

Biz2Credit Small Business Lending Index™

Small Business Loan Approval Rates at Big Banks Remain at Record High in February 2020: Biz2Credit Small Business Lending Index™

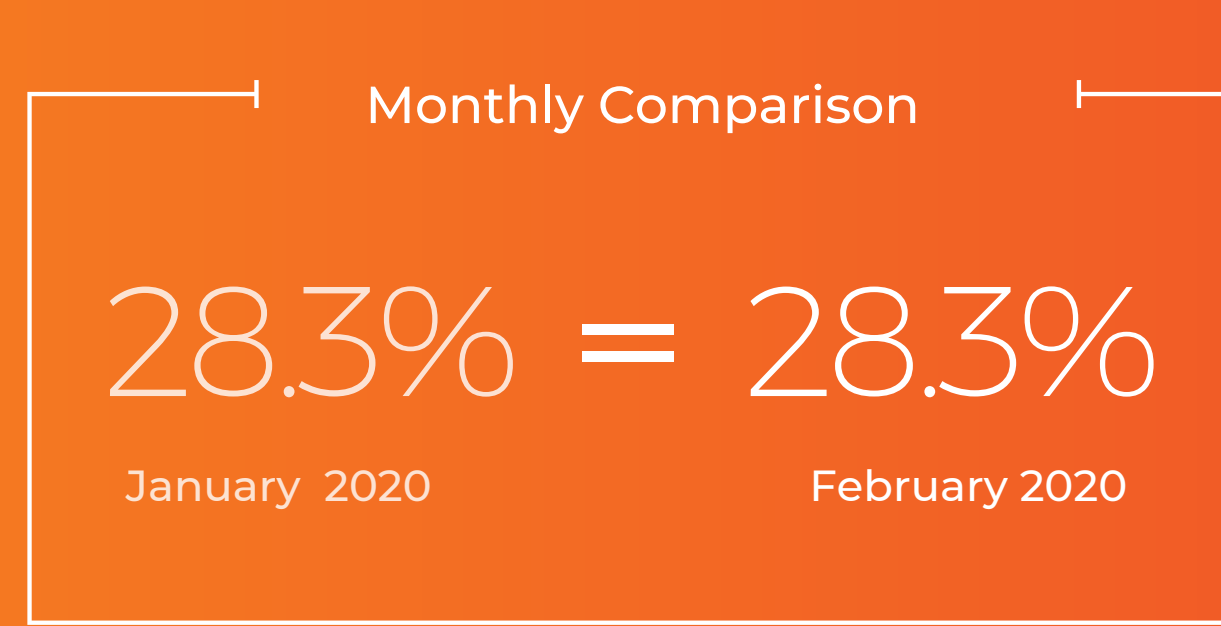
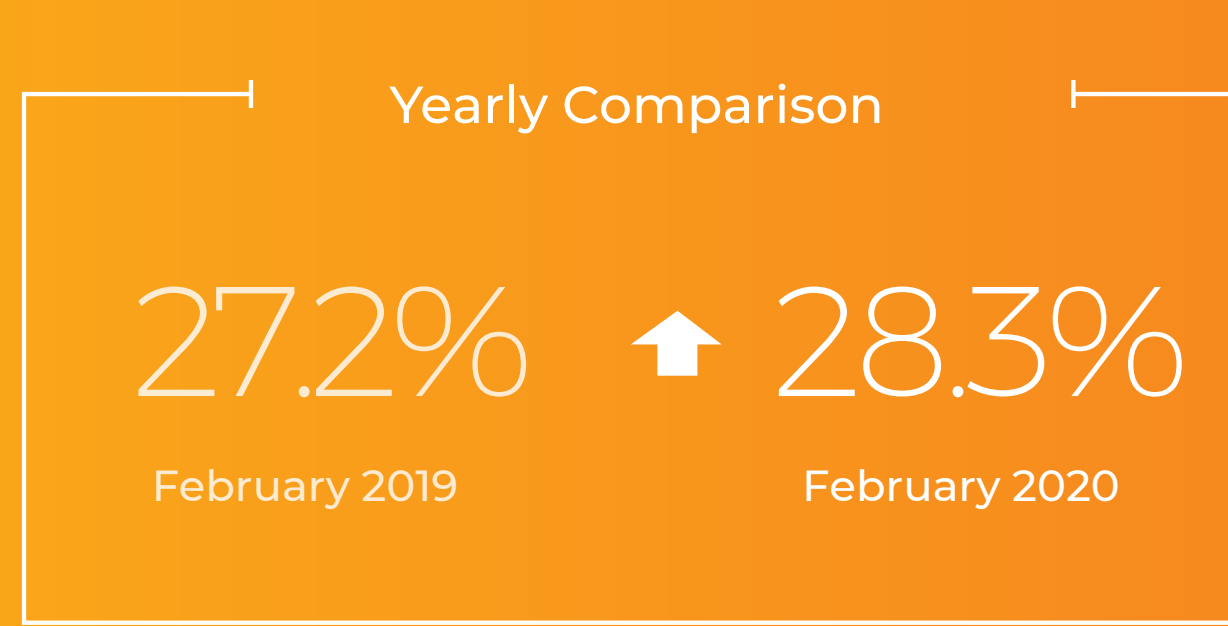


Small Banks and Alternative Lenders drop, and Credit Unions remain at all-time low

The approval percentage for small business loan applications at big banks (\$10 billion+ in assets) stayed flat at 28.3% in February 2020, which remains post-recession record high, according to the Biz2Credit Small Business Lending Index™ released today

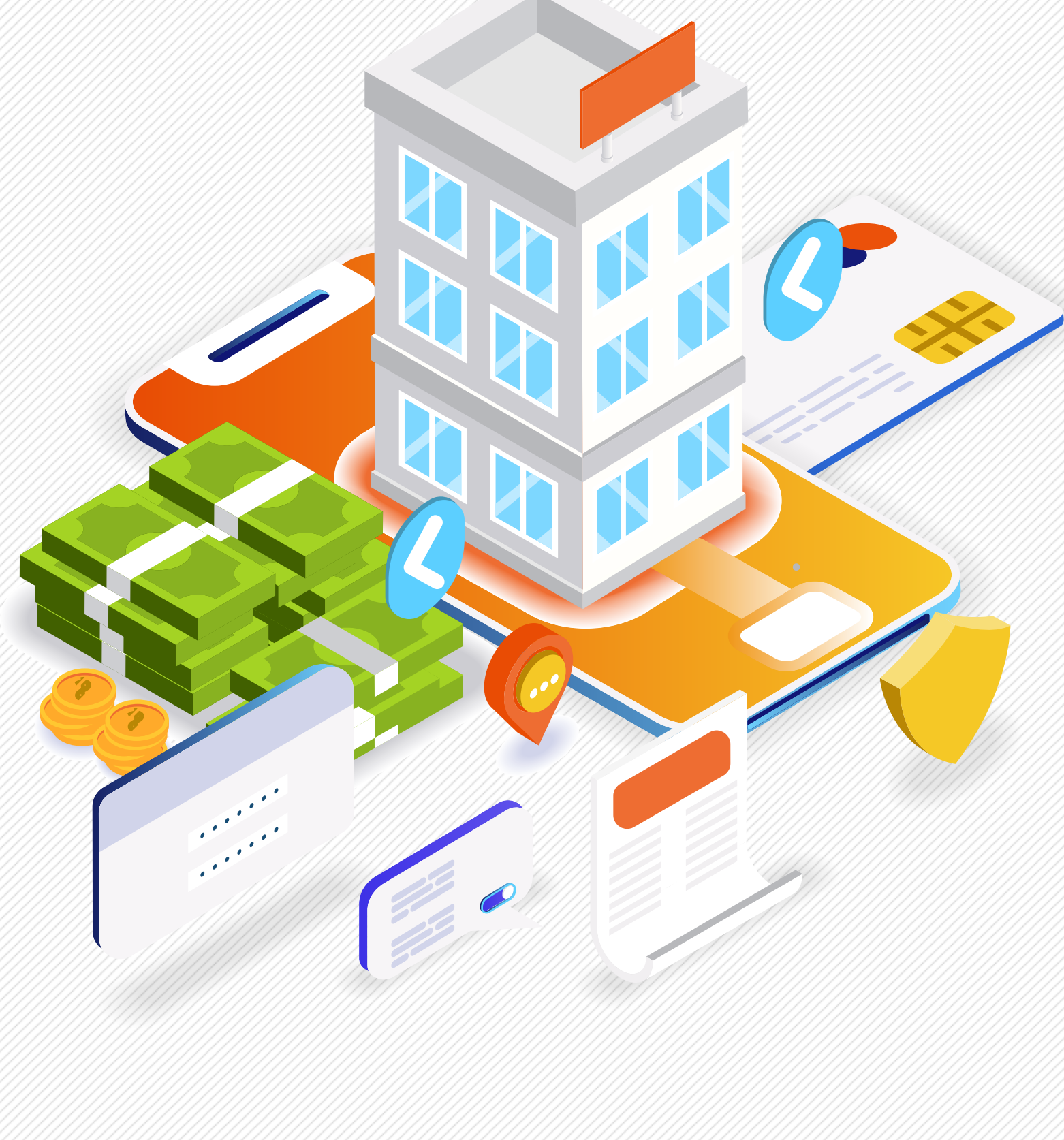
Loan Approval in Big Banks

Big banks (\$10 billion+ in assets) stayed flat at 28.3% in February



Despite the Corona virus scare during the month of February, small business lending was solid during the month. We are likely to see the fallout from the spread of the virus in next month's figures. Until very recently, the economy was chugging right along.

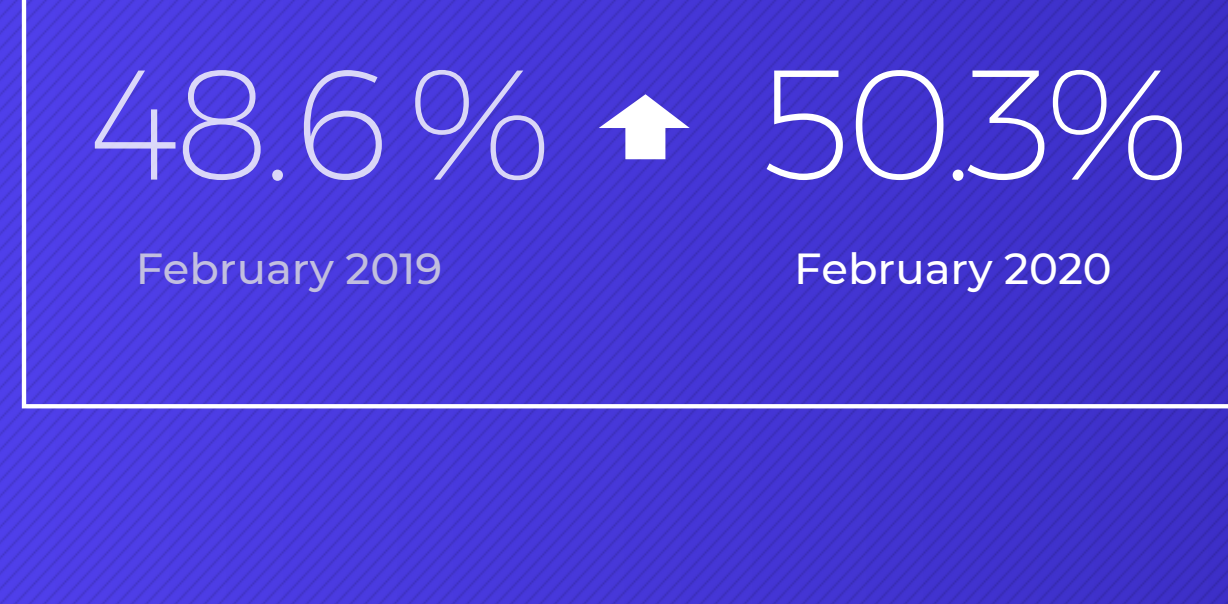
Rohit Arora, Biz2Credit CEO



According to the Bureau of Labor Statistics' Jobs Report, non-farm employment rose by 273,000 in February, while the unemployment rate was little changed at 3.5% last month. Notable job gains occurred in health care and social assistance, food services and drinking places, government, construction, professional and technical services, and financial activities.

Loan Approval in Small Banks

The approval rate at small banks dipped one-tenth of a percent from 50.4% in January to 50.3% in February.



As was the case in January, smaller banks are down slightly because they process more SBA loans, and the banks that make them want to see 2019 tax returns before making lending decisions.

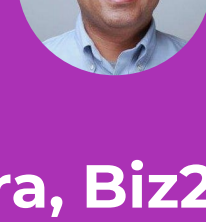
Rohit Arora, Biz2Credit CEO

Institutional lenders

Institutional lenders' approval rates rose one-tenth of a percent from January's figure of 66.4% to 66.5% in February 2020.



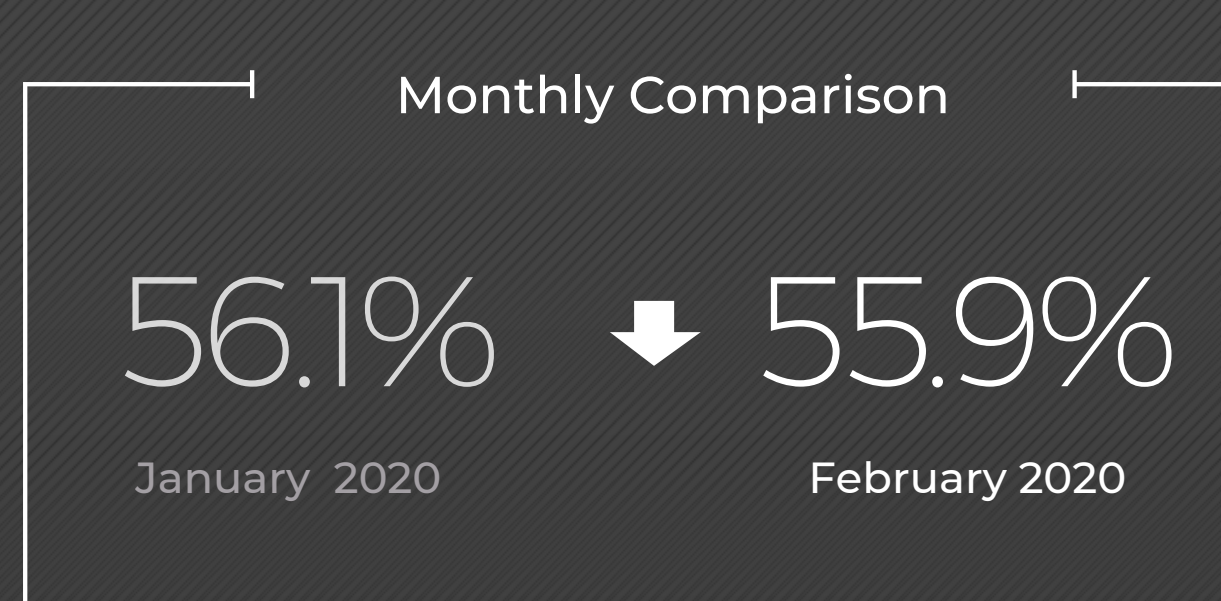
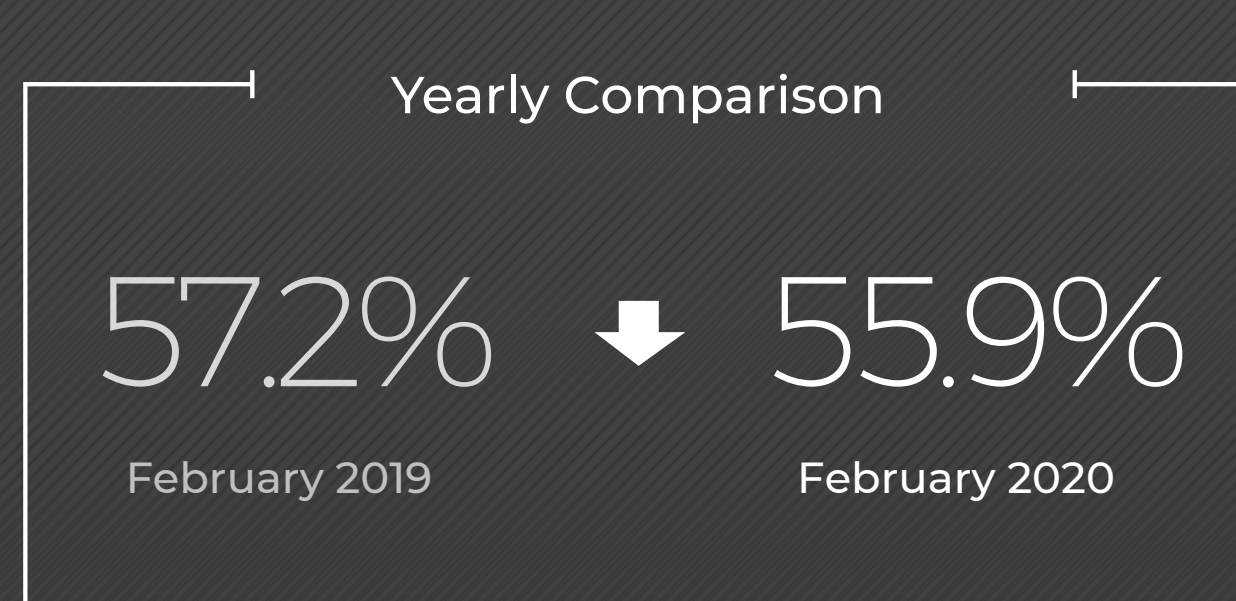
Institutional lenders continue to gain strength in small business lending. With attractive interest rates and longer terms than most other non-bank lenders, they are a fine source of capital for small businesses.



Rohit Arora, Biz2Credit CEO

Alternative lenders

Small business loan approval rates among alternative lenders dipped from 56.1% in January to 55.9% in February 2020.



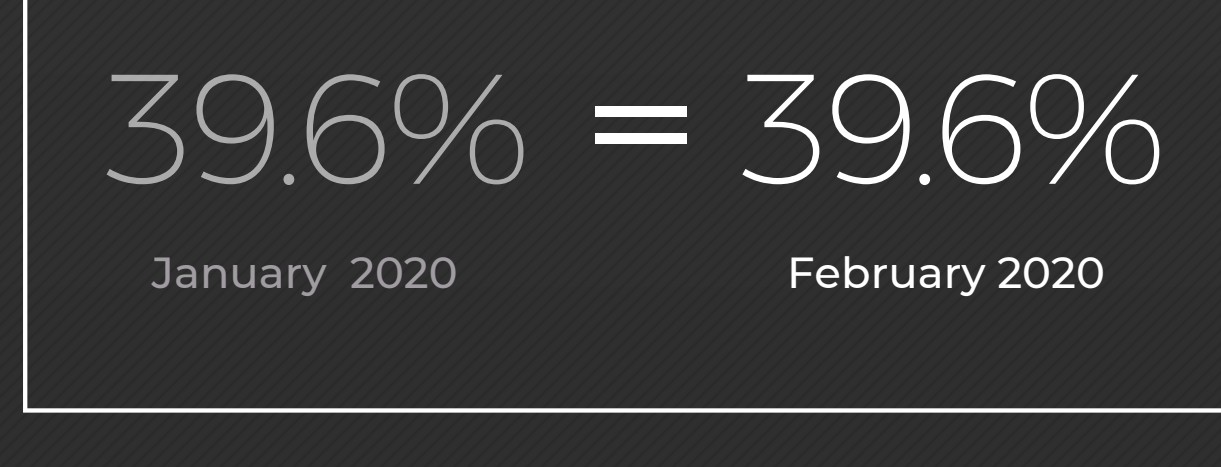
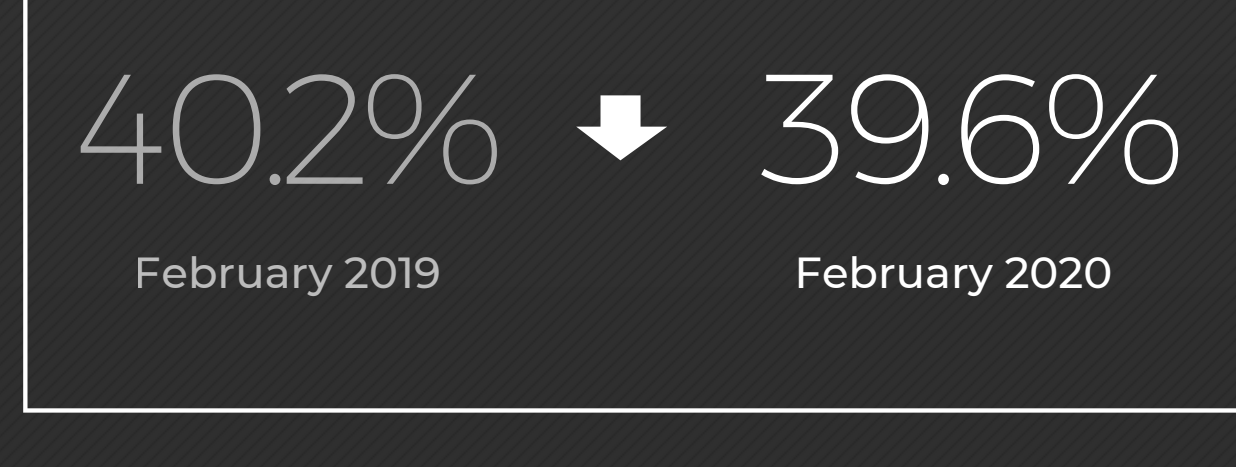
Alternative lenders offer financing to businesses that banks often turn away. For companies with mediocre or poor credit histories, they are a willing lender, which can be hard to find since such a high emphasis is placed on credit scores by traditional bank lenders.



Rohit Arora, Biz2Credit CEO

Credit unions

The approval percentage rate for credit unions remained at a record low of 39.6% in February.



I don't see much movement from credit unions, which continue to struggle in the business credit marketplace. Those that do not upgrade their digital capabilities or partner with FinTech firms cannot expect to see their fortunes improve in today's lending marketplace.



Rohit Arora, Biz2Credit CEO

About the Biz2Credit Small Business Lending Index

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 \$2 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](https://twitter.com/Biz2Credit), Facebook, and LinkedIn.