

ZILLOW INC
 Form 424B5
 August 20, 2013
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Filed Pursuant to Rule 424(b)(5)
 Registration No. 333-190700

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
Class A Common Stock, par value \$0.0001 per share	5,777,008(1)	\$ 82.00	\$ 473,714,656	\$ 64,615(2)

- (1) Includes 753,522 shares that the underwriters have the option to purchase, exercisable for 30 days from the date of this prospectus supplement.
- (2) This filing fee is calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended, and relates to the Registration Statement on Form S-3 (File No. 333-190700) filed by Zillow, Inc. on August 19, 2013.

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PROSPECTUS SUPPLEMENT

(To prospectus dated August 19, 2013)

5,023,486 Shares

Zillow, Inc.

Class A Common Stock

\$82.00 per share

We are offering 2,500,000 shares of our Class A common stock and the selling shareholders identified in this prospectus supplement are offering 2,523,486 shares of Class A common stock. We will not receive any proceeds from the sale of shares of Class A common stock by the selling shareholders.

Since Zillow's inception, we have had authorized Class A common stock, which has one vote per share, and authorized Class B common stock, which has 10 votes per share. All shares of Class B common stock are held or controlled by our founders, Richard Barton and Lloyd Frink. Following this offering, Mr. Barton will have 40.1% of the voting power of our outstanding capital stock, and Mr. Frink will have 27.4% of the voting power of our outstanding capital stock.

We have granted the underwriters an option to purchase up to 753,522 additional shares of Class A common stock.

Our Class A common stock is listed on The Nasdaq Global Market under the symbol Z. On August 19, 2013, the last reported sale price of our Class A common stock on The Nasdaq Global Market was \$84.74 per share.

Investing in our Class A common stock involves risks. See Risk Factors beginning on page S-13.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public Offering Price	\$ 82.00	\$ 411,925,852.00
Underwriting Discounts and Commissions	\$ 3.69	\$ 18,536,663.34
Proceeds to Zillow, Inc. (before expenses)	\$ 78.31	\$ 195,775,000.00
Proceeds to the Selling Shareholders (before expenses)	\$ 78.31	\$ 197,614,188.66

The underwriters expect to deliver the shares to purchasers on or about August 23, 2013 through the book-entry facilities of The Depository Trust Company.

Citigroup

Goldman, Sachs & Co.

Allen & Company LLC

Canaccord Genuity

Pacific Crest Securities

JMP Securities

The date of this Prospectus Supplement is August 19, 2013.

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PROSPECTUS

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and accompanying prospectus are part of a registration statement that we filed with the U.S. Securities and Exchange Commission, or SEC, utilizing a shelf registration process. The shelf registration statement (File No. 333-190700) was filed and became effective on August 19, 2013.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. Neither we, the underwriters, nor the selling shareholders have authorized anyone to provide you with information that is different from that contained in this prospectus supplement and the accompanying prospectus, which together we sometimes refer to generally as the prospectus. Neither we, the underwriters, nor the selling shareholders are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement and the accompanying prospectus or the documents incorporated herein and therein by reference is accurate as of any date other than their respective dates. Our business, financial condition and results of operations may have changed since those dates.

You should read carefully this prospectus supplement and accompanying prospectus, together with the additional information described under the headings Information Incorporated by Reference.

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SUMMARY

*The following summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus and in the documents incorporated by reference in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our Class A common stock, you should carefully read this entire prospectus supplement and the accompanying prospectus, including the section entitled *Risk Factors* beginning on page S-13 of this prospectus supplement, and all other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus in its entirety. In this prospectus supplement and the accompanying prospectus, unless the context requires otherwise, references to Zillow, our company, we, us and our refer to Zillow, Inc. In addition, in this prospectus supplement and the accompanying prospectus, we use the term *unique user*. We count a unique user the first time an individual accesses our mobile applications using a mobile device during a calendar month, and the first time an individual accesses one of our websites using a web browser during a calendar month. If an individual accesses our mobile applications using different mobile devices within a given month, the first instance of access by each such mobile device is counted as a separate unique user. If an individual accesses our websites using different web browsers within a given month, the first access by each such web browser is counted as a separate unique user. If an individual accesses more than one of our websites in a single month, the first access to each website is counted as a separate unique user since unique users are tracked separately for each domain. We measure unique users with Google Analytics. Beginning in December 2012, the reported monthly unique users reflect the effect of Zillow's December 14, 2012 acquisition of HotPads, Inc.*

ZILLOW, INC.

Mission

Our mission is to build the most trusted and vibrant home-related marketplace to empower consumers with information and tools to make smart decisions about homes.

Our Company

Zillow operates the leading real estate and home-related information marketplaces on mobile and the Web, with a complementary portfolio of brands and products to help people find vital information about homes and connect with local professionals. In addition to our websites, including Zillow.com, we also own and operate Zillow Mobile, our suite of home-related mobile applications, Zillow Mortgage Marketplace, where borrowers connect with lenders to find loans and get competitive mortgage rates, Zillow Digs, our home improvement marketplace where consumers can find visual inspiration and local cost estimates, Zillow Rentals, a marketplace and suite of tools for rental professionals, Postlets, Diverse Solutions, Agentfolio, Mortech and HotPads. During July 2013, more than 61 million unique users visited our owned and operated mobile applications and websites, representing year-over-year growth of 66%.

Zillow provides products and services to help consumers through every stage of homeownership buying, selling, renting, borrowing and remodeling. We are transforming the way people make home-related decisions, and enabling homeowners, buyers, sellers and renters to find and connect with local professionals best suited to meet their needs. Zillow provides consumers and professionals an edge in real estate .

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We maintain an unwavering commitment to providing consumers free access to as much useful information as possible. Our living database of more than 110 million U.S. homes includes homes for sale, homes for rent and homes not currently on the market, and attracts an active and vibrant community of users. Individuals and businesses that use Zillow have updated information on 43 million homes and have added 179 million home

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photos, creating exclusive home profiles not available anywhere else. These profiles include detailed information about homes, including property facts, listing information, and purchase and sale data. We provide this information to our users where, when and how they want it, through our industry-leading mobile applications that enable consumers to access our information when they are curbside, viewing homes, and through our websites.

Using complex, proprietary automated valuation models, we provide current home value estimates, or Zestimates, and current rental price estimates, or Rent Zestimates, on approximately 100 million U.S. homes. We present residential real estate data in novel ways that have revolutionized the way consumers search for, find and understand home-related information and make real estate decisions.

Consumers increasingly are using mobile devices to access real estate information. Sixty percent of our traffic now comes from a mobile device; on weekends it is nearly 70%. We operate the most popular suite of mobile real estate applications across all major mobile platforms. During July 2013, 321 million homes were viewed on Zillow on a mobile device, or 120 homes per second. As discussed in greater detail below, we monetize our marketplace businesses on mobile in the same way we do on our web platform.

Real estate, rental, mortgage and home improvement professionals are a critical part of home-related marketplaces. We have created a trusted and transparent marketplace where consumers can search and read reviews on local real estate, rental, mortgage and home improvement professionals and contact those professionals on their own terms.

Our home-related marketplaces benefit from network effects. As more consumers access our mobile applications and websites to use our products and services, more real estate, rental, mortgage and home improvement professionals contribute content to distinguish themselves, thereby making our marketplaces more useful and attracting additional consumers.

We generate revenue from local real estate professionals, primarily on an individual subscription basis, and from mortgage professionals, rental professionals and brand advertisers. Our two revenue categories are marketplace revenue and display revenue.

Marketplace Revenue. Marketplace revenue consists of real estate revenue and mortgages revenue. Real estate revenue primarily includes subscriptions sold to real estate agents under our Premier Agent program, as well as revenue generated by Zillow Rentals. Mortgages revenue primarily includes advertising related to our Zillow Mortgage Marketplace sold to mortgage lenders on a cost per click basis, as well as revenue generated by Mortech, Inc., a company we acquired in November 2012 that provides subscription-based mortgage software solutions, including a product and pricing engine and lead management platform.

Zillow's Premier Agent program offers a suite of marketing and business technology solutions to help real estate agents grow their businesses and personal brands. The Premier Agent program allows agents to select products and services that they can tailor to meet their business and advertising needs. The program has three tiers of participation, including Premier Platinum, our original flagship subscription product, as well as Premier Gold and Premier Silver, to meet different marketing and business needs of a broad range of agents. All tiers of Premier Agents receive access to a dashboard portal on our website that provides individualized program performance analytics, as well as our personalized website service, and our customer relationship management, or CRM, tool that captures detailed information about each contact made with a Premier Agent through our mobile and web platforms. Our Premier Gold product includes featured listings whereby the agent's listings will appear at the top of search results on our mobile and web platforms. Our Premier Platinum product includes the dashboard portal on our website, our personalized website service, our CRM tool, featured listings, and inclusion on our buyer's agent list, whereby the agent appears as the agent to contact for listings in the purchased zip code.

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We charge for our Premier Platinum subscription product based on the number of impressions delivered on our buyer's agent list in zip codes purchased based on a contracted maximum cost per impression. Our Premier Platinum subscription product includes multiple deliverables, which are accounted for as a single unit of accounting, as the delivery or performance of the undelivered elements is based on traffic to our mobile applications and websites. We recognize revenue related to our impression-based Premier Platinum subscription product based on the lesser of (i) the actual number of impressions delivered on our buyer's agent list during the period multiplied by the contracted maximum cost per impression or (ii) the contractual maximum spend on a straight-line basis during the contractual period over which the services are delivered, typically over a period of six months or twelve months and then month-to-month thereafter.

We charge a fixed subscription fee for our Premier Gold and Premier Silver subscription products. Subscription advertising revenue for our Premier Gold and Premier Silver subscription products is recognized on a straight-line basis during the contractual period over which the services are delivered, typically over a period of six months and then month-to-month thereafter.

In Zillow Mortgage Marketplace, participating qualified mortgage lenders make a prepayment to gain access to consumers interested in connecting with mortgage professionals. Consumers who request rates for mortgage loans in Zillow Mortgage Marketplace are presented with personalized lender quotes from participating lenders. We only charge mortgage lenders a fee when users click on their links for more information regarding a mortgage loan quote. Mortgage lenders who exhaust their initial prepayment can then prepay additional funds to continue to participate in the marketplace. We recognize revenue when a user clicks on a mortgage advertisement or on a link to obtain additional information about a mortgage loan quote.

Display Revenue. Display revenue primarily consists of graphical mobile and web advertising sold on a cost-per-thousand-impression basis to advertisers primarily in the real estate industry, including real estate brokerages, home builders, mortgage lenders and home services providers. Our advertising customers also include telecommunications, automotive, insurance and consumer products companies. We recognize display revenue as impressions are delivered to users interacting with our mobile applications or websites. Growth in display revenue depends on continuing growth in traffic to our mobile applications and websites and migration of advertising spend online from traditional broadcast and print media.

During the six months ended June 30, 2013, we generated revenue of \$85.9 million, as compared to \$50.6 million in the six months ended June 30, 2012, an increase of 70%. For the years ended December 31, 2010, 2011 and 2012, we generated revenue of \$30.5 million, \$66.1 million and \$116.9 million, respectively, representing year-over-year growth of 74%, 117% and 77%, respectively.

Our Opportunity

Homes are the center of peoples' lives, the focus of some of their most important decisions and often their most valuable assets. In addition to whether to buy, sell or rent, consumers make many other important home-related decisions throughout their lifetimes, including decisions relating to refinancing or home equity loans, home maintenance and home improvement. Residential real estate is one of the largest sectors of the U.S. economy and supports millions of professionals that provide services related to home purchases and sales, rentals, home financings, and home maintenance and improvement.

Based on external and internal assessments, we believe our current addressable markets include the following:

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Purchase and Sale Sales of approximately 4.7 million existing and 368 thousand new homes in the United States in 2012 had an aggregate transaction value of approximately \$1.2 trillion, according to data published in 2013 by the U.S. Census Bureau and the National Association of REALTORS®. There are

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approximately 2.1 million licensed real estate professionals in the United States, according to data published in 2012 by the Association of Real Estate License Law Officials. In an effort to acquire new client relationships and sell homes, U.S. real estate agents and brokers spent an estimated \$6.9 billion on residential advertising in 2012, according to a forecast from Borrell Associates released in 2012. In addition, U.S. real estate developers spent an estimated \$1.3 billion on residential advertising in 2012, also according to a forecast from Borrell Associates released in 2012. In the United States, there are 205 million people residing in owner-occupied housing, according to data published by the U.S. Census Bureau in December 2012. Approximately 27% of movers in 2012, or 9.7 million people, were homeowners, according to the U.S. Census Bureau migration data published in December 2012.

Rentals In the second quarter of 2013, there were approximately 43.7 million rental housing units in the United States, with a national vacancy rate of 8.2%, according to data published by the U.S. Census Bureau in July 2013. According to data published by the U.S. Census Bureau from the American Housing Survey and the Current Population Survey/Housing Vacancy Survey, approximately 42% of rental units (18.3 million) are located in large multi-family structures of 5+ units; approximately 19% of rental units (8.5 million) are located in small multi-family structures of 2-4 units; and approximately 39% of rental units (16.9 million) are 1-unit structures. In 2011, U.S. large multi-family rental property managers and landlords experienced annual unit turnover of approximately 51%, and spent an estimated \$160 per unit on advertising and approximately \$395 per unit in lease concessions, according to data presented in the National Apartment Association's 2012 Survey of Operating Income & Expenses in Rental Communities. Based on this data, we estimate that these rental professionals spend approximately \$6.6 billion per year to attract and retain renters. In the United States, there are 100 million people residing in rental housing units, according to data published by the U.S. Census Bureau in 2012. Approximately 73% of movers in 2012, or 26.8 million people, were renters, according to the U.S. Census Bureau migration data.

Home Financing According to the Mortgage Bankers Association, approximately \$1.8 trillion in U.S. residential mortgage originations occurred in 2012. U.S. residential mortgage providers spent approximately \$11.1 billion in 2012 marketing their services and loan products to mortgage borrowers, according to data presented in industry research reports from IBISWorld Inc. released in 2012 and 2013.

Home Maintenance and Improvement Spending on home improvements and repairs totaled \$275 billion in 2011, according to the Joint Center for Housing Studies of Harvard University in a January 2013 report. As noted in the report, 82% of home improvement and repair spending was on owner-occupied homes, with the remainder on rental units. Spending on advertising by the home improvement industry was approximately \$11.3 billion in 2012, according to data presented in industry research reports from IBISWorld Inc. released in 2012 and 2013. Additionally, more than 650,000 businesses served the remodeling market in 2007, according to the January 2013 report from the Joint Center for Housing Studies of Harvard University.

Display Advertising We estimate that companies external to the real estate, mortgage and home improvement industries seeking to reach consumers like those who visit Zillow spent approximately \$3.6 billion in 2012 on Web display and mobile advertising, based on data published by the Interactive Advertising Bureau in 2013.

Industry Challenges

Highly Fragmented, Local and Complex Market The market for residential real estate transactions and home-related services is highly fragmented, local and complex. Each home has unique characteristics, including location, value, size, style, age and condition. Each consumer approaches home-related transactions with a personal set of objectives, priorities and values. Real estate agents generally operate in local markets as independent contractors with different experience and skills. These conditions create challenges for consumers and real estate, rental, mortgage and home improvement professionals alike.

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Absence of Consumer Orientation Historically, consumers had minimal access to comprehensive and objective residential real estate data, even though many home-related decisions are extraordinarily information-intensive. While real estate, rental, mortgage and home improvement professionals had some data, consumers did not have free, independent and easy access to it. Even when accessible, the data was difficult to interpret and analyze.

Increasing Role of Mobile Technologies Consumers are increasingly turning to mobile devices to access real estate information. With the widespread adoption of mobile and location-based technologies, consumers expect home-related information to be available on their mobile devices where, when and how they want it. Sixty percent of our traffic now comes from a mobile device; on weekends it is nearly 70%. We believe that the technological platform shift from desktop computers to mobile devices benefits technology leaders like Zillow that are quick to innovate.

The Zillow Edge

We are transforming the way people make home-related decisions and connect with real estate, rental, mortgage and home improvement professionals. We maintain an unwavering commitment to providing consumers free access to as much useful information as possible, and to providing transparency for all market participants. Our living database of homes, our Zestimates and our Rent Zestimates form the foundation of our products and services.

Living Database of Homes Our dynamic and comprehensive living database includes detailed information on more than 110 million U.S. homes, and includes homes for sale, for rent and recently sold, as well as properties not currently on the market. This database is central to the value we provide to consumers and real estate, rental, mortgage and home improvement professionals. It contains extensive information that users can search, through an easy-to-use interface, to identify, analyze and compare homes. It includes information such as property facts, listing information and purchase and sale data. We apply extensive computer analytics to the data and transform it into information that is accessible, understandable and useful. We refer to the database as "living" because the information is continuously updated by the combination of our proprietary algorithms, synthesis of third-party data from hundreds of sources, and through improvements by us and, importantly, by our community of users.

Zestimates and Rent Zestimates We have developed industry-leading automated home valuation models that use advanced statistical methods and complex, proprietary algorithms. We use these models to provide current home value estimates, or Zestimates, and current rental price estimates, or Rent Zestimates, on approximately 100 million U.S. homes.

Competitive Advantages

We believe we have the following competitive advantages:

Inimitable Database. Our living database of homes is the result of years of substantial investment, sophisticated economic and statistical analysis, complex data aggregation and millions of user contributions.

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Powerful Brand and Scale. We have established a powerful brand identity and built a large user community in a short time. The majority of our traffic comes direct, not dependent on search engines, with demonstrated consumer intent to visit the Zillow brand. During July 2013, more than 61 million unique users visited our mobile applications and websites, representing year-over-year growth of 66%.

Mobile Leadership and Monetization. Shopping for a home is a far more meaningful consumer experience when it occurs curbside, untethered and on location, so we have developed and operate the

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most popular suite of mobile real estate applications across all major mobile platforms. In July 2013, 321 million homes, or 120 homes per second, were viewed on Zillow on a mobile device. Sixty percent of our traffic now comes from a mobile device; on weekends it is nearly 70%. Our suite of mobile applications includes 24 distinct real estate, rental, mortgage and home improvement applications that enable people to access and analyze information where, when and how they want it. We monetize our marketplace businesses on our mobile platform in the same way we do on our web platform.

Independent Market Position and Consumer Focus. Zillow has been built independent of any real estate industry group. We believe our independence enables us to create compelling products and services with broad consumer appeal.

Multiple Robust Home-Related Marketplaces. We have created trusted and transparent marketplaces in real estate, rentals, mortgages and home improvement where consumers can identify and connect with local professionals that are best suited to meet their needs. Our living database of homes provides a foundation on which we can build new consumer and professional marketplaces in other home-related categories.

Technology Solutions for Professionals. We offer a suite of marketing and technology solutions to help real estate, rental and mortgage professionals grow their businesses and personal brands.

Consumer-Oriented Mortgage Marketplace. Unlike other sources of mortgage rate quotes, in Zillow Mortgage Marketplace consumers can anonymously submit mortgage loan requests and receive an unlimited number of personalized mortgage quotes directly from hundreds of consumer-rated lenders. Consumers can then choose to contact those lenders at their discretion. During the first seven months of 2013, consumers submitted 12.2 million mortgage loan requests in Zillow Mortgage Marketplace.

Personalized Experience. We present consumers and real estate, rental, mortgage and home improvement professionals with many opportunities to personalize their Zillow experience, leading to more informed home shopping and financing decisions.

Proven Management Team. We believe the extensive experience and depth of our management team are distinct competitive advantages in the complex and evolving industry in which we compete.

Growth Strategies

Our growth strategies are:

Focus on Consumers. Maintain our unwavering focus on consumers and leverage our industry independence to enhance existing products and services and develop new offerings with broad consumer appeal.

Enhance Our Living Database. Enhance the information in our database of homes, and use it as the foundation for new analyses, insights and tools to inform consumers throughout the home ownership lifecycle.

Leverage Our Mobile Leadership. Innovate and expand our offerings for mobile devices, launching more applications and extending our brand and products across additional mobile platforms.

Deepen, Strengthen and Expand Our Marketplaces. Deepen and strengthen our marketplaces by creating new opportunities for high-quality consumer-initiated connections with real estate, rental, mortgage and home improvement professionals when consumers

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want their services. Continue to offer premium services to increase engagement, develop and refine marketplace monetization models, provide software tools to empower real estate professionals and invest to improve our marketplaces and services and grow traffic. Our living database of homes provides a foundation on which we can build new consumer and professional marketplaces in other home-related categories.

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Efficiently Increase Brand Awareness. Expand public relations, social media, content distribution and targeted advertising programs to efficiently increase brand awareness.

Expand Our Platform. Expand our offerings beyond advertising services for real estate, rental, mortgage and home improvement professionals by developing additional marketing and business technology solutions to help those professionals manage and grow their businesses and personal brands.

Optimize Opportunities for Premier Agent Participation. Optimize opportunities for Premier Agent participation in our marketplaces through development of a broad variety of marketing and business technology solutions.

Leverage Our Sales Force. Leverage our sales force's expertise with new advertising and technology offerings.

Pursue Strategic Opportunities. Pursue strategic opportunities, including commercial relationships and acquisitions, to strengthen our market position, enhance our capabilities and accelerate our growth. In the year ended December 31, 2012, we completed four acquisitions that align with our growth strategies, including deepening, strengthening and expanding our marketplaces and, in particular, our emerging marketplaces of rentals and mortgages, focusing on consumers, and optimizing opportunities for Premier Agent participation. In August 2013, we entered into a definitive merger agreement to acquire NMD Interactive, Inc., d/b/a StreetEasy, a New York City-based, consumer-facing real estate website, featuring high-quality for-sale and for-rent listings, information about new developments, co-ops, and luxury real estate, and a complementary suite of features for real estate and rental professionals, which acquisition is expected to close in the third quarter of 2013 subject to satisfaction of customary closing conditions. These strategic acquisitions support the expansion of our platform through our suite of marketing and business technology products and services for real estate professionals.

Key Growth Drivers**Unique Users**

Measuring unique users is important to us because our marketplace revenue depends in part on our ability to enable our users to connect with real estate, rental and mortgage professionals, and our display revenue depends in part on the number of impressions delivered. Furthermore, our community of users improves the quality of our living database with their contributions. We count a unique user the first time an individual accesses our mobile applications using a mobile device during a calendar month, and the first time an individual accesses one of our websites using a web browser during a calendar month. If an individual accesses our mobile applications using different mobile devices within a given month, the first instance of access by each such mobile device is counted as a separate unique user. If an individual accesses our websites using different web browsers within a given month, the first access by each such web browser is counted as a separate unique user. If an individual accesses more than one of our websites in a single month, the first access to each website is counted as a separate unique user since unique users are tracked separately for each domain. We measure unique users with Google Analytics. Beginning in December 2012, the reported monthly unique users reflect the effect of Zillow's December 14, 2012 acquisition of HotPads, Inc.

	Average Monthly Unique Users for the Three Months Ended June 30, 2012 2013 (in thousands)		2012 to 2013 % Change
Unique Users	33,474	54,317	62%
	Average Monthly Unique Users for the Three		2010 to 2011 % 2011 to 2012 %

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	2010	Months Ended December 31, 2011 (in thousands)	2012	Change	Change
Unique Users	12,666	23,507	34,535	86%	47%

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The number of Premier Agent Subscribers is an important driver of revenue growth as each subscribing agent pays us a subscription fee to participate in the program. We define a Premier Agent subscriber as an agent with a paid subscription at the end of a period.

	At June 30,		2012 to 2013
	2012	2013	% Change
Premier Agent Subscribers	22,696	38,807	71%

	At December 31,			2010 to 2011	2011 to 2012
	2010	2011	2012	% Change	% Change
Premier Agent Subscribers	8,102	15,799	29,473	95%	87%

Risks

Our business is subject to a number of risks of which you should be aware before making an investment decision. These risks are discussed more fully in the section of this prospectus supplement titled Risk Factors, and include, but are not limited to, the following:

If real estate and mortgage professionals or other advertisers reduce or end their advertising spending with us and we are unable to attract new advertisers, our business would be harmed.

If we do not innovate and provide products and services that are attractive to our users and to our advertisers, our business could be harmed.

We may make acquisitions and investments that could result in operating difficulties, dilution and other harmful consequences.

We may be unable to increase awareness of the Zillow brand cost-effectively, which could harm our business.

We have incurred significant operating losses in the past and we may not be able to generate sufficient revenue to be profitable over the long term.

We depend on the real estate industry, and changes to that industry, or declines in the real estate market or increases in mortgage interest rates, could reduce the demand for our products and services.

Corporate Information

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Zillow, Inc. was incorporated in Washington in December 2004. Our principal executive offices are located at 1301 Second Avenue, Floor 31, Seattle, Washington 98101, and our telephone number is (206) 470-7000. Our website address is *www.zillow.com*. In addition, we maintain a Facebook page at *www.facebook.com/zillow* and a twitter feed at *www.twitter.com/zillow*. Information contained on, or that can be accessed through, our website, Facebook page or twitter feed does not constitute part of this prospectus and inclusions of our website address, Facebook page address and twitter feed address in this prospectus are inactive textual references only.

Zillow.com, Zillow, Zestimate, Postlets, Diverse Solutions, and the Zillow logo are registered trademarks of Zillow in the United States and some other countries. Mortech, HotPads, Digs and Agentfolio are trademarks of Zillow. Other trademarks and trade names referred to in this prospectus are the property of their respective owners.

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The Offering

Class A common stock offered by us in this offering	2,500,000 shares (or 3,253,522 shares if the underwriters exercise their option to purchase additional shares in full)
Class A common stock offered by the selling shareholders in this offering	2,523,486 shares
Class A common stock to be outstanding after this offering	31,388,379 shares (or 32,141,901 shares if the underwriters exercise their option to purchase additional shares in full)
Class B common stock to be outstanding after this offering	6,488,892 shares
Total Class A common stock and Class B common stock to be outstanding after this offering	37,877,271 shares (or 38,630,793 shares if the underwriters exercise their option to purchase additional shares in full)
Voting rights	Since Zillow's inception, we have had authorized Class A common stock, which has one vote per share, and authorized Class B common stock, which has 10 votes per share. All shares of Class B common stock are held or controlled by our founders, Richard Barton and Lloyd Frink. Following this offering, Mr. Barton will have 40.1% of the voting power of our outstanding capital stock, and Mr. Frink will have 27.4% of the voting power of our outstanding capital stock.
Use of proceeds	We plan to use the net proceeds that we receive from this offering for general corporate purposes, including working capital. We also may use a portion of these proceeds to acquire or make investments in complementary businesses, products or technologies. We will not receive any proceeds from the sale of shares of Class A common stock by the selling shareholders. See Use of Proceeds.
Nasdaq symbol	Z

The number of shares outstanding after this offering is based on 28,129,164 shares of Class A common stock outstanding and 7,088,892 shares of Class B common stock outstanding as of June 30, 2013 and, unless otherwise indicated, excludes:

5,916,909 shares of our Class A common stock issuable upon the exercise of options outstanding as of June 30, 2013 to purchase shares of our Class A common stock at a weighted average exercise price of \$22.27 per share;

48,550 shares of our Class A common stock issuable upon the exercise of outstanding options granted between July 1, 2013 and July 31, 2013 to purchase shares of our Class A common stock at a weighted average exercise price of \$63.75 per share;

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63,432 shares of our Class A common stock issuable upon vesting of restricted stock units, or RSUs, outstanding as of June 30, 2013;
and

1,045,355 shares of our Class A common stock reserved for future grant or issuance under our Amended and Restated 2011 Incentive
Plan, as of July 31, 2013.

Except as otherwise indicated, all information in this prospectus assumes and reflects no exercise by the underwriters of their option to purchase
an additional 753,522 shares of our Class A common stock.

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RISK FACTORS

An investment in our Class A common stock involves a high degree of risk. You should carefully consider the following risk factors and all other information contained in this prospectus supplement and the accompanying prospectus or incorporated by reference herein or therein before purchasing our Class A common stock. Any of these risks could harm our business, results of operations, and financial condition and our prospects. In addition, the trading price of our Class A common stock could decline and you may lose some or all of your investment. See Special Note Regarding Forward-Looking Statements in this prospectus supplement.

Risks Related to Our Business

If Real Estate and Mortgage Professionals or Other Advertisers Reduce or End Their Advertising Spending With Us and We are Unable to Attract New Advertisers, Our Business Would Be Harmed.

Our current financial model depends on advertising revenue generated primarily through sales to real estate agents and brokerages, mortgage lenders and advertisers in categories relevant to real estate. Our ability to attract and retain advertisers, and ultimately to generate advertising revenue, depends on a number of factors, including:

increasing the number of consumers of our products and services;

competing effectively for advertising dollars with other online media companies;

continuing to develop our advertising products and services, including the expansion of those products and services to new advertising customers;

keeping pace with changes in technology and with our competitors; and

offering an attractive return on investment to our advertisers for their advertising spending with us.