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Editor's Note: *Jeffrey Sohl, director of the UNH Center for Venture Research, can be reached at 603-862-3373 and jeff.sohl@unh.edu. The full 2015 Angel Market Analysis is available at*

<https://paulcollege.unh.edu/sites/paulcollege.unh.edu/files/webform/Full%20Year%202015%20Analysis%20Report.pdf>

UNH Center for Venture Research: Angel Investor Market in 2015 a Buyer's Market

DURHAM, N.H. – The angel investor market in 2015 had a slight increase in investment dollars and in deal size, according to the latest angel market analysis released by the Center for Venture Research at the University of New Hampshire.

Total investments in 2015 were \$24.6 billion, an increase of 1.9 percent over 2014, but the number of entrepreneurial ventures receiving angel funding declined 3.1 percent over 2014 in investments to 71,110. The number of active investors in 2015 was 304,930 individuals, a decrease of 3.7 percent from 2014.

"The change in both total dollars and the number of investments resulted in a deal size for 2015 that was larger than in 2014 by 5.1 percent," according to Jeffrey Sohl, director of the UNH Center for Venture Research. "These data, combined with the yield rates and valuations, indicate that angels were selective in their investment behavior in 2015."

Angel investments continue to be a significant contributor to job growth with the creation of 270,200 new jobs in the United States in 2015, or 3.8 jobs per angel investment.

The Center for Venture Research's analysis found that angel investments in the seed and start-up stage were largely unchanged and angels remained a strong factor in early stage investing with 45 percent of investments in the early stage. There was little movement in expansion and late stage investing between 2014 and 2015. Investment activity in new, first sequence, investments was 44 percent in 2015, a decline from 49 percent in 2014.

"This decrease in new investments is a discouraging sign for our nation's start-ups," Sohl said.

In addition, the average angel deal size in 2015 was \$345,390, an increase of 5.1 percent from 2014, and the average equity received was 14.9 percent with a deal valuation of \$2.32 million, down by 13.1 percent from 2014.

"This decline in valuations represents a three-year trend and may indicate that a market correction is gaining momentum," Sohl said.

Software remained the top sector position with 18 percent of total angel investments in 2015, followed by healthcare services/medical devices and equipment (16 percent), biotech (13 percent), industrial/energy (11 percent), retail (10.6 percent) and media (9 percent).

The Center for Venture Research has been conducting research on the angel market since

1980. The center's mission is to provide an understanding of the angel market through quality research. It is dedicated to providing reliable and timely information on the angel market to entrepreneurs, private investors and public policymakers.

The University of New Hampshire, founded in 1866, is a world-class public research university with the feel of a New England liberal arts college. A land, sea, and space-grant university, UNH is the state's flagship public institution, enrolling 13,000 undergraduate and 2,500 graduate students.

PHOTO

Jeffrey Sohl, director of the UNH Center for Venture Research

<http://www.unh.edu/news/img/JeffreySohl.tif>