

# Getting Real: Tips And Tricks For Real Estate Entrepreneurship

[Julie Castro Abrams](#) Mar 30, 2023,

## Why Now Is The Time For Women To Become Venture Investors

*Experienced CEO and founder of [How Women Lead](#), venture capitalist and sought-after speaker on female entrepreneurship.*





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The extraordinarily wealthy and movie stars are no longer the only people who can afford to invest in venture capital. And it's a good thing: Since venture capital drives job growth and innovation, we need all types of investors at the table, not just white men and the elite, or we won't get the solutions, economic prosperity and corporate cultures we need.

Per the [SEC's Accredited Investor guidelines](#), if you have an annual income of \$200,000 (\$300,000 with spouse or partner), you may qualify to invest in a venture fund, and many venture capital firms today are offering investment opportunities for as little as \$10,000. This means that millions of women could become venture investors right now. In fact, I would say it is our greatest opportunity to create a path for women's economic power, career enhancement and influence.

# Why now?

Like all investment strategies, venture investing carries risk, but, in my experience, it is one of the best ways to get outsized gains and a critical part of a diversified investment portfolio. It is a good long-term strategic allocation in a portfolio and can be a hedge against long-term volatility. Yet, in my experience, many qualified women are not told by their wealth management advisors that venture investing could be a way to build their wealth. This excludes women from a great opportunity to grow personal assets and contribute to the future success of companies that will impact our future. I have also seen firsthand how it is [a great career and brand builder](#)—a power play.

I predict that the next two years will bring incredible opportunities for investment into companies that will emerge as high-growth and even unicorns in the wake of the market volatility we are currently experiencing. The need to make course corrections to ride the tide of the economy often spawns new opportunities. Indeed, closely following the 2008 recession, [hundreds of thousands of new U.S. companies were started](#), including many that are now household names, [such as Airbnb, WhatsApp and Slack](#).

Last year, How Women Invest—the sister organization of my company, How Women Lead—reviewed nearly 500 investment opportunities involving companies in their first or

second year of existence. And the pace is not letting up. Marry that fact with the fact that [VCs did better than stock market investors during the last two recessions](#), and we have a confluence of factors that make investing in startups particularly attractive right now.

## Where should you start?

The prospect of vetting opportunities and negotiating sound valuation terms takes skill and network power. In my experience, investing well as an individual is very hard to do. When becoming an investor with early-stage startups, focus and risk mitigation is important so that you can move quickly to assess and invest with confidence. To invest in startups with confidence, a key strategy is to join a fund that is focused and managed for expedient, informed investing decisions.



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### 3 Concepts From Mechanics That Are Useful For Startup Founders

**Identify a venture capital firm that meets your needs and aligns with your values.**

VC has historically been a male-dominated industry (Less than 3% of VC dollars are spent on companies started by

women). So, it's important to [ask VC firms what they're doing to reduce gender bias](#). Other important questions include:

- Does the VC firm welcome individual investors at a dollar level that works for your portfolio?
- Does the VC firm have a transparent investment thesis and track record?
- Is the VC firm led by a team who inspires your confidence?
- How many women are making decisions?
- How many women and people of color are CEOs in your portfolio companies?
- Does this fund offer ways for you to learn more about venture?
- Will you have visibility into the investments? How often?
- Will you ever meet the founders?
- Can you play a role in due diligence or on the board seats?

**Consider investing in women-owned businesses.**

We are seeing a surge in innovative companies led by women who are tackling solutions for the basic needs of our

livelihood—shelter, heating, food, health and education—all of which represent incredible opportunities for venture investment. Also, historically, investing in women-founded companies can [result in outsized gains](#).

One way to get in early and learn more about these opportunities? Partner with a venture fund that makes a concerted effort to exponentialize the number of women cofounded or led companies. My company, How Women Invest, invests only in companies started by women. Other women-focused venture funds include Chloe Ventures, Female Founders Fund, AmplifyHer Ventures, BBG Ventures, Halogen Ventures, Rethink Impact and Women's VC Fund, to name a few. Collectively, we aim to fundamentally change the asset-building opportunities for women and the role and opportunities for women in business.

## **Think long-term.**

Venture capital is a long-term bet. It is also crucial to our economy, serving as the backbone of startups and small enterprises that become the engines of progress. A venture investor must have the tenacity to invest, reinvest and hold for a period of five to eight years and put the work in upfront and throughout the investment to help the portfolio companies not just survive but flourish. By investing in funds with a disciplined and informed approach, your money, however much or little, may punch above its weight to build



value and wealth for the companies you invest in and your personal net worth.

The confluence of economic trends, the growing number of women-led startups well positioned to make a significant change and the number of women who qualify to participate in individual venture investing bodes particularly well for venture investment right now. As with all asset classes and strategies, timing—and an informed decision—is everything.

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