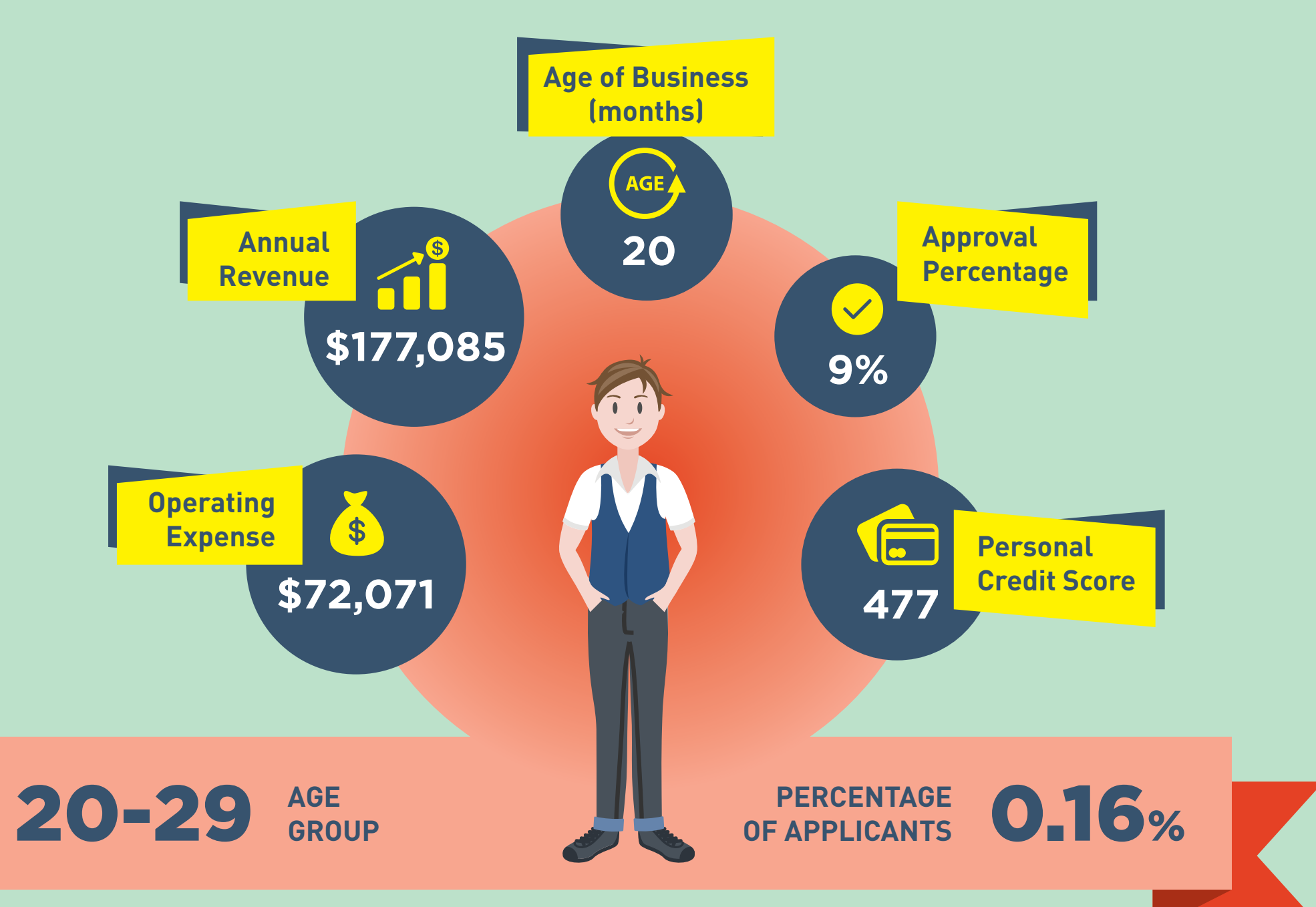


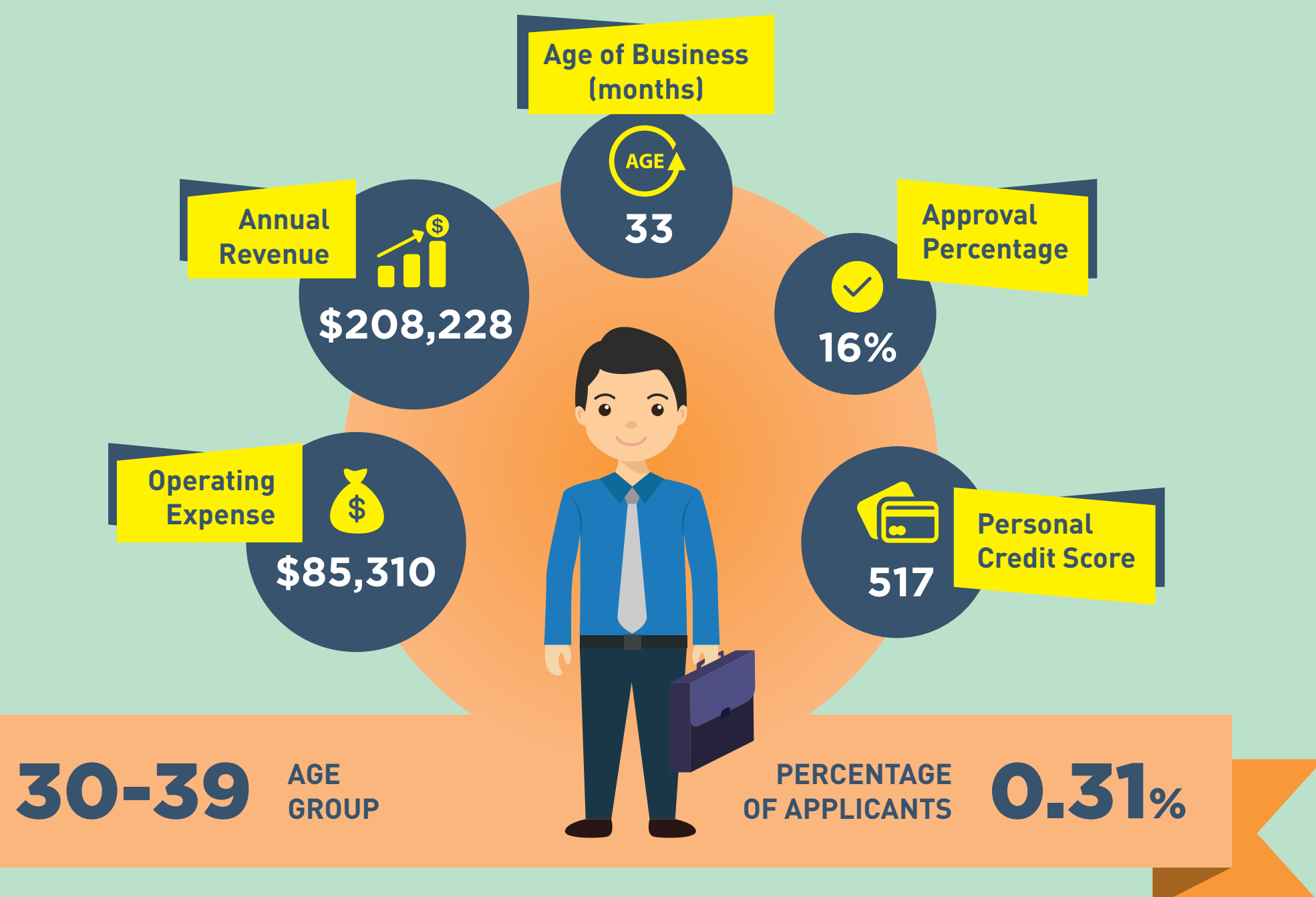
# BIZ2CREDIT APPLICANT AGE STUDY FINDS SMALL BUSINESS OWNERS IN THEIR 30S MOST LIKELY TO APPLY FOR FUNDING, BUT TRAIL IN APPROVAL PERCENTAGES

A new study of funding requests by age group conducted by Biz2Credit indicates that small business owners ages 30-49 are the most likely to apply for funding, but that older entrepreneurs were most likely to receive it.



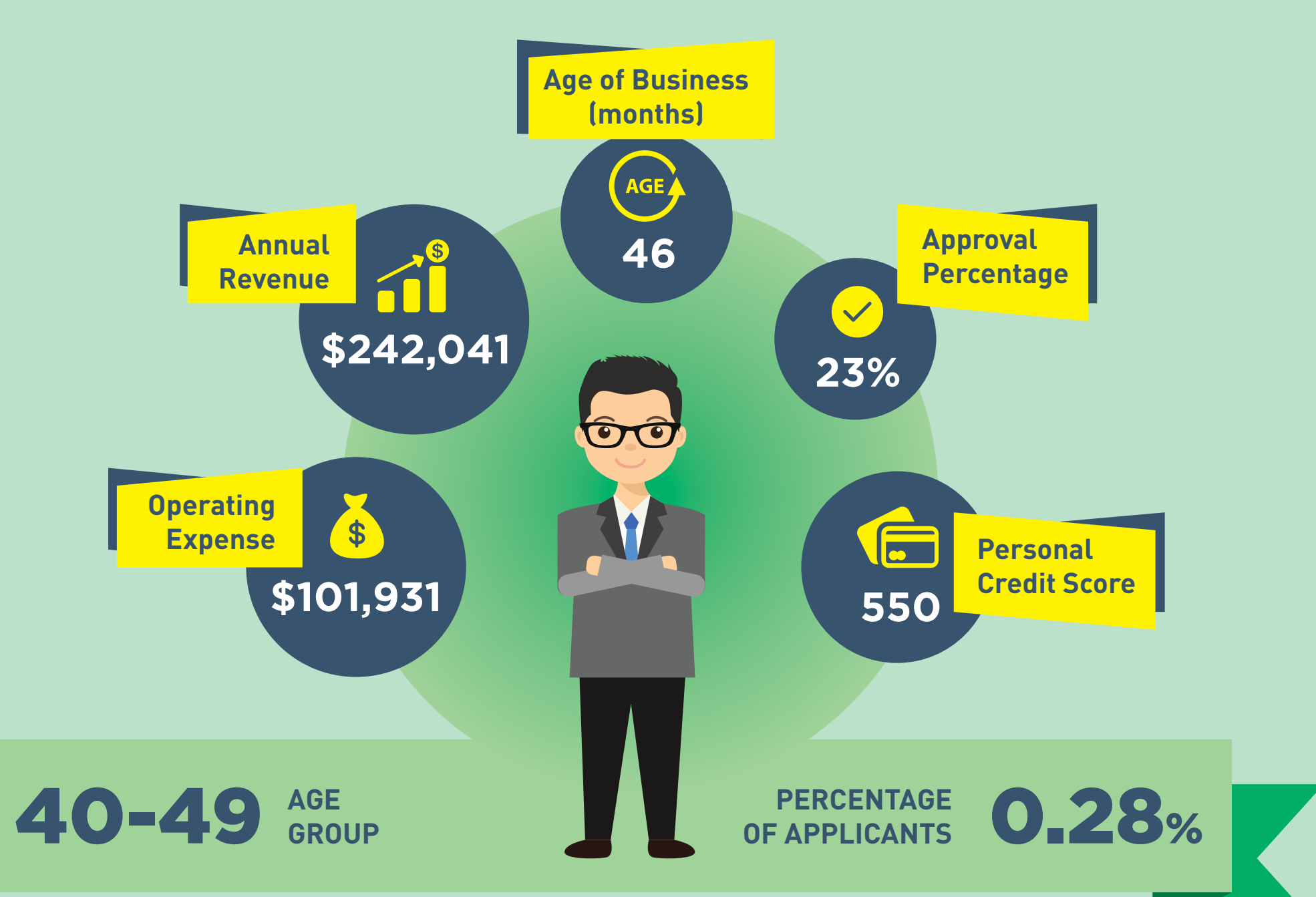
## USE OF FUNDS

- Buying Equipment
- Working Capital
- Purchasing Inventory



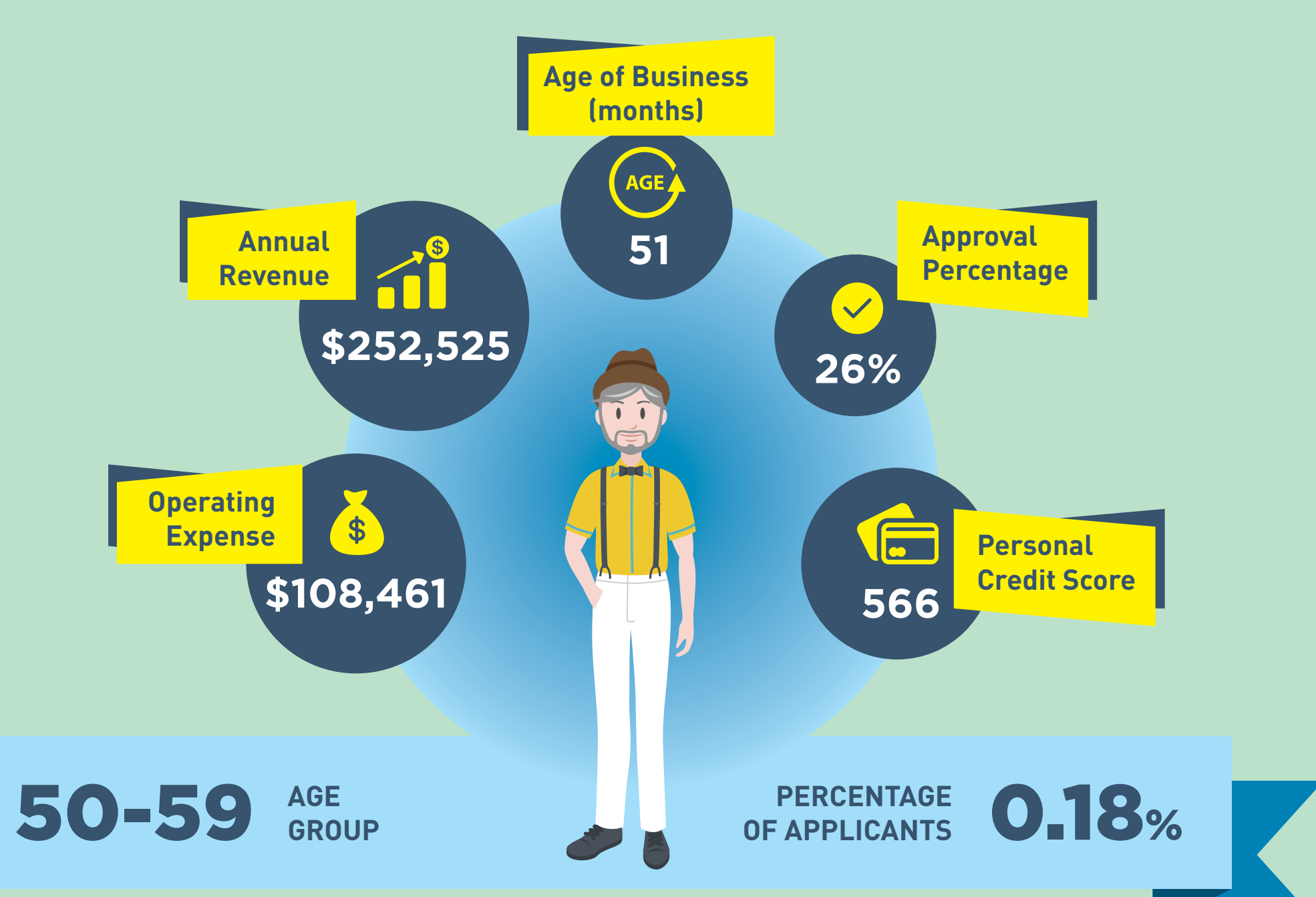
## USE OF FUNDS

- Working Capital
- Buying Equipment
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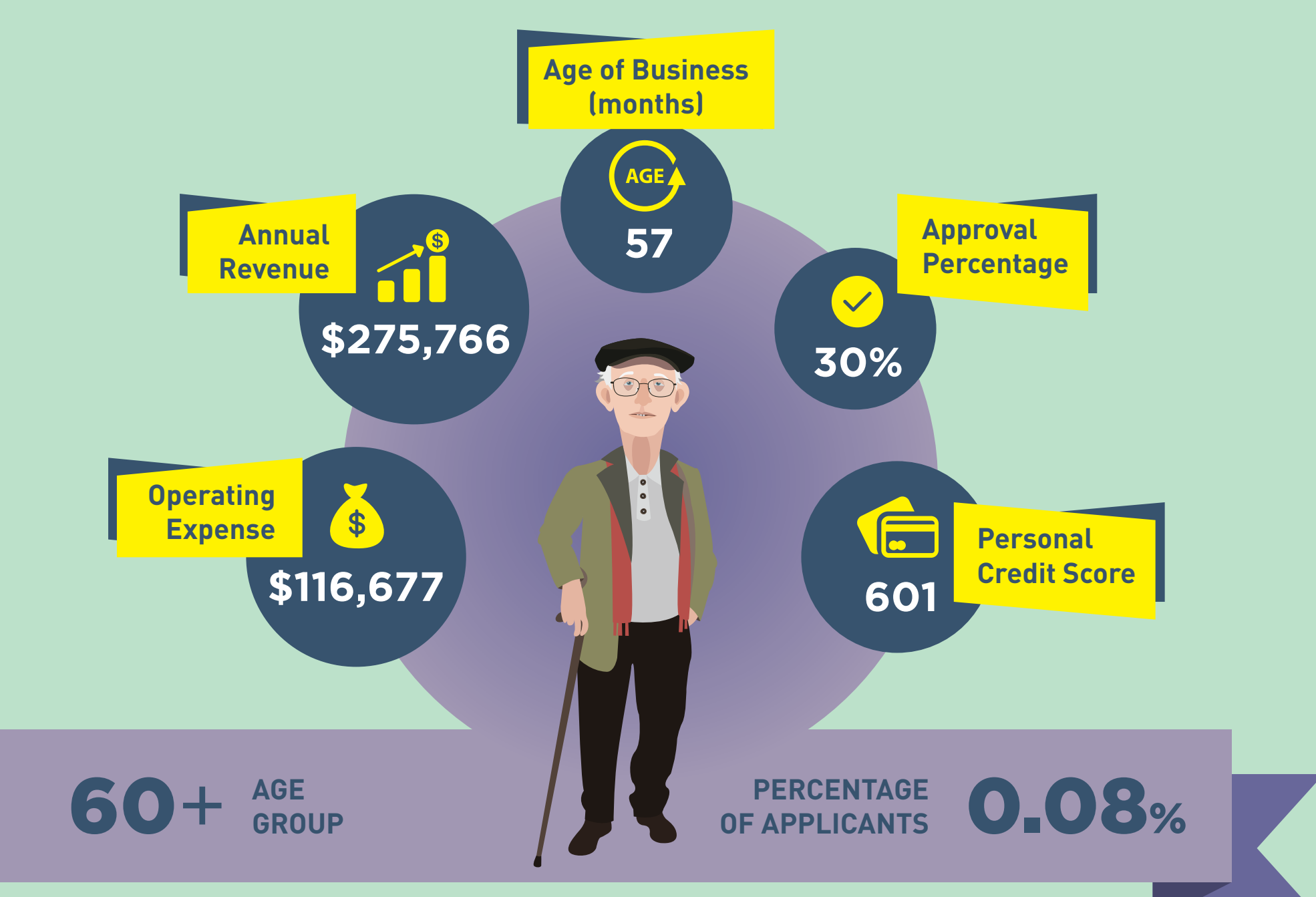
## USE OF FUNDS

- Working Capital
- Buying Equipment
- Purchasing a Business



## USE OF FUNDS

- Working Capital
- Buying Equipment
- Purchasing Inventory



## USE OF FUNDS

- Working Capital
- Buying Equipment
- Purchasing Inventory

In analyzing 32,000 loan applications over the past 12 months, Biz2Credit found that almost 60 percent of applicants to the online platform were in their thirties or forties.

However, funding approvals were highest among borrowers who were in their 50s. Applicants over age 60 comprised the smallest percentage of entrepreneurs analyzed in the study.

“Millennials (20-29 years old) represented the lowest numbers in average annual revenue (\$177,085), average age of business (20 months) and only a 9% approval rate. Creditworthiness also seemed tied to age.

The Biz2Credit study found that credit scores correlated directly with the age of applicants. Millennials had the lowest average credit score (477) while applicants over 60 had the highest (601)”

“Applicant age, annual revenues, time in business, and creditworthiness increase over time, according to our study,” added Rohit Arora, who oversaw the study. “Can younger entrepreneurs find funding? Yes, but they are more likely to get that funding from non-bank lenders that charge higher interest rates. They must strive to maintain solid credit scores and solid performance over time in order to get access to capital at better rates and terms.”

Arora believes the study may indicate that the attention of lenders and the media may be too strongly focused on Millennials and IT companies at a time when business owners approaching middle age are the ones who are most actively borrowing money.

“No one is writing about it because it’s not sexy, but the reality is that there is a lot of opportunity in small business lending with older borrowers,” Arora believes. “The media focuses on Millennials as if there is no other growth group. **Current entrepreneurs matter.**”

“The older applicants had the longest established companies in age of business (51 months), which is more than four years,” said Rohit Arora, CEO of Biz2Credit, one of the country’s leading small business finance experts. “Since banks typically want to see at least three years of financial data when making funding decisions, our study confirms that established businesses with higher annual revenues are more likely to be approved for loans than newer companies owned by younger applicants.”

“My advice is to stay on top of expenses. Don’t go overboard with expansion; gain experience and learn from it. The reason many companies get into trouble is that they often try to go into mindless expansion. I see it over and over,” Arora says. “Many companies have a mismatch between their accounts receivable and the accounts payable. Cash flow imbalance significantly hurts the chances of securing funding. Everyone gets excited about growth when they should be more focused on running a profitable company.”

For this analysis, Biz2Credit defined “small businesses” as companies having fewer than 250 employees or less than \$10 million in annual revenues.

Unlike other surveys, the results are based on primary data submitted 1,000 small business owners who applied for funding on Biz2Credit’s online lending platform, which connects business borrowers with a variety of different types of lenders.

### ABOUT BIZ2CREDIT

Founded in 2007, Biz2Credit has arranged more than \$1.6 billion in small business financing and was recently named to Crain’s New York’s Fast 50 and the top 150 of fast-growing companies on Deloitte’s 2016 Technology Fast 500.

Biz2Credit is expanding its industry-leading technology in custom digital platform solutions for leading banks and other financial institutions, investors and service providers in the US and abroad.

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