

# 2016 Investor Survey

*Alternative Investment Forum/KCSourceLink*

## Background/methodology

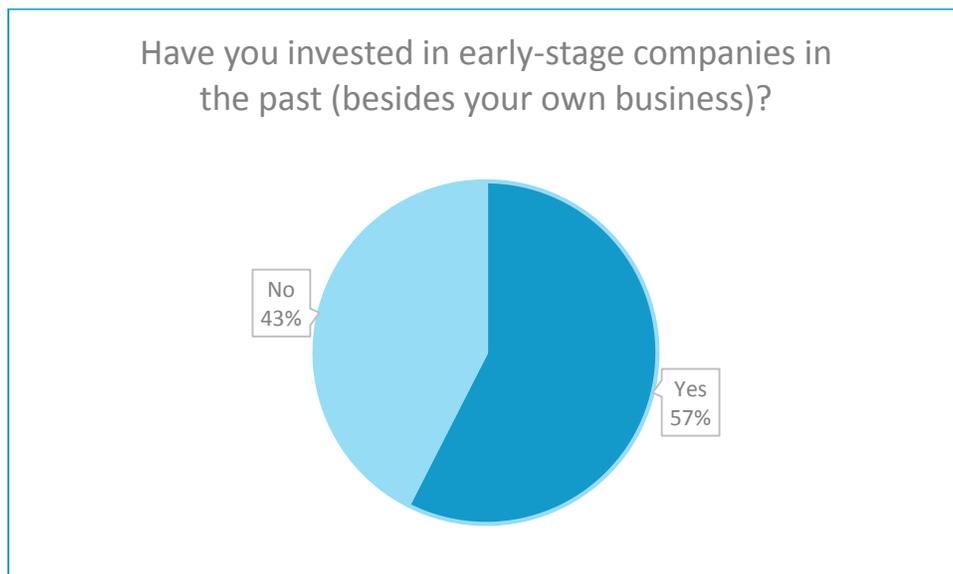
In the spring of 2016, the Alternative Investment Forum partnered with KCSourceLink to conduct a brief survey (9 questions) of the investor community in Kansas City. Up to that point, there had been no data developed in the Kansas City area identifying the interest of high net worth individuals regarding early-stage venture investing. The results of this survey begin to fill in the gaps by assembling information about the investor community here in Kansas City.

A link to the survey was distributed to approximately 500 high net worth individuals in the Kansas City area. Eighty surveys were completed, for a 16% response rate. Some general information about the respondents:

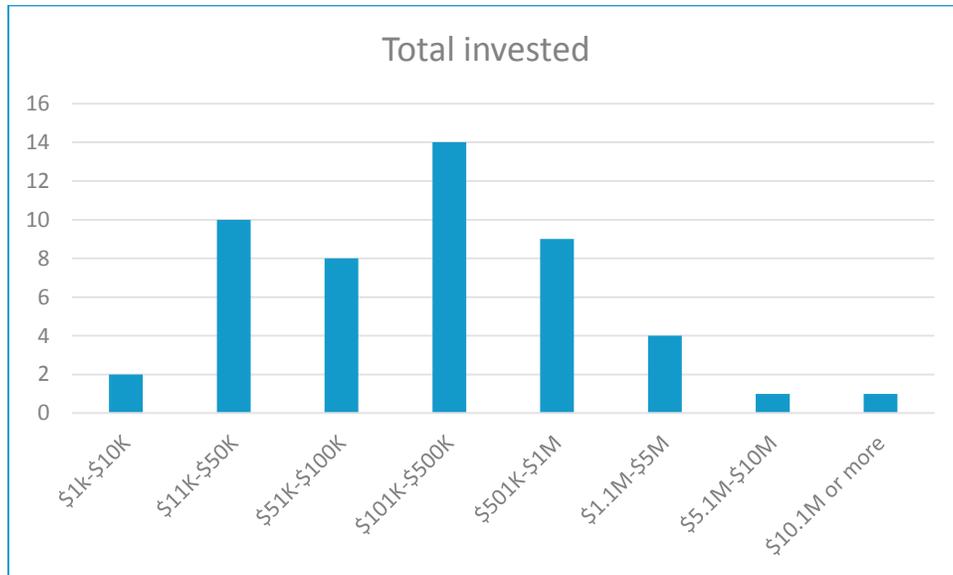
- 96% of those who responded were accredited investors.
- 62% were interested in investing in early-stage Kansas City area companies.
- 68% would like to learn more about early-stage investing

## Findings

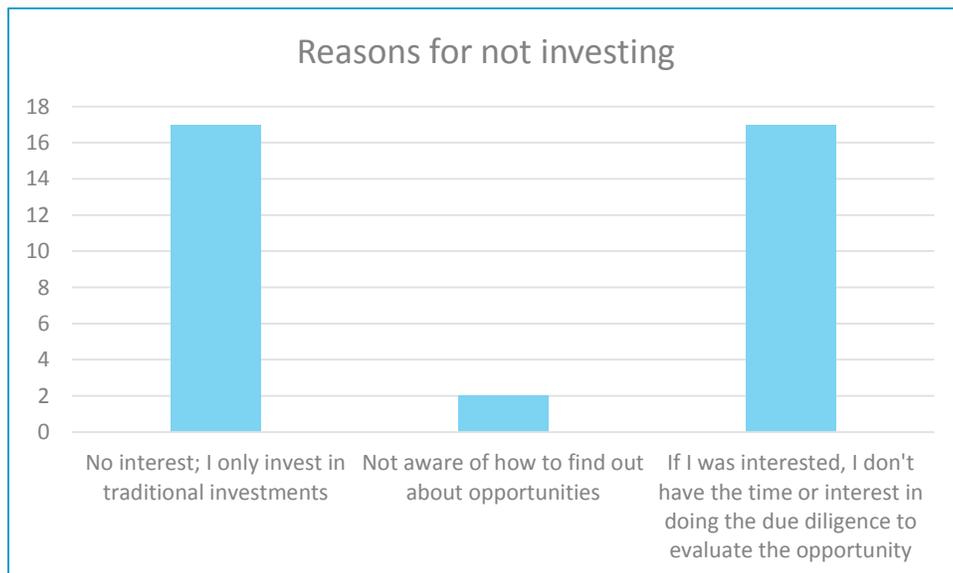
More than half of those responding had engaged in early-stage investing.



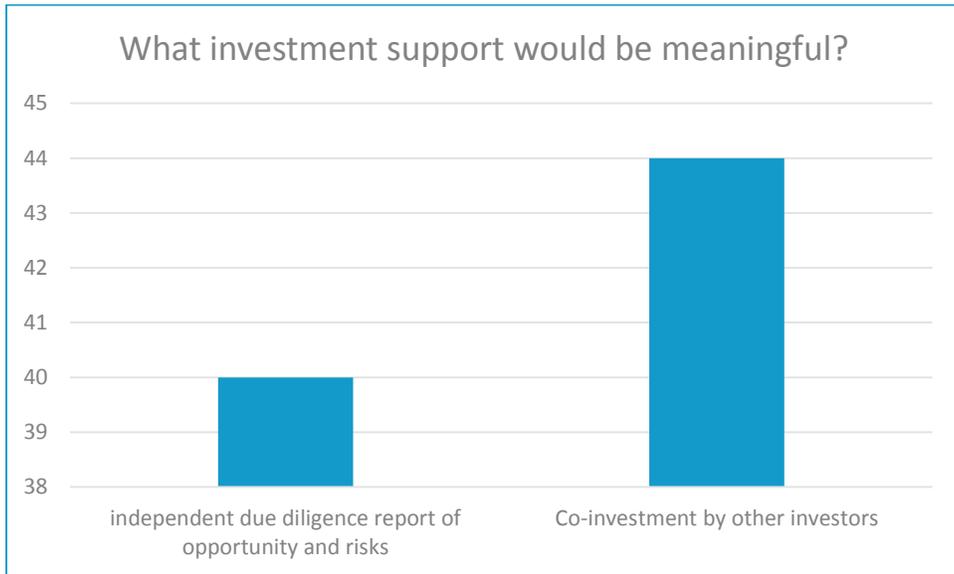
Of those who had invested, about 65% had invested between \$11,000 and \$500,000. Two had invested more than \$5 million.



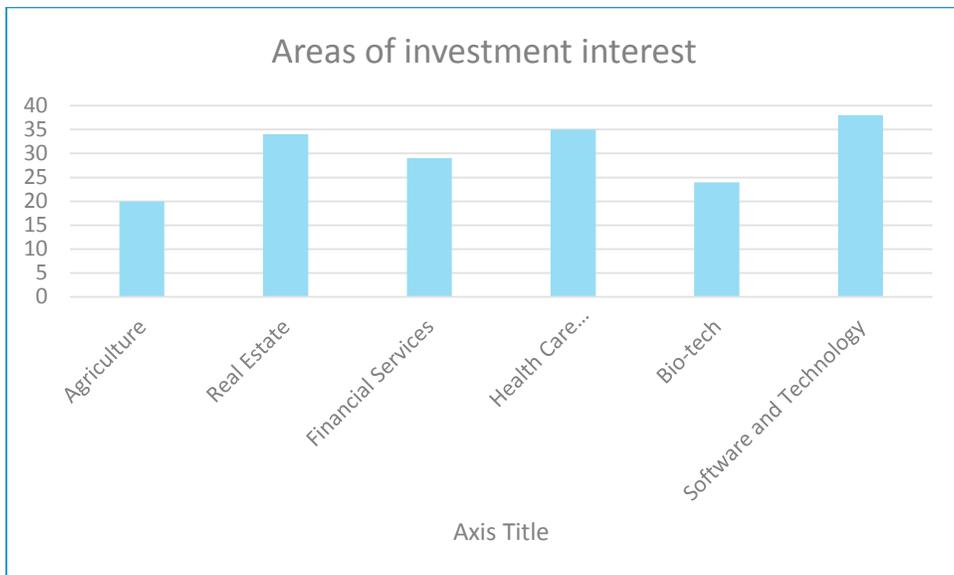
Those who were not interested in investing in early-stage companies were split on their reasons for not investing.



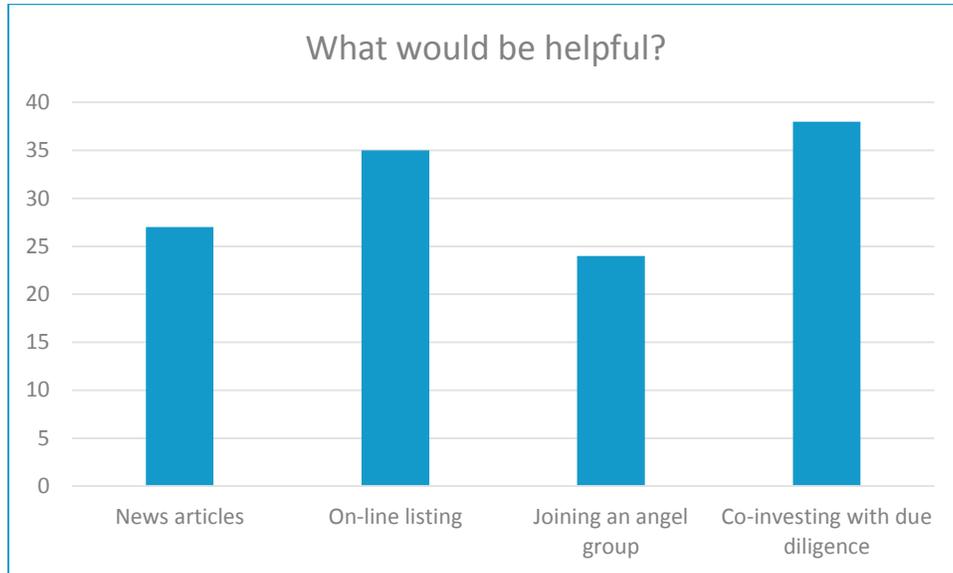
Those who were interested in investing cited a desire to co-invest with others.



Investors were interested in a variety of industries.



Co-investing with someone else performing due diligence was cited as a key aid to learning more about early-stage investing.



## Summary and Next Steps

Although the number of accredited investors responding to the survey is relatively small in comparison to the estimated size of the community, the responses provide a consistent story.

- Accredited investors in Kansas City have an interest in early-stage investment opportunities.
- Those who have previously invested have invested in the \$50,000 to \$1,000,000 range.
- Those who have an interest in this market do not have the time or interest in doing the due diligence required to invest.
- Those who have an interest would appreciate support with due diligence and by co-investing with other investors.
- Investors are interested in a variety of industries, most notably technology, health care and real estate.
- The responders would welcome support through news articles, online listings, angel groups and co-investing.

As part of creating a healthy ecosystem for early-stage entrepreneurial businesses, it is important to inform and educate the private investment community regarding the opportunities and the support tools that are available to them. Next steps include:

- Further identifying interested investors and making them aware of organized groups in which to participate.
- Connecting this community to investment opportunities and educational resources.
- Informing this community regarding news and events.
- Connecting these investors to other investors in the community.
- Identifying sources to support the due diligence process for investment opportunities.