

Biz2Credit Small Business Lending Index™

Small Business Loan Approvals at Big Banks Hit New Record in September, According to Biz2Credit Small Business Lending Index™

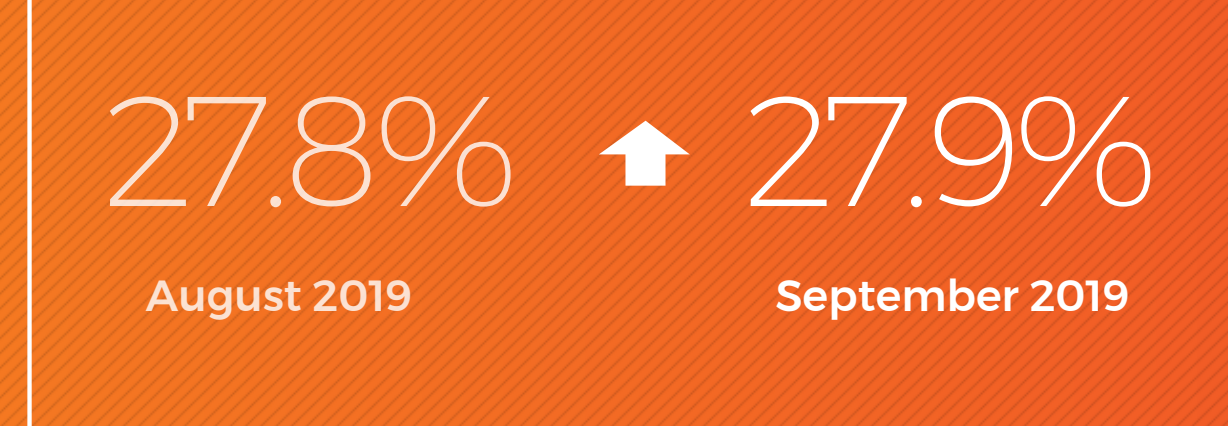


Credit union lending slips to a new all-time low, reports monthly examination of loan applications

Approval rates for small business loan applications rose to another post-recession record (27.9%) at big banks (\$10 billion+ in assets), while approval percentages also stayed above 50% at small banks in September, according to the Biz2Credit Small Business Lending Index™ released today.

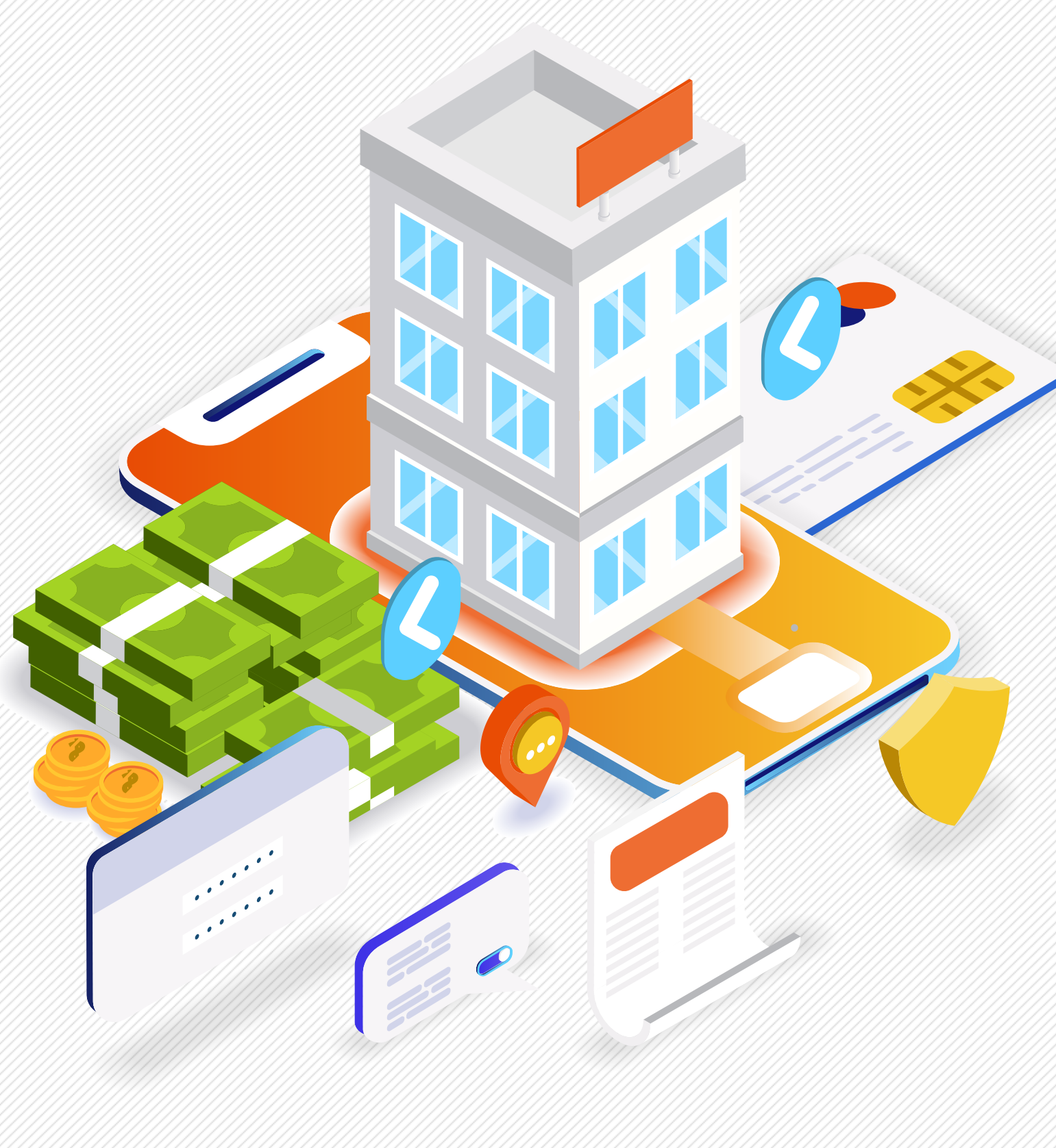
Loan Approval in Big Banks

Small business loan applications rose to another post-recession record (27.9%) at big banks (\$10 billion+ in assets)



Bank lending to small businesses remains strong at big banks and regional and community banks. With the recent Fed announcement that interest rates will drop, I expect it will continue to grow for the rest of 2019, who oversees the monthly research derived from more than 1,000 small business credit applications on his company's online lending platform.

Rohit Arora, Biz2Credit CEO

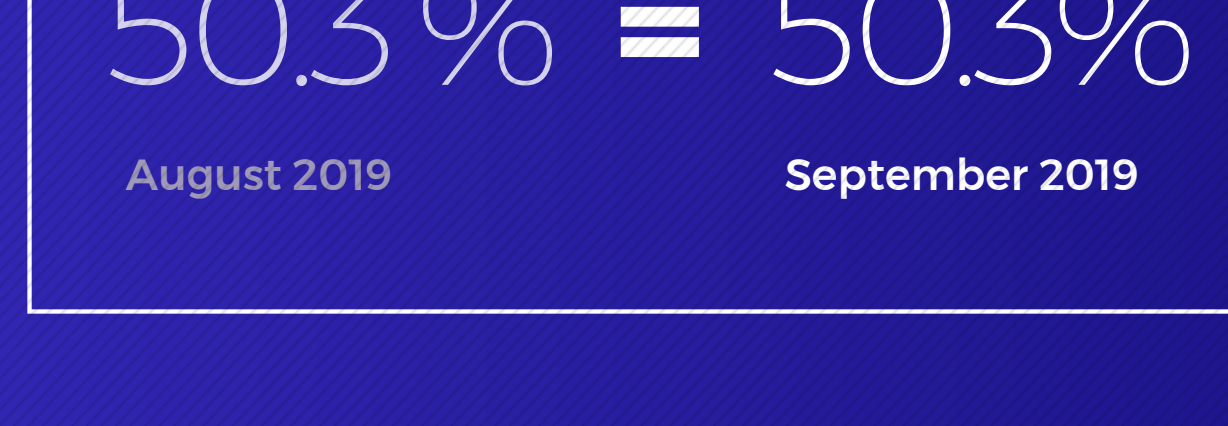
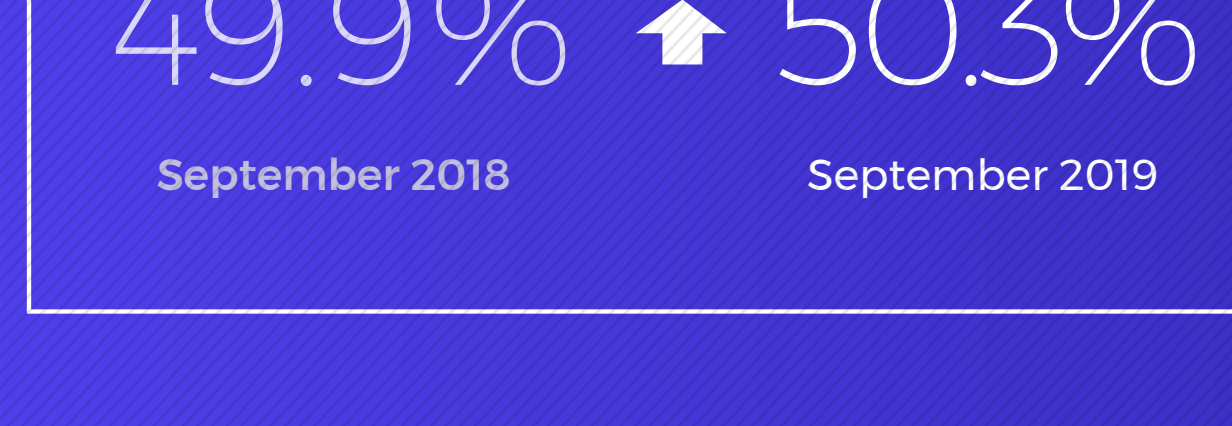


Meanwhile, the Labor Department's Jobs Report released on October 4, reported that nonfarm payroll employment rose by 136,000 jobs in September, and the unemployment rate hit a 50-year low of 3.5%. Employment in health care and in professional and business services continued to trend upwards, according to the U.S. Bureau of Labor Statistics.

"Bank lending to small businesses remains strong at big banks and regional and community banks. With the recent Fed announcement that interest rates will drop, I expect it will continue to grow for the rest of 2019," said Biz2Credit CEO Rohit Arora, who oversees the monthly research derived from more than 1,000 small business credit applications on his company's online lending platform.

Loan Approval in Small Banks

Small bank approvals of small business loan applications in September remained at 50.3%.

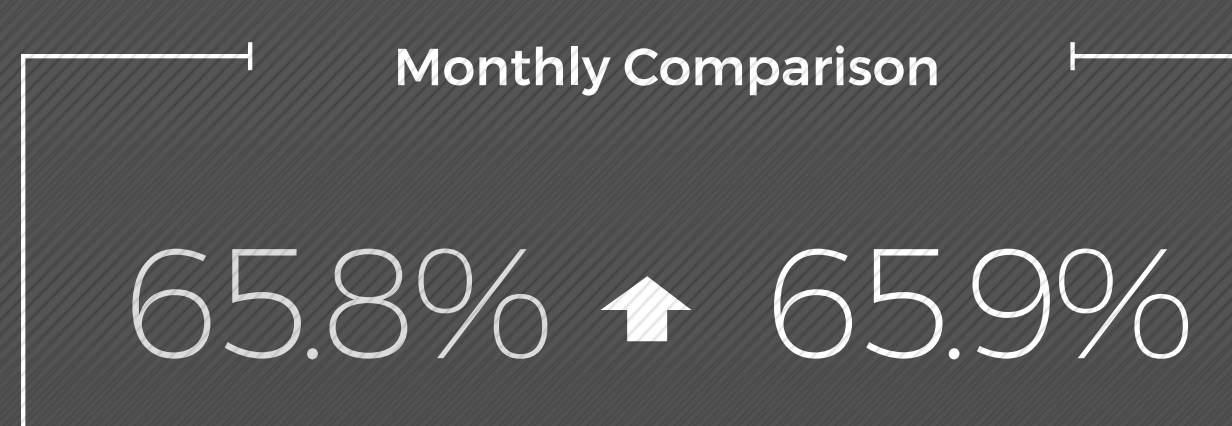
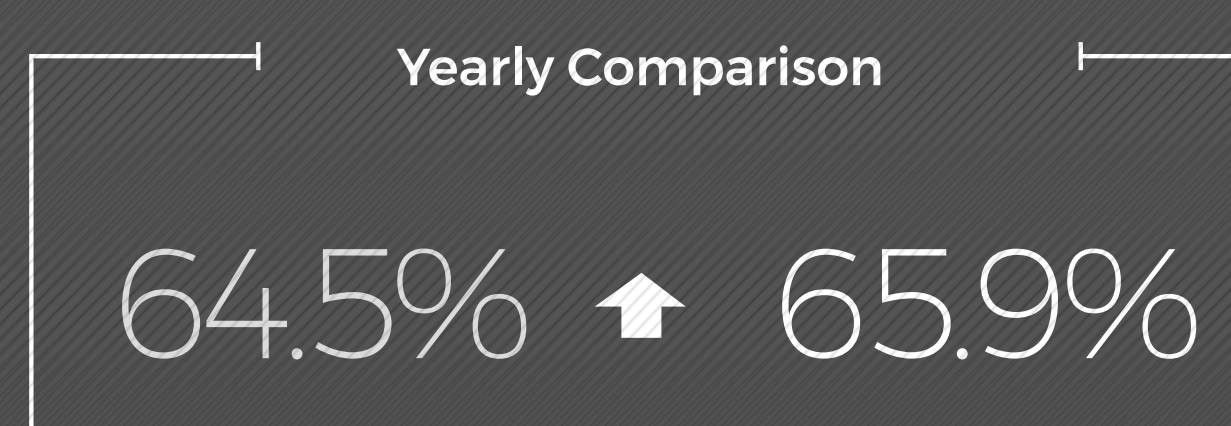


Traditional bank loans and SBA loans are available at smaller banks. Because of the overall strength of the economy, greater numbers of businesses qualify for funding. Having approval rates above the 50% mark is indeed a good sign.

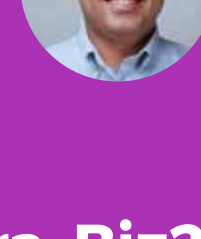
Rohit Arora, Biz2Credit CEO

Institutional lenders

Institutional lenders' approval rates again rose one-tenth of a percent to 65.9% from August's figure of 65.8%.



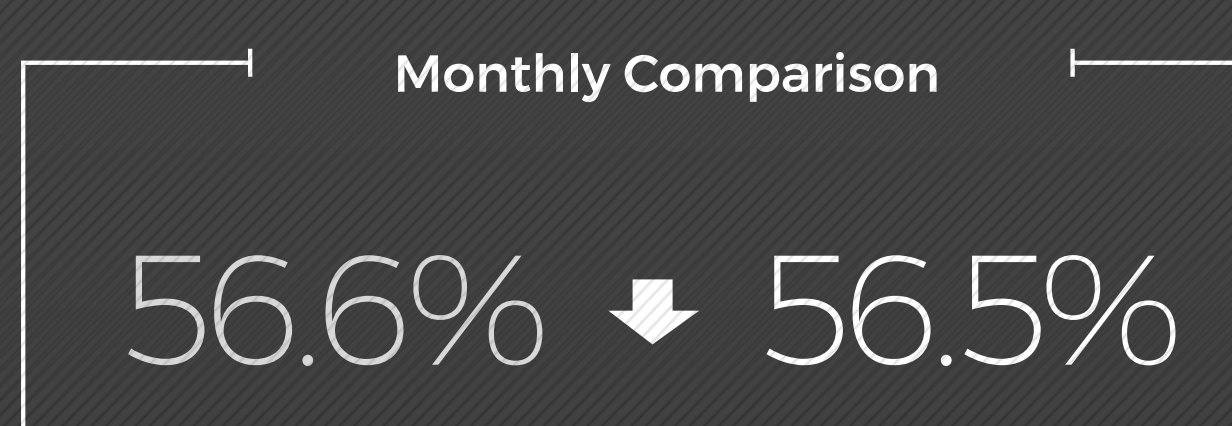
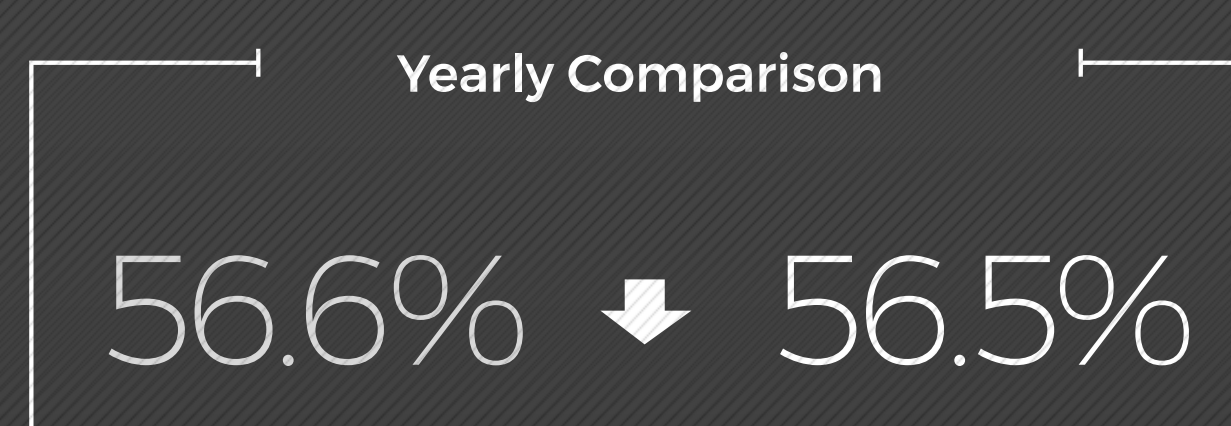
Institutional lenders are a good source of small business loans and have been for the past several years



Rohit Arora, Biz2Credit CEO

Alternative lenders

Small business loan approval rates among alternative lenders slipped one-tenth of a percent to 56.5% from 56.6% in August.



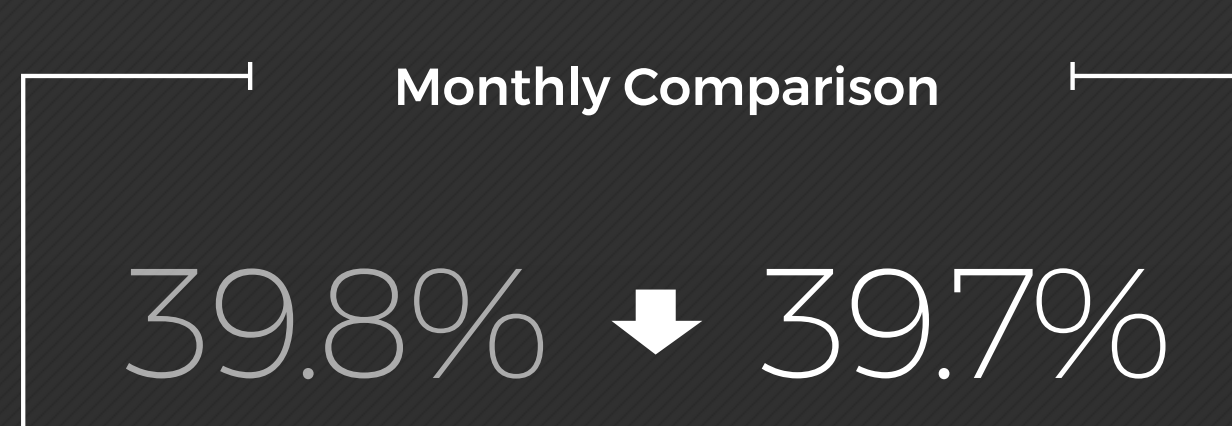
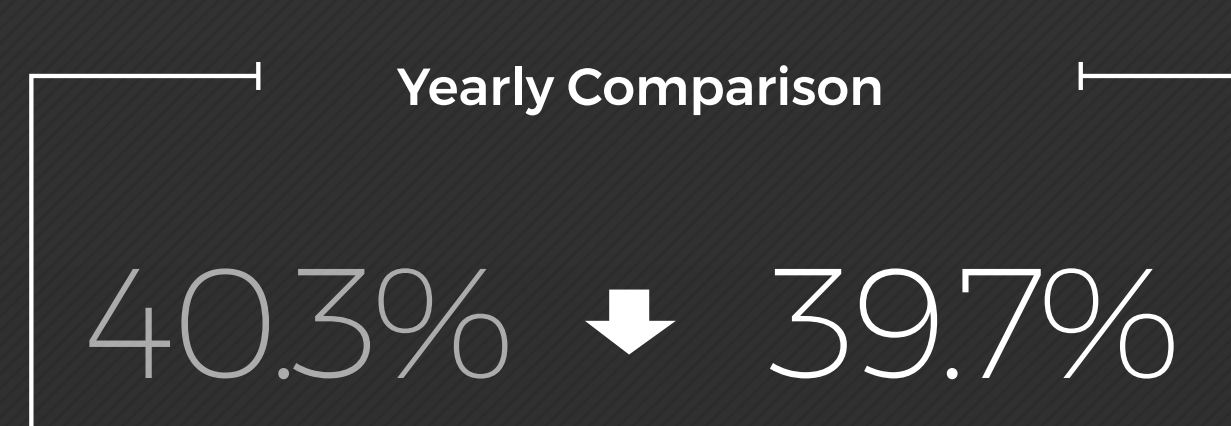
Non-bank alternative lenders are a viable funding source for companies whose credit scores do not qualify them for traditional bank loans. Even as bank lending shows growing strength, alternative lenders are valuable as a funding source to many small business owners – especially ones who have credit scores of 650 or less.



Rohit Arora, Biz2Credit CEO

Credit unions

Credit unions' approval rates fell to 39.7% in September, slipping from the 40% mark in August.



Other categories of lenders are all moving to digital applications. I would say that credit unions have lost their way in small business lending in today's low interest rate environment, who oversees the Biz2Credit research. Certainly, the Member Business Lending cap (12.25% of their assets) does not help. Meanwhile, banks, institutional lenders and alternative lenders are much more aggressive in small business lending.



Rohit Arora, Biz2Credit CEO

About the Biz2Credit Small Business Lending Index

Biz2Credit analyzed loan requests ranging from \$25,000 to \$3 million from companies in business more than two years with an average credit score above 680. Unlike other surveys, the results are based on primary data submitted by more than 1,000 small business owners who applied for funding on Biz2Credit's online lending platform, which connects business borrowers and lenders.

About Biz2Credit

Founded in 2007, Biz2Credit has arranged more than \$2 billion in small business financing and has several times been named to Crain's New York's Fast 50 and was recently ranked among the top 200 fast-growing companies on Deloitte's 2018 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 U.S. Visit www.biz2credit.com or follow Biz2Credit on Twitter: @Biz2Credit, Facebook, and LinkedIn.