>
<td>$398,976</td>
<td>$367,249</td>
<td>$404,055</td>
<td>$405,248</td>
<td>$427,091</td>
<td>$453,700</td>
<td>$469,176</td>
<td>$469,748</td>
<td>$529,052</td>
<td>$548,917</td>
</tr>
</tbody>
</table>
## RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO COMPARABLE GAAP MEASURES

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Property Management</th>
<th>Percentage of Total</th>
<th>Q4'14</th>
<th>Q3'14</th>
<th>Q2'14</th>
<th>Q1'14</th>
<th>Q4'15</th>
<th>Q3'15</th>
<th>Q2'15</th>
<th>Q1'15</th>
<th>Q4'16</th>
<th>Q3'16</th>
<th>Q2'16</th>
<th>Q1'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$28,868</td>
<td>10%</td>
<td>$28,868</td>
<td>$31,920</td>
<td>$32,427</td>
<td>$32,751</td>
<td>$35,224</td>
<td>$35,916</td>
<td>$36,262</td>
<td>$36,859</td>
<td>$37,520</td>
<td>$37,285</td>
<td>$37,520</td>
<td>$37,520</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$12,500</td>
<td>5%</td>
<td>$12,500</td>
<td>$13,800</td>
<td>$14,300</td>
<td>$14,460</td>
<td>$15,026</td>
<td>$15,191</td>
<td>$15,391</td>
<td>$16,066</td>
<td>$16,910</td>
<td>$17,433</td>
<td>$17,700</td>
<td>$17,700</td>
</tr>
<tr>
<td>Net income (loss) per share - diluted</td>
<td>$0.71</td>
<td>0.71%</td>
<td>$0.71</td>
<td>$0.74</td>
<td>$0.83</td>
<td>$0.74</td>
<td>$0.74</td>
<td>$0.74</td>
<td>$0.74</td>
<td>$0.74</td>
<td>$0.74</td>
<td>$0.74</td>
<td>$0.74</td>
<td>$0.74</td>
</tr>
<tr>
<td>Weighted average outstanding shares - diluted</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
<td>75,911</td>
</tr>
</tbody>
</table>

### Non-GAAP Net Income Guidance

Set forth below is a presentation of the company’s “Non-GAAP Net Income” and “Non-GAAP Net Income per Diluted Share” guidance for the third quarter ended September 30, 2016 and the year ended December 31, 2016. Please reference the “Explanation of Non-GAAP Financial Measures” section.

### Adjusted EBITDA Guidance

Set forth below is a presentation of the company’s “Adjusted EBITDA” guidance for the third quarter ended September 30, 2016 and the year ended December 31, 2016. Please reference the “Explanation of Non-GAAP Financial Measures” section.
The company defines “Non-GAAP Total Revenue” as total revenue plus acquisition-related and other deferred revenue adjustments. The company believes it is useful to include deferred revenue written down for GAAP purposes under purchase accounting rules and revenue deferred due to a lack of historical experience determining the settlement of the contractual obligation in order to appropriately measure the underlying performance of its business operations in the period of activity and associated expense. Further, the company believes this measure is useful to investors as a way to evaluate the company’s ongoing performance because it provides a more accurate depiction of on demand revenue arising from our strategic acquisitions.

The company defines “Adjusted Gross Profit” as gross profit, plus (1) acquisition-related and other deferred revenue adjustments, (2) depreciation, (3) amortization of intangible assets, (4) headquarters relocation costs, and (5) stock-based expense; and the company defines “Adjusted Gross Margin” as Adjusted Gross Profit as a percentage of Non-GAAP Total Revenue. The company believes that investors and financial analysts find these non-GAAP financial measures to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ongoing expenditures related to its sales and marketing strategies.

The company defines “Adjusted EBITDA” as net income (loss), plus (1) acquisition-related and other deferred revenue adjustments, (2) depreciation, asset impairment, and the loss on disposal of assets, (3) amortization of intangible assets, (4) acquisition-related expense (income), (5) interest expense, net, (6) income tax expense (benefit), (7) litigation-related expense, (8) headquarters relocation costs, and (9) stock-based expense; and the company defines “Adjusted EBITDA Margin” as Adjusted EBITDA as a percentage Non-GAAP Total Revenue. The company believes that investors and financial analysts find these non-GAAP financial measures to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ability to generate income from ongoing business operations.

The company defines “Non-GAAP Product Development Expense” as product development expense, excluding (1) asset impairment and loss on disposal of assets, (2) headquarters relocation costs, and (3) stock-based expense; and the company defines “Non-GAAP Product Development Margin” as Non-GAAP Product Development Expense as a percentage of Non-GAAP Total Revenue. The company believes that investors and financial analysts find these non-GAAP financial measures to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ongoing expenditures related to product innovation.

The company defines “Non-GAAP General and Administrative Expense” as general and administrative expense, excluding (1) asset impairment and loss on disposal of assets, (2) acquisition-related expense (income), (3) litigation-related expense, (4) headquarters relocation costs, and (5) stock-based expense; and the company defines “Non-GAAP General and Administrative Margin” as Non-GAAP General and Administrative Expense as a percentage of Non-GAAP Total Revenue. The company believes that investors and financial analysts find these non-GAAP financial measures to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s underlying expense structure to support corporate activities and processes.

The company believes that investors and financial analysts find these non-GAAP financial measures to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ongoing expenditures related to its sales and marketing strategies.
The company defines “Non-GAAP Operating Expense” as operating expense, excluding (1) asset impairment and loss on disposal of assets, (2) acquisition-related expense (income), (3) litigation-related expense, (4) headquarters relocation costs, and (5) stock-based expense; and the company defines “Non-GAAP Operating Expense Margin” as Non-GAAP Operating Expense as a percentage of Non-GAAP Total Revenue. The company believes that investors and financial analysts find these non-GAAP financial measures to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s underlying expense structure to support ongoing operations.

The company defines “Non-GAAP Operating Income” as operating income (loss), plus (1) acquisition-related and other deferred revenue, (2) asset impairment and loss on disposal of assets, (3) amortization of intangible assets, (4) acquisition-related expense (income), (5) litigation-related expense, (6) headquarters relocation costs, and (7) stock-based expense; and the company defines “Non-GAAP Operating Margin” as Non-GAAP Operating Income as a percentage of Non-GAAP Total Revenue. The company believes that investors and financial analysts find these non-GAAP financial measures to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ability to generate income from ongoing business operations.

The company defines “Non-GAAP Net Income” as net income (loss), plus (1) income tax expense, (2) acquisition-related and other deferred revenue, (3) asset impairment and loss on disposal of assets, (4) amortization of intangible assets, (5) acquisition-related expense (income), (6) litigation-related expense, (7) headquarters relocation costs, (8) stock-based expense, and (9) provision for income tax expense based on an assumed rate in order to approximate the company’s long-term effective corporate tax rate; and the company defines “Non-GAAP Net Income per Diluted Share” as Non-GAAP Net Income divided by weighted average diluted shares outstanding. The company believes that investors and financial analysts find these non-GAAP financial measures to be useful in analyzing the company’s financial and operational performance, comparing this performance to the company’s peers and competitors, and understanding the company’s ability to generate income from ongoing business operations.

The company defines “Non-GAAP On Demand Revenue” as total revenue plus acquisition-related and other deferred revenue adjustments. In addition, the company may refer to derivatives of Non-GAAP On Demand Revenue such as product family details (i.e., Property Management, Resident Services, Leasing and Marketing and Asset Optimization) and other revenue detail (i.e., Subscription and Transactional). The company believes it is useful to include deferred revenue written down for GAAP purposes under purchase accounting rules and revenue deferred due to a lack of historical experience determining the settlement of the contractual obligation in order to appropriately measure the underlying performance of the company’s business operations in the period of activity and associated expense. Further, the company believes that investors and financial analysts find this measure to be useful in evaluating the company’s ongoing performance because it provides a more accurate depiction of on demand revenue arising from our strategic acquisitions.

The company defines “Ending On Demand Units” as the number of rental housing units managed by our customers with one or more of our on demand software solutions at the end of the period. We use ending on demand units to measure the success of our strategy of increasing the number of rental housing units managed with our on demand software solutions. Property unit counts are provided to us by our customers as new sales orders are processed. Property unit counts may be adjusted periodically as information related to our customers’ properties is updated or supplemented, which could result in adjustments to the number of units previously reported.

The company defines “RPU,” or Revenue Per Unit, as Non-GAAP On Demand Revenue divided by average on demand units for the same period. For interim periods, the calculation is performed on an annualized basis. The company calculates average on demand units as the average of the beginning and ending on demand units for each quarter in the period presented. In addition, the company may refer to derivatives of RPU (i.e., Top 50) that highlight product penetration into its client base. The company monitors this metric to measure its success in increasing the number of on demand software solutions utilized by its customers to manage their rental housing units, in overall revenue and profitability.

The company defines “ACV,” or Annual Client Value, as RPU multiplied by Ending On Demand Units. The company monitors this metric to measure its success in increasing the number of on demand units and the amount of software solutions utilized by its customers to manage their rental housing units. The company may refer to derivatives of ACV (i.e., Top 100) that highlight product penetration into its client base. In addition, the company believes ACV provides a useful proxy for the annual run rate value of on demand customer relationships.

The company excludes or adjusts each of the items identified below from the applicable non-GAAP financial measure referenced above for the reasons set forth with respect to each excluded item:

**Non-GAAP tax rate** — The company uses a non-GAAP tax rate of 40% to normalize the tax impact to its Non-GAAP Adjusted Net Income per Diluted Share based on the fact that a relatively small change in pre-tax GAAP income (loss) in any one period could result in a volatile GAAP effective tax rate.

**Acquisition-related and other deferred revenue** — These items are included to reflect deferred revenue written down for GAAP purposes under purchase accounting rules and revenue deferred due to a lack of historical experience determining the settlement of the contractual obligation in order to appropriately measure the underlying performance of the company’s business operations in the period of activity and associated expense.

**Asset impairment and loss on disposal of assets** — These items comprise gains (losses) on the disposal and impairment of long-lived assets, which are not reflective of the company’s ongoing operations. Exclusion of these items facilitates a more accurate comparison of the company’s results of operations between periods.

**Amortization of intangible assets** — These items are amortized over their estimated useful lives and generally cannot be changed or influenced by the company after acquisition. Accordingly, these items are not considered by the company in making operating decisions. The company does not believe such charges accurately reflect the performance of its ongoing operations for the period in which such charges are incurred.

**Acquisition-related expense (income)** — These items consist of direct costs incurred in our business acquisition transactions and the impact of changes in the fair value of acquisition-related contingent consideration obligations. Exclusion of these items facilitates a more accurate comparison of the results of the company’s ongoing operations across periods and eliminates volatility related to changes in the fair value of acquisition-related contingent consideration obligations.

**Litigation-related expense** — This item relates to the company’s litigation with Yardi Systems, Inc., including related insurance litigation and settlement costs. This significant and non-recurring litigation and related ancillary matters were resolved in the second quarter of 2014. The company believes that the costs incurred related to this litigation are not reflective of its ongoing operations.

**Headquarters relocation costs** — These items consist of duplicative rent and other expenses related to the relocation of our corporate headquarters and data center. These costs are not reflective of the company’s ongoing operations due to their non-recurring nature.

**Stock-based expense** — This item is excluded because these are non-cash expenditures that the company does not consider part of ongoing operating results when assessing the performance of our business, and also because the total amount of the expenditure is partially outside of its control because it is based on factors such as stock price, volatility, and interest rates, which may be unrelated to the company’s performance during the period in which the expenses are incurred.