



## How to discover quality investment opportunities?

Now that you are grounded in the **Do's and Don'ts of Angel Investing**, let's dig into the next topic: finding quality investment opportunities.

Unless you're a "super" angel who is constantly being approached by startups, finding promising investment opportunities is a major obstacle for the majority of angel investors--especially those just starting out. Getting access to what is commonly referred to as "quality deal flow" is the first hurdle in establishing yourself as an angel investor. But what are the markers of quality, and how can a new investor get access to the same startups as the top angels and VCs?

The good news is that angel investing is becoming more accessible than ever before. Even new angels who are investing small amounts can participate in very promising startups. We're here to share some effective strategies that will put you in a position to see high-quality startups as the norm.



## What is quality deal flow?

Deal flow broadly refers to the rate at which angel investors receive business proposals. Quality deal flow is distinct--and obviously more sought out--because it refers to the rate at which angel investors receive business proposals from startups that have the potential to generate above average returns for their investors. AKA the businesses that you actually want to hear from.



## Markers of Quality

What do we mean by markers of quality? In addition to the criteria we outline in the Do's and Don'ts--making sure you have a grasp of the technology, looking at the backgrounds of the management team, and understanding the market --you should also look for this key marker of quality: affiliation.

Affiliation refers to a startup's connection/relationship with a reputable incubator, research institution, university, lab etc. Many investors use affiliation as a first step in their search for quality deal flow.

Looking at a startup's connections has proven to be a success marker. **First Round Capital**, a leading early stage VC-firm, has shown that this can be a key factor in long-term success. Affiliations with a respected group or institution is often a signal that the startup has been vetted to some extent and will have a quality team, business idea, and technology.





## Where can I find these deals?

In the dark ages, quality deals were hard to find if you weren't plugged into either **a major financing center** (think NYC, Boston, and--of course--the Silicon Valley) or powerful angel groups.

Today's sources for finding quality deal flow have increased and include a proliferation of angel groups, which are geographically-based and often affiliated with universities and other institutions. For those wanting to attend meetings and be part of a group, angel groups are a great way to find quality (albeit limited) deal flow.

A second option, which is growing quickly as the most accessible way to find quality deal flow is through online investing platforms.

Investing platforms have access to a wide variety of startups and cull their deals from a range of sources. For example, when Propel(x) is vetting a startup, we work with leading incubators, innovation labs, angel groups, and universities to ensure that the investors who are part of the Propel(x) network have access to promising, cutting-edge science and technology startups first and are supporting them from the start.

With the help of angel investing platforms, you too can gain access to the insights and opportunities of places like the Silicon Valley, Boston or New York--without having to deal with any of the traffic.



## Advantages of Online Platforms

The rise of online investing platforms is an encouraging sign for angels who are just starting out. By bringing an ease of accessibility, budding angels will have an as of yet unprecedented opportunity to get a stream of quality investment opportunities right out of the gate.

To see the current startups fundraising on Propel(x), **[sign-up for free now.](#)**

