

# LOAN APPROVALS AT BANKS AND INSTITUTIONAL LENDERS INCREASE SLIGHTLY, WHILE SMALL BANKS AND CREDIT UNIONS DIP

According to the Biz2Credit Small Business Lending Index™, a monthly analysis of 1,000 loan applications on Biz2Credit.com

Loan approval rates at both big banks and institutional lenders improved slightly in February 2016, according to the Biz2Credit Small Business Lending Index™, the monthly analysis of more than 1,000 small business loan applications on Biz2Credit.com. Once again, loan approval percentages at small banks dipped slightly, while credit unions fell to an all-time Index low.



## LOAN APPROVALS AT INSTITUTIONAL LENDERS

Lending approval rates at institutional lenders saw a slight uptick in February, improving to 62.7% from 62.6% in January. Since Biz2Credit started following this category of lenders in 2014, institutional lenders have yet to experience a setback month.

### ↑ YEARLY COMPARISON



### ↑ MONTHLY COMPARISON



“Institutional lenders continue to make an impact in small business lending. We expect to see more international funds enter the marketplace in search of higher yields -- especially with growing uncertainty in global emerging markets.”  
- Biz2Credit CEO Rohit Arora



## LOAN APPROVALS AT BIG BANKS

Lending approval rates at big banks (\$10 billion+ in assets) increased slightly as they approved 22.8% of funding requests in February, up just one tenth of a percent from January 2016.

### ↑ YEARLY COMPARISON



### ↑ MONTHLY COMPARISON



“The stock market is still relatively volatile, and there is uncertainty in the marketplace for lenders.”  
- Biz2Credit CEO Rohit Arora



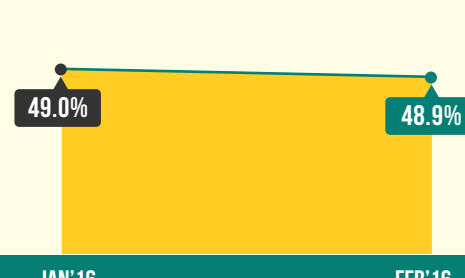
## LOAN APPROVALS AT SMALL BANKS

Approval percentages at small banks dropped slightly to 48.9% in February from 49% the previous month.

### ↓ YEARLY COMPARISON



### ↓ MONTHLY COMPARISON



## CREDIT UNION APPROVALS

Credit unions approved 42.1% of loan applications in February, down slightly from 42.2% in January. February's figure is yet another Index low for credit union approval.

### ↓ YEARLY COMPARISON



### ↓ MONTHLY COMPARISON



“Credit unions are not doing much to improve their small business lending, namely investing in technology. Credit unions face challenges in competing for credit-worthy borrowers.” - Biz2Credit CEO Rohit Arora



## SMALL BUSINESS LOAN APPROVALS BY ALTERNATIVE LENDERS

Loan approval rates at alternative lenders remained at 60.8% in February, tying the all-time low set in January. Approval percentages for alternative lenders have gradually declined since January 2014. This trend coincides with the emergence of institutional lenders in the small business lending marketplace.

### ↓ YEARLY COMPARISON



### → MONTHLY COMPARISON



“Alternative lenders typically offer loan products at high interest rates. The businesses that resort to borrowing money from them often have low credit scores and thus have fewer options.” - Biz2Credit CEO Rohit Arora

### 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.