

## Biz2Credit Small Business Lending Index™

### For December Finds Loan Approval Rates Continue to Rise, But at Slow Pace

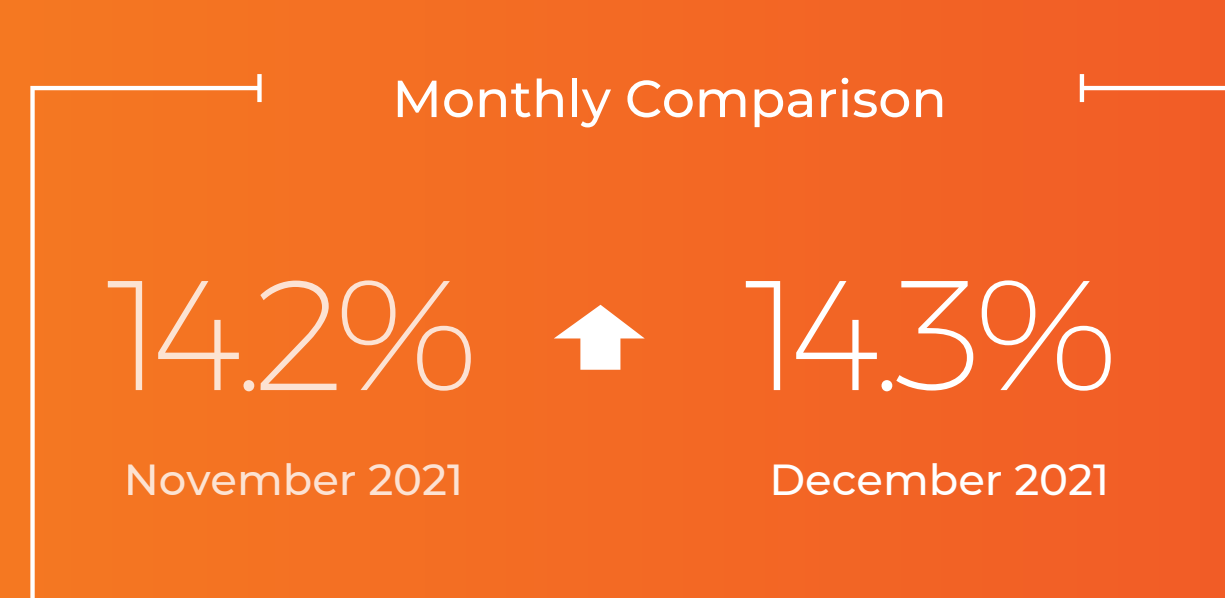
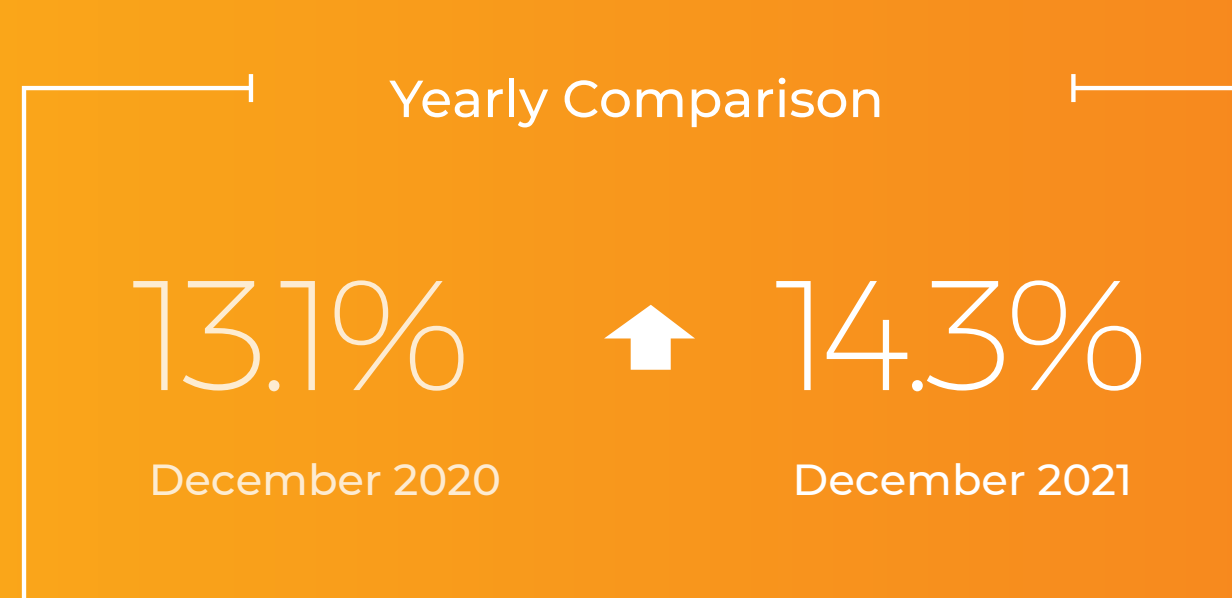


Approval Percentages at Big Banks, Small Banks, Institutional Lenders, Alternative Lenders and Credit Union Still Are Roughly Half of What They Were in December 2019

Small business loan approval percentages at big banks (\$10 + in assets) increased from 14.2% in November to 14.3% in December, and small banks' approvals also rose from 19.9% in November to 20.1% in December, according to the latest Biz2Credit Small Business Lending Index™ released today.

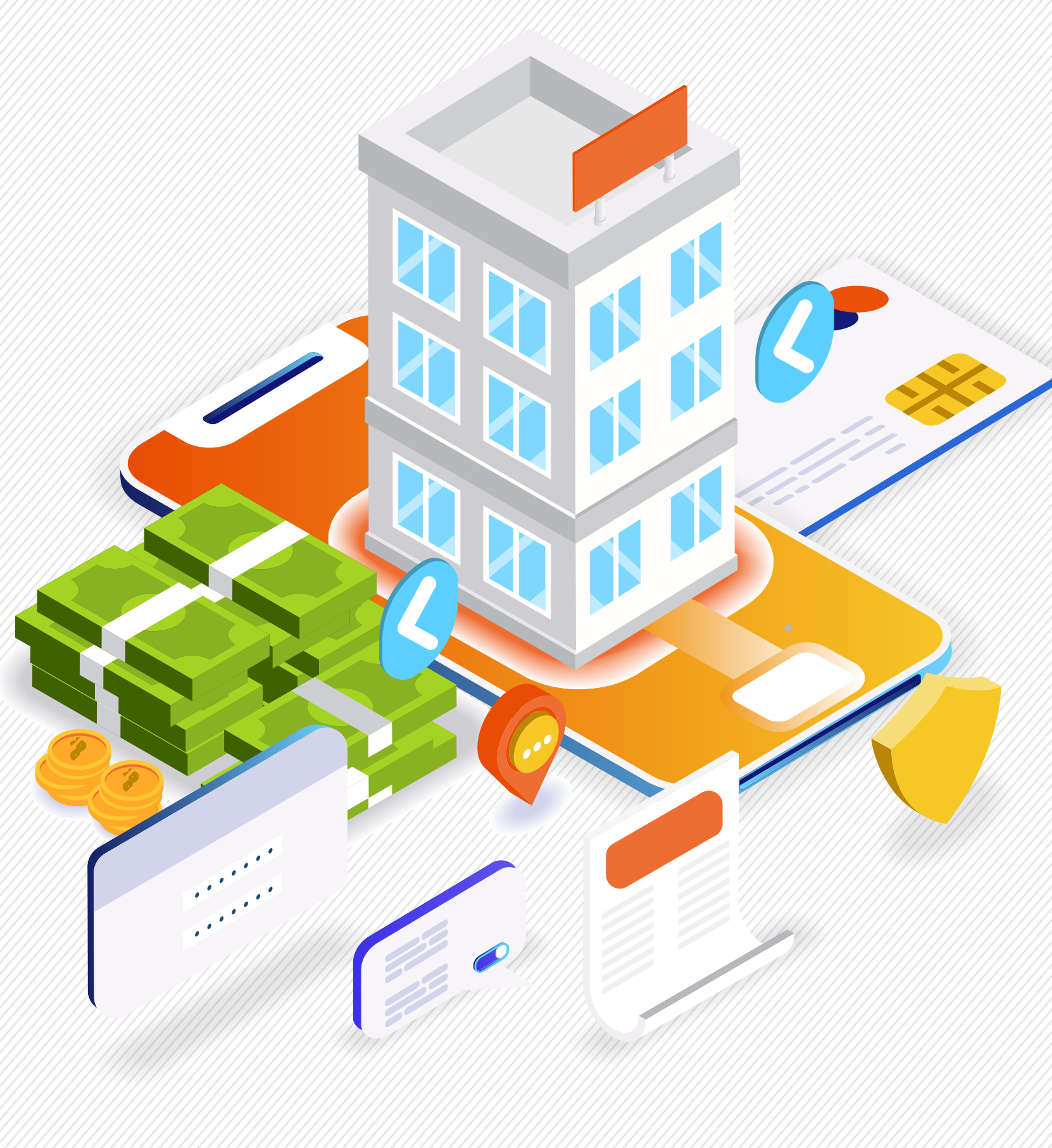
#### Loan Approval in Big Banks

Big banks (\$10 + in assets) increased from 14.2% in November to 14.3% in December



"Banks and most non-bank lenders alike saw their loan approval percentages rise in December, with the exception of credit unions," said Rohit Arora, CEO of Biz2Credit, one of the nation's leading experts in FinTech and small business lending. "Approval percentages are rising slower than expected. Loan approval rates remain far below pre-COVID approval levels of December 2019, just two years ago."

**Rohit Arora, Biz2Credit CEO**



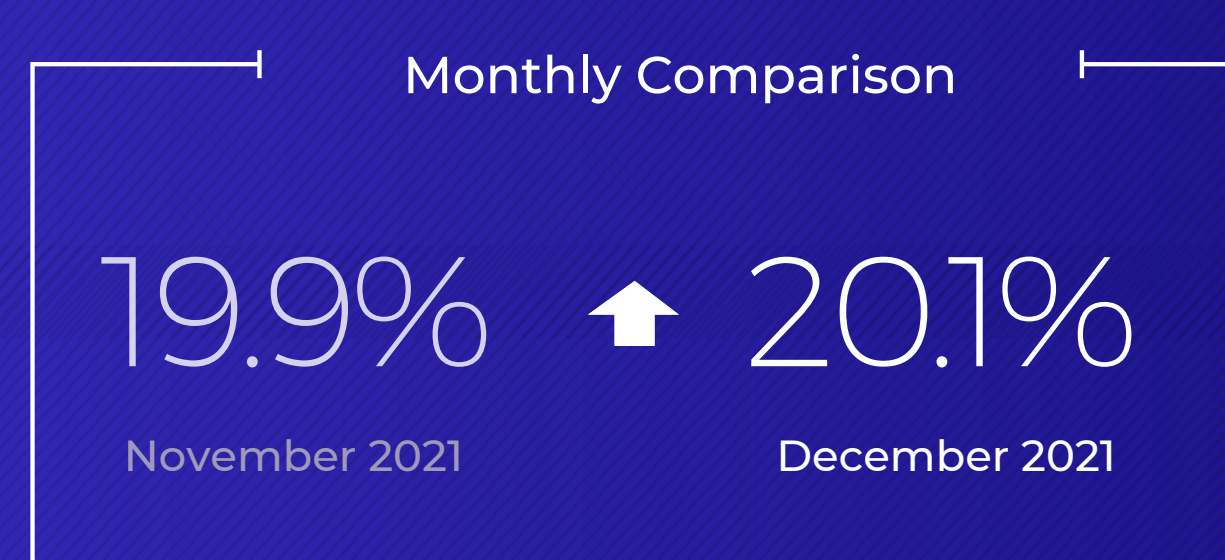
Total nonfarm payroll employment rose by 199,000 in December, and the unemployment rate declined to 3.9%, according to the Jobs Report released by the U.S. Bureau of Labor Statistics on Friday, Jan. 7, 2022. Employment continued to trend up in leisure and hospitality, in professional and business services, in manufacturing, in construction, and in transportation and warehousing, according to the report. Many of these jobs are created by small businesses.

"After PPP, bank activity in small business lending has been slow. In 2022, however, with government lending programs ending and interest rates expected to rise, it will become more lucrative for banks to lend again. Activity should pick up this year," Arora said.

"Markets don't like uncertainty, and with the pandemic taking unpredictable turns, uncertainty persists right now," he continued. "Normalcy has not returned yet because the virus hasn't allowed it. We thought with vaccination that COVID would lessen as a problem, but that didn't happen. We didn't expect the small business economy to stall for so long, and we certainly did not predict the inflation we are seeing."

#### Loan Approval in Small Banks

Small banks' approvals also rose from 19.9% in November to 20.1% in December



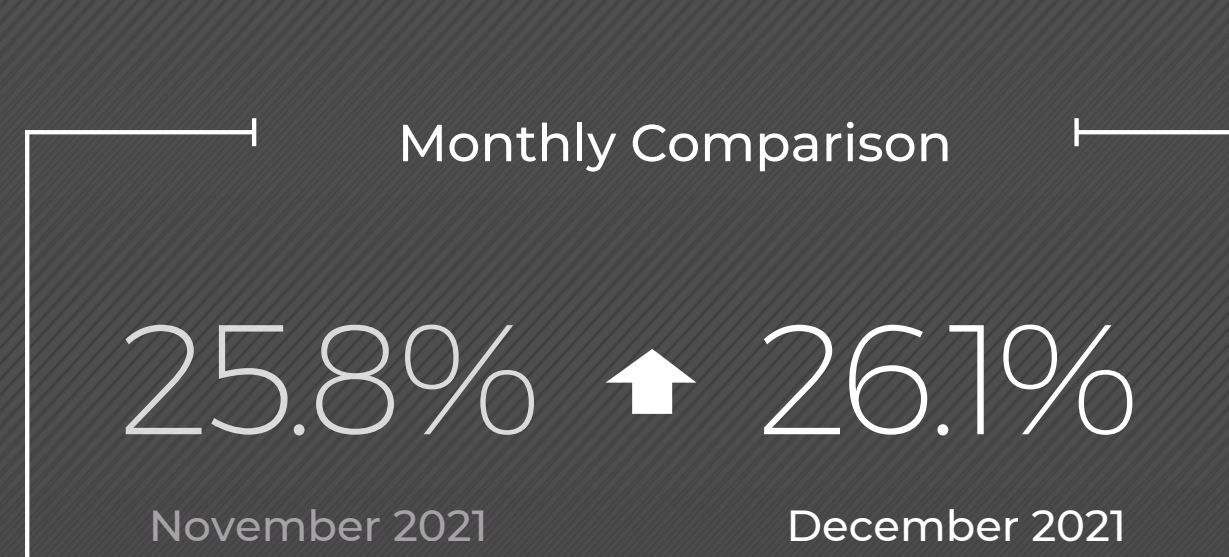
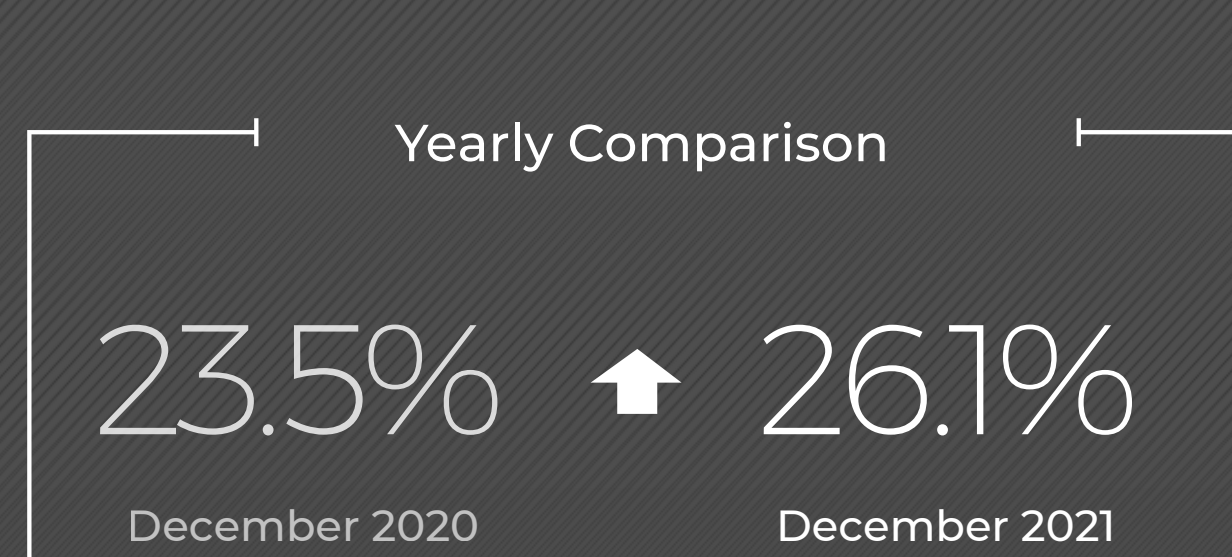
#### Institutional lenders

Institutional lenders approved 24.9% of funding requests in December, up one-tenth of a percent from 24.8% in November



#### Alternative lenders

Alternative lenders' approval rates rose from 25.8% in November to 26.1% in December.



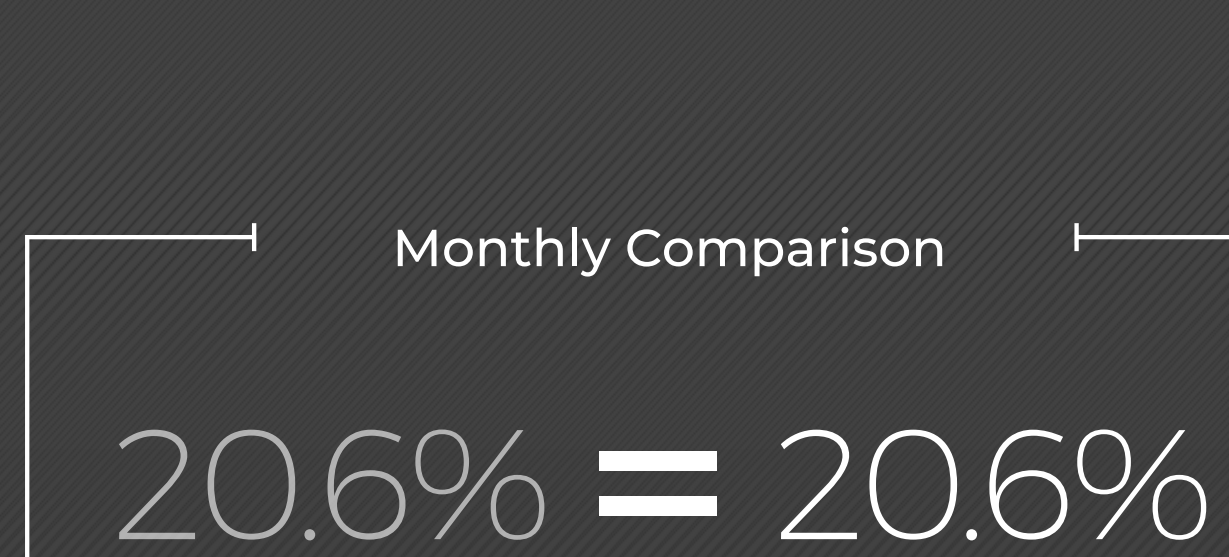
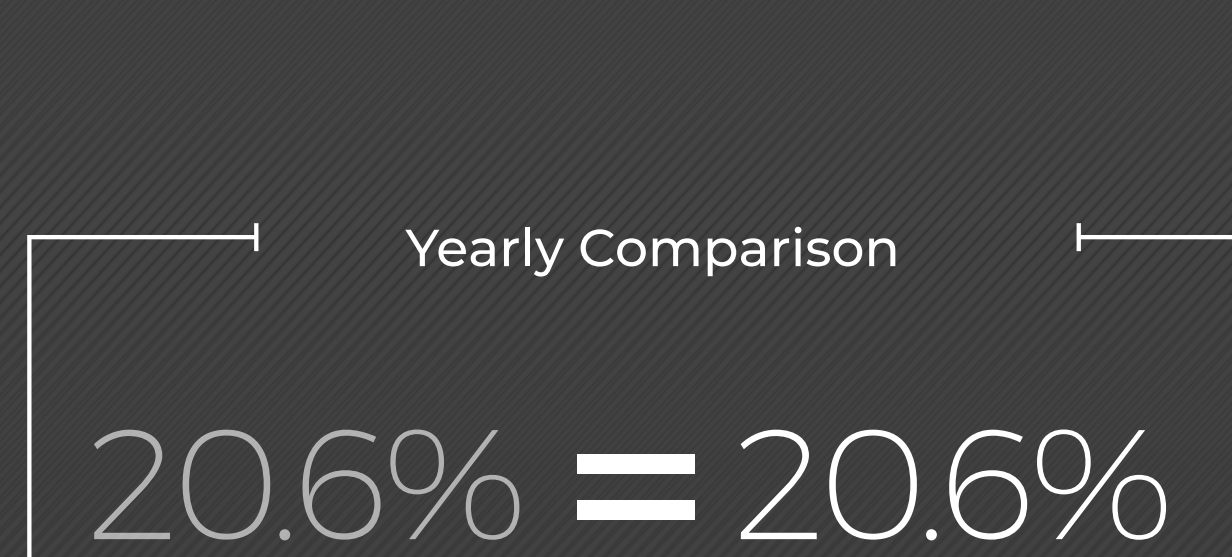
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#### Credit unions

Credit unions approved 20.6% in December, the same percentage as in the previous two months.



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**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 \$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. Visit [www.biz2credit.com](http://www.biz2credit.com) or Twitter @Biz2Credit, Facebook, and LinkedIn.