

Biz2Credit Small Business Lending Index™ Reports Little to No Growth in Loan Approval Percentages in 2022



Big Banks [?]

Small business loan approval percentages at big banks slipped again, falling from 14.6% in November to 14.5% in December, tied with January for the lowest month approval rating for big banks in 2022, according to the latest Biz2Credit Small Business Lending Index™ released today.

Total nonfarm payroll employment increased by 223,000 in December, and the unemployment rate edged down to 3.5 percent, according to the [Jobs Report](#) released by the U.S. Bureau of Labor Statistics on Friday, Jan. 6. Notable job gains occurred in leisure and hospitality, health care, construction, and social assistance. 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 December 2022, [click here](#).

Monthly
Comparison

−0.1%

14.5%

December 2022

14.6%

November 2022

Yearly
Comparison

+0.2%

14.5%

December 2022

14.3%

December 2021

"It is currently a tough time to get small business loans from big banks," said Rohit Arora, CEO of [Biz2Credit](#), one of the nation's leading experts in small business finance and fintech. "Many small business owners are waiting to see if interest rate increases will end in early 2023, and the ones that do apply have not been very successful in securing capital."

Rohit Arora
Biz2Credit CEO



Small Banks [?]

Approval percentages of business loan applications at small banks rose from 21.1% in November to 21.2% in December.

Monthly
Comparison

+0.1%

21.2%

December 2022

21.1%

November 2022

Yearly
Comparison

+1.1%

21.2%

December 2022

20.1%

December 2021



Institutional Lenders [?]

Institutional Investors also showed an increase in approval percentages, going from 25.8% in November to 25.9% in December.

Monthly
Comparison

+0.1%

25.9%

December 2022

25.8%

November 2022

Yearly
Comparison

+1.0%

25.9%

December 2022

24.9%

December 2021



Alternative Lenders [?]

Approval percentages of alternative lenders rose from 27.4% in November to 27.6% in December.

Monthly
Comparison

+0.2%

27.6%

December 2022

27.4%

November 2022

Yearly
Comparison

+1.5%

27.6%

December 2022

26.1%

December 2021

"As we look at 2022, big bank small business loan approval percentages rose, then steadily declined where the figure in December was the same as it was last January. Meanwhile, small bank approval rates inched up ever so slightly but are still far below pre-pandemic levels," Arora added. "Institutional Investors and Alternative Lenders were slightly up in 2022. Credit unions in December recorded their second lowest total ever since Biz2Credit began reported loan approval percentages in 2011. Overall, it was a tough year for small businesses looking to secure financing."

Rohit Arora
Biz2Credit CEO



Credit Unions [?]

Credit unions saw a decrease in approval ratings, going from 20.3% in November to 20.2% in December.

Monthly
Comparison

−0.1%

20.2%

December 2022

20.3%

November 2022

Yearly
Comparison

−0.4%

20.2%

December 2022

20.6%

December 2021