

JUNE / 2022

Biz2Credit Small Business Lending IndexTM

Reports Business Loan Approval Rates Rose Slightly in June 2022

Small business loan approval percentages at big banks (\$10m + in assets)

inched upwards from 15.3% in May to 15.4% in June, while small banks' approvals also rose from 20.9% in May to 21.1% in June, according to the latest Biz2Credit Small Business Lending Index™ released today.



Big banks (\$10m + in assets) inched upwards from 15.3% in

May to 15.4% in June, according to the latest Biz2Credit Small Business Lending Index™ released today. Total nonfarm payroll employment rose by released on Friday, July 8, 2022. Notable job 372,000 in June, higher than many economists gains occurred in professional and business

Monthly +0.1% Comparison 15.4%

expected, while the unemployment rate

remained at 3.6%, according to the Jobs Report

released by the U.S. Bureau of Labor Statistics

care. Many of these jobs are created by small businesses. Yearly +1.8%

Comparison

services, leisure and hospitality, and health

June 2022 15.3% May 2022

5.4% **June 2022** 13.6% **June 2021** "With the exception of credit unions, the approval rates for all categories of

Rohit Arora Biz2Credit CEO



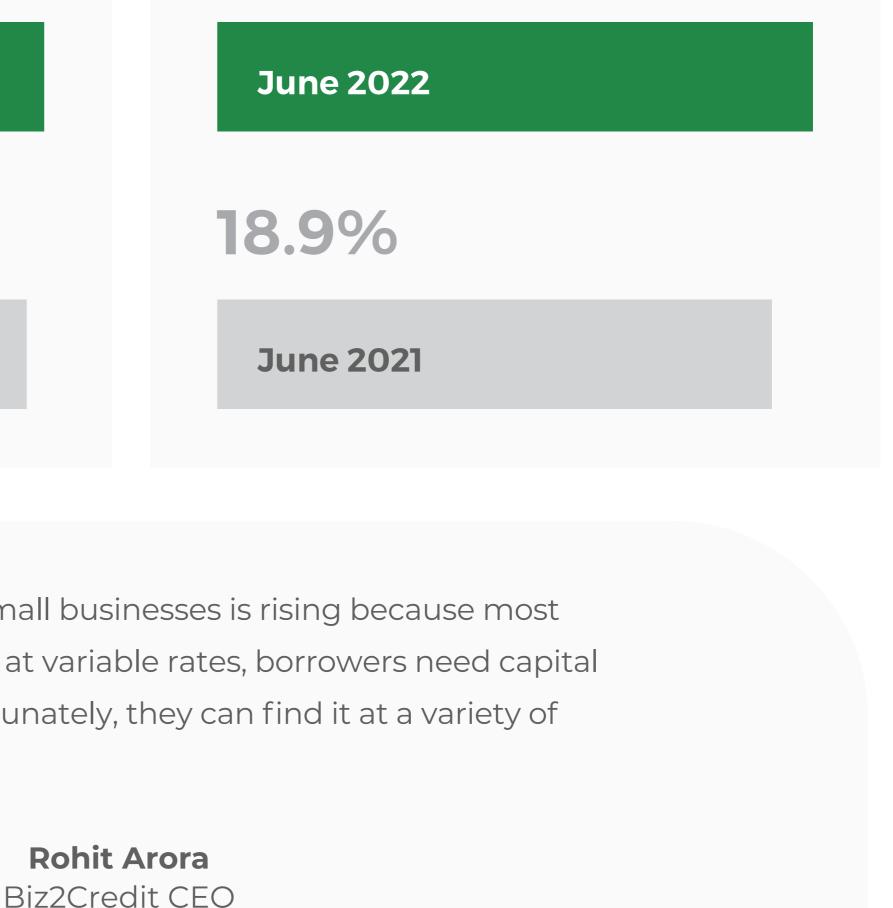
Small Banks

Business Lending Index™ released today.

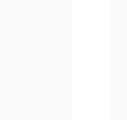
Monthly Yearly +0.2% +2.2% Comparison Comparison

21.1%

21.1% **June 2022** 20.9% May 2022 "While the cost of capital for small businesses is rising because most small business funding comes at variable rates, borrowers need capital for growth," added Arora. "Fortunately, they can find it at a variety of lending sources."



Institutional Lenders



Yearly

Comparison

25.6%

23.8%

27.1%

June 2022

24.5%

June 2021

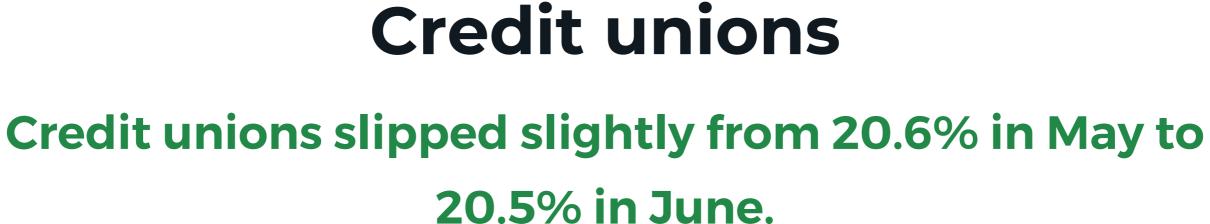
June 2021

+1.8%

June 2022

Alternative Lenders Alternative lenders' approval rates rose from 26.9% in May to 27.1% in June. Yearly +2.6% Comparison

"With unemployment so low, small business owners are still struggling to find workers. This, naturally, is driving up the cost of labor as demand outweighs supply," Arora says. "Rising labor costs, combined with 8.6% inflation in May 2022, continues to put a financial crunch on small companies." **Rohit Arora** Biz2Credit CEO



Yearly -0.1% Comparison

June 2022

20.5%

20.5%

June 2021 May 2022

About the Biz2Credit Small Business
Lending Index TM
Biz2Credit analyzed loan requests from companies in business more than two years with

credit scores above 680. The results are based on primary data submitted by more than 1,000 small business owners who applied for funding on Biz2Credit's platform.

About Biz2Credit

Founded in 2007, Biz2Credit has arranged more than \$7 billion in small business financing. The company is expanding its industry-leading technology in custom digital platform solutions for banks and other financial institutions, investors, and service providers. Visit www.biz2credit.com or Twitter @Biz2Credit, Facebook, and LinkedIn.

lenders inched higher last month," said Biz2Credit CEO Rohit Arora, one of the nation's leading experts in small business lending and fintech. "We are nowhere near pre-pandemic approval percentages, however. Still, these are positive signs."

Institutional lenders approved 25.6% of loan requests in June, up one-tenth of a percent from 25.5% of loan requests in May. Monthly +0.1% Comparison 25.6%

June 2022

25.5%

Monthly

27.1%

June 2022

26.9%

May 2022

Monthly

Comparison

20.5%

20.6%

June 2022

Comparison

May 2022

+0.2%