

invest local

The State of Intra-State Venture Investing

RISE OF THE REST
2026 ANNUAL REPORT





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Letter From Rise of the Rest

For more than a decade, Revolution's Rise of the Rest has tracked how venture capital flows across the U.S. and how those flows influence where innovation takes hold. A central premise of that work has been that local investors play a critical role in sparking and sustaining local startup ecosystems. Why? People tend to back what they know, and capital, confidence, and continuity helps companies scale. It's a dynamic that's made Silicon Valley the world's leading startup hub, anchored by the world's densest concentration of startup funders.

In our [2021 report](#), we found that more than 1,400 new venture firms launched outside the Bay Area, New York, and Boston between 2011 and 2021. We posited that many of these emerging managers were more likely to invest locally or regionally, an encouraging trend for rising cities. While startups don't need to be down the road from their investors, having investors who understand local industries and communities can be a meaningful advantage, particularly at the earliest stages.

This year, using PitchBook data, we sought to answer two related questions: first, how many venture capital deals in a given state are in fact forged close to home; and second, which states are doing the most to nurture in-state capital formation and investment. Our findings underscore the persistence of long-standing venture dynamics, while also highlighting strong in-state conviction and signs of a broader geographic distribution of venture deal flow.

Across the country, 2025 data shows deals following proximity: local funds are largely the most active backers of in-state startups, and in many markets, state-backed or public-private investors play an outsized role.

While a small number of established hubs continue to attract deals nationwide, more than a few secondary markets are drawing a meaningful share of deals from beyond their state borders.

Taken together, these findings show a venture landscape that is evolving, but unevenly. While traditional hubs continue to exert influence, local investors (often supported by public capital) are increasingly shaping whether emerging ecosystems gain traction. The challenge ahead is not simply reallocating capital but strengthening the pathways that connect local conviction to national scale through continuous collaboration.

We've always believed durable innovation economies require intentional efforts by governments, universities, and entrepreneurial support organizations to activate local sources of capital and encourage investment in their own backyards. This report offers a snapshot of states putting in the work to make local participation a competitive strength and turn early investment into sustained momentum.

Key Findings

Hub Gravity Is Real, but Local Ties Still Matter

In 2025, 18 states directed the largest share of venture deals to companies in their own state. In most other states, California ranks first, reflecting its scale and maturity. Still, in most markets, home states rank among the top three deal destinations, showing that geographic proximity indeed plays a meaningful role in capital deployment.

Why it Matters: Venture capital remains relationship-driven. The data suggests that capital flows reflect both hub gravity and geographic familiarity, reinforcing major ecosystems while maintaining meaningful activity in home markets. Even as national centers dominate attention, proximity still shapes where investors engage actively.



Nearly 40% of the Average State's Startup Deals Include Local VCs

Nationally, the average state sees 37.6% of startup deals include participation from investors based in the same state. This per-state stat varies widely across markets, influenced by differences in deal volume, fund presence, and sector mix, but serves as a useful reference point.

Why it Matters: A meaningful share of venture deals are driven by local investors, reflecting real conviction in homegrown founders. At the same time, high in-state participation rates can reflect structural constraints, particularly in smaller markets with limited exposure to national capital networks. Understanding this balance is critical for ecosystem builders seeking to attract sustained follow-on investment.



State-Backed Funds Play a Central Role in Local Investing

In 30 of 50 states (and D.C.), the most active in-state investor by deal count in 2025 was a state-backed or public-private fund.

Why it Matters: Public and hybrid capital are important catalysts in many emerging startup ecosystems, particularly where private venture markets are still forming. These funds often provide early validation and initial momentum, helping companies reach the stage at which private capital can engage. Their prominence in this year's data highlights the importance of intentional, place-based capital strategies in building long-term innovation capacity.



Capital Attraction Is Expanding Beyond Traditional Hubs

Outside of California, New York, and Massachusetts, several states, including Texas, Colorado, Florida, Illinois, and Washington, attracted substantial out-of-state investor interest in 2025.

Why it Matters: These states are no longer peripheral to the venture ecosystem. Their ability to draw deals from outside their borders reflects stronger founder networks and maturing support infrastructure. While they are not close to displacing the traditional hubs, they are becoming durable centers of venture activity.



The Big Three Hold: CA Remains the #1 Magnet for Deals, NY and MA a Second and Third

California is among the top five deal destinations, if not the top deal destination, in nearly every state. New York and Massachusetts are also frequent destinations, though less universally so. All three deploy a meaningful share of deals outside their own borders.

Why it Matters: Despite talk of decentralization, traditional tech hubs continue to anchor national venture capital flows. Their scale, founder density, and concentration of later-stage capital make them persistent focal points for investors across the country. While new markets are gaining attention, established hubs continue to play a central role in shaping where funding ultimately flows. This is especially true as the Bay Area continues to dominate the AI landscape.



What This Tells Us...

Venture doesn't disperse on its own—it follows the strength of local foundations. In many regions, investors on the ground are shaping which startups get the initial backing needed to move forward.

"This data demonstrates that capital is still highly relationship-driven and proximity matters, especially at the earliest stages. When more communities can mobilize strong local investors to back homegrown startups, they build the foundation for companies to scale nationally and lead in the technologies of the future, from AI and defense to energy and biotech. The opportunity now is to strengthen the pathways that connect local entrepreneurs to VC investment that fuels innovation and long-term growth across every region of the country."

– Bobby Franklin, President and CEO, NVCA



Source: PitchBook

Where Are Deals Staying Local?

Top 10 States¹ Investing in Home-Grown Startups

By Share of Deals With In-State Investor Participation in 2025²

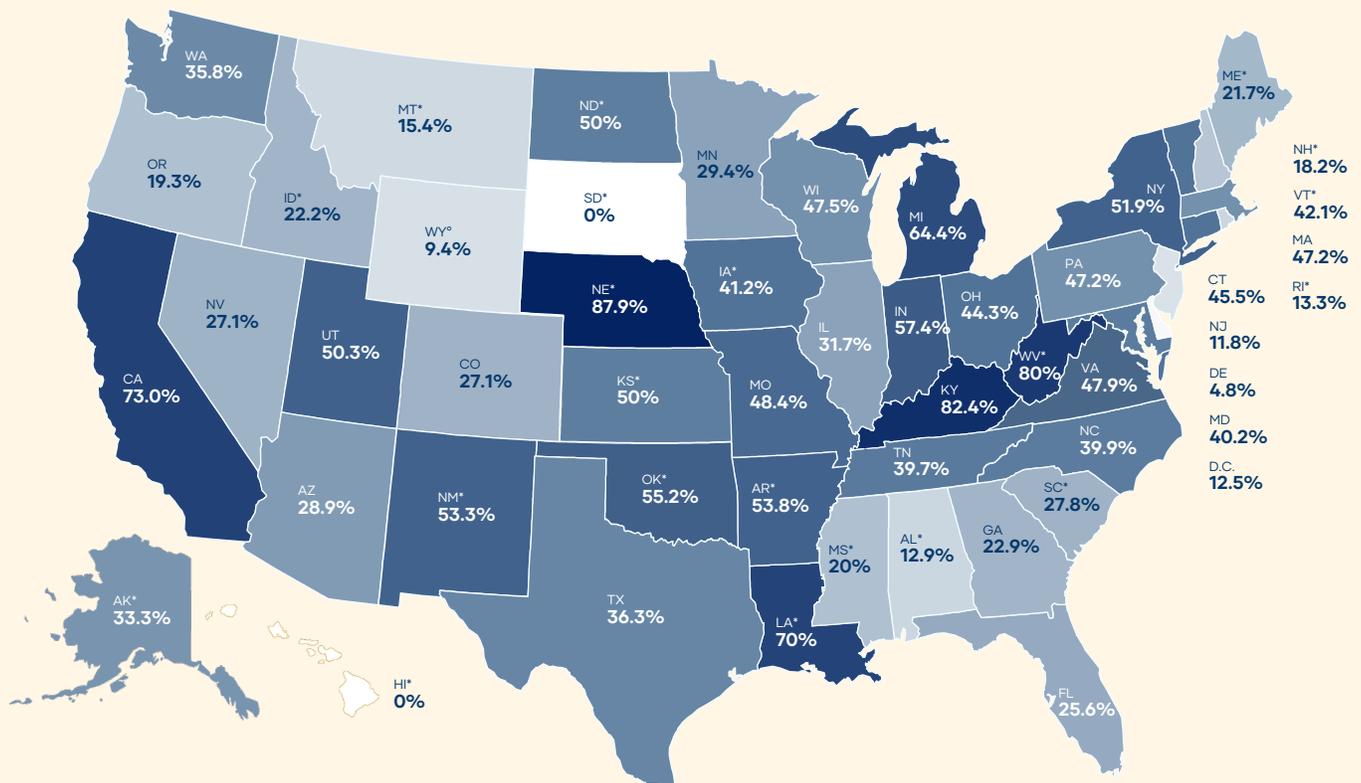
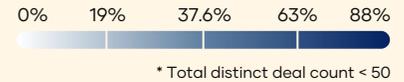
Source: PitchBook

State	Local Investor Participation Rate	Total Distinct Deals	Most Active In-State Investor
1 Kentucky	82.4%	68	Keyhorse Capital
2 California	73.0%	4,439	Y Combinator
3 Michigan	64.4%	163	Michigan Rise
4 Indiana	57.4%	108	Elevate Ventures
5 New York	51.9%	1,832	Gaingels
6 Utah	50.3%	143	Kickstart / Run Ventures
7 Missouri	48.4%	62	Missouri Technology Corporation
8 Virginia	47.9%	234	Virginia Innovation Partnership Corp.
9 Wisconsin	47.5%	59	Wisconsin Alumni Research Fdn.
10 Pennsylvania	47.2%	216	Innovation Works

1. States with deal counts of 50 or more
2. Data from 10/1/24-10/31/25

Local Investors Back ~40% of Deals in the Average State

In-State Venture Investor Participation by State in 2025



Source: PitchBook

On-the-Ground Insights

From Investors in Leading
States Backing Local Startups

Kentucky



The Bluegrass State has built a strong innovation economy around advanced manufacturing, logistics, and healthcare, translating regional strengths into a growing base of venture-backed companies. In 2025, Kentucky companies closed 68 venture deals, and a striking 82.4% included participation from Kentucky-based investors. Keyhorse Capital led local activity as the most active in-state investor, participating in 46 deals.

Kelby Price Keyhorse Capital

Kelby is Managing Partner at Keyhorse Capital, an early-stage venture capital firm investing in Kentucky-based founders on behalf of the Commonwealth.



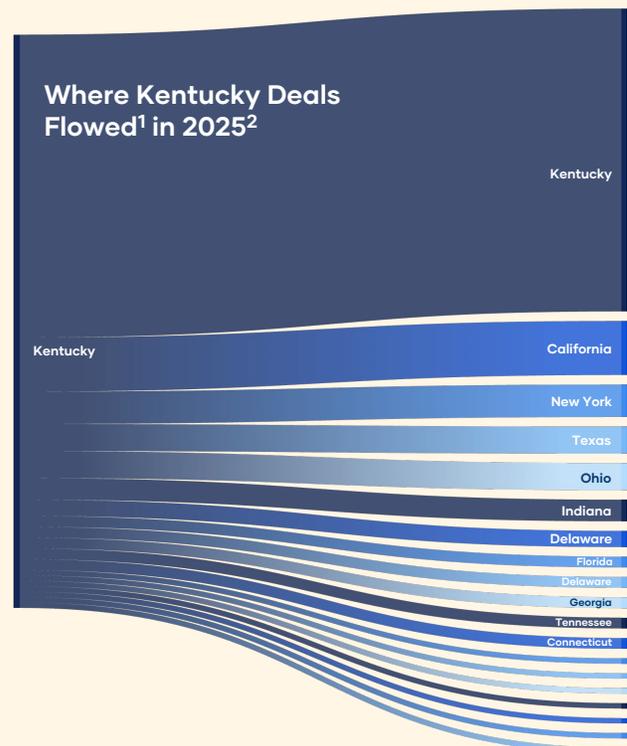
Tell us about the focus of Keyhorse within Kentucky's startup ecosystem. We invest early in Kentucky-based startups with state-backed funds and help coordinate a broader statewide "first-check" ecosystem that blends capital with commercialization support. A big part of our work is helping founders translate Kentucky's real economic strengths into traction through anchor-led pilots. We're especially focused on turning pilots into repeatable procurement and production pathways so companies can scale and attract follow-on capital.

Are there sectors, technologies, or types of founders that are uniquely promising in Kentucky? Kentucky is strong where investment intersects with the physical and regulated economy: advanced manufacturing, supply chain/logistics, healthcare services and infrastructure, and water/utility systems. **Those sectors are foundational to the state's economic base, creating a real "customer proximity" advantage for founders who can sell to operators, not just other startups.** We tend to find especially promising those gritty and capital-efficient founders who build around real customer pain and can validate through pilots and early contracts.

Why do you think the state has been successful in funding its own entrepreneurial community? Kentucky has treated early-stage capital as infrastructure: building consistent seed activity, a growing set of regional hubs, and programs that help founders get investor-ready and connected to customers. Local investors also lean in because early commercialization here is often driven by proximity—getting in the room with an operator, landing a pilot, and converting that into a customer. **Importantly, Kentucky's legislature and successive administrations have remained committed, know this is a long game, and have supported the investment ecosystem for over 25 years.** The next steps include doubling down on what we've learned and expanding the onramps that make companies that build or move to Kentucky visible to national follow-on investors through repeatable proof points.

What opportunities do you see for Kentucky to continue growing as a hub for homegrown startups? The biggest opportunity is to scale a repeatable "pilot-to-production" playbook across Kentucky's anchor institutions so startups can earn real adoption faster. If we reduce friction for pilots and procurement (and standardize the path), we'll see more investable traction and more follow-on capital coming in from outside the state. Not only will we see efficiency gains in our mature businesses, but, over time, the flywheel will turn more startups into "tentpole" companies that recycle talent and capital locally.

What's a Kentucky company you're excited about? One Kentucky company we're excited about is Beltways—founders translating a local advantage into early traction and a credible go-to-market strategy, working with our partners at the Cincinnati & Northern Kentucky International Airport (CVG). It's a strong fit with Kentucky's manufacturing and logistics base, and it shows what can happen when anchor institutions explore new tech—and what's possible when that exploration turns into adoption and productivity gains. **Creating practical advantages and repeatable pilot-to-production pathways is central to how we think about scaling homegrown startups. And Kentucky shouldn't be unique here; any region can do this when local industries are willing to try new things.**



1. Data contains duplicates as Investor Participation Counts are based on Investor level data, not Deal data. In the event a deal has two investors, one in-state and one out-of-state, the deal will be counted as both in-state and out-of-state. Counts based on U.S. investors; international investments are not tracked in this analysis.
2. Data from 10/1/24-10/31/25

Source: PitchBook

Michigan



Michigan's innovation economy draws on deep roots in manufacturing and mobility, alongside growing momentum in software, life sciences, and climate tech. In 2025, Michigan startups saw 163 venture deals, with local investors participating in 64.4% of them. Michigan Rise emerged as the most active in-state investor, participating in 31 deals, with Innovation Partnerships following closely behind with 28 deals.

Lindsey Kilbride Detroit Venture Partners

Lindsey is a Principal at Detroit Venture Partners, a firm founded by Dan Gilbert that starts and backs early-stage tech companies moving the world forward.



Tell us about the focus of DVP within Michigan's startup ecosystem. DVP has been investing for 15+ years, with a heavy focus on early-stage startups in the metro-Detroit ecosystem. We like to lean in at pre-seed and seed, leading or co-investing, and leverage our network and operating experience to help our portfolio founders accelerate their trajectories.

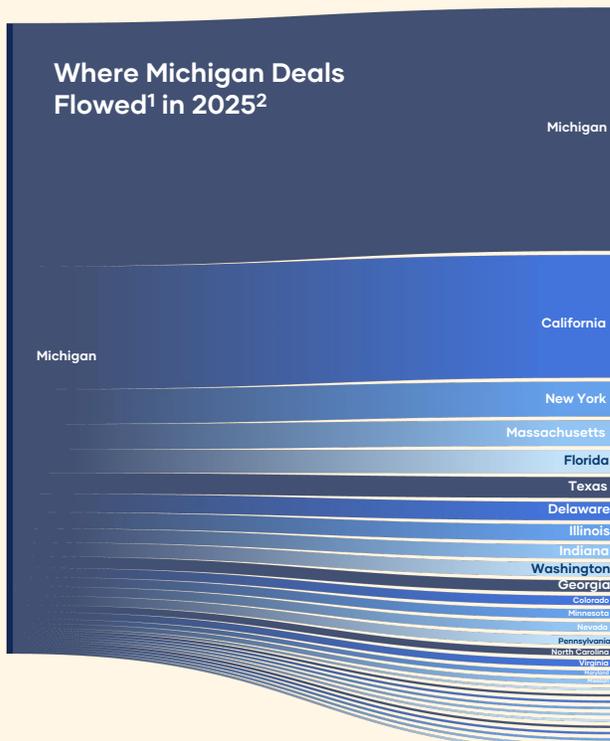
Are there sectors, technologies, or types of founders that are uniquely promising in Michigan? We firmly believe that any company a founder can dream up can be built and successfully scaled in Detroit and Michigan. In the last decade, we've seen Michigan's first unicorn exit, Duo Security (cybersecurity) in 2018, and StockX (consumer marketplace) reach unicorn status in 2019. More recently, Lineage (logistics) had the largest IPO of 2024, and Histosonics (medtech) exited for \$2.25B in 2025. That said, Detroit and Michigan are uniquely positioned to win where our rich history, resources, and Midwest grit shine. **Detroit, the Motor City, has long been full of makers and builders—and the next generation of mobility, manufacturing, and industry are ripe targets for local innovators.** Strong academic resources from the University of Michigan in Ann Arbor to Michigan Tech in the UP lend well to the intersection of research and innovation in life sciences, engineering, and beyond. The recent investments in hardware from Michigan Central and Newlab in Detroit are attracting a rich pool of fresh talent focused on advancing the world on many fronts. We also have 80% of the nation's fresh water at our fingertips (literally, the Mitten State) and a very favorable long-term climate position to build on.

Why do you think the state has been successful in funding its own entrepreneurial community? Michigan's greatest strengths are its people and community ethos, which naturally percolates across our state's innovation ecosystems. Founders who choose to build here find a deep community of peers willing to help, investors willing to lean in, and customers ready for innovation. **While private markets have historically fueled the development of Detroit's and Michigan's startup ecosystems, our public sector counterparts have started playing offense over the last decade.** This past summer, the City of Detroit launched a first-of-its-kind \$700K startup fund to accelerate job creation and talent retention.

In 2020, the State of Michigan created the Office of Future Mobility and Electrification, working across government, academia, and private industry to grow Michigan's mobility ecosystem. Back in 2017, Quicken Loans hosted its inaugural "Detroit Demo Day," a pitch competition where local entrepreneurs and small business owners competed for \$1M+ in funding. Across all three, **there's a common denominator: collaboration and support between the public sector and private industry, which is unique in today's climate.**

What opportunities do you see for Michigan to continue growing as a hub for homegrown startups? Strengthening collaboration between public and private funding sources, continuing to leverage the research and potential of strong university talent, improving education for HNW individuals and family offices to invest in venture-backed companies locally, seeking more opportunities for the rest of the country and world to come and experience the quality of life and talent in Detroit and Michigan, and also mobilizing successful founders to keep building and reinvesting.

What's a Michigan company you're excited about? We couldn't be more excited about all our Michigan-based portfolio companies, which range from AI-powered metal processing factories like [Nox Metals](#), to next-gen drone air traffic control software like [Airspace Link](#), to vertically integrated drone security hardware/software like [Birdstop](#), to personal data security software like [Hush](#). The list goes on, underscoring the diversity of founders, companies, and industries finding success in Michigan.



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2. Data from 10/1/24-10/31/25

Source: PitchBook

Indiana



Indiana's startup ecosystem reflects a long-standing emphasis on business services, health tech, and enterprise software, supported by a steady pipeline of locally-backed companies. In 2025, Indiana startups saw 108 venture deals, with local investors participating in 57.4% of them. Elevate Ventures led local investment activity, participating in 35 deals.

Kristian Andersen High Alpha

Kristian is co-founder of and Partner at High Alpha, an Indianapolis-based venture studio that conceives, launches, and scales technology companies.



Tell us about the focus of High Alpha within Indiana's startup ecosystem. High Alpha serves as both a catalyst and a foundation for Indiana's tech economy through our venture investing, studio model, and community building. We don't just fund companies; we co-founded them, providing the operational "heavy lifting"—from design and talent to go-to-market strategy—that allows founders to scale faster than they could elsewhere. We also play a central role in "convening" and "connecting," as a bridge between the founder community, state and city government, national policymakers, universities (including Purdue, Indiana University, and Notre Dame), large corporations, and other investors and VCs.

Are there sectors, technologies, or types of founders that are uniquely promising in Indiana? We see immense promise in founders with deep domain expertise in Indiana's "legacy" industries—specifically logistics, manufacturing, agriculture, healthcare, and life sciences. The most exciting opportunities right now are at the intersection of these sectors and Applied AI. Because Indiana has a high density of Fortune 500 industrial leaders, founders here have unique access to proprietary data, relationships, and real-world problems.

Why do you think Indiana has been successful in funding its own entrepreneurial community? Indiana's success is driven by a "flywheel" effect: early exits like ExactTarget, Angie's List, Aprimo, and Interactive Intelligence led to downstream exits, like Lessonly and Formstack, creating a generation of experienced operators and angel investors who understand the local landscape. Indiana is consistently ranked among the most "business-friendly" states in the country, and the state has reinforced that advantage through proactive support from the Indiana Economic Development Corporation (IEDC), Elevate Ventures, and the Venture Capital Investment (VCI) Tax Credit—tools that create material advantages for Indiana-based startups.

What opportunities do you see for Indiana to continue growing as a hub for homegrown startups? Though much has been said about Indiana's role in shaping the martech industry, another exciting frontier for the state is industrial modernization. As AI moves from a "digital-only" tool to a physical productivity driver, our state's manufacturing, agriculture, and life sciences infrastructure becomes a massive competitive advantage. **If we continue to lean into our identity as a "middle-of-the-country" powerhouse that builds software for "real-world" problems, Indiana will participate meaningfully in the next era of technology-fueled value creation.**

What's an Indiana company you're excited about? Zylo is a fantastic example of our portfolio's scale and leadership in SaaS management, but I'm also very excited about Tenon and Authenticix. Tenon is revolutionizing enterprise marketing work management by building directly on the ServiceNow platform. Authenticix is the new standard for humanizing conversational intelligence in healthcare, using AI to analyze millions of patient interactions to help providers and pharma companies improve the healthcare journey. Both Tenon and Authenticix perfectly represent the "Indiana model:" solving complex, enterprise-level problems with capital efficiency and a clear path to profitability.



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 2. Data from 10/1/24-10/31/25

Source: PitchBook

Utah



Utah's innovation economy continues to benefit from a strong culture of entrepreneurship and a concentration of fast-growing software and technology companies

along the Wasatch Front. In 2025, there were 143 venture deals involving Utah-based companies, and 50.3% included participation from Utah-based investors. Kickstart and Run Ventures were tied for the state's most active in-state investor, participating in nine deals each.

Kat Kennedy

Kickstart

Kat is General Partner at Kickstart, the region's first seed-stage venture fund. Before joining Kickstart, Kat was President and CXO of unicorn startup, Degreed.



Tell us about the focus of Kickstart within Utah's startup ecosystem. Kickstart was founded in 2008 as Utah's first dedicated seed fund, right in the middle of the Great Recession, because we saw a capital gap that was keeping great founders from getting started. Since, we've backed more than 150 companies across the Mountain West, including Utah-born breakouts like Podium, Lucid, Galileo (acquired by SoFi for \$1.2B), and Angel Studios. Beyond capital, we invest heavily in community infrastructure: our Campus Founders Fund operates across multiple universities in the region to build the next generation of founders, and we're deeply embedded in Silicon Slopes and the broader network of mentors, operators, and co-investors that make this ecosystem work. Our goal has always been to prove that world-class companies can be built right here, and then to help make that easier for everyone who comes after.

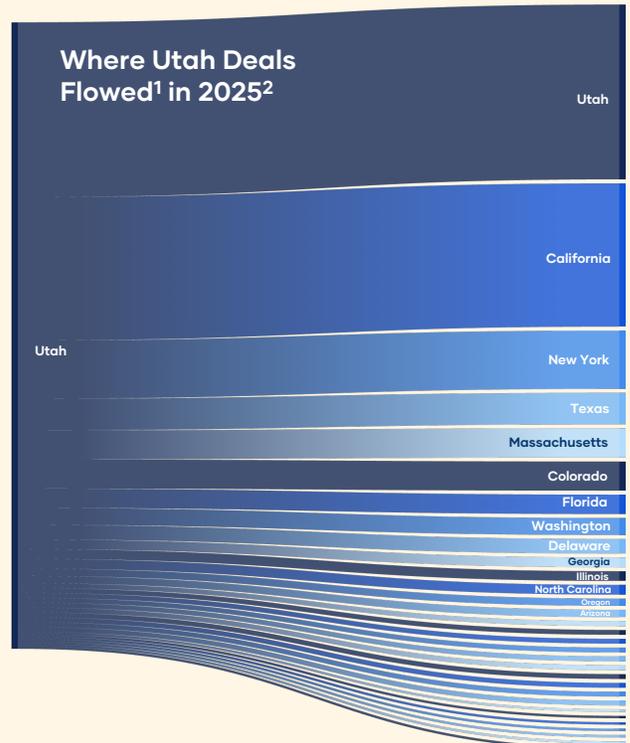
Are there sectors, technologies, or types of founders that are uniquely promising in Utah? Utah has long punched above its weight in enterprise SaaS and fintech. Qualtrics, Podium, MX, Galileo, and Divvy all grew up here, and that strength continues. What's exciting now is the diversification: we're seeing real momentum in health tech, AI-powered vertical software, climate tech, and logistics. The talent pipeline from BYU and the University of Utah is genuinely distinctive; these programs turn out technically strong founders who also tend to be capital-efficient, scrappy, and deeply connected to local networks. **We also see a founder archetype here that's hard to find elsewhere: operators who choose Utah intentionally, who want to build durable businesses rather than chase hype cycles, and who benefit from a cost structure that lets them do more with less.**

Why do you think the state has been successful in funding its own entrepreneurial community? It starts with a flywheel that's now been spinning for over a decade. **Early successes like Omniture, Ancestry, and Qualtrics created a generation of operators who became angel investors and fund managers, keeping more capital local and enabling better pattern recognition with new founders.** The state has been a thoughtful partner in this: the USTAR initiative committed hundreds of millions to technology commercialization; the Governor's Startup State initiative and the Lassonde Institute at the University of Utah provide structured on-ramps for early-stage entrepreneurs; and state-backed fund-of-funds programs have worked to attract new VC to the region.

Utah also benefits from a regulatory and tax environment that's genuinely founder-friendly—low friction, reasonable costs, and a government that sees entrepreneurship as a core economic strategy, not a side project.

What opportunities do you see for Utah to continue growing as a hub for homegrown startups? The biggest opportunity is Utah's compounding talent advantage. Every major exit creates experienced operators who start new companies or fund them. And the quality of life here—cost of living, outdoor access, and strong communities—means people stay. **We're also seeing more institutional capital from outside the state take Utah seriously, which validates local companies and brings growth-stage resources closer to home.** The areas I'm watching are the continued maturation of the AI ecosystem, the emergence of climate and energy tech, and the deepening bench of experienced Series A and B investors who can keep companies funded locally through later stages.

What's a Utah company you're excited about? [DiversiFi.ai](#), which recently raised \$8 million, backed by Kickstart, Sorenson Capital, and Peterson Ventures—three Utah-based firms investing in a Utah-based company, which is a nice illustration of the in-state dynamic you're tracking. DiversiFi is applying AI to logistics and supply chain optimization, which is a massive market with real inefficiencies, and the founding team has deep domain expertise. It's exactly the kind of company that benefits from Utah's advantages: strong technical talent, capital-efficient operations, and a community of investors who are close enough to genuinely help.



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2. Data from 10/1/24-10/31/25

Source: PitchBook

Missouri



The Show Me State has long anchored its innovation economy in agriculture, manufacturing, and healthcare, and in recent years, that base has supported a growing pipeline of venture-backed startups. Missouri companies closed 62 venture deals in 2025, and 48.4% included local investors. The Missouri Technology Corporation, a state-backed public-private fund, led local activity as the state's most active in-state investor, participating in 13 deals.

Brett Calhoun Redbud VC

Brett is Managing General Partner at Redbud VC, a pre-seed Columbia, MO-based firm supporting founders across North America with resources from Middle America.



Tell us about the focus of Redbud within Missouri's startup ecosystem. Redbud supports entrepreneurs at the pre-seed stage, from first check to first institutional round. We believe the greatest driver of venture returns is resilience. So we invest in tech founders strengthened by struggle, supporting them with resources from Middle America.

Are there sectors, technologies, or types of founders that are uniquely promising in Missouri? On the surface, Missouri may be seen as an ag state, which we are strong in, but there is so much more when you peel back the layers. Kansas City is particularly strong in healthcare, while St. Louis stands out in biosciences. The Governor's innovation task force has also pinpointed agriculture, biosciences, healthcare, IT and analytics, advanced manufacturing, logistics and transportation, and financial services as priority industries for growth.

Why do you think the state has been successful in funding its own entrepreneurial community? A lot of the funds in Missouri focus on supporting local entrepreneurs. This is driven by the interests of fund managers and fund backers. **The state is great at corralling people with missions aligned with its growth. Investors become very collaborative, filling up rounds with all local capital.** In addition, Missouri Technology Corporation (MTC) has invested tens of millions of dollars in MO startups, which has driven co-investment and addressed capital gaps for in-state startups.

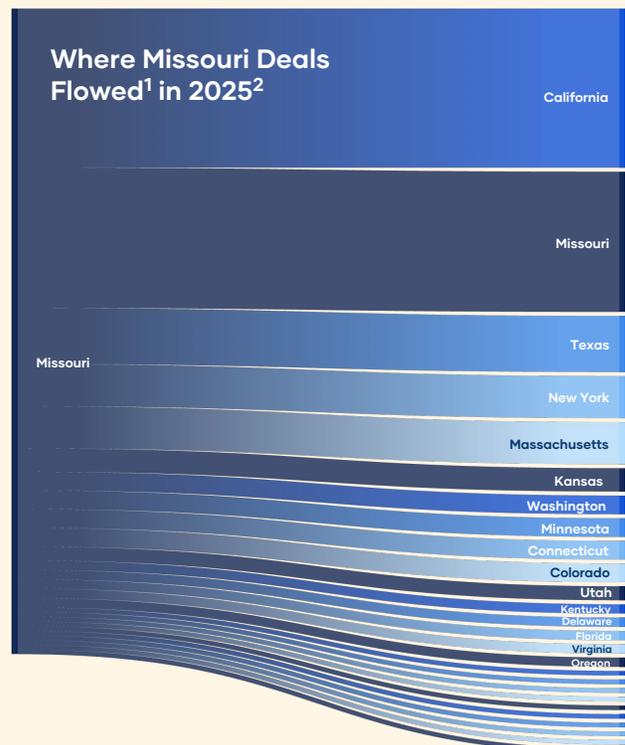
What opportunities do you see for Missouri to continue growing as a hub for homegrown startups? There are many things happening in Missouri that, in concert, will continue to accelerate the state's growth:

- EquipmentShare recently went public, unlocking a ton of liquidity
- Local funds continue to raise subsequent funds
- Supporting innovation and entrepreneurship is at the top of the Governor's list of priorities

- **Missouri has one of the most robust state-funded venture programs with MTC, funding startups and other incubators and communities**
- Entrepreneur support organizations, like TechSTL, continue to scale
- Events like Missouri Startup Weekend, InvestMidwest, and STL Startup Week create excitement and momentum
- Missouri has a disproportionate share of large private businesses and Fortune 500 companies

Places like Columbia, MO, also have some of the highest per-capita wealth. This knowledge and capital have stayed local and been reinvested, with Missouri residents demonstrating a strong commitment to altruism and philanthropy.

What's a company in Missouri you're excited about? BalanceHQ, a Columbia, MO-based, Redbud-backed company, is an under-the-radar, "boring" company building CFO tools for complicated customers: public schools. With minimal funding, the team scaled to more than 100 schools in their first year, and it's on a trajectory to displace the legacy whales.



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2. Data from 10/1/24-10/31/25

Source: PitchBook

Appendix

Expanded Data on the Geographic
Flow of 2025 Venture Deals

In-State VC Deal Participation Rate and Top Investors by State in 2025¹

State	Local Investor Participation Rate	Total Distinct Deals	Most Active In-State Investor
Nebraska	87.88%	33	Invest Nebraska
Kentucky	82.35%	68	Keyhorse Capital
West Virginia	80.00%	5	INNOVA Commercialization Group
California	72.99%	4,439	Y Combinator
Louisiana	70.00%	20	New Orleans Startup Fund
Michigan	64.42%	163	Michigan Rise
Indiana	57.41%	108	Elevate Ventures
Oklahoma	55.17%	29	Cortado Ventures
Arkansas	53.85%	13	Venture Center Arkansas Fund
New Mexico	53.33%	30	New Mexico Angels
New York	51.91%	1,832	Gaingels
Utah	50.35%	143	Kickstart / Run Ventures
Kansas	50.00%	24	eGrowth Ventures
North Dakota	50.00%	6	gener8tor 1889
Missouri	48.39%	62	Missouri Technology Corporation
Virginia	47.86%	234	Virginia Innovation Partnership Corporation
Wisconsin	47.46%	59	Wisconsin Alumni Research Fdn.
Pennsylvania	47.22%	216	Innovation Works
Massachusetts	47.21%	680	Dorm Room Fund
Connecticut	45.45%	99	Connecticut Innovations
Ohio	44.27%	131	Cintrifuse Capital
Vermont	42.11%	19	FreshTracks Capital
Iowa	41.18%	17	InnoVenture Iowa
Maryland	40.16%	127	TEDCO
North Carolina	39.88%	173	Triangle Tweener Fund
Tennessee	39.67%	121	InvestTN
Texas	36.33%	633	Capital Factory
Washington	35.78%	327	Madrona Venture Group
Alaska	33.33%	3	49th State Angel Fund
Illinois	31.73%	249	Lightbank
Minnesota	29.35%	92	Groove Capital
Arizona	28.89%	90	AZ Venture Capital
South Carolina	27.78%	36	SC Launch
Colorado	27.07%	266	Service Provider Capital
Nevada	27.06%	85	Battle Born Venture
Florida	25.64%	429	Florida Opportunity Fund
Georgia	22.92%	144	Overline
Idaho	22.22%	18	Capital Eleven
Maine	21.74%	23	Maine Venture Fund
Mississippi	20.00%	5	Innovate Mississippi / InvestMS / Mississippi Angel Fund
Oregon	19.27%	109	Oregon Venture Fund
New Hampshire	18.18%	22	Alumni Ventures
Montana	15.38%	13	Madison Valley Partners / Next Frontier Capital / Two Bear Capital / World Within Ventures
Rhode Island	13.33%	15	Cherrystone Angel Group / Slater Technology Fund
Alabama	12.90%	31	First Avenue Ventures
District of Columbia	12.50%	64	K Street Capital
New Jersey	11.81%	144	SOSV
Wyoming	9.38%	32	Casper Start-Up Challenge / Lowercarbon Capital / University of Wyoming Foundation / Wyoming Venture Capital
Delaware	4.76%	609	Alpen Capital
Hawaii	0.00%	14	N/A
South Dakota	0.00%	2	N/A

1. Data from 10/1/24-10/31/25

Source: PitchBook

Top Five Investment Destinations Per State in 2025¹, by Deal Count

Investor State	#1 Most Invested State	#2 Most Invested State	#3 Most Invested State	#4 Most Invested State	#5 Most Invested State
Alabama	Alabama	California	New York	Texas	Georgia
Alaska	California	Alaska	District of Columbia	Louisiana	
Arizona	California	Arizona	New York	Texas	Colorado
Arkansas	California	Arkansas	New York	Massachusetts	Texas
California	California	New York	Massachusetts	Delaware	Texas
Colorado	California	Colorado	New York	Texas	Massachusetts
Connecticut	California	New York	Connecticut	Massachusetts	Texas
Delaware	California	New York	Delaware	Texas	Washington
District of Columbia	California	New York	Texas	Florida	Virginia
Florida	California	New York	Florida	Texas	Massachusetts
Georgia	California	New York	Georgia	Florida	Texas
Hawaii	California	Texas	Massachusetts	Washington	New York
Idaho	California	Idaho	New York	Illinois	Missouri
Illinois	California	New York	Illinois	Massachusetts	Texas
Indiana	Indiana	California	New York	Massachusetts	Illinois
Iowa	Iowa	New York	California	Texas	Illinois
Kansas	California	Texas	Kansas	New York	Missouri
Kentucky	Kentucky	California	New York	Texas	Ohio
Louisiana	Louisiana	California	Texas	Illinois	Maryland
Maine	California	Maine	Maryland	Massachusetts	Rhode Island
Maryland	California	Maryland	New York	Massachusetts	Texas
Massachusetts	California	Massachusetts	New York	Texas	Delaware
Michigan	Michigan	California	New York	Massachusetts	Florida
Minnesota	California	Minnesota	New York	Colorado	Texas
Mississippi	California	Mississippi	New York	Virginia	
Missouri	California	Missouri	Texas	New York	Massachusetts
Montana	California	New York	Colorado	Washington	Florida
Nebraska	Nebraska	California	Indiana	Delaware	Illinois
Nevada	California	Nevada	New York	Texas	Washington
New Hampshire	California	New York	Massachusetts	Texas	Washington
New Jersey	California	New York	Massachusetts	New Jersey	Texas
New Mexico	New Mexico	California	New York	Texas	Maryland
New York	California	New York	Massachusetts	Texas	Delaware
North Carolina	North Carolina	California	New York	Massachusetts	Texas
North Dakota	California	North Dakota	Massachusetts	Minnesota	
Ohio	Ohio	California	New York	Massachusetts	Colorado
Oklahoma	Oklahoma	California	Texas	Arkansas	New York
Oregon	Oregon	California	Washington	Delaware	New York
Pennsylvania	Pennsylvania	California	New York	Massachusetts	Texas
Rhode Island	Massachusetts	California	New York	Colorado	Rhode Island
South Carolina	California	South Carolina	New York	Texas	North Carolina
South Dakota	Minnesota	New York	North Dakota	Florida	Nebraska
Tennessee	California	Tennessee	New York	Texas	Massachusetts
Texas	California	Texas	New York	Massachusetts	Washington
Utah	Utah	California	New York	Texas	Colorado
Vermont	Vermont	California	Minnesota	Texas	North Carolina
Virginia	California	Virginia	New York	Texas	Massachusetts
Washington	California	Washington	New York	Massachusetts	Texas
West Virginia	West Virginia	California	Pennsylvania		
Wisconsin	Wisconsin	California	New York	Illinois	Texas
Wyoming	California	New York	Massachusetts	Texas	Colorado

1. Data from 10/1/24-10/31/25

Source: PitchBook

About Revolution & Rise of the Rest



Revolution is a Washington D.C.-based investment firm that partners with visionary founders to build the next generation of transformative companies and destinations. With more than two decades of experience, the firm invests nationwide through its venture capital and real estate platforms. Revolution has backed more than 200 companies in 100+ cities across the U.S. Follow us at @Revolution and @RiseOfRest.



Rise of the Rest is Revolution's seed and early-stage venture capital fund investing in entrepreneurs based outside of the coastal tech hubs of Silicon Valley, New York City, and Boston. Our goal is to identify compelling investment opportunities in rising cities and back more founders who are solving real-world problems. We have \$300 million in assets under management.

Methodology

This analysis uses data from PitchBook Data, Inc. and examines U.S. venture capital activity from October 2024 through October 2025. The dataset includes all U.S.-based VC deals with at least one venture capital investor and reflects U.S.-based companies and investors only.

Deal Attribution

Deals are attributed at the investor-state level. Because a single financing round may include investors from multiple states, each investor state receives one deal count per round in which it is represented. As a result, aggregate deal counts by state exceed the number of unique U.S. VC financings.

In-State vs. Out-of-State Investment

To assess local participation and cross-state investment patterns, we apply an “at least one in-state investor” rule:

- A deal is classified as in-state if at least one investor is located in the same state as the company.
- A deal is classified as out-of-state if no investors are located in the company’s home state.

This approach reflects the syndicated nature of modern venture rounds and enables consistent comparisons across states with varying investor density.

Key Outputs

- **In-State Investment Participation:** The percentage of all deals participated in by investors from a given state that involve companies headquartered in that same state.
- **Out-of-State Investment Participation:** For each investor state, the percentage of deals involving companies located outside the investor’s home state, providing a directional view of cross-border investment activity.
- **Most Active In-State Investor:** For each state, the investor headquartered in that state with the highest number of in-state deal participations during the analysis period.

Scope and Limitations

The analysis includes minority equity and equity-plus-debt VC financings and excludes accelerator demoday investments (though subsequent VC rounds are included). Because venture deals frequently involve multi-state investor syndicates, the results should be interpreted as indicators of local participation and engagement rather than as measures of capital concentration or dominance.

Disclaimer

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