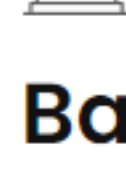


Biz2Credit Small Business Lending Index™ Finds Business Loan Approval Dipped at Big Banks in August 2022

Loan approval percentages down slightly at big banks and credit unions, but small banks and non-bank lenders show continued growth



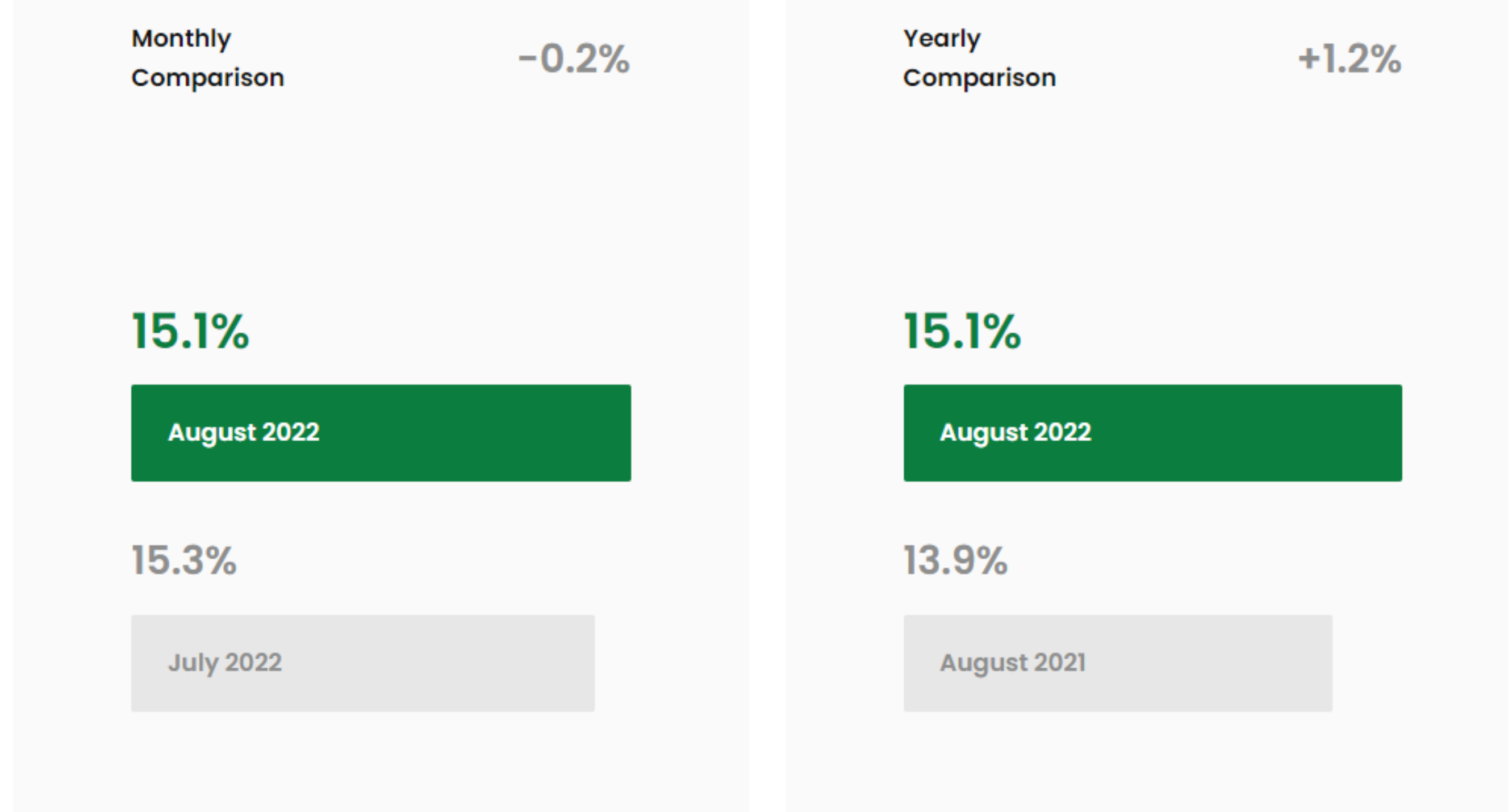
Big Banks[®]

Small business loan approval percentages at big banks (\$10b+ in assets) dipped from 15.3% in July to 15.1% in August.

Total nonfarm payroll employment increased by 315,000 in August, and the unemployment rate rose to 3.7 percent, according to the [Jobs Report](#) released by the U.S. Bureau of Labor Statistics released on Friday, September 2, 2022. Notable job gains occurred in professional and business services, health care, and retail trade. Many of these jobs are created by small businesses.

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. To view the report for **August 2022**, [click here](#).

Thirty-seven percent of small business owners reported that inflation was their single most important problem in operating their business, an increase of three points from June and the highest level since the fourth quarter of 1979, according to the latest [NFIB Small Business Optimism Index](#) (Aug 9, 2022).



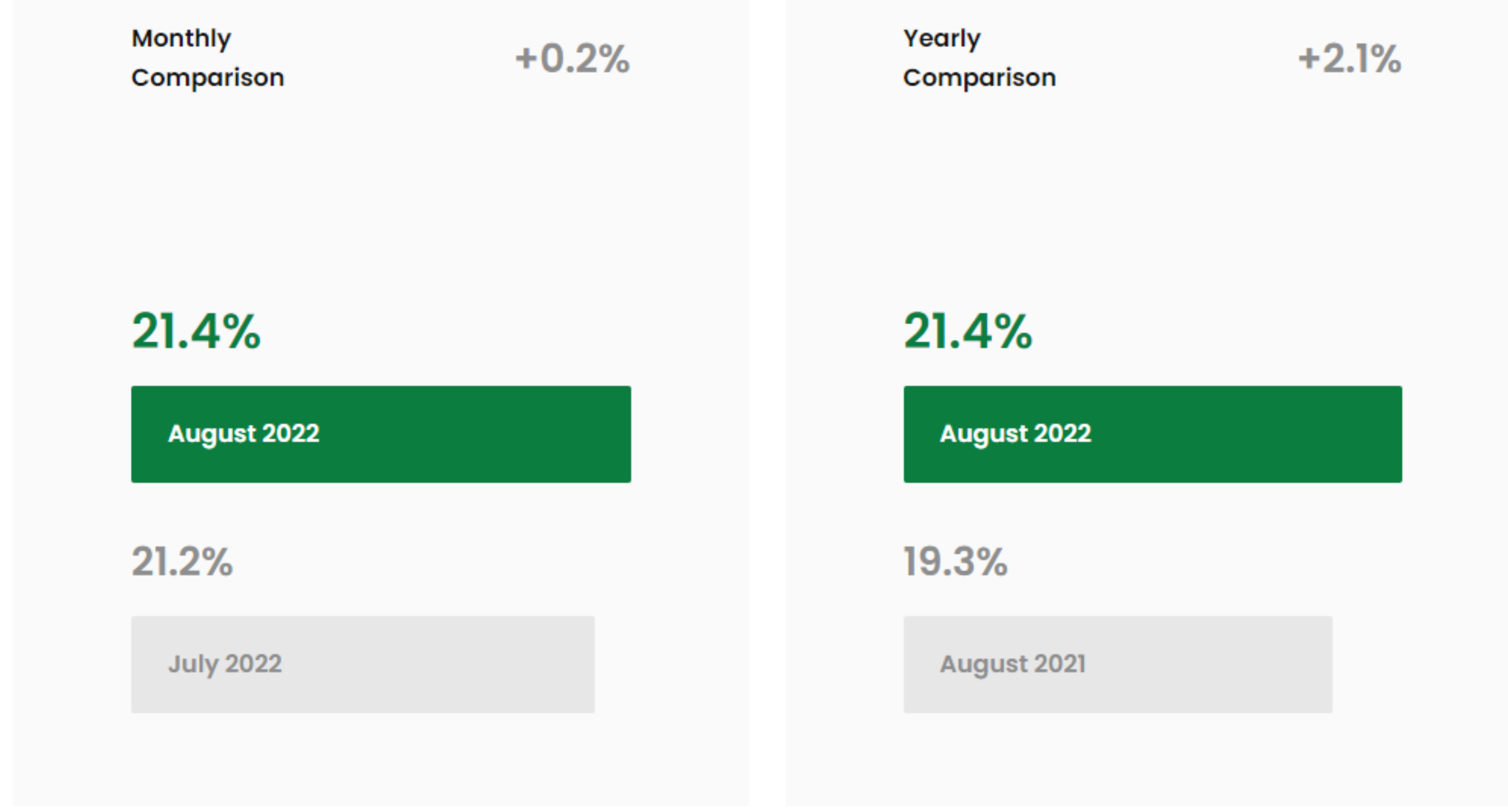
"The overall conditions are tightening, and big banks are taking more provisions now," said Rohit Arora, Biz2Credit CEO and co-founder, and one of the nation's leading experts in small business lending and fintech. "Since smaller banks are more active in SBA lending, their approval rates are still strong as demand for government-guaranteed products is high."

Rohit Arora
Biz2Credit CEO



Small Banks[®]

Small banks' approvals also rose from 21.2% in July to 21.4% in August. According to the latest Biz2Credit Small Business Lending Index™ released today.



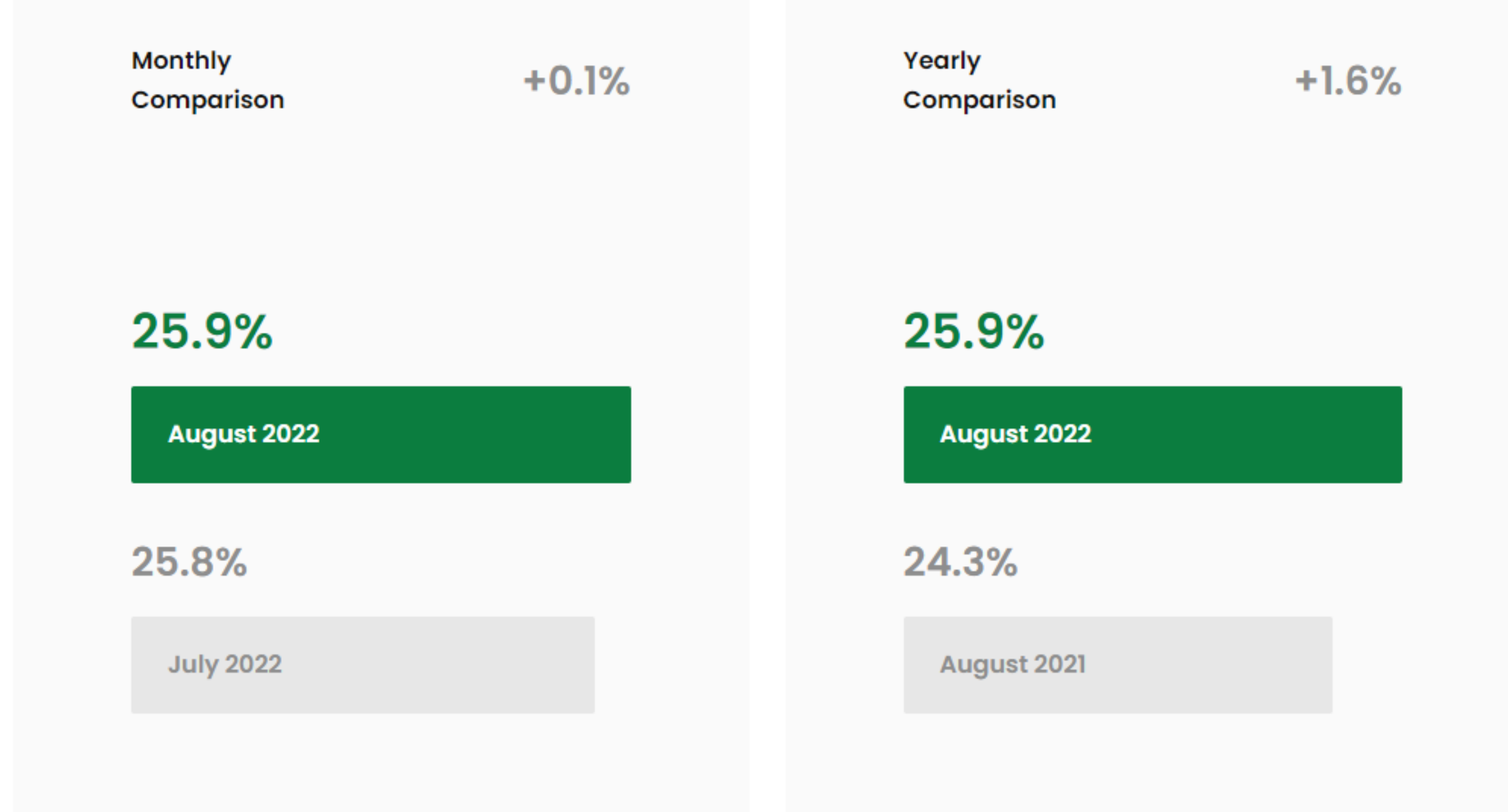
"Inflation is hitting small businesses hard as their input costs have gone up thus they need more working capital. Further, labor shortages have led to companies having to do more with less. Since their automation level is lower than big businesses, higher labor and material costs impact small companies more," Arora added.

Rohit Arora
Biz2Credit CEO



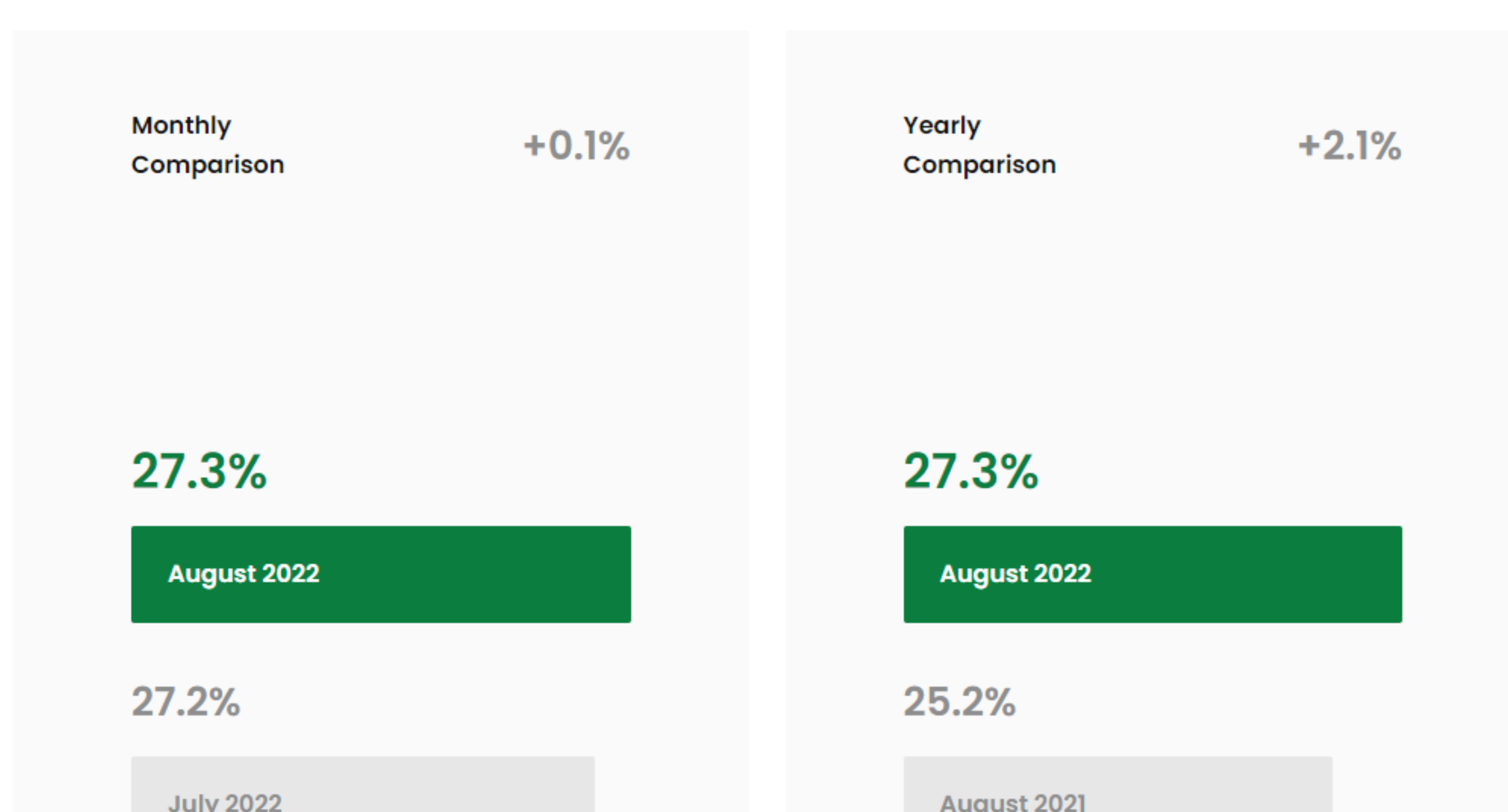
Institutional Lenders[®]

Institutional lenders approved 25.9% of loan requests in August, a slight increase from 25.8% in July. Approvals in this lending category have climbed consistently in 2022.



Alternative Lenders[®]

Alternative lenders' approval rates rose from 27.2% in July to 27.3% in August.



"Another cause for concern is that consumer spending is going more towards essential products and services, rather than luxuries and travel," Arora said. "So, I expect further drop in lending approvals going into fall."

Rohit Arora
Biz2Credit CEO



Credit Unions[®]

Credit unions once again dropped from 20.4% in July to 20.3% in August.

