

**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

COSTAR GROUP, INC., and  
COSTAR REALTY INFORMATION, INC.,

*Plaintiffs,*

v.

ZILLOW GROUP, INC., and  
ZILLOW, INC.,

*Defendants.*

CASE NO. 25 Civ. 6248

**COMPLAINT**

**DEMAND FOR JURY TRIAL**

Plaintiffs CoStar Group, Inc. and CoStar Realty Information, Inc. (collectively, “CoStar”), by and through their undersigned counsel, bring this Complaint against Zillow Group, Inc. and Zillow, Inc. (collectively, “Zillow”), and allege as follows:

**INTRODUCTION**

1. CoStar brings this suit to redress Zillow’s widespread and systematic infringement of CoStar’s copyrighted photographs, which Zillow has unlawfully exploited to bolster its online rental listings business.

2. Zillow is displaying—and profiting from—nearly **47,000** CoStar-copyrighted images on Zillow.com and other Zillow sites. Many of these images include the CoStar watermark. And in many instances, an image appears on multiple different Zillow pages and different versions of listings, such that the images are displayed in total over **250,000** times.

3. Zillow’s misconduct is not limited to the Zillow family of websites. Through lucrative syndication agreements, Zillow is also distributing CoStar’s images to its partnership network of listing websites, hosted by Zillow’s supposed competitors, Realtor.com and Redfin.

4. Zillow’s willful, mass infringement warrants the imposition of permanent injunctive relief as well as a substantial award of damages.

5. CoStar is an industry leader in real estate listings, information, and analytics. Founded in 1986, CoStar has worked for decades to offer the real estate industry premium information about, and images of, residential and commercial real estate. CoStar also owns and operates real estate listing websites for apartments (Apartments.com), single-family homes (Homes.com), and commercial real estate (LoopNet.com).

6. A critical ingredient of CoStar's success has been its extensive efforts to generate intellectual property concerning the world's real estate, including real estate photography. Since its founding, CoStar has employed thousands of professional photographers to take millions of photographs of residential and commercial real estate. As the owner of the world's largest real estate image library, CoStar licenses its photographs to brokers, property owners, property managers, and others advertising properties for sale, lease, or rent on CoStar's websites.

7. To protect its massive investment in photography, CoStar registers its photographs with the United States Copyright Office. CoStar also protects its rights to these photographs by watermarking them with its company logo—five stylized map pins arranged to outline the shape of a star (a play on “CoStar”). This logo is widely associated with CoStar and understood in the industry to indicate copyright ownership when displayed on CoStar's photographs.

8. CoStar's real estate photo library, to which it adds millions of photographs annually, sets it apart from its competitors. Photographs are a critical facet of real estate listings. Those who list a property, whether brokers, owners, or otherwise, want to show potential renters the property, not just tell them about it. And potential renters likewise want to see the property. Those needs, coupled with the ability to use photographs as an input to generate other content or features that enhance listings, make a comprehensive library of real estate photographs incredibly valuable to CoStar and its customers. CoStar's competitors do not expend the same time, money,

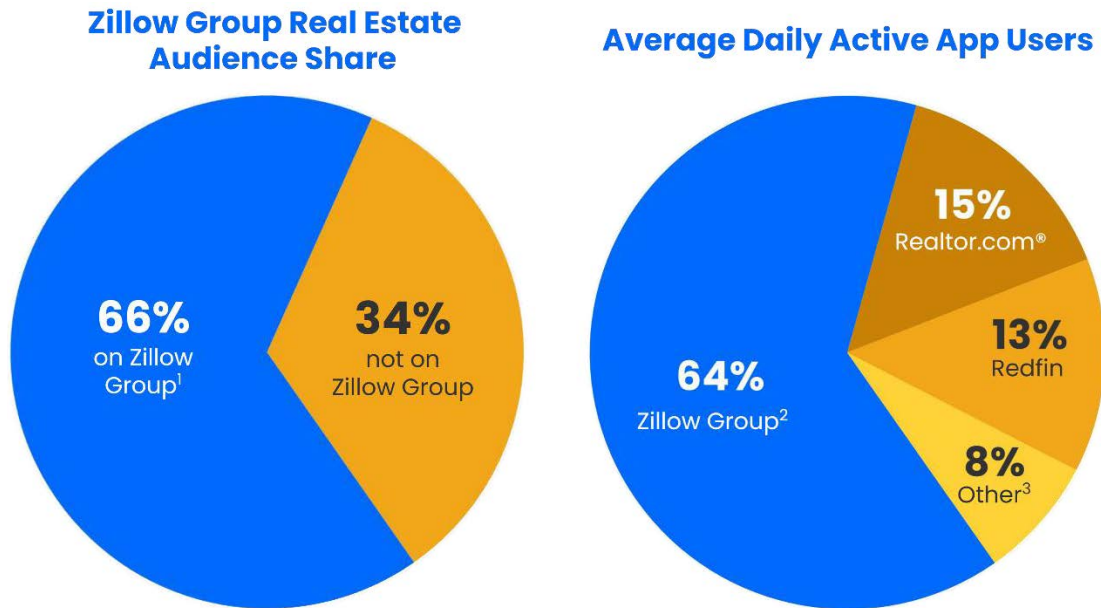
and effort to generate their own library of original listing photos, making CoStar's library a competitive advantage.

9. Regrettably, some competing websites have sought to free-ride on CoStar's unique contributions to the industry. That is what has occurred here. Zillow has unlawfully published and used tens of thousands of CoStar's copyrighted images to attempt to increase its standing in the online rental listings market. While Zillow may try to blame its customers, it is Zillow itself that is using CoStar's images to build its products and earn revenue, as detailed below.

10. For many years, Zillow has run a real estate listing website focused on for-sale residential listings. Zillow obtains for-sale listings primarily through a network of multiple listing services ("MLSs"), which are databases that host and distribute listing data (including photographs), uploaded by real estate brokers and sellers, of residential properties for sale.

11. But Zillow does not have access to a similar MLS-style database of *rental* listings. Unlike residential for-sale listings, MLSs do not offer comprehensive coverage of properties available to rent. As a result, Zillow has historically lacked a large number of rental listings.

12. In recent years, Zillow has publicly announced its intention to quickly expand the number of rental listings available on its websites. Over the past year, Zillow has reported significant growth in rental listings (and rental revenues) and has increased its supply of "multifamily" properties—which Zillow defines as buildings with 25 or more units—from 40,000 properties to 60,000 properties. Zillow claims that its websites alone capture a majority of the U.S. real estate audience share. When accounting for the shares of Zillow's partner sites, Redfin and Realtor.com (to which Zillow delivers listings), Zillow asserts that the Zillow-Redfin-Realtor.com network exceeds a 90% audience or user share by some measures.



13. What Zillow has not told the public, however, is that its growth, at least in rental properties and listings, is driven in significant part by Zillow’s widespread and systematic infringement of tens of thousands of CoStar-owned real estate images. To date, CoStar has identified nearly **47,000** of its copyrighted images on Zillow’s online rental listing websites.

14. The infringing photographs are concentrated on Zillow’s multifamily listings—listings that Zillow is actively attempting to grow—and appear across thousands of multifamily listing pages. And many of the photographs appear on multiple listings and pages, such that the images are displayed in total over **250,000** times. Further, Zillow is sending these multifamily listings—along with CoStar’s photographs—to its partner sites, Redfin and Realtor.com.

15. To support its rapid growth in rental listings, Zillow, as opposed to its customers, uses CoStar’s copyrighted photographs in multiple ways. Zillow itself uses CoStar’s copyrighted photographs to build webpages for properties that are not actively listed for rent. Zillow then invites owners or property managers to “Claim this property” on these inactive (or “unclaimed”) property pages. After an owner or property manager “claims” a property, Zillow markets rental

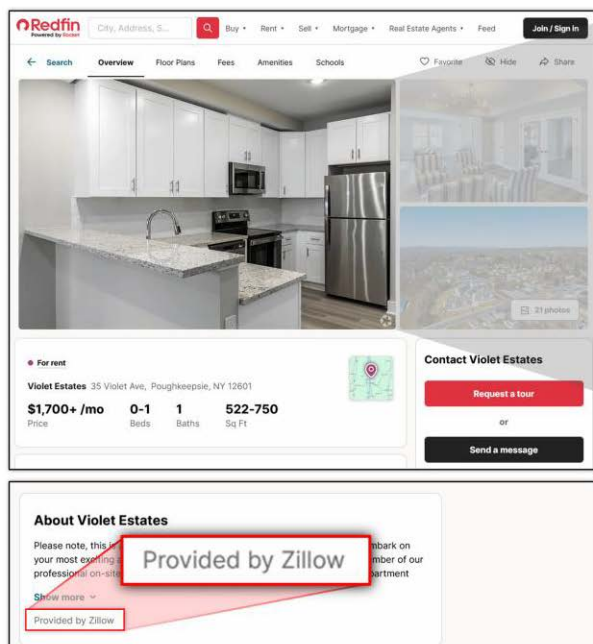
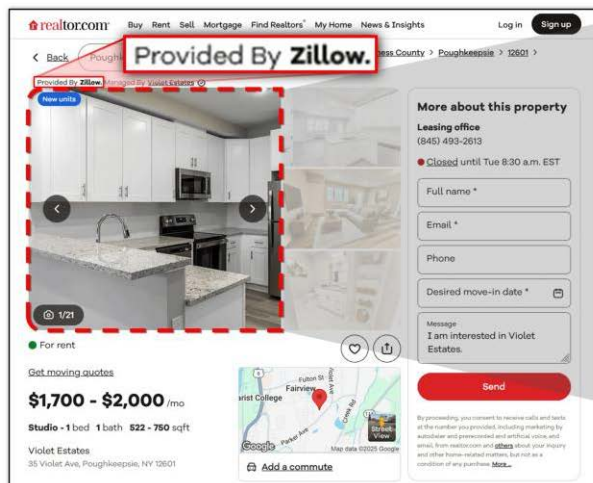
advertising packages for that property to the property claimant. This results in a direct source of revenue for Zillow.

16. Zillow also uses CoStar’s images on active multifamily listings, including by allowing owners or property managers who “claim” properties to generate rental listings using the very CoStar photographs that Zillow uses to draw in the properties’ owners and managers with “unclaimed” property pages. And Zillow frequently curates the photographs on all active listings, necessarily including CoStar photographs, no matter how the listings were first generated, including by rearranging images to make listings more attractive to potential renters or buyers. Finally, Zillow further monetizes these listings by distributing them to its partners, Redfin and Realtor.com.

17. The following is an example of a rental listing on Zillow’s website using a CoStar-owned photograph—featuring CoStar’s star logo—as the very first image. As shown, Zillow’s website conceals CoStar’s star logo, requiring a website visitor to click on and enlarge the image before CoStar’s watermark can be seen.



18. This same listing, along with the same watermarked photo, also appears on Redfin and Realtor.com’s websites. As shown below, these Zillow partner sites show that the listing was “Provided by Zillow.”

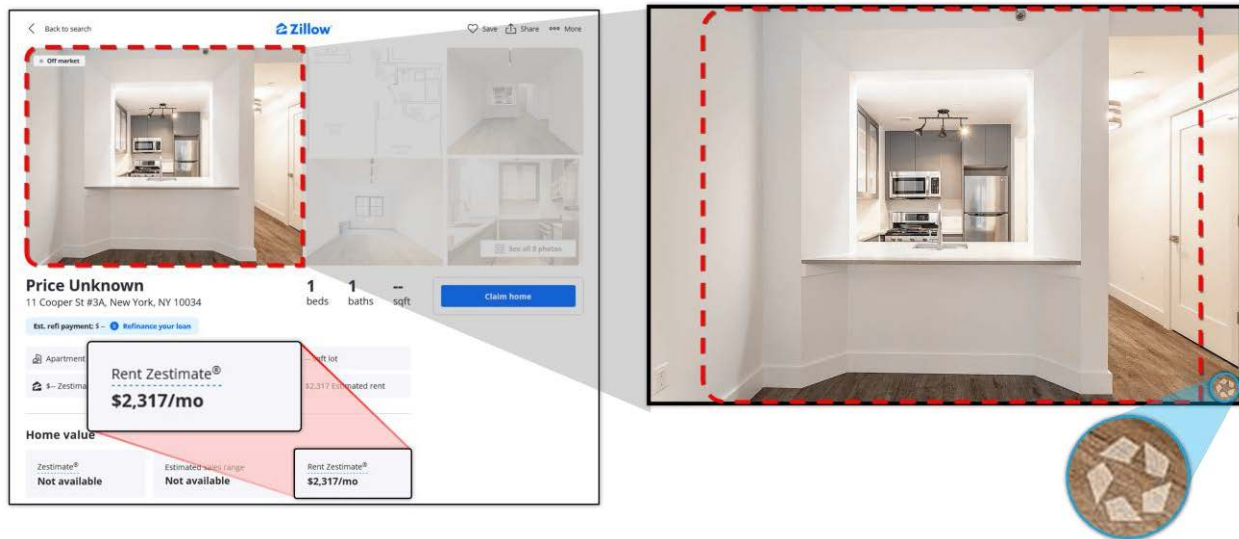


19. Beyond using CoStar's photographs to populate unclaimed property pages and active property listings, curating CoStar photographs on active listings generally, and publishing CoStar photographs on its partner sites, Zillow also uses and benefits from CoStar's images as an input for features that Zillow touts as key offerings on its website. According to Zillow, the images in its system—which include tens of thousands of CoStar images—are used as data to fuel Zillow's "Zestimate" estimator for sales and rental property values, and as a factor in Zillow's personalized



recommendations to users. But despite extracting property features like granite countertops from images to support these features, Zillow apparently does not attempt to identify and remove photographs bearing CoStar’s star watermark.

20. The following is an example of an apartment available for rent in New York City listed on Zillow, featuring multiple watermarked CoStar images, and displaying a “Rent Zestimate” of \$2,317 per month.



21. Zillow’s infringement of CoStar’s copyrighted photographs results in significant financial benefits to Zillow. Zillow uses CoStar-owned images on unclaimed property pages to attract rental professionals—including property managers, landlords and others—to whom Zillow sells advertising packages and a suite of tools. As a result, those professionals pay Zillow for such advertising packages on a cost per lead, lease, listing, or impressions basis or based on a fixed fee. Recognizing the importance of real estate imagery, certain advertising packages include “dynamic feature images.”

22. CoStar’s copyrighted photographs not only attract property claimants to Zillow, who then become revenue-generating customers, but they also help properties garner additional leads and impressions and thus help get leases signed, which drives more revenue to Zillow.

Zillow further monetizes its infringement by selling renters its rental applications product, through which potential renters can submit applications to multiple properties (for a fee, of course)—a product that is made more attractive the more rental properties appear on Zillow. All of this directly increases Zillow’s bottom line. Indeed, in the first quarter of 2025, Zillow reported that its rentals revenue had increased by 33% compared to the same quarter in 2024, and Zillow has said that it expects this revenue to continue to increase based on the increasing number of property pages it is creating, a significant number of which display CoStar-copyrighted images.

23. This is not Zillow’s first experience as a mass copyright infringer. VHT, Inc. previously sued Zillow for the infringement of thousands of its real estate photographs, resulting in a judgment and the award of millions of dollars in damages against Zillow. Yet Zillow now carries out an even larger scheme, willfully attempting to bolster its rental listings business through the unauthorized use of CoStar’s intellectual property. And Zillow does so despite having the ability to detect and remove CoStar’s photographs, particularly given the presence of CoStar’s ownership-identifying star watermark.

24. Zillow’s infringement is on a massive scale, however measured. By way of example, even before discovery identifies its full scope, Zillow’s infringement already exceeds the number of infringements that led to the largest judgment in history for the infringement of photographs. In 2019, a monitor appointed by the Federal Trade Commission found that Xceligent, a real estate listing platform, had improperly “derived at least 38,489 copyrighted photographs from its principal competitor, CoStar,” and a federal court awarded half a billion dollars (\$500,000,000) in damages to CoStar. Undeterred, Zillow now demonstrates an even greater disregard for CoStar’s intellectual property rights.



25. As a result of Zillow's misconduct, CoStar is entitled to substantial damages and injunctive relief to prevent continued harm to its business.

### **THE PARTIES**

26. Plaintiff CoStar Group, Inc. is a corporation organized and existing under the laws of the State of Delaware with its principal place of business and corporate offices located at 1201 Wilson Boulevard, Arlington, Virginia, 22209.

27. Plaintiff CoStar Realty Information, Inc. is a corporation organized and existing under the laws of the State of Delaware with its principal place of business and corporate offices located at 1201 Wilson Boulevard, Arlington, Virginia, 22209. It is a wholly owned subsidiary of CoStar Group, Inc.

28. Defendant Zillow Group, Inc. is a corporation organized and existing under the laws of the State of Washington with its principal place of business and corporate offices located at 1301 2nd Avenue, Floor 36, Seattle, Washington, 98101. Zillow Group, Inc. maintains corporate offices at 1250 Broadway, New York City, New York, 10001.

29. Defendant Zillow, Inc. is a corporation organized and existing under the laws of the State of Washington with its principal place of business and corporate offices located at 1301 2nd Avenue, Floor 36, Seattle, Washington, 98101. Zillow, Inc. maintains corporate offices at 1250 Broadway, New York City, New York, 10001. Zillow, Inc. is a wholly owned subsidiary of Zillow Group, Inc.

### **JURISDICTION AND VENUE**

30. This action arises under the Copyright Act, 17 U.S.C. § 101 *et seq.* This Court has federal question jurisdiction over claims arising under those statutes pursuant to 28 U.S.C. §§ 1331 and 1338(a).

31. Venue is proper in this district under 28 U.S.C. § 1400(a) because Zillow may be found in this judicial district. Venue is also proper under 28 U.S.C. § 1391(b) because a substantial part of the events or omissions giving rise to CoStar's claims occurred in this judicial district.

### **BACKGROUND**

#### **A. CoStar's Investments in Real Estate Photography**

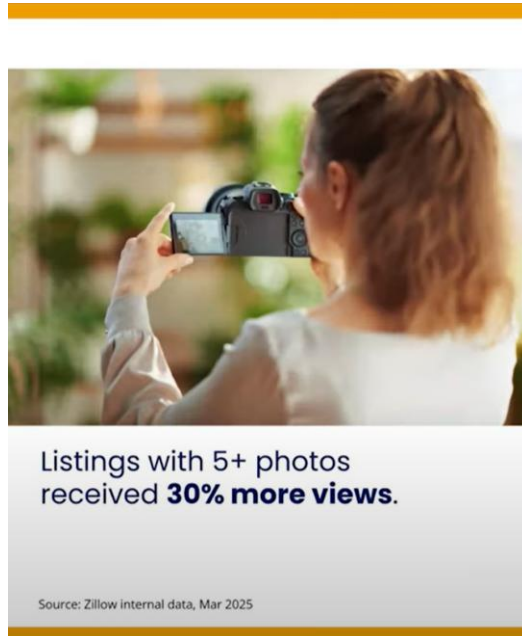
32. CoStar Group was founded in 1986 with the mission of digitizing information about the world's real estate. Since its founding, CoStar has invested billions of dollars in creating the most comprehensive database of real estate information in the world and developing platforms to make that content available to people looking to buy, sell, or lease properties.

33. As part of its efforts, CoStar has built the world's largest library of real estate photographs. Over decades, CoStar has employed or hired thousands of professional photographers who have created millions of real estate images, all of which are owned and copyrighted by CoStar. Currently, CoStar's team of dedicated architectural photographers takes over two million original real estate photos annually.

34. Most other listing websites do not make any investment in photography, let alone the significant investments that CoStar has made. CoStar's investment in the creation of this intellectual property thus differentiates it from its competitors and adds tremendous, ongoing value to the real estate industry. CoStar's images reach the public through many products, including its real estate listing websites. These websites include, among others, LoopNet.com, which hosts commercial real estate listings; Homes.com, which hosts residential sales listings; and Apartments.com, which hosts apartment rental listings.

35. Photographs are a critical aspect of real estate listings. Without images, prospective renters lack essential information about a property. Thus, those looking to list properties need images of those properties to attract online traffic from potential renters or buyers. Said differently,

professional photographs result in more leads and online impressions (displays on a visitor's screen) for a listing. According to Zillow's own internal data, "[l]istings with 5+ photos receive[] 30% more views."



And as the Chief Marketing Officer of the leading brokerage eXp Realty has recognized, “[p]hotos are the most important thing” for real estate listings.

36. For these reasons, those looking to advertise listings often rely on CoStar's image library, which is a comprehensive source of real estate photographs available on demand. And renters searching for an apartment are more likely to view listings with professional photographs. Thus, CoStar's image library gives it an advantage with both those listing apartments for rent and those seeking to rent an apartment. If competitors could freely use CoStar's intellectual property, those advantages would be diminished.

37. CoStar is—and is widely known in the industry to be—the leading licensor of real estate photography in the country, and it provides limited licenses of its photographs to brokers, property managers, owners, and other CoStar customers marketing properties.

38. CoStar's customers may use properly licensed CoStar photographs in multiple ways. If a property owner wants to market a listing on one of CoStar's listings websites, he or she can populate the listing with CoStar's copyrighted photographs. Additionally, CoStar's customers may use CoStar's photographs on their own websites and marketing materials while they are a CoStar customer.

39. As CoStar's terms and conditions make clear, however, CoStar does *not* permit sublicensing of its photographs. CoStar does not permit customers to use CoStar's photographs on competing real estate listing websites, nor does it permit competitors to use such photographs.

40. Users of CoStar's listing platforms may also upload their own real estate photographs to a listing. But this is not a requirement, and listers can, and often do, rely on CoStar's copyrighted photographs. None of the photographs at issue in this litigation are owned by CoStar's users; rather, this lawsuit concerns Zillow's infringement of photographs created, owned, and copyrighted by CoStar.

#### **B. CoStar Protects Its Intellectual Property**

41. CoStar goes to great lengths to protect its intellectual property, including its photographs.

42. As mentioned above, CoStar owns the copyrights to the photographs taken by its photographers. As CoStar takes new photographs of real estate properties, it registers them with the United States Copyright Office. Currently, CoStar registers tens of thousands of photographs each month.

43. CoStar also displays an identifying watermark in the bottom-right corner of each photograph that it owns, signifying CoStar ownership. The watermark is CoStar's widely-recognized company logo, which consists of five polygons—stylized map pins—arranged in a circle. The negative space left by the arrangement of the five pins forms a five-pointed star, a play

on CoStar, visually reinforcing the company's name. The star logo watermark can be seen in the following CoStar-owned image of an apartment building in Poughkeepsie, New York.



44. CoStar's star logo is used consistently and prominently across its platforms and products. It is presently on six separate registered CoStar trademarks and appears as the favicon (an icon associated with a website URL) next to the title of every browser tab opened to any CoStar webpage. For example, Apartments.com uses a green CoStar star logo; Homes.com an orange CoStar star logo; and LoopNet.com a red CoStar star logo.



45. CoStar's star logo is well-known in the real estate industry. Indeed, Zillow Group's investor presentations identify Apartments.com using the CoStar star logo.

46. CoStar's star logo on a photograph identifies CoStar as the copyright owner of that image, as is recognized in the industry. As a policy, CoStar does not display the star logo watermark on images that it does not own.

**C. Zillow's Role in Online Multifamily Real Estate Listing Markets**

47. For many years, Zillow has run a website hosting for-sale listings for single-family homes. In the for-sale residential listings market, Zillow has been able to build a website hosting residential home sale listings due to the availability of information via multiple listing services ("MLSs"). MLSs are databases where real estate agents, brokers, and sellers can upload information about for-sale properties including photos, descriptions, features, and other data. MLSs are generally region-specific and provide listings for particular geographic markets. Primarily using data pulled from MLSs, Zillow is able to generate for-sale listings for single-family homes, enabling it to host broad coverage of for-sale residential listings across the country.

48. Generally, Zillow does not charge home sellers or brokers to display for-sale listings on its website. Instead, Zillow diverts leads for such listings to buyer-side brokers who pay Zillow to receive these leads for a particular area. These leads are generated based on user activity on Zillow's website, such as when a user requests to tour a home or to contact an agent about a home. Leads are allocated to buyer-side brokers based on how much those brokers pay Zillow, with brokers receiving more leads as they pay more. In addition, for some sale transactions, Zillow takes a portion of the buyer-side broker's commission if a sale results from a lead.

49. The residential rental listing market functions differently. For rentals, as Zillow acknowledges, there is no widespread MLS system providing a central MLS-style repository for rental listing content. It therefore takes significant time, effort, and money to gather information about, and create content for, rental property listings.

50. The way Zillow earns revenue also differs for rentals. For rental listings, brokers, owners, and property managers can purchase listing advertisements to appear on Zillow and its affiliate and partner sites. Brokers, owners, and property managers pay for these listing



advertisements on a per-listing basis or based on the number of leads or impressions generated. For some pricing plans, the broker, owner, or property manager pays when a listing results in a signed lease. Zillow also earns revenue by providing other rental-related products, such as lease applications and tenant screening, as explained below.

51. Zillow offers various tiers of advertising packages. The more expensive the tier, the greater a listing's exposure to potential renters. Higher tiers include syndication on more of Zillow's partner sites and more advertisements appearing on social media websites. Higher tiers can also include sponsored advertisements in search results and direct emails to prospective renters who have viewed a listing. At the highest tier ("Signature"), a rental listing will have a map icon that stands out among other listings and a "dynamic feature image." On information and belief, these dynamic feature images are visually enhanced to make it appear as though they are panning

across a user's screen.

The screenshot displays four service tiers for Zillow's rental listings, arranged in a grid. Each tier includes an icon, a title, a brief description, a 'Get started' button, a 'Download the PDF' button, and a list of features.

- Signature (NEW):** Get the highest level of exposure and more insights to maximize your reach. Includes everything in the **Premium** package, plus:
  - ✓ High-visibility map marker
  - ✓ Dynamic feature image on listing
  - ✓ Advanced Moody's Market Report
- Premium:** Exposure beyond the Zillow network, including Facebook and Instagram. Includes everything in the **Enhanced** package, plus:
  - ✓ Social media advertising on Instagram and Facebook
  - ✓ Professional high-res photography and 3D Home® production
  - ✓ Renter email advertising
- Enhanced:** Increase your local exposure with prominent ad placement. Includes everything in the **Base** package, plus:
  - ✓ Sponsored placement in search results
  - ✓ Link to your community's website
- Base:** Receive exposure on the most-visited rental network.
  - ✓ List and gain exposure on [Realtor.com](https://www.realtor.com)
  - ✓ List your property on Zillow, Trulia, and Hotpads
  - ✓ Property Verified source badge
  - ✓ Dedicated partner success manager

52. Beyond the sale of rental advertisements, Zillow generates revenue from rental listings through additional services that it offers to property managers and prospective renters. These services, which are sometimes provided through partner companies, include setting up property tours, performing rental application screenings, facilitating the creation and signing of leases, and providing renters' insurance.

**D. Zillow's Growth in Rental Listings is Driven in Significant Part by Its Illicit Free-Riding on CoStar's Copyrighted Image Library**

53. In May 2024, Zillow trumpeted plans to dramatically expand its presence in the rental listing market. In a presentation to investors, Zillow announced its intention to "build[] the most comprehensive rental listings marketplace for renters and property managers." Zillow observed that its website then captured only 60% of "longtail" listings (those in buildings with less

than 25 rental units) and 35% of “multifamily” listings (those in buildings with more than 25 rental units). Zillow set out to change that. As Zillow has explained, it is attempting to “build[] a nationwide marketplace for renters and landlords, which aims to provide renters with a comprehensive listing of available rental inventory.”

54. Zillow has recognized the difficulty of creating and maintaining a comprehensive rental listing website. As Zillow stated in the same May 2024 presentation, “no single platform provides a comprehensive marketplace with anywhere near complete coverage of available rental inventory. There is no MLS for rentals.” Or as Zillow has said separately, “[u]nlike for sale, there is no MLS equivalent in rentals, which makes it challenging to aggregate the estimated 49 million rental units in the U.S. market.” And as Zillow’s Chief Financial Officer recently said in another suit in this district, “[m]ultifamily rental listings are significantly different from for-sale home listings, including because rental listings generally are not listed on MLSs (in most regional markets in the U.S.) and usually do not involve agents or brokerages.”

55. Notwithstanding the difficulty of obtaining rental listings, Zillow has reported suspiciously swift growth in the rental listings market. In the first quarter of 2024, Zillow claimed to have approximately 40,000 multifamily rental properties on its website. By May 2025, however, that figure had jumped to 60,000—a 50% increase in just one year—according to Zillow’s May 2025 letter to investors.

56. Further, Zillow stated that it had 1.9 million active rental listings as of December 31, 2024. But in May 2025, Zillow claimed that it had 2.2 million active rental listings by the end of the first quarter of 2025—purported growth of 300,000 listings in just three months. CoStar sent Zillow a letter on July 10, inquiring how Zillow was able to achieve this reported growth in

such a short period of time. Three weeks later, and Zillow has offered no substantive response, saying only that it is “reviewing the matters raised in [CoStar’s] letter.”

57. Along with these reported increases in properties and listings, Zillow has reported significantly increased revenue from its rental listings business. In the first quarter of 2025, Zillow reported a 33% increase in revenue relative to the same quarter in 2024. Zillow has also reported that it expects this trend to continue into the results for the second quarter of 2025—with the expected growth “primarily driven by growth in multifamily revenue from the addition of new rental properties and higher spend per property.”

58. A financial analyst has projected that Zillow will add almost 10,000 new multifamily properties in the second quarter of 2025 alone. This is approximately triple Zillow’s historic quarterly growth in multifamily properties in recent years.

59. While Zillow has been vocal about its expansion in the rentals listing market, Zillow has concealed a key means of achieving that goal: Zillow is infringing CoStar’s copyrighted images on a staggering scale.

60. Currently, CoStar is aware of at least **46,979** of its copyrighted photographs that Zillow is publishing without authorization on its network of rental websites, all of which have been discovered in just the last few months. **Exhibit A** sets forth information identifying and summarizing these images. While **Exhibit A** provides the URL for one location of each image on Zillow’s website, many of the images appear on Zillow in several locations and are associated with multiple property pages or listings. **Exhibit B** sets forth each of these images, with CoStar’s original image alongside an infringing copy found on Zillow’s website.

61. Zillow knows it is not authorized to use CoStar’s photographs, not least because it has been through and lost an extensive copyright case brought by VHT. Nonetheless, Zillow is

building its rentals platform in significant part by using CoStar’s copyrighted photographs. While in some cases Zillow’s customers may have uploaded or provided CoStar’s photographs to Zillow’s website, Zillow opts to make extensive use of CoStar’s photographs rather than remove them. Indeed, on information and belief, photographs uploaded by Zillow’s customers to Zillow’s websites for purposes of populating active property listings (including CoStar’s photographs) are stored in Zillow’s databases, and Zillow later republishes or uses these photographs for its own purposes or to attract new customers, including, for example, to populate unclaimed property pages or as inputs for other Zillow features.

**E. Zillow Uses CoStar’s Photographs to Enhance Its Products, Gain Customers, and Earn Revenue**

62. Zillow is actively using tens of thousands of CoStar’s copyrighted photos, without authorization, in numerous ways. The vast majority of these photographs have been found on Zillow’s multifamily pages, including active listings and “unclaimed” property pages for which Zillow is soliciting advertisers.

1. *Zillow Uses CoStar’s Photographs to Populate Unclaimed “Property Pages,” Sell Rental Listing Advertisements, and Generate Active Listings*

63. In addition to hosting active sale and rental listings, Zillow itself builds “property pages” for “unclaimed” properties that are not actively on the market for sale or rent. This is a Zillow undertaking, not the action of its customers. Zillow populates these “property pages” with content much like an active rental or sale listing, including photographs and property descriptions, in order to attract potential customers—specifically, the property owner, manager, or broker—to host future listings on Zillow’s platform. Zillow does so by inviting property owners and managers to “Claim this property” through the click of a button.

64. Once a property owner or manager “claims” a property, Zillow then attempts to sell the property owner or manager advertising packages for future rental listings of their claimed

property. A property owner or manager “claiming” a property is presented with the following webpage, which requests contact information so that the owner or manager may begin “Advertis[ing] with Zillow Rentals.”

**Zillow Rentals** Rental manager ▾ Apartment advertising ▾ Resources [Contact sales](#) [Post your listing](#)

**APARTMENT ADVERTISING**

## Advertise with Zillow Rentals

Want to get more renters in the door? Partner with the #1 most-visited rentals network<sup>1</sup> to achieve more for your business.

Already have an account? [Sign in](#)

**Start connecting now**

Submit your information below.

**I manage: \***

Our sales team supports multifamily apartment marketers and property managers handling larger portfolios. If you're trying to list and/or manage properties with 1-24 units, Zillow Rental Manager may be a better fit.

**Full name \***

**Property management company \*** **Property name \***

**ZIP Code \*** **Company headquarters state \***

**Phone \*** **Email \***

**Submit**

Are you a landlord with just a few properties? [Click here](#)

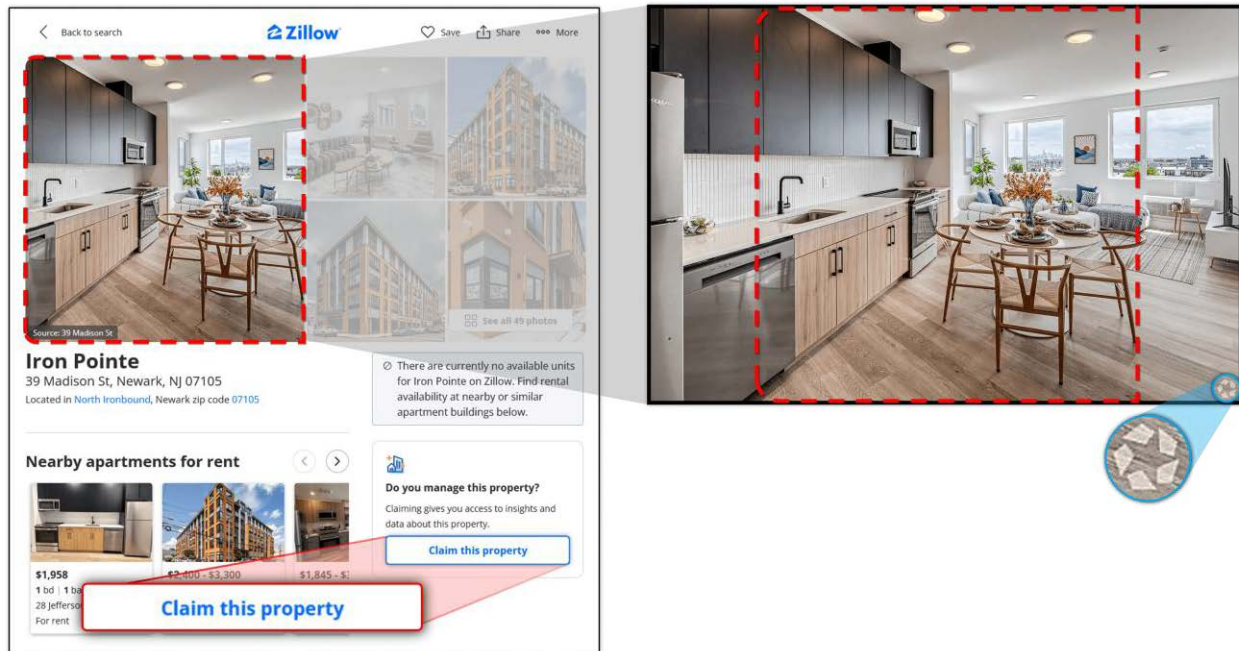
We respect your privacy. See our [privacy policy](#).

By pressing Submit, you agree that Zillow Group may contact you via phone/text about your inquiry, which may involve the use of automated means. You are not required to consent as a condition of purchasing any goods or services. Message/data rates may apply.

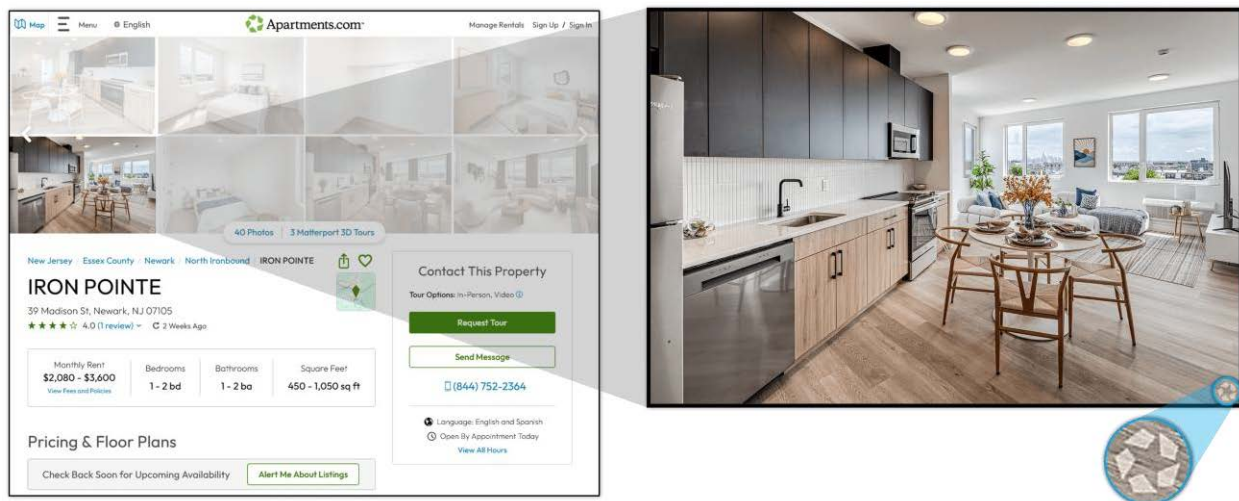
65. As detailed above, Zillow offers various tiers of advertising packages—the more expensive the tier, the more features offered to the customer to ensure their listing gains exposure to potential renters. Zillow’s “Claim this property” pages are thus a means for Zillow to secure new customers, generate more rental listings, and directly profit from the content of such pages.

66. Zillow often builds these unclaimed “property pages” using CoStar-owned photographs. For example, the below “property page” features dozens of CoStar photos, including the one below, while inviting potential customers to “Claim this Property” given that “[t]here are currently no available units” for rent in the building.





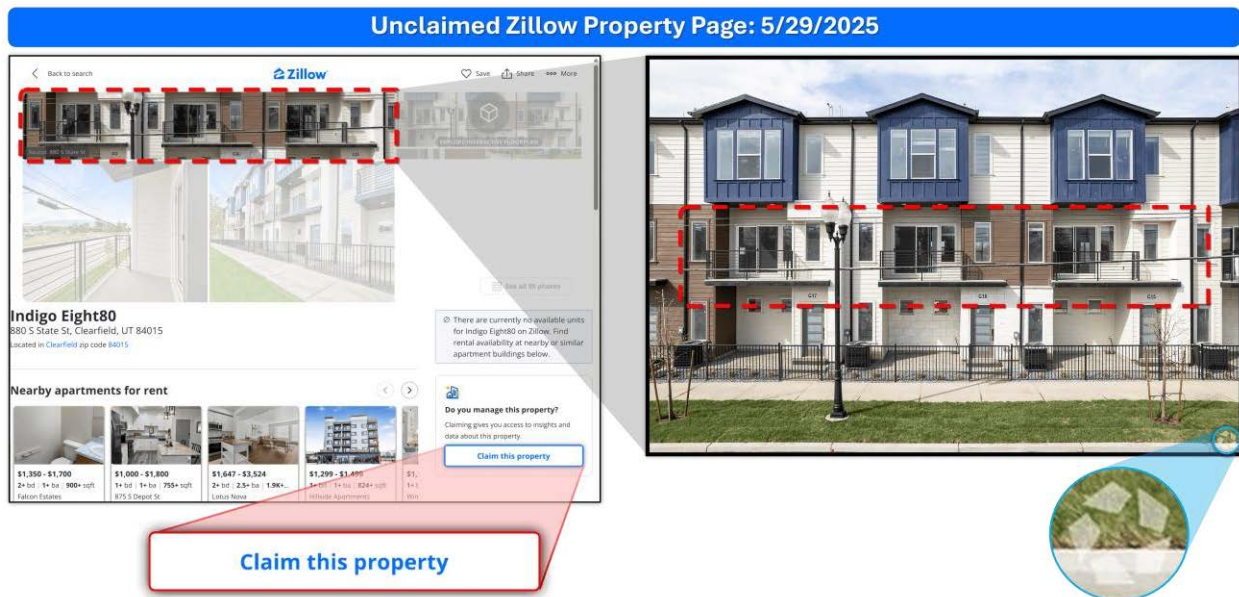
67. While this property is “unclaimed” on Zillow, it is actively listed—with the same CoStar-owned photographs—on CoStar’s Apartments.com.



68. After a property owner or manager “claims” a property from the Zillow-created “Claim this property” page, Zillow allows them to use the content—including photographs—that was available on Zillow’s unclaimed property page for future rental listings. Thus, by making pre-populated listing content available for use—and in particular, by including CoStar’s

professionally-shot property photos—Zillow attracts property owners who might not otherwise be interested in listing on Zillow to “Claim [their] property” and purchase an advertising package to list the property for rent on Zillow’s websites. In addition to earning revenue from listing advertising packages, selling these advertising packages through the use of CoStar photographs unlocks other revenue streams related to landlord-tenant services, such as lease applications and tenant screening.

69. There are any number of examples of Zillow featuring CoStar’s photographs on unclaimed “property pages” to attract rental listing customers and thereby generate revenue. For example, as of May 29, 2025, the following “unclaimed” property listing appeared on Zillow’s website, prominently featuring 25 CoStar photographs and containing a “Claim this property” invite:



70. Today, the above listing has since been “claimed”: the “Claim this property” button is no longer present, and Zillow has replaced it with a “Set availability alert” button. The “claimed” webpage also states that the property manager is offering “special offers” for “immediate move-ins,” further indicating that the property manager has claimed the page. These

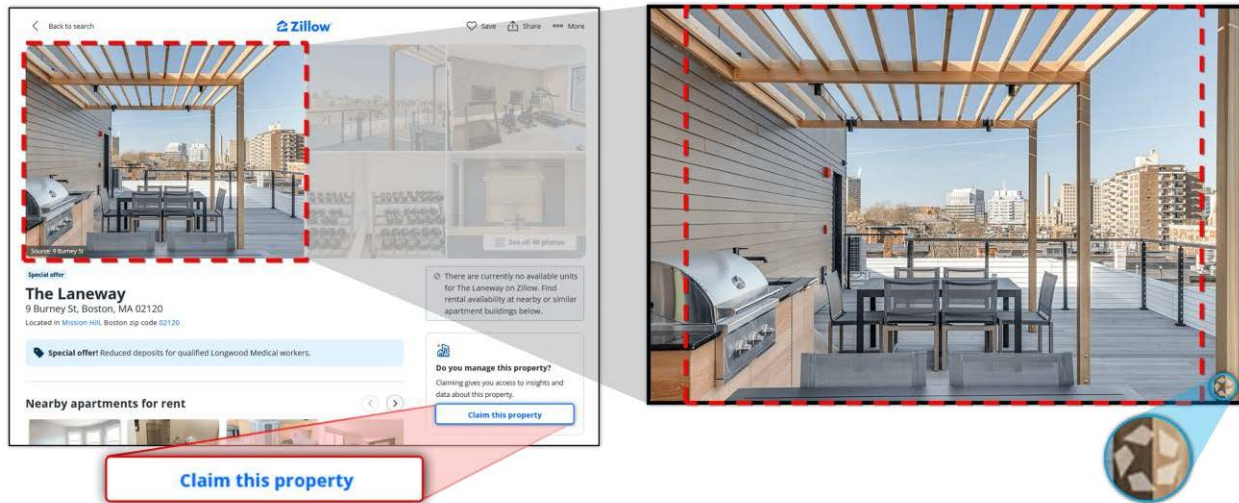
changes occurred because a leasing agent claimed the building and chose to do business with Zillow—having been drawn to Zillow through its use of CoStar’s photographs.



71. Significantly, the listing in its current (claimed) form includes the same 25 CoStar images that were featured when the property was unclaimed. In other words, after using CoStar’s photographs to *attract* property owners and managers—enticing them to “claim” a property page and purchase rental listing advertisements in the first instance—Zillow *continues* to take advantage of CoStar’s photographs to populate listings after the property has been “claimed,” using CoStar’s photographs for active rental listings and thereby generating revenue.

72. CoStar’s professional photography attracts property owners and managers to Zillow’s unclaimed “property pages.” Upon information and belief, Zillow is promoting these unclaimed “property pages” featuring CoStar photographs in Google search results. For example, the below “unclaimed” property page for “The Laneway” at 9 Burney Street in Boston features over a dozen of CoStar’s copyrighted photographs.





73. Upon performing a Google search for the property address, the link to the Zillow listing page appears as “Sponsored,” indicating that Zillow paid to have the webpage appear on Google’s search platform above other organic (unpaid) search results. Zillow is promoting this listing even though there are no units in the building available on Zillow. In other words, this is an example of Zillow—not its customers—making use of CoStar photographs to generate profits.

**Sponsored**



zillow.com

<https://www.zillow.com>

**The Laneway - 9 Burney St Boston MA | Zillow**

Make Apartment Renting Easy. Search, Save, Tour and Sign With Zillow Rentals.

Zillow Has the Most Listings, so You Can Find an Apartment That Checks All...



74. Further demonstrating Zillow’s recognition that professional photographs are critical to building valuable listings and gaining customers, Zillow requires “at least one high-quality photo of the rental property” for active listings. Zillow also imposes minimum quality standards for photographs, including the image file type and minimum pixelation. It is thus no surprise that Zillow also uses CoStar’s photos on thousands of active rental listings.

75. Beyond creating unclaimed “property pages,” and then offering the content thereon to populate listings once claimed, Zillow generally takes an active role in curating all of its live rental listings. Zillow analyzes all listing photos for a property to predict which images “will generate the highest number of contacts for your listing,” and then rearranges the order of photographs, including CoStar photographs, accordingly. Notably, Zillow frequently rearranges a listing’s photographs in a different manner than that chosen by an owner or property manager.

76. Zillow also actively monitors and flags images for removal, including images that are “irrelevant” to a property, “do not accurately represent the” property, or “contain explicit or offensive material, personal information, or discriminatory content.” More generally, Zillow has the ability to, and reserves the right to, remove images from its website, including because of copyright infringement. Yet, despite evaluating and removing images for the aforementioned reasons, and despite implementing various other mechanisms that analyze images to enhance user experience (such as Zestimates and other machine learning tools, as discussed below), Zillow does not, upon information and belief, attempt to identify or remove CoStar-copyrighted images through detection of CoStar’s watermark or image metadata.

77. Indeed, about half of the infringing photographs located on Zillow include CoStar’s watermark. In many instances, Zillow’s listing pages obscure the watermark until a user clicks on and enlarges the actual photograph.

78. Zillow is well-aware of the CoStar watermark, as demonstrated by, for example, Zillow’s use of the CoStar’s logo in its investor materials, as noted above. Despite having the technical capability to screen out CoStar-watermarked photographs, however, it has failed to do so.

79. In addition to the foregoing examples, the following is just a small sampling of the CoStar-owned images that Zillow is using on unclaimed property pages and active listings.







## 2. *Zillow Distributes CoStar's Photographs to Other Listing Websites*

80. Zillow's misconduct is not limited to Zillow.com. After attracting advertising customers to its website and creating listings, Zillow publishes these listings—using CoStar's photographs—to Zillow's other listing websites, including Trulia and HotPads. Zillow also places listings on its websites StreetEasy, which is a website dedicated specifically to residential real estate in New York City (and New Jersey), and Out East, which is dedicated to homes for sale and rent in the Hamptons. The following is an example of a Manhattan StreetEasy listing containing CoStar-owned images.

**StreetEasy** Advertise Sign up / Sign in

RENT BUY SELL BUILDINGS RESOURCES BLOG e.g. address, building, agent

Rentals > Manhattan > All Upper East Side > Upper East Side > Carnegie Hill > 152 East 87th Street #9F

**152 East 87th Street #9F**  
**\$7,175** FOR RENT  
 This price is base rent only and doesn't include any fees. See listing description for breakdown of costs and fees.  
**RENTED 2/21/2024**  
 885 ft<sup>2</sup> \$97 per ft<sup>2</sup> 2 rooms 1 bed 1.5 baths  
 Rental unit: Carnegie Hill

Under NYC law, you can't be charged a broker fee if you didn't hire a broker. [Learn more](#)

**REQUEST A TOUR**  
**ASK A QUESTION**

LISTED BY [Stephanie Ferrara](#)  
 Licensed Real Estate Salesperson

UNAVAILABLE Rented on 2/21/2024  
 DAYS ON MARKET 14 days  
 LAST PRICE CHANGE No changes

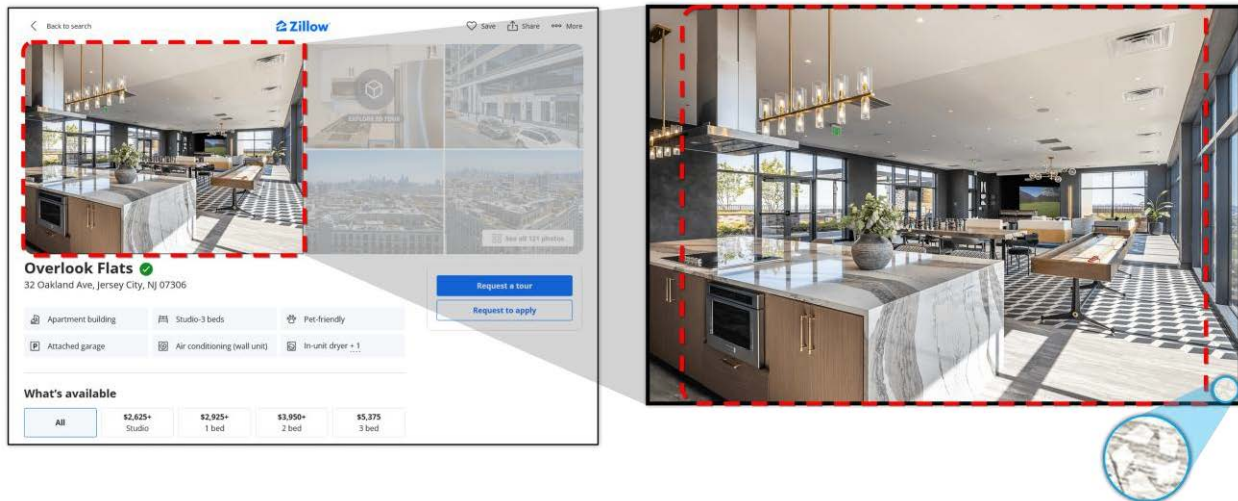
81. Beyond circulating CoStar’s photographs to other listing websites that it owns, Zillow distributes CoStar’s intellectual property around the web for display through syndication agreements with its partnership network. In March 2024, Zillow announced an agreement with Realtor.com to syndicate “multifamily rental listings with 25 or more units” to the latter’s listing website. As part of this deal, Zillow became the exclusive provider of multifamily listings to its supposed competitor, Realtor.com.

82. In February 2025, Zillow announced a similar agreement with listing website Redfin. Under this agreement, Zillow delivers listings (populated with CoStar-owned images) for display to Redfin and its partner websites, including Rent.com and ApartmentGuide.com. Through this deal—for which Zillow made a \$100 million upfront payment to Redfin and will pay at least \$75 million more over the next year in guaranteed lead generation payments—Zillow became the exclusive provider of multifamily listings to Redfin, Rent.com, and ApartmentGuide.com. (While Zillow and Realtor.com did not disclose the financial details of their earlier syndication agreement, the Zillow-Redfin terms are likely indicative.) Because of the large guaranteed lead payments, Zillow is incentivized to use CoStar-owned images on its “partner” site to generate leads. Although nominally styled as a “syndication” deal, in practice Redfin effectively shut down its rental operations, including by laying off approximately 450 employees, as Zillow actively transitions Redfin’s customer-base to Zillow.

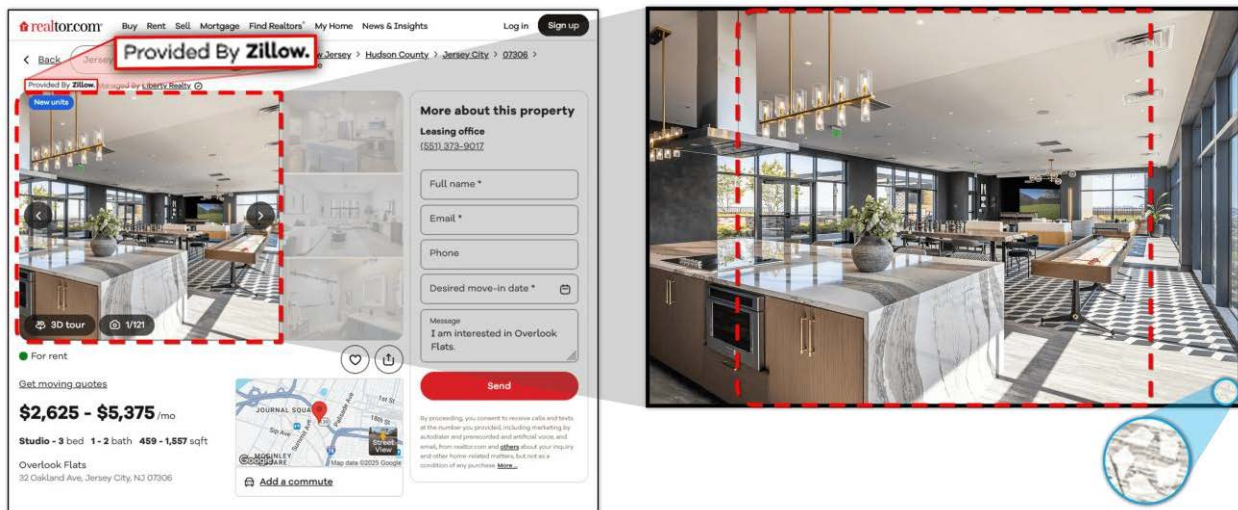
83. In addition to the multifamily growth that Zillow has reported recently, Zillow has experienced a significant increase in multifamily listings since the Redfin transaction. During this same time, CoStar has discovered its images appearing on Zillow, including for properties for which, upon information and belief, Zillow has built property pages to entice former Redfin customers to advertise on Zillow.

84. In short, Zillow effectively controls the multifamily listings on Realtor.com, Redfin, and their affiliated websites. And as a result of its syndication agreements, Zillow is publishing CoStar's copyrighted images not just on Zillow's websites, but also on several other rental listing websites, none of which have authorization to use CoStar's images.

85. For example, the below listing uses CoStar-owned photographs to advertise a New Jersey apartment building on Zillow.

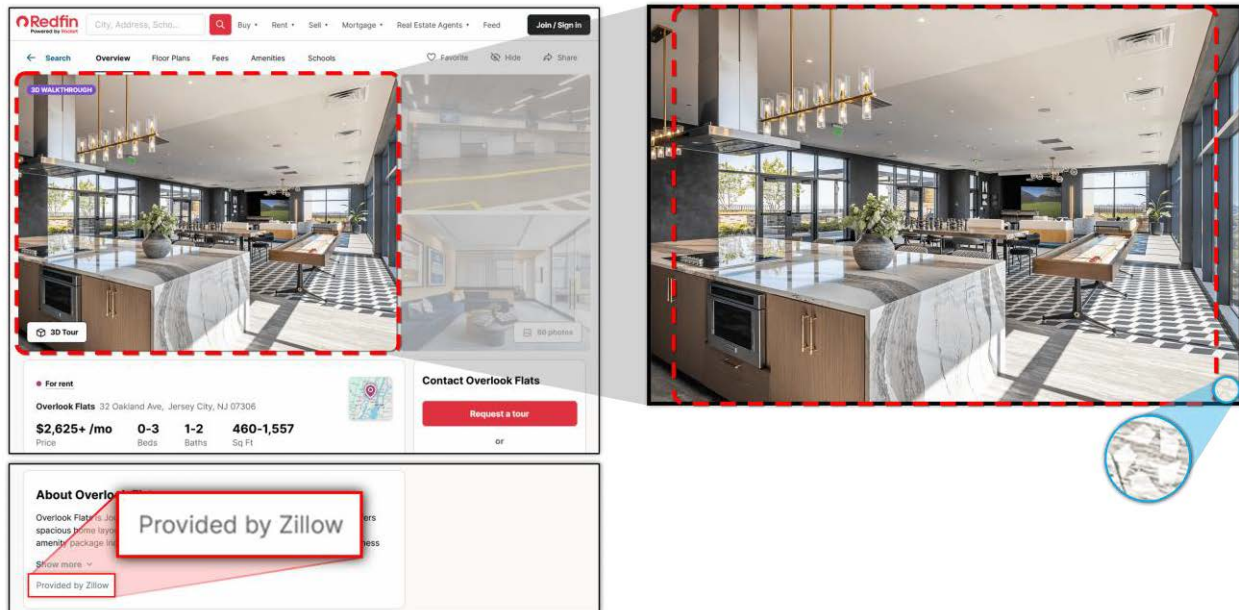


86. The same listing—along with the same photographs—appears on Realtor.com. The Realtor.com listing indicates that the listing content was “Provided by Zillow.”





87. The same listing and same photographs appear on Redfin. Like the Realtor.com website, the Redfin website states that the listing content was “Provided by Zillow.”



### 3. *Zillow Uses CoStar's Photographs to Build and Enhance Features on Its Websites*

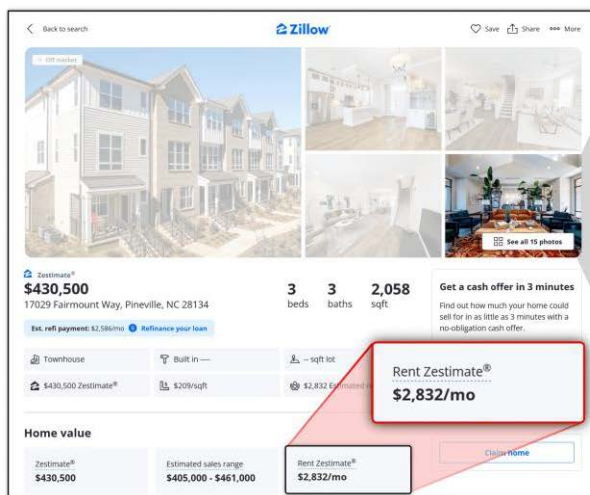
88. Beyond using and displaying CoStar's photos in unclaimed property pages, active listings, and even on other websites, Zillow makes active use of CoStar's images in several other ways.

89. One such way is through Zillow's "Zestimates." Zillow's property listings—both active listings and inactive property pages—include Zestimates, which are estimates of a property's market value (both rental value and sale value) generated by a Zillow valuation model. Zestimates incorporate data about a property to generate estimated rental and sale values. Zillow touts its Zestimates as a key feature of its platform for both users listing properties and those seeking a home or rental apartment.

90. Property photographs are a key input for Zestimates. As Zillow has stated, “photos provide consumers a rich source of information about a home’s quality,” and are thus key to generating a more accurate Zestimate.

91. Zillow analyzes property images to improve the Zestimate for that specific property. “[I]f a kitchen has granite countertops,” Zillow has explained, “the Zestimate now knows—based on the granite countertop’s pixels in the home photo—that the home is likely going to sell for a little more.” In addition, Zillow uses a property’s photographs to improve Zestimates for other listings, as Zillow uses both property-specific data and data from neighboring and comparable properties to calculate the Zestimate for a given property. In Zillow’s words: “The amount of data we have for your home and homes in your area directly affects the Zestimate’s accuracy,” and “[t]he more we know about homes in an area (including your home), the better the Zestimate.” Due to the large number of CoStar photographs appearing on Zillow’s website, Zillow necessarily uses CoStar’s images to calculate Zestimates for the properties on its website.

92. The following Zillow rental listing displays a rental “Zestimate” generated in part by CoStar’s photographs.



Back to search

Zillow

Save Share More

17029 Fairmount Way, Pineville, NC 28134

3 beds 3 baths 2,058 sqft

Get a cash offer in 3 minutes

Find out how much your home could sell for in as little as 3 minutes with a no-obligation cash offer.

Est. ref. payment: \$2,583/mo Refinance your loan

Townhouse Built in — sqft lot

\$430,500 Zestimate® \$209/sqft \$2,832 Rent Zestimate®

Home value

Zestimate® \$430,500 Estimated sales range \$405,000 - \$461,000 Rent Zestimate® \$2,832/mo

Close home



93. In addition, Zillow processes real estate listing photographs through its machine learning infrastructure, which is used to develop and operate key features such as personalized recommendation tools. Using photographs, Zillow visually extracts a home's attributes and features. By combining extracted image features with other inputs, such as user behavior data, Zillow generates tailored suggestions for individual users.

94. Upon information and belief, Zillow uses embedded image features to assess visual similarities across properties and generate recommended "Homes for you," "Similar homes," or "Similar apartments," suggestions, which are tailored to individual users. These suggestions rely on high volumes of real estate images—including by necessity CoStar's photographs, tens of thousands of which appear on Zillow's sites more than a quarter of a million times—to improve the accuracy of personalized recommendations. Moreover, to generate accurate recommendations, Zillow relies on property listings being populated with data—critically, listing images—sufficient to compute the degree of similarity between the listing and a given user's known preferences. Thus, by publishing CoStar's photos on its listings, Zillow gains integral input data that it uses to power its user recommendations.

#### **F. Zillow's Prior Misconduct**

95. Zillow is a repeat infringer. Zillow was previously sued by VHT, Inc. for infringing tens of thousands of VHT's real estate images. That lawsuit resulted in a judgment, affirmed on appeal, against Zillow for its infringement of thousands of VHT's photographs.

96. Undeterred, Zillow now willfully infringes tens of thousands of CoStar's copyrighted photographs. And Zillow does so with even more direct involvement than in VHT's lawsuit, for example, by now specifically using CoStar's photographs to invite property managers to purchase rental listings and advertise apartments using those photographs.



## **FIRST CLAIM FOR RELIEF**

### **Copyright Infringement**

97. CoStar repeats and realleges each and every allegation set forth above, and incorporates them herein by reference.

98. Each of CoStar's photographs constitutes an original work of authorship and copyrightable subject matter under the laws of the United States.

99. CoStar owns the photographs shown in **Exhibit B**. For each such photograph, CoStar has validly registered each of the photographs, as detailed in **Exhibit A**, with the United States Copyright Office. For each photograph for which CoStar asserts an infringement claim, a valid registration was obtained by CoStar prior to Zillow's first infringement of the photograph or within 90 days of the photograph's first publication.

100. Zillow had and has access to CoStar photographs through the internet or other means.

101. Zillow has copied, reproduced, prepared derivative works of, distributed to the public, and/or displayed publicly on its websites CoStar's copyrighted photographs—including without limitation those copyrighted works identified in **Exhibit B** hereto—without the consent or authority of CoStar, thereby infringing CoStar's copyrights.

102. Upon information and belief, Zillow's unlawful copying, reproducing, distributing, preparation of derivative works, and public displaying of these CoStar photographs occurred at least on or around the dates set forth in **Exhibit A**.

103. Zillow's copies, reproductions, distributions, derivative works, and displays are identical and/or substantially similar to CoStar's photographs. CoStar, which owns an exclusive right to prepare derivative works of its copyrighted images, did not give Zillow permission to create any derivative works or publicly display those works.

104. Zillow is directly liable for these acts of infringement in violation of 17 U.S.C. §§ 106 and 501.

105. The infringement of CoStar's rights in each of its copyrighted photographs constitutes a separate and distinct act of infringement.

106. Zillow's acts of infringement have been willful, intentional, purposeful, and in disregard of CoStar's rights under the Copyright Act. Zillow knew its acts were infringing and intentionally or recklessly disregarded the law by its conduct.

107. CoStar did not authorize Zillow's acts.

108. CoStar believes that additional instances of Zillow's infringement of its copyrighted photographs will be revealed during the discovery process.

109. As a result of Zillow's willful copyright infringement, CoStar has been and will continue to be damaged as a direct and proximate result of the infringing acts set forth above, and Zillow has profited and will continue to profit as a result of its unlawful infringement of CoStar's copyrighted photographs in an amount to be proven at trial.

110. Zillow's conduct also has caused irreparable and incalculable harm and injuries to CoStar and is ongoing. Unless enjoined, Zillow's conduct will cause further irreparable and incalculable injury, for which CoStar has no adequate remedy at law.

## **SECOND CLAIM FOR RELIEF**

### **Vicarious Copyright Infringement**

111. CoStar repeats and realleges each and every allegation set forth above, and incorporates them herein by reference.

112. In addition to or in the alternative to Zillow's direct infringement of CoStar's photographs, Zillow is liable for the vicarious infringement of CoStar's photographs.

113. Each of CoStar's photographs constitutes an original work of authorship and copyrightable subject matter under the laws of the United States.

114. CoStar owns the photographs shown in **Exhibit B**. For each such photograph, CoStar has validly registered each of the photographs, as detailed in **Exhibit A**, with the United States Copyright Office. For each photograph for which CoStar asserts an infringement claim, a valid registration was obtained by CoStar prior to Zillow's first infringement of the photograph or within 90 days of the photograph's first publication.

115. Third parties have and have access to CoStar photographs through the internet or other means.

116. Third parties have copied, reproduced, prepared derivative works of, distributed to the public, and/or displayed publicly on Zillow's websites CoStar's copyrighted photographs—including without limitation those copyrighted works identified in **Exhibit B** hereto—without the consent or authority of CoStar, thereby infringing CoStar's copyrights.

117. Zillow has the right and ability to supervise the infringing conduct on its websites, including by removing any acts of copyright infringement.

118. Zillow has declined to exercise its right to stop the infringement of CoStar's photographs on Zillow's websites.

119. Zillow receives a direct financial benefit from the infringement of CoStar's photographs on Zillow's websites, including, but not limited to, from the sale of rental listing advertisements, increased use of its websites by those looking to lease property as the lessor or lessee, and the sale of additional products and services related to the lease of rental property.

120. Upon information and belief, the unlawful copying, reproducing, distributing, creation of derivative works, and public displaying of these CoStar photographs occurred at least on or around the dates set forth in **Exhibit A**.

121. The copies, reproductions, distributions, derivative works, and displays are identical and/or substantially similar to CoStar's photographs. CoStar, which owns an exclusive right to prepare derivative works of its copyrighted images, did not provide permission to create any derivative works.

122. Zillow is liable for these acts of infringement in violation of 17 U.S.C. §§ 106 and 501.

123. The infringement of CoStar's rights in each of its copyrighted photographs constitutes a separate and distinct act of infringement.

124. Zillow's acts of infringement have been willful, intentional, purposeful, and in disregard of CoStar's rights under the Copyright Act. Zillow knew its acts were infringing and intentionally or recklessly disregarded the law by its conduct.

125. CoStar did not authorize Zillow's acts.

126. CoStar believes that additional instances of Zillow's vicarious infringement of its copyrighted photographs will be revealed during the discovery process.

127. As a result of Zillow's willful copyright infringement, CoStar has been and will continue to be damaged as a direct and proximate result of the infringing acts set forth above, and Zillow has profited and will continue to profit as a result of its unlawful infringement of CoStar's copyrighted photographs in an amount to be proven at trial.

128. Zillow's conduct also has caused irreparable and incalculable harm and injuries to CoStar and is ongoing. Unless enjoined, Zillow's conduct will cause further irreparable and incalculable injury, for which CoStar has no adequate remedy at law.

**PRAYER FOR RELIEF**

WHEREFORE, CoStar prays for relief as follows:

129. For an order pursuant to 17 U.S.C. § 502 permanently enjoining and restraining Zillow and its officers, agents, servants, and employees and all those in active concert or participation with them from directly committing, aiding, encouraging, enabling, inducing, causing, materially contributing to, or otherwise facilitating, directly or vicariously, the infringements of CoStar's exclusive rights under the Copyright Act, or from authorizing any other person to do the same;

130. For an award pursuant to 17 U.S.C. § 504 of CoStar's actual damages and Zillow's profits or, alternatively at CoStar's election, for statutory damages for Zillow's infringement and willful infringement—including without limitation for the instances of infringement identified in **Exhibit B**, and other instances of infringement subsequently disclosed or uncovered during discovery—in the maximum amount allowable by law;

131. For a finding that Zillow has willfully infringed CoStar's federally registered copyrights;

132. For further permanent injunctive relief as deemed necessary by the Court, including without limitation for an order pursuant to 17 U.S.C. § 503(b) or otherwise requiring the purging and destruction of all CoStar copyrighted photographs from Zillow's database(s) and system(s) by an independent source that reports to CoStar and the Court and monitors Zillow's future compliance with the Court's orders;

133. For an award of CoStar's costs, including its reasonable attorneys' fees;

- 134. For pre-judgment and post-judgment interest according to law;
- 135. For exemplary and punitive damages to the extent available; and
- 136. For such further and additional relief as the Court may deem just and proper.

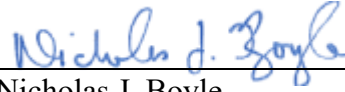
**JURY DEMAND**

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, CoStar hereby demands a trial by jury.

Respectfully submitted,

Dated: July 30, 2025

**LATHAM & WATKINS LLP**

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