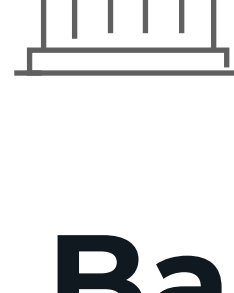


OCTOBER / 2022

# Biz2Credit Small Business Lending Index™

## Reports Loan Approval Percentages Dropped at Banks and Non-Bank Lenders in October 2022

Small business loan approval percentages at big banks dropped from 14.9% in September to 14.7% in October, the lowest total since February 2022, according to the latest Biz2Credit Small Business Lending Index™ released today.

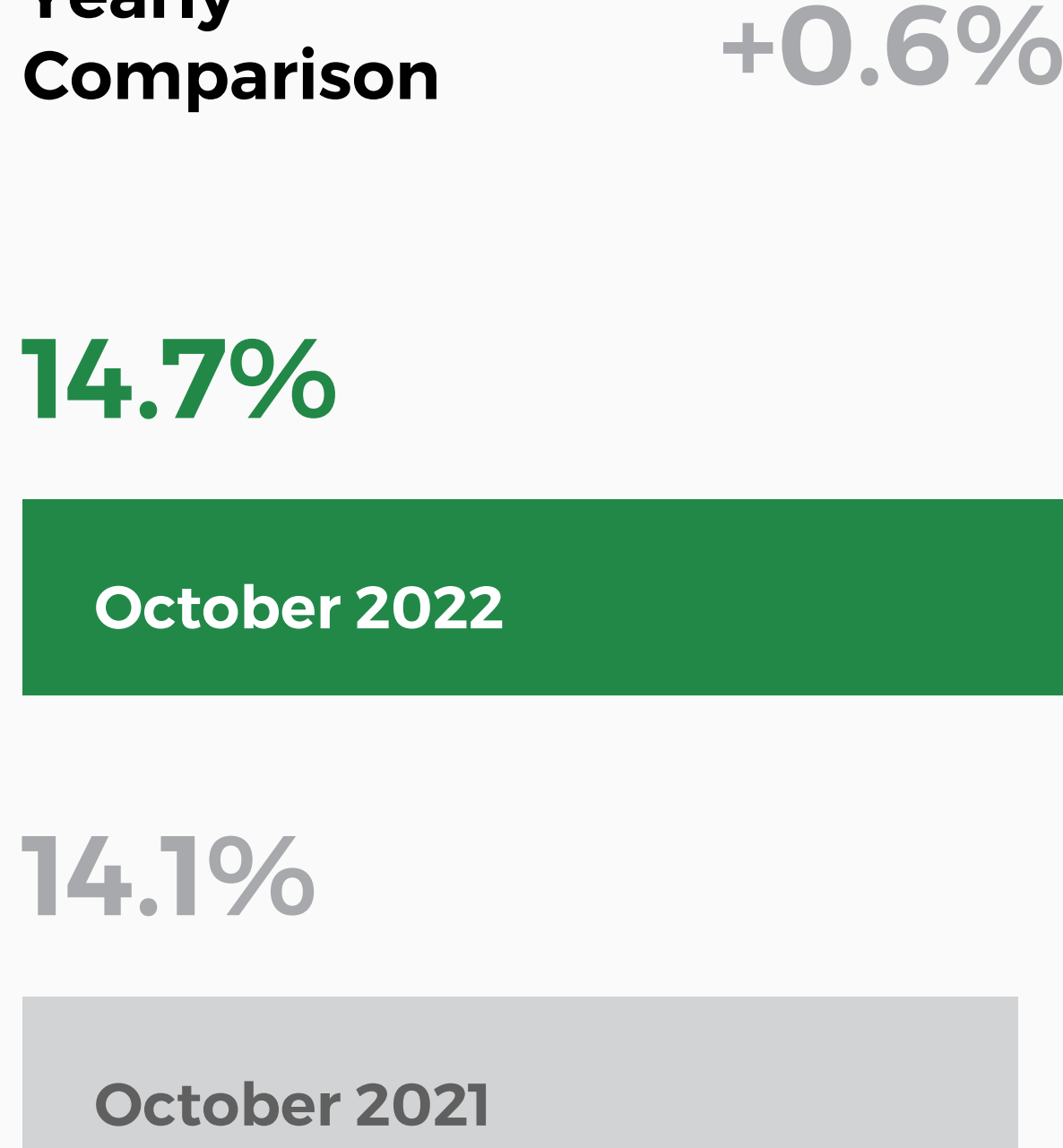
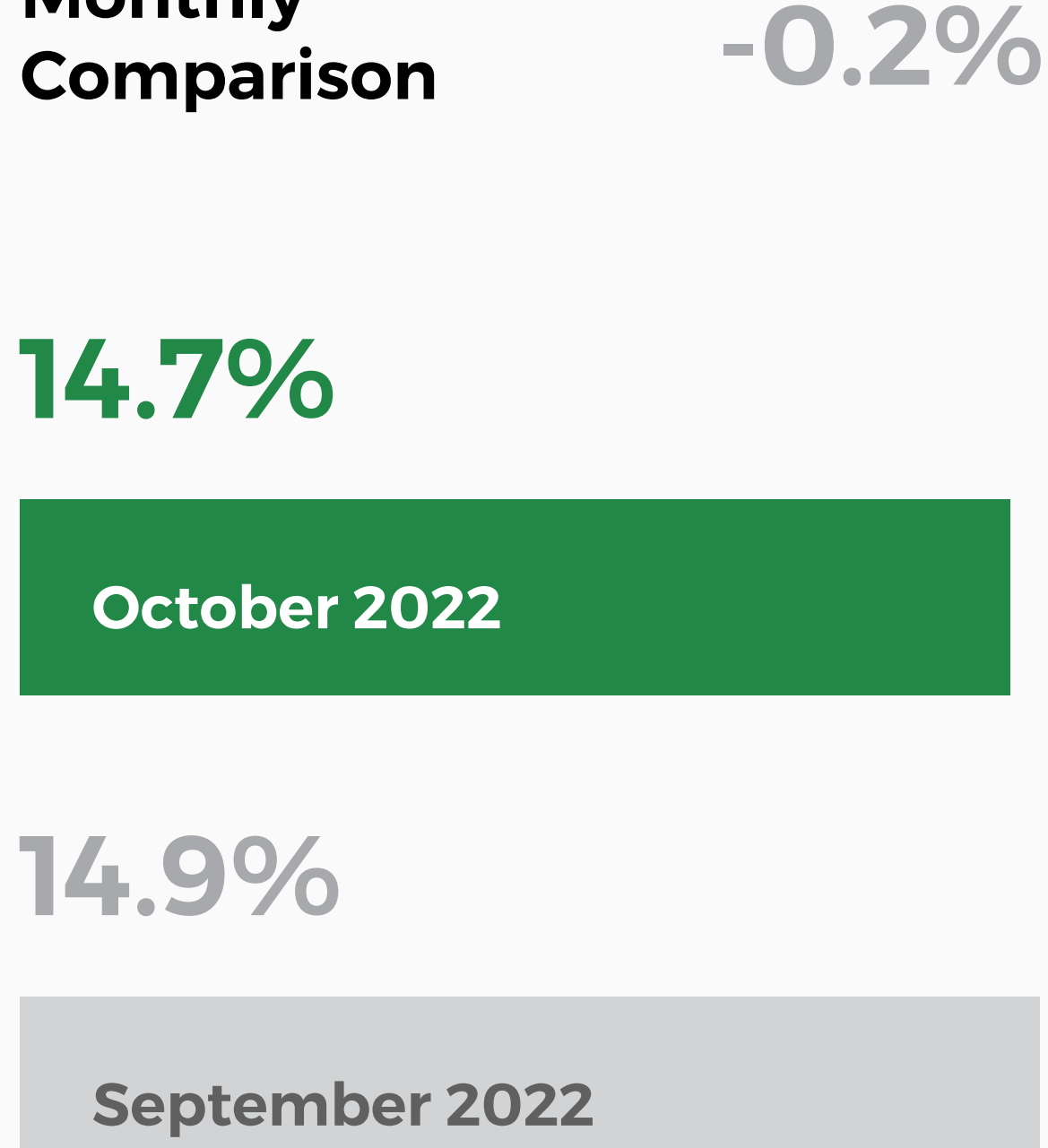


### Big Banks

**Big banks dropped from 14.9% in September to 14.7% in October, according to the latest Biz2Credit Small Business Lending Index™ released today.**

Total nonfarm payroll employment increased by 261,000 in October, and the unemployment rate rose slightly to 3.7%, according to the Jobs Report released by the U.S. Bureau of Labor Statistics that released on Friday, November 4, 2022. Notable job gains occurred in health care,

professional and technical services, and manufacturing. Many of these positions are created by small businesses, which are responsible for the lion's share of new jobs in the private sector economy.



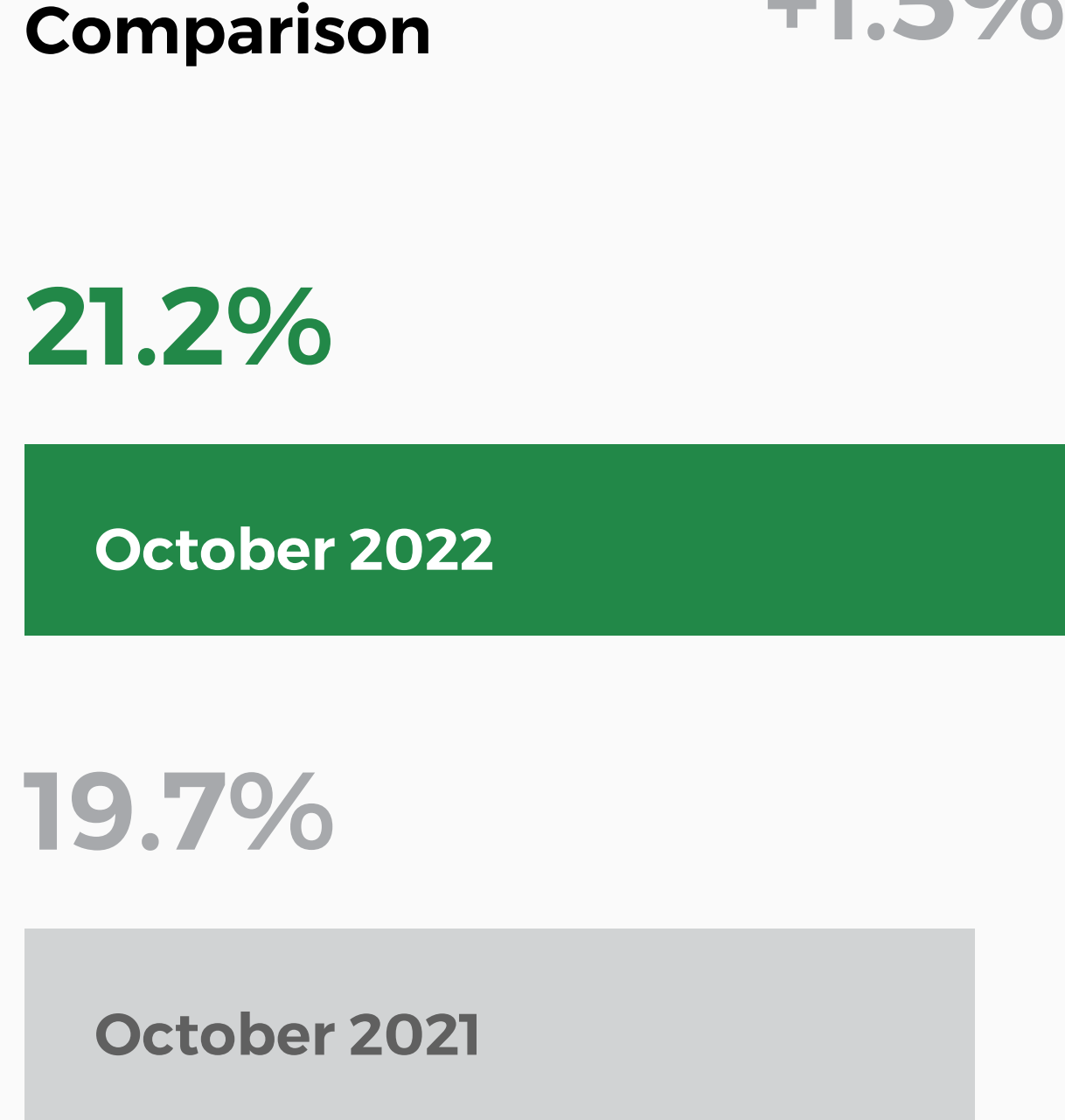
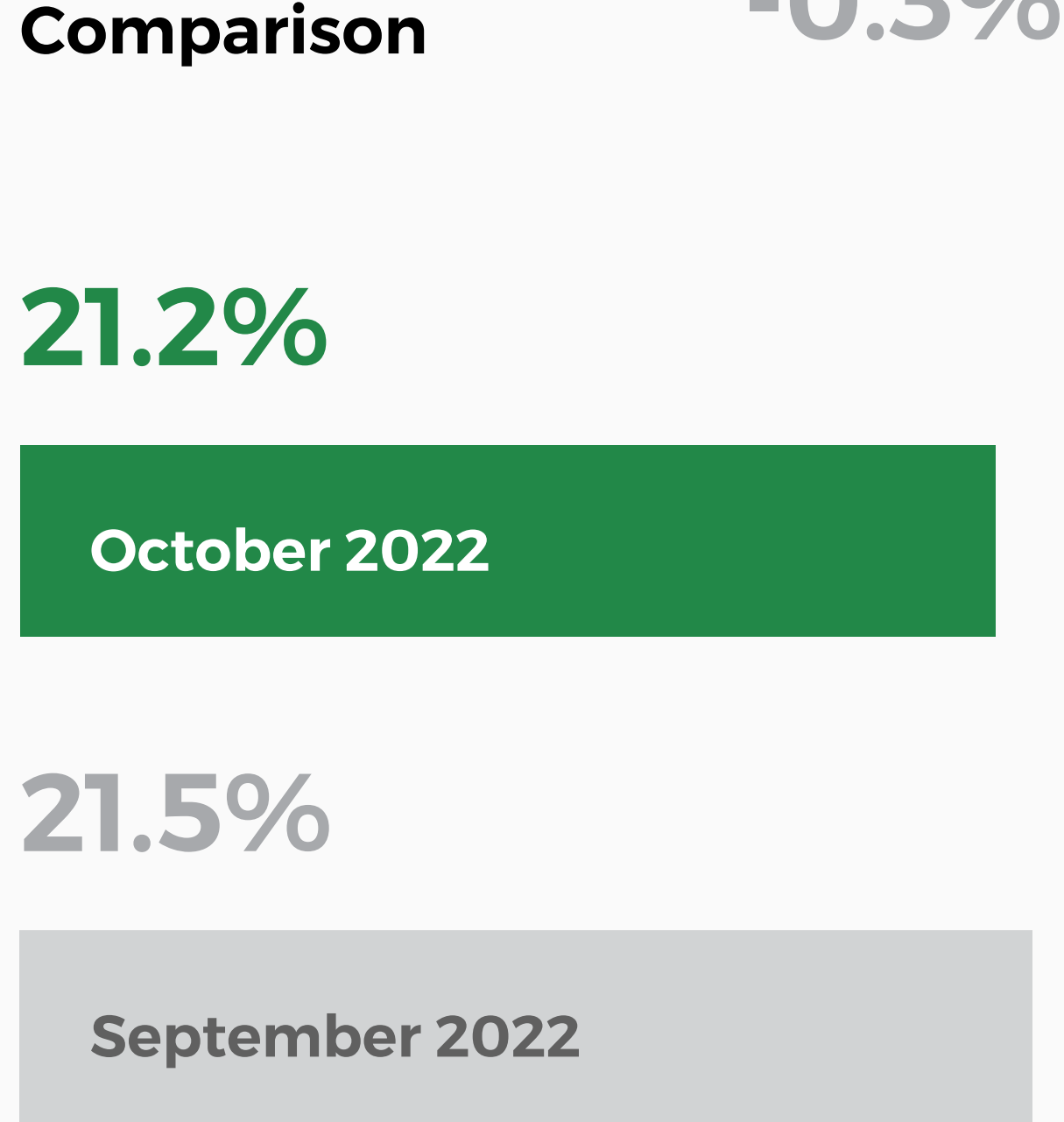
"Continued inflation and uncertainty over how high the Federal Reserve would set interest rates cast a shadow over small business lending in October," said Rohit Arora, CEO of Biz2Credit and one of the nation's leading experts in small business finance. "Approval percentages at big banks dropped for the fourth consecutive month in October. Likewise, approvals at small banks, which had increased steadily since April 2021, dropped for the first time in well over a year."

**Rohit Arora**  
Biz2Credit CEO



### Small Banks

**Small banks declined by three-tenths of a percent from 21.5% in September to 21.2% in October, according to the latest Biz2Credit Small Business Lending Index™ released today.**



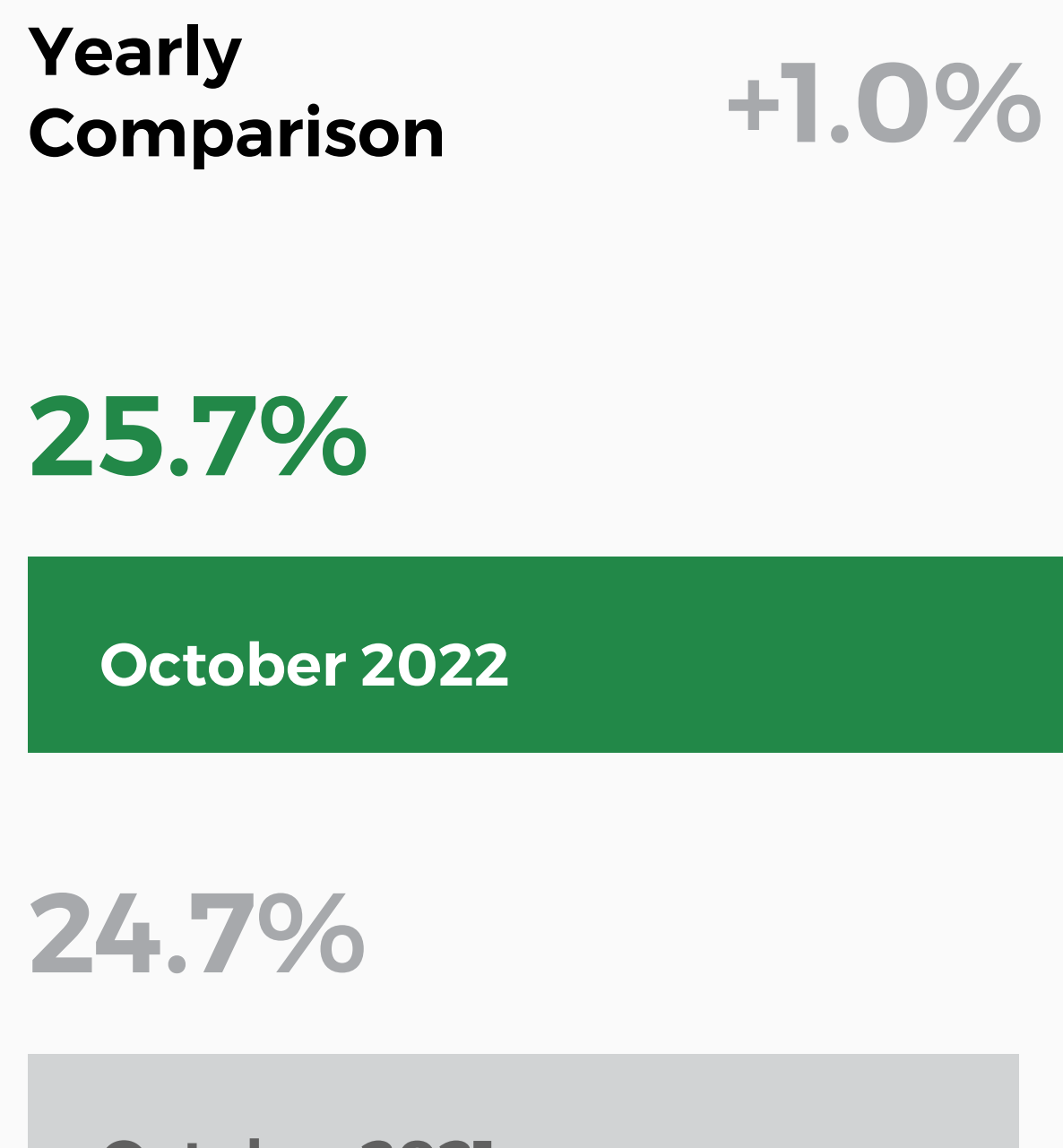
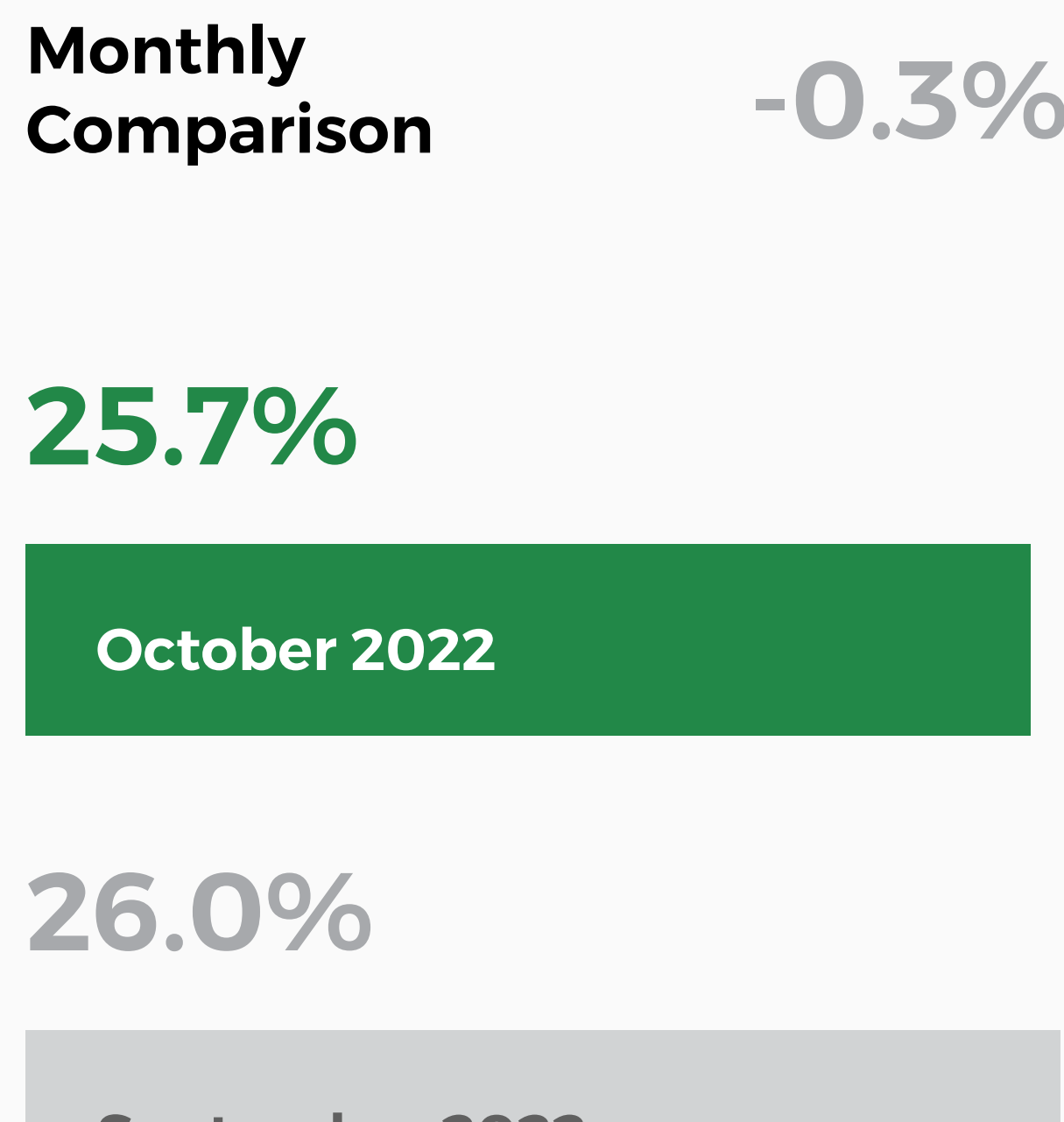
"While monetary policy aims to curb inflation, it hasn't showed obvious signs of working yet," Arora added. "This is bad news for small businesses in search of capital. Loans are harder to get, and the cost of capital has gone up. This is a double whammy for business owners."

**Rohit Arora**  
Biz2Credit CEO



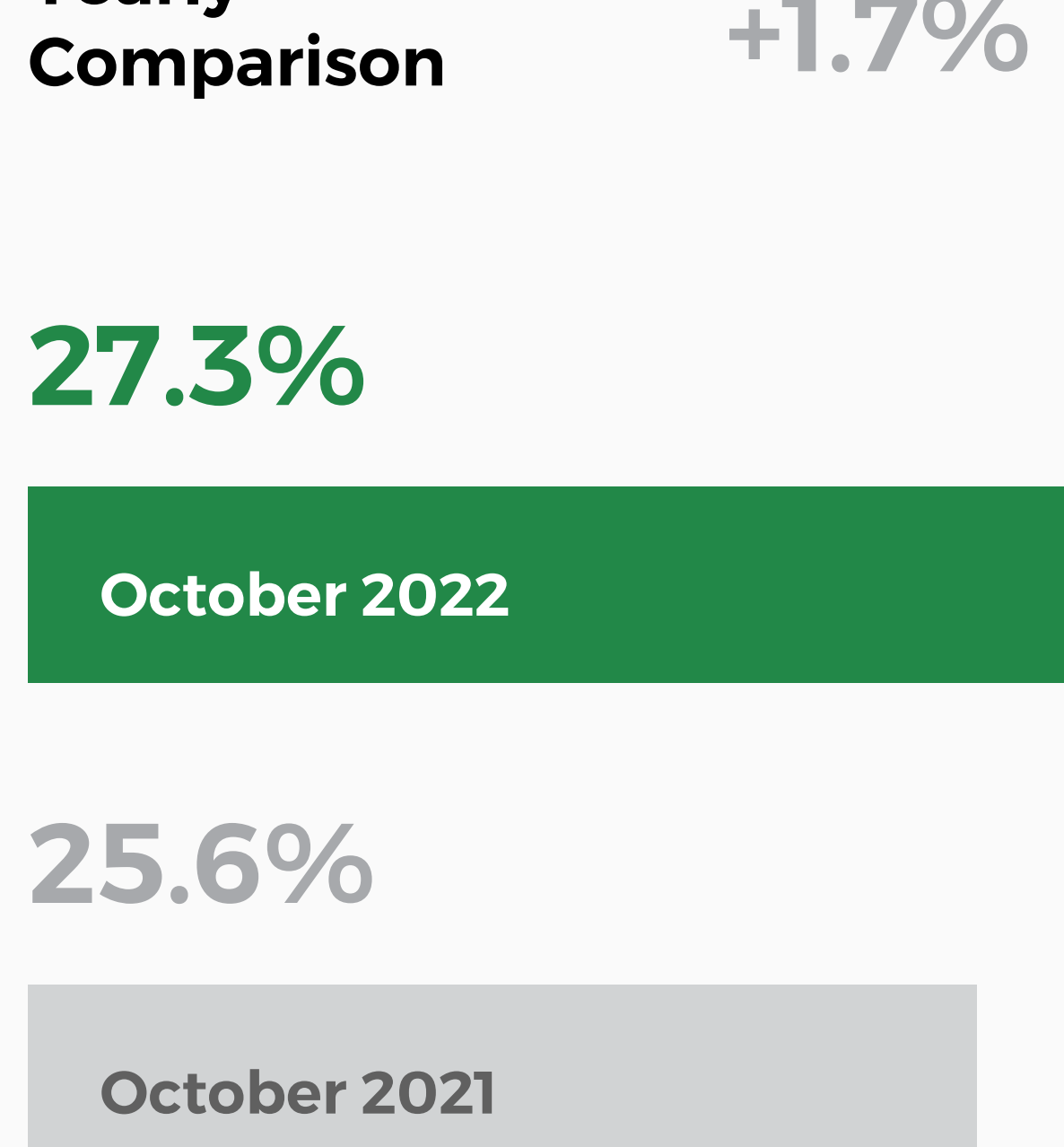
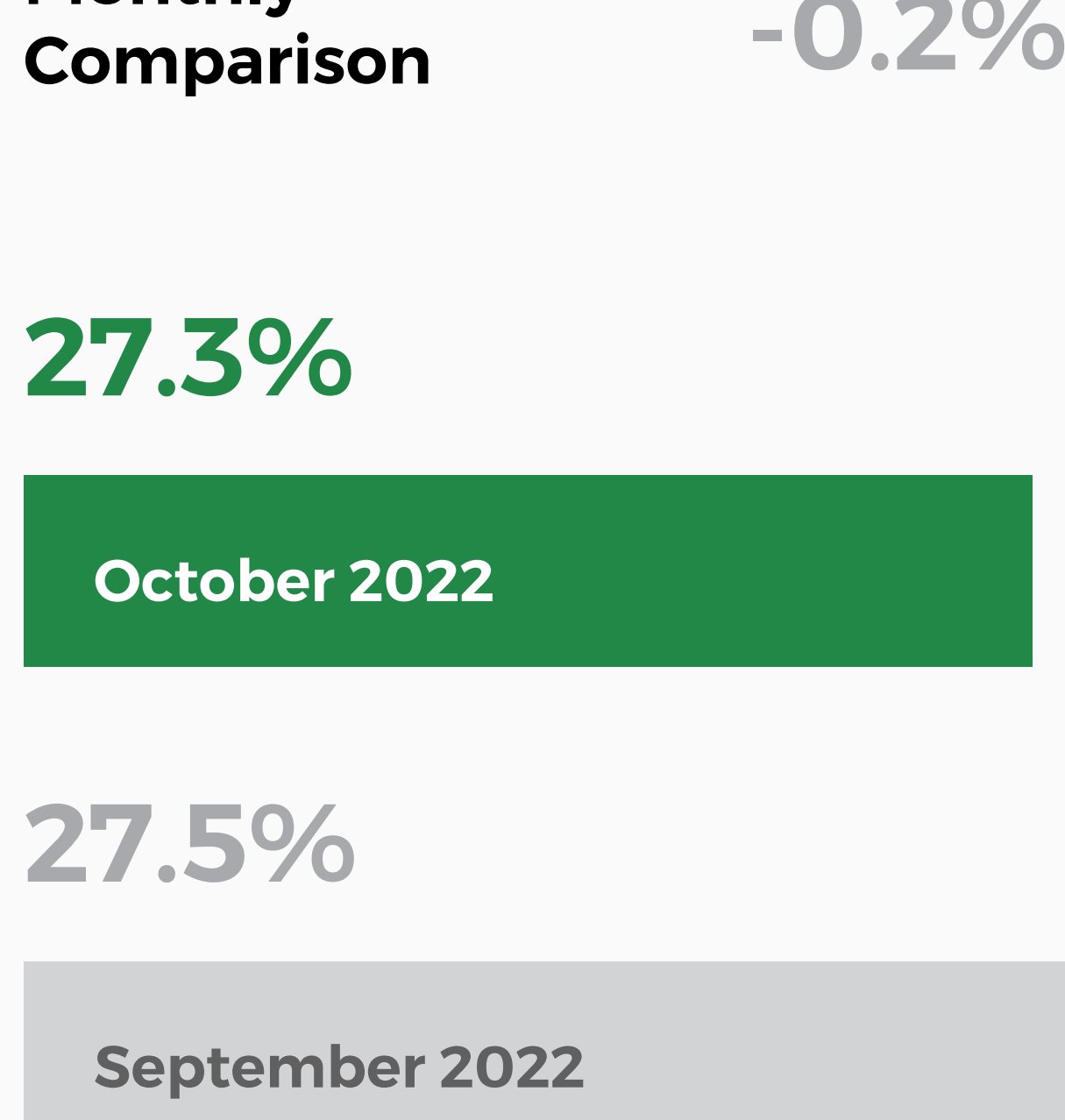
### Institutional Lenders

**Institutional lenders granted 25.7% of loan requests in October, a decrease of three-tenths of a percent from September's figure of 26%.**



### Alternative Lenders

**Approval percentages of alternative lenders fell from 27.5% in September to 27.3% in October.**



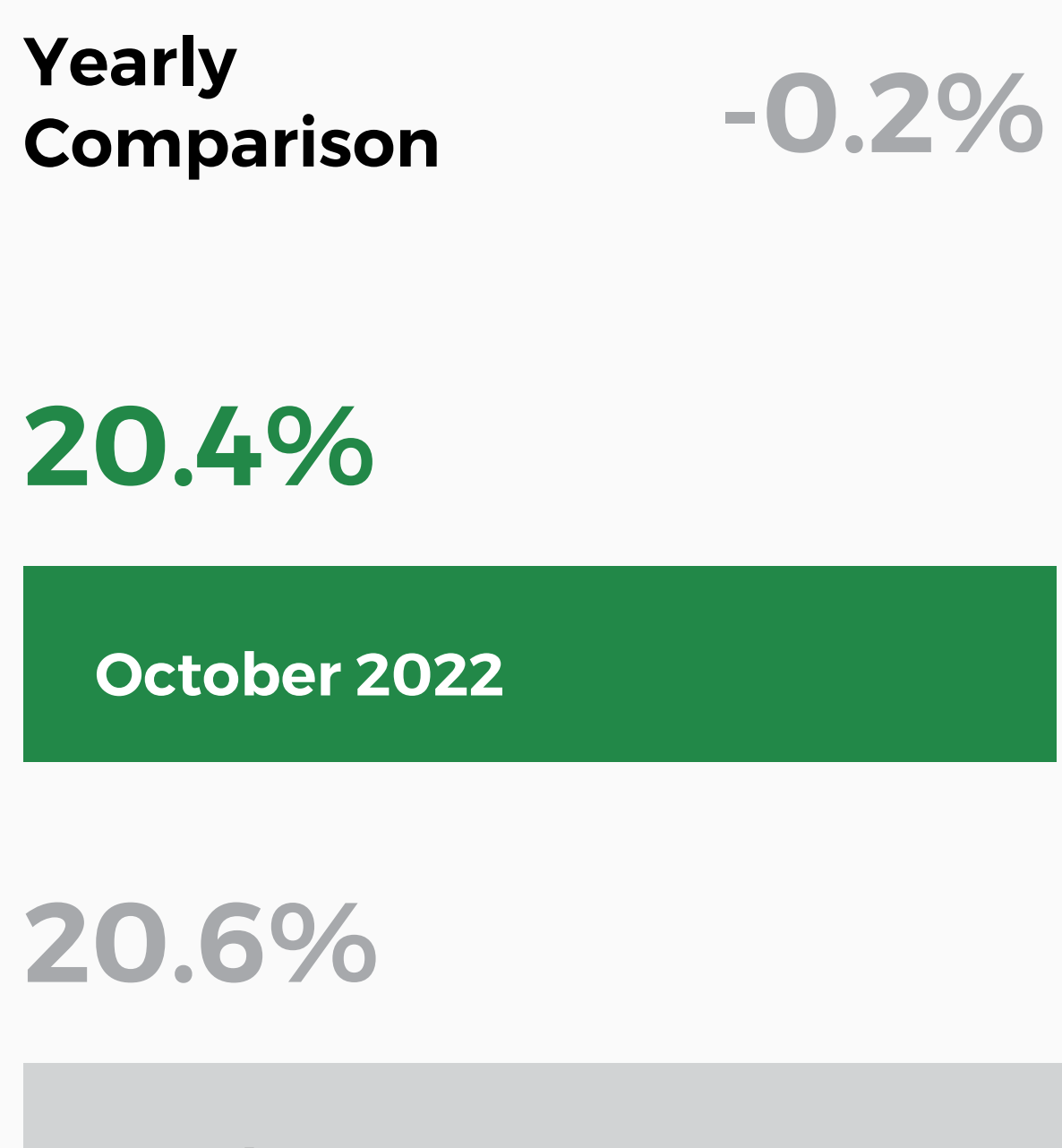
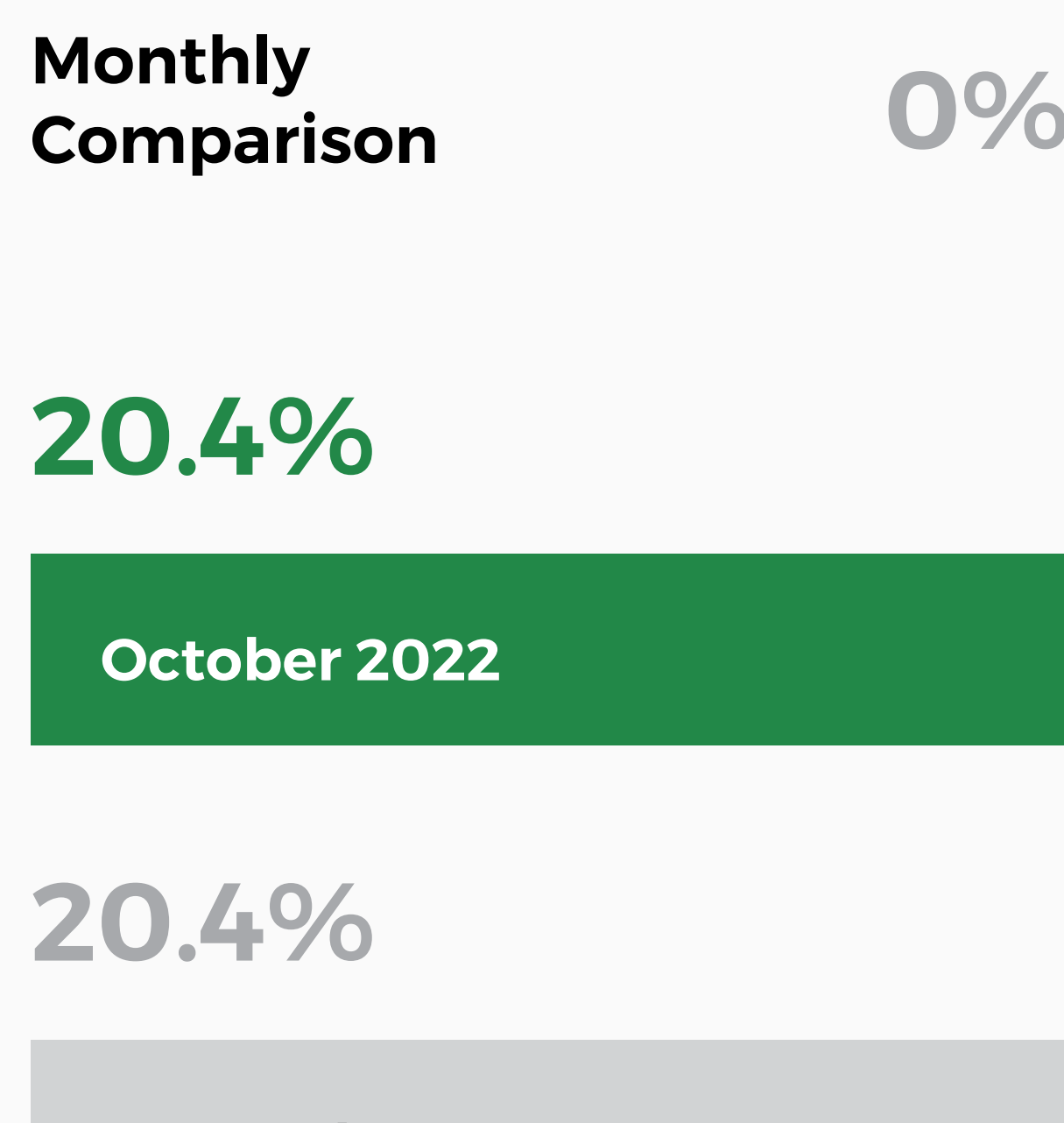
"Inflation is a big concern for small business owners, whose costs continue to rise and eat into profitability. However, the opposite of inflation is a recession, which is also problematic for small companies," Arora said. "It's a tough time for small business owners right now."

**Rohit Arora**  
Biz2Credit CEO



### Credit unions

**Credit unions remained stagnant at 20.4%.**



## 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 \$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.

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