

Alternative Investment Decision Framework

How to Use This Framework: Rate each criterion from 1 (poor) to 5 (excellent). A total score of 25+ suggests the investment merits consideration. Below 15 indicates significant concerns.

Investment 1: Private Real Estate Syndication

Opportunity: Invest \$50,000 minimum in a commercial property syndication. Target 8% annual distribution plus potential 15% appreciation over 5-year hold. Accredited investor required. Illiquid for full term.

Liquidity 2 - Illiquid (2-5 years) ▼ 2

Transparency 3 - Quarterly reports ▼ 3

Fee Reasonableness 2 - High (2-3% annual) ▼ 2

Track Record 3 - 3-5 years ▼ 3

Diversification Benefit 4 - Good benefit ▼ 4

Risk/Return Profile 4 - Above average ▼ 4

Total Score

18/30

 Proceed with Caution

Key Concerns or Questions:

What would you need to know before investing?

Investment 2: Gold ETF (GLD)

Opportunity: Invest any amount in SPDR Gold Trust ETF. Tracks gold price. No yield/dividends. 0.40% expense ratio. Trades like a stock. Historical inflation hedge but volatile.

Liquidity 5 - Highly liquid (instant) 5

Transparency 5 - Full transparency 5

Fee Reasonableness 4 - Low (<1%) 4

Track Record 5 - 10+ years proven 5

Diversification Benefit 5 - Excellent hedge 5

Risk/Return Profile 3 - Average 3

Total Score

27/30

✓ Merits Consideration

Key Concerns or Questions:

What would you need to know before investing?

Investment 3: 3x Leveraged S&P 500 ETF

Opportunity: Triple daily returns of S&P 500. Can gain (or lose) 15% in a single day. 0.95% expense ratio. Decay over time due to daily rebalancing. Only for short-term trading.

Liquidity 5 - Highly liquid 5

Transparency 4 - Detailed reporting 4

Fee Reasonableness 3 - Moderate (1-2%) 3

Track Record 3 - 3-5 years 3

Diversification Benefit 1 - High correlation (amplified) 1

Risk/Return Profile 1 - Poor (extreme risk) 1

Total Score

17/30

⚠ Proceed with Caution

Key Concerns or Questions:

What would you need to know before investing?