

UNDERSTANDING ANGEL INVESTING

An angel investor is an accredited investor who uses his or her own money to invest in small businesses. To be accredited, you must be able to demonstrate that you possess a minimum net worth of one million dollars and earn an annual income of at least \$200,000. In contrast, venture capitalists do not use their own money, but rather invest in small companies using money pooled from investment firms, large corporations and pension funds. Because of this difference, VCs can afford to invest more significant amounts. According to a [Small Business Administration report](#), the average venture capital deal is \$11.7 million, while the average angel investment deal is \$330,000.

Key Facts About Angel Investing

- Of the 565,000 startups are launched in each month in the United States, slightly less than one percent receive angel investment. To put this into context, 57% of startups are funded by the founder through personal loans and credit, while 38% receive funding from family or friends. ([Entrepreneur](#))
- Angel investors contributed \$23.9 billion to 61,560 startups in 2017, a 12.6% increase in funding over the year before. The number of active investors in 2017 was 288,380 individuals, a decrease of 3.2% from 2016. ([UNH Center for Venture Research](#))
- Angel investments created 209,300 new jobs in the United States in 2017, or 3.4 jobs per angel investment. (UNH Center for Venture Research)
- Angel investors are increasingly funding women-led companies. In 2017, 25.7% of all angel deals went to a startup with a female founder, up from 17% the year before ([2017 Halo Report](#))
- Software remains the largest sector angel investors support at 26.75%, followed by consumer products and services at 20.86%, and healthcare at 15.45%. (2017 Halo Report)
- New York State ranks second in the nation after California for the scoring the most angel investment deals. California accounted for 20.61% of all angel investment deals, New York 9.33% and Texas 8.66%. (2017 HALO Report)
- The five most active angel investment groups in the state are New York Angels, Golden Seeds, Techstars, Entrepreneurs Roundtable Accelerator, and SOS Ventures (2017 HALO Report)
- New York angel investors receive up to a 20% tax credit on investments they or their businesses make in a certified qualified emerging technology company. ([Department of Taxation and Finance](#))

Attend the Angel Investment Workshop at E^3 on April 25

To learn more about angel investing and network with the top angel investor groups and advisors, enroll in the angel investment workshop as part of the [E^3 Conference & Expo](#) on Thursday, April 25 at the Sage Armory in Albany, which is presented by [Upstate Capital](#).