Angel Investing DD Red Flags

## Common Red Flags:

* No personal money in
* Messy Cap Table
* No product diversity
* Claims of “no competition”
* Other debts/liabilities
* No early investors
* Poor management/unsettled management team
* Family-related ventures
* Unrealistic/Exceptional projections
* Incomplete financials
* Poor board/Internal board
* Unrealistic valuation
* Non-negotiable terms
* IP issues
* Pending regulatory issues
* No Team - unrealistic founder expectations

## Common Deal Breakers:

* Low/poor ethics in founders
* Non coachable founders
* IP/licensing issues
* Bad pre-existing terms/agreements
* Valuation too high
* Non negotiable terms
* Poor financial statements