

Biz2Credit Small Business Lending Index™

Small Business Loan Approval Rates Rebounded in June 2020: Biz2Credit Small Business Lending Index™

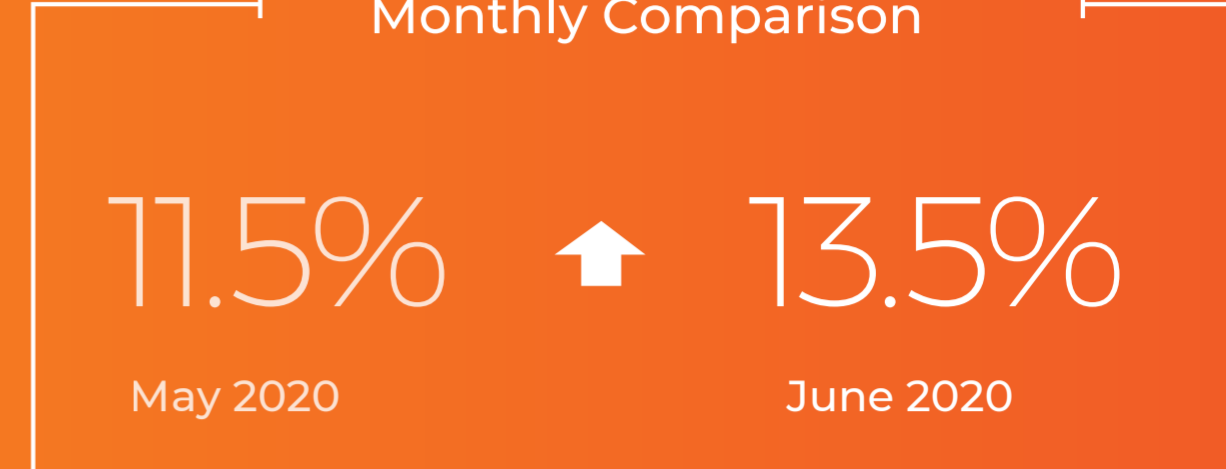
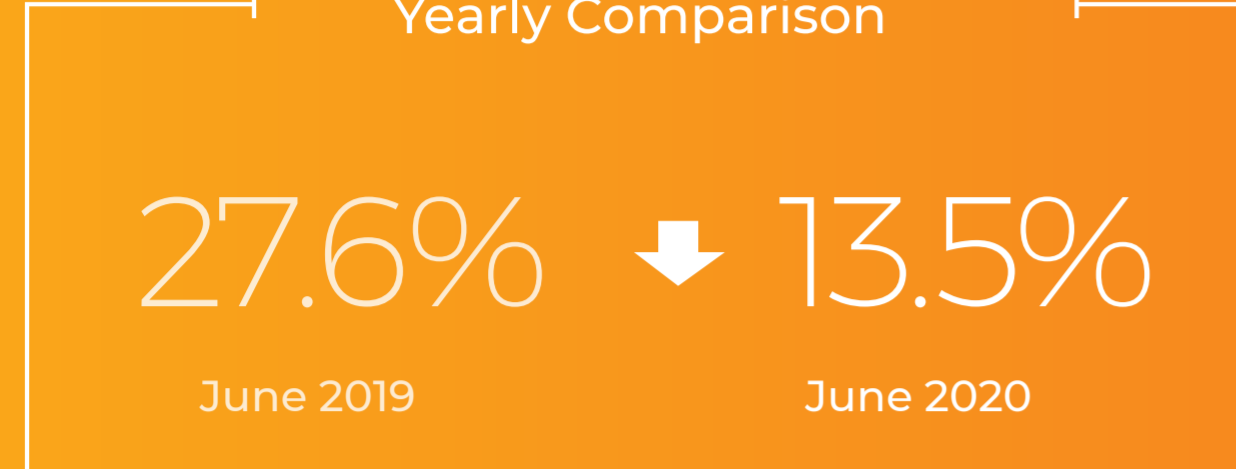


Improvement in Approvals for Companies Applying for Non-CARES Act Loans

The approval percentage for small business loan applications at big banks (\$10 billion+ in assets) rebounded from just 11.5% in May to 13.5% in June, according to the Biz2Credit Small Business Lending Index™ released today.

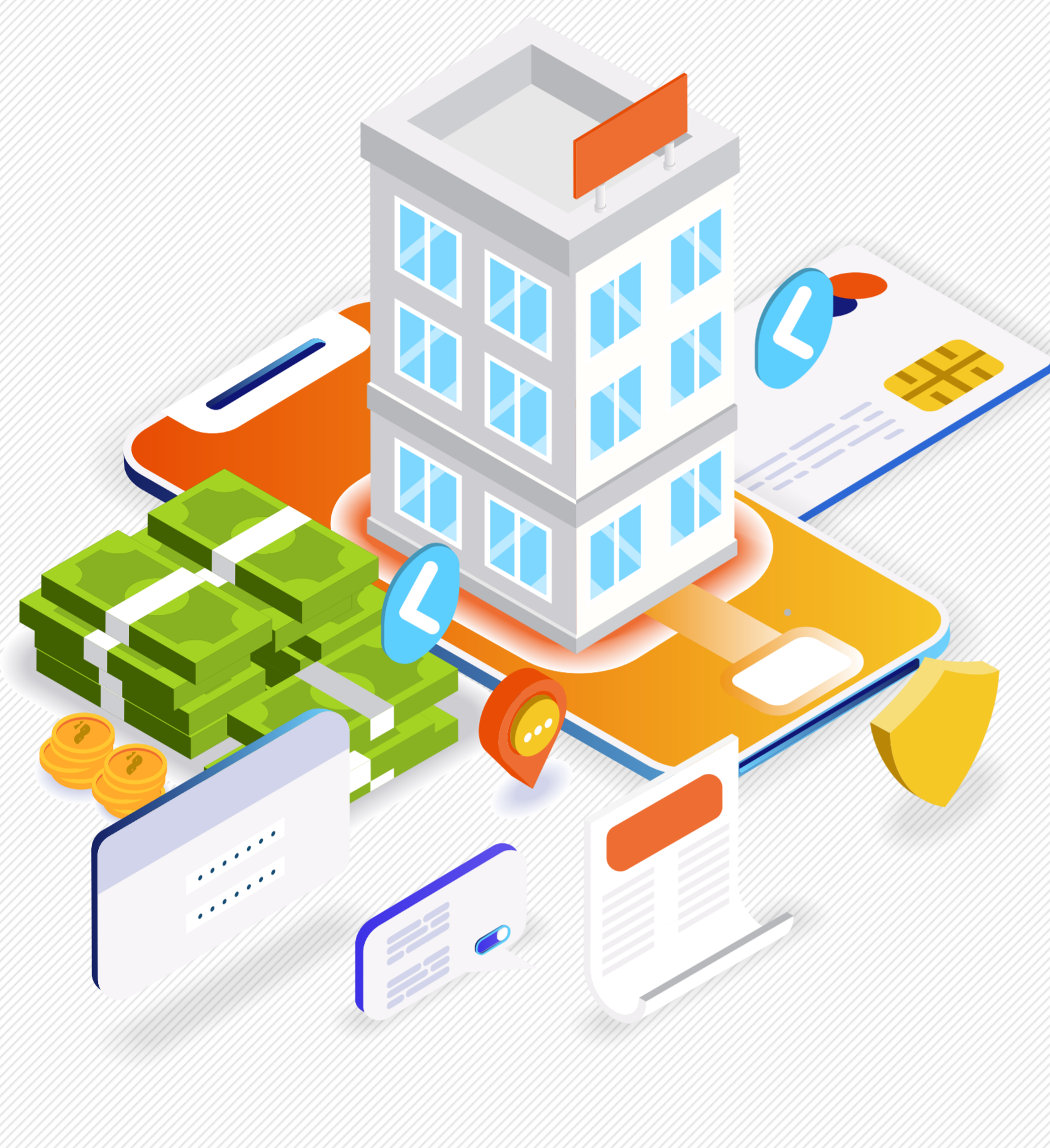
Loan Approval in Big Banks

Big banks (\$10 billion+ in assets) rebounded from just 11.5% in May to 13.5% in June



“Big banks, small banks, and all other categories of lenders saw their approval percentages rise in June, after a mixed May,” said Biz2Credit CEO Rohit Arora, who oversees the monthly research. “In the northeast, the economy is beginning to reopen, and here are hopeful signs. However, we will have to see how the spread of the pandemic impacts the south and west of the country. The coronavirus has made things tough for small businesses everywhere.”

Rohit Arora, Biz2Credit CEO

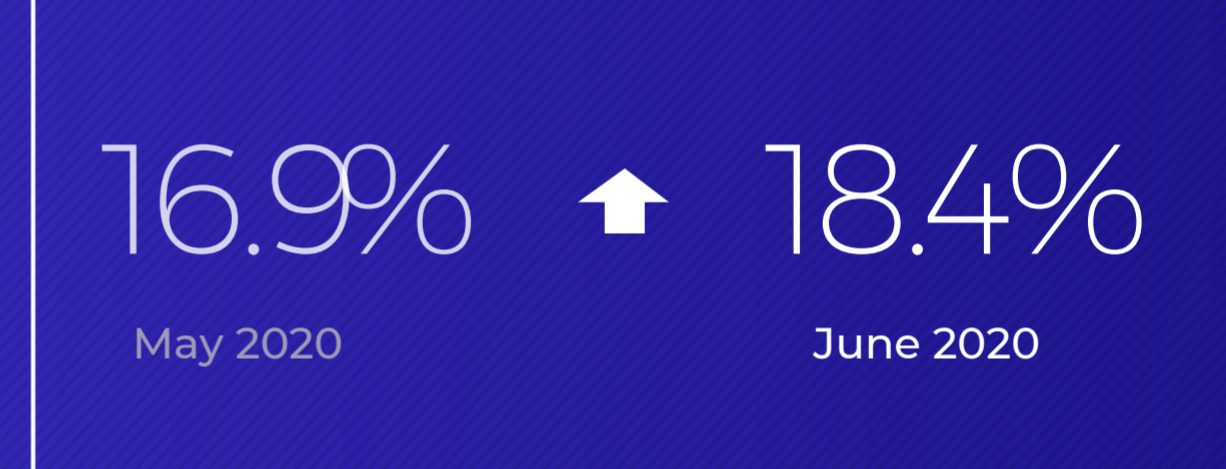


“The more than 2% jump was a solid performance for big bank lending,” said Arora, one of the nation’s leading experts in small business lending. “The Jobs Report on July 2 reported that unemployment dropped in June. This is a good sign, but economic fluctuations continue as we begin the second half of 2020.”

Through June 30, the PPP lending program has provided more than 4.9 billion small businesses over \$521 billion in potentially forgivable loans, directly ensuring 50 million American workers kept their jobs, according to a new report by the SBA on PPP loan approvals. The average loan size was \$106,772, and 5,460 lenders participated in the program thus far. Congress passed legislation signed by President Trump that extends the filing deadline until August 8, 2020.

Loan Approval in Small Banks

Small banks climbed to 18.4% in June, up from 16.9% in May.

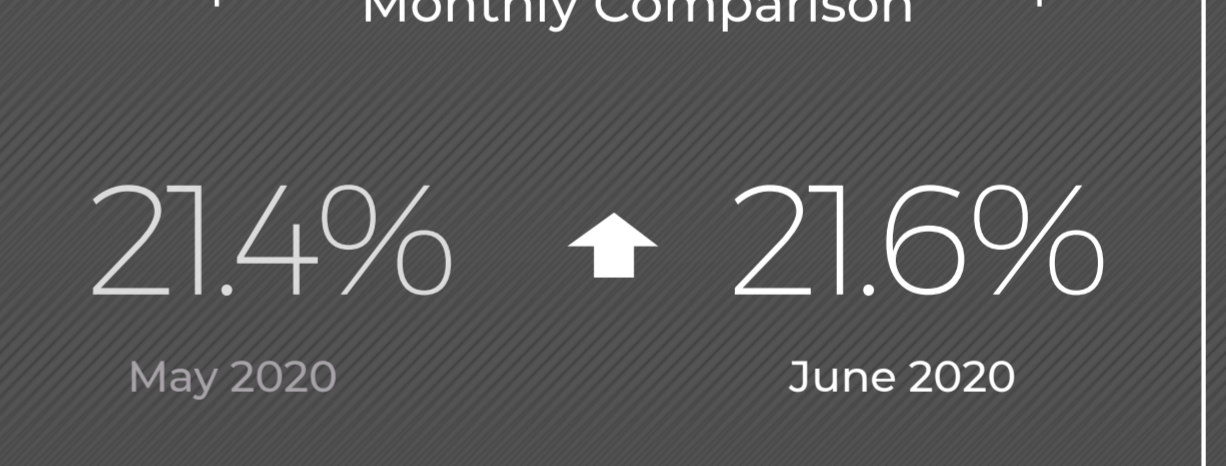
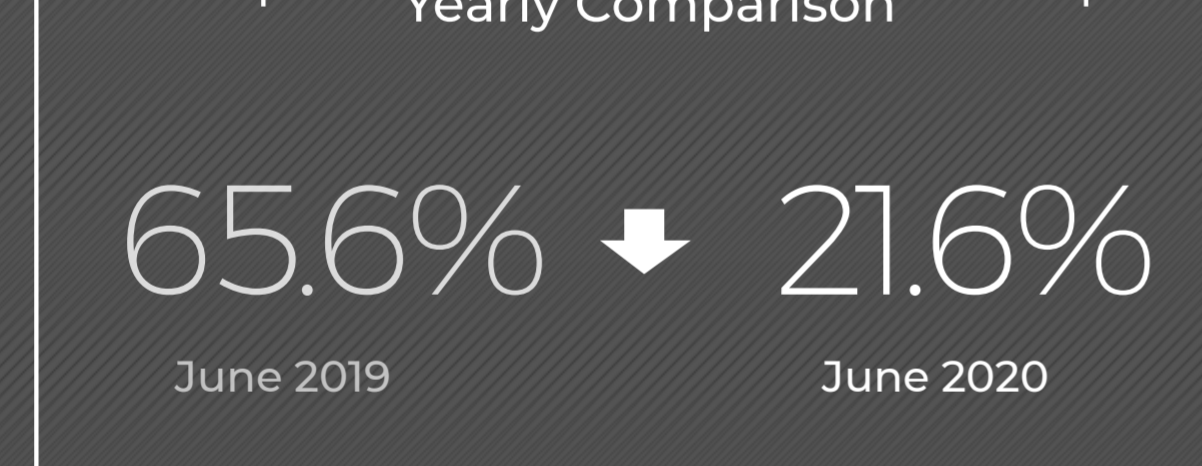


“Smaller banks are processing many PPP loan applications, and are still approving non-PPP requests,” Arora said. “Regional and community banks are playing a big part in the survival of small businesses.”

Rohit Arora, Biz2Credit CEO

Institutional lenders

Institutional lenders’ approval percentages increased to 21.6% in June, up from 21.4% in May.



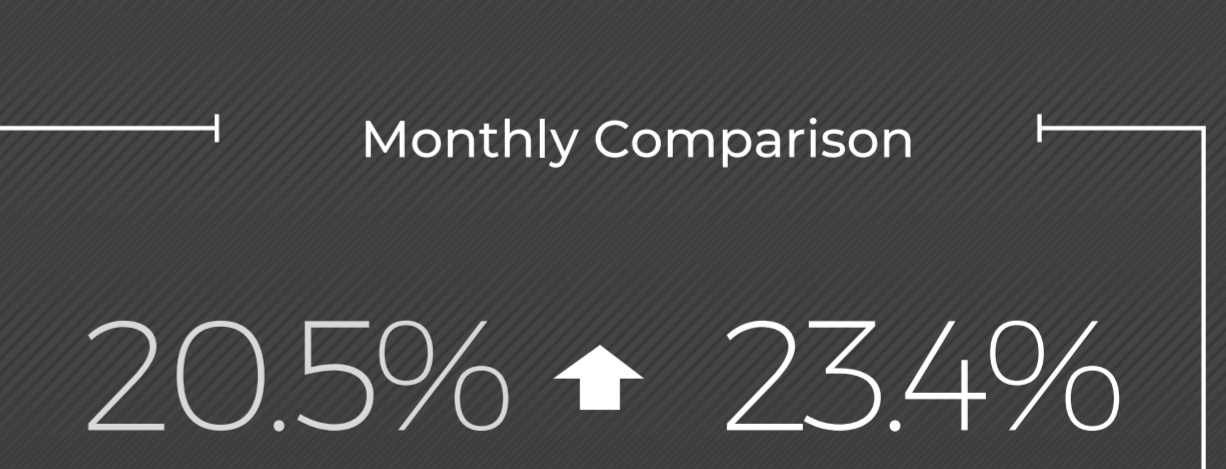
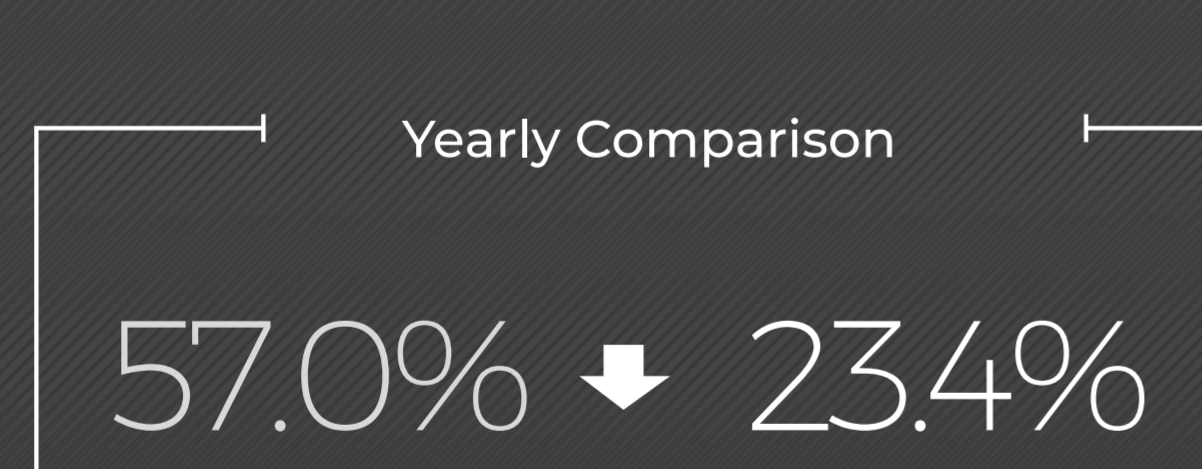
“Institutional lenders, like the other categories of lenders, have seen their approval percentages increase steadily in May and June, after disastrous results reported in March and April,” Arora said. “As the economy slowly emerges from the coronavirus lockdown, I foresee institutional lenders will again become important players in the small business lending marketplace.”



Rohit Arora, Biz2Credit CEO

Alternative lenders

Alternative lenders jumped up to 23.4% in June, a substantial increase over May’s figure of 20.5%.



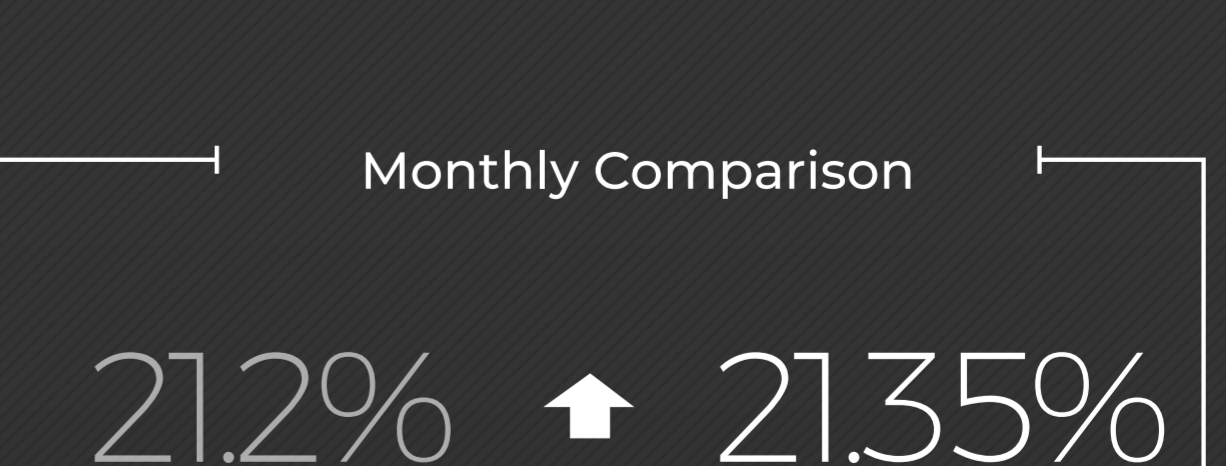
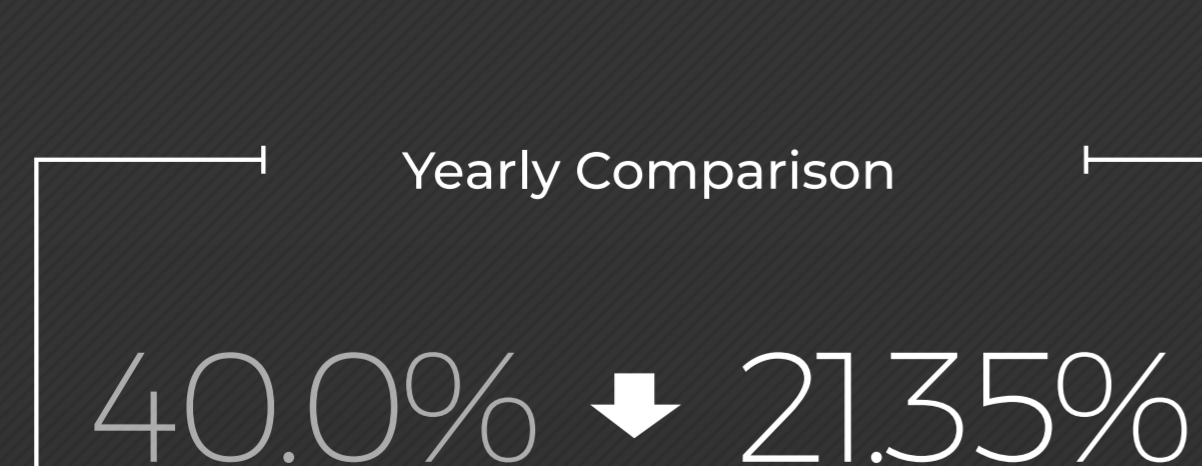
“Some borrowers are seeking funding from alternative lenders because the turnaround time is so quick, and small-business owners were desperate for cash,” Arora said. “Although they may not again reach pre-coronavirus levels, alternative lenders certainly play a role in small business lending.”



Rohit Arora, Biz2Credit CEO

Credit unions

Credit unions approved 21.35% of loan requests in June, up from just 21.2% in May 2020.



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 \$3 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.