



Starting a Hedge Fund: Guide for Emerging Managers



Presented by:

Amy Zhang, CPA

Managing Member

Affinity Fund Services LLC

www.affinitycpa.com



Agenda – Video II

- Different investors
- Their pros and cons
- Capital raising strategies and tips

Video III:

- Key service providers and selection process
- Costs of starting and running a hedge fund



Different investors and their pros and cons

1. Non-institutional investors

- Family & friends, and other high-net-worth individuals
- Seeders

High Net Worth Individuals

- Minimum due diligence
- "Sticky" money
- Small investments
- Demand more attention

Seeders

- Larger checks
- Assistance in operation and marketing
- Share revenue
- Harder to get capital commitment



Different investors and their pros and cons

2. Institutional investors

- Family offices
- Funds of funds
- Foundations & endowments
- Pension funds
- Sovereign wealth funds



Separate Managed Accounts (SMAs)

SMA is gaining popularity...

- What is it?
- Advantages
- Disadvantages



Capital Raising Strategies and Tips



Marketing



Negotiation



Relationship
Maintenance



Capital Raising Strategies and Tips

Marketing



- Increase your visibility
- Make your pitch count!



Capital Raising Strategies and Tips

1. Pitch book

- You and your team
- Strengths
- Investment program
- Performance track record



Capital Raising Strategies and Tips

2. Your presentation

- Research your audience
- Keep it short
- Be # ready
-
-
-
- Sell yourself



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Negotiation



- No? Yes!
- Techniques and scenarios can be found on our blog
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Relationship Maintenance

- Communications
- Referrals



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Contact Us

Website

www.affinitycpa.com

Phone

415 370 6208

Email

amy@affinitycpa.com