



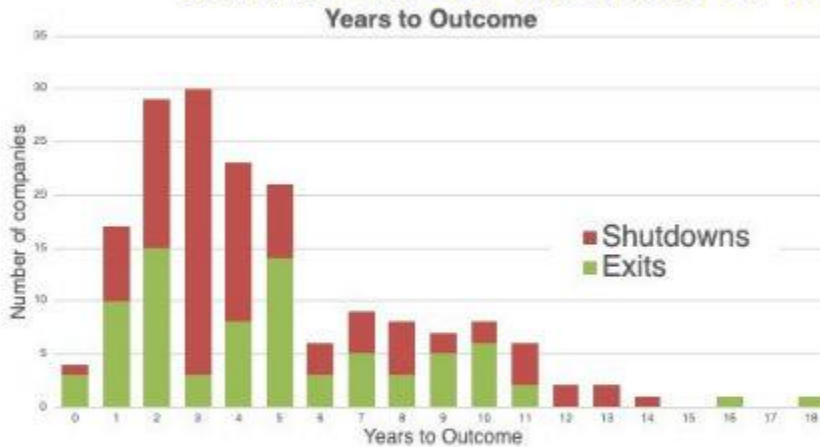
ANGEL CAPITAL ASSOCIATION

## ACA Data Insights What We Learned From Our Data

In support of [ACA's Data Insights initiative](#), once a month we will be sharing charts illustrating useful learnings from analyzing data on angel investing and portfolio returns.

This month we are addressing the question of what to expect on timing of outcomes. Based on analysis of 182 outcomes in [Tech Coast Angels'](#) portfolio since 1997, shutdowns tend to bunch up in the first five years as they fail to gain sufficient traction and run out of funding. In contrast, exits are spread out more evenly over a longer period.

### WHAT TO EXPECT ON TIMING OF OUTCOMES



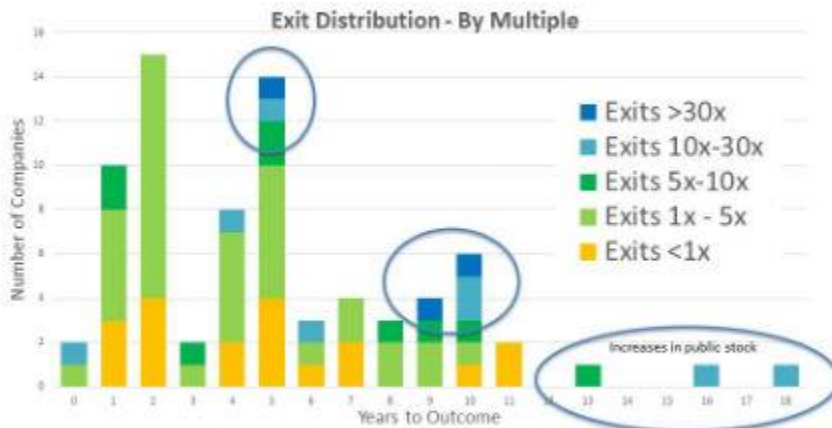
- TCA had 5-7 Exits each year since 2012
- Shutdowns bunch up in first five years
- Exits spread out more or less evenly after investment
  - Quick ones once proven
  - Longer after revenue builds

Source: Analysis of 182 Tech Coast Angels Outcomes Including Exits and Shutdowns



ANGEL CAPITAL ASSOCIATION

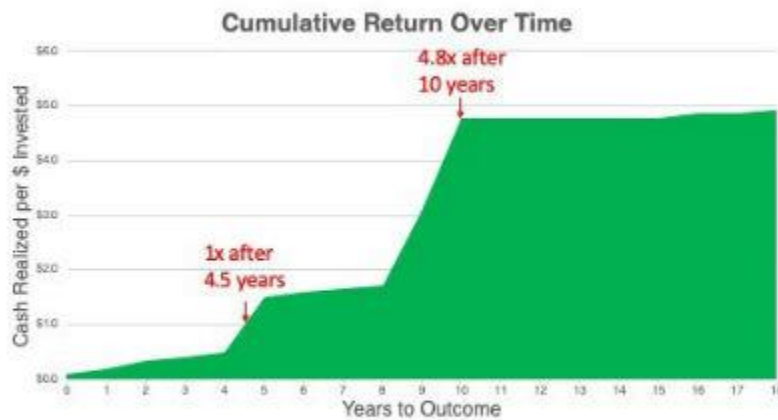
## LARGER EXITS TAKE LONGER



- Bigger exits come to more mature companies
- Earliest exits tend to be at low multiples



## EXPECTATIONS ON SPEED TO PAYBACK



- Payback of principal around 4-5 years
- 480% back by year 10



So, the takeaway is **BE PATIENT!** Don't be too discouraged if the early outcomes you realize as an angel are disappointing. Failures often come early, but successes take much longer!

Stay tuned for additional insights next month and sign up to participate in ACA's Data Initiative by submitting your data for future editions of the [Angel Funders Report](#) to provide angels with insights on the factors that affect the outcomes of startup investments.



Angel Capital Association | 10977 Granada Ln, Ste 103 | Overland Park, KS 66211  
[Remove my email](#) from future emails.