# LOAN APPROVAL RATES REBOUND AT BIG BANKS IN JUNE 2017, ACCORDING TO BIZ2CREDIT SMALL BUSINESS LENDING INDEXTM

## LENDING STALLS AT ALTERNATIVE LENDERS, CREDIT UNIONS AND SMALL BANKS

Loan approval rates at big banks (\$10 billion-plus in assets) increased to post-recession highs in June 2017, according to the latest Biz2Credit Small Business Lending Index™, the monthly analysis of more than 1,000 small business loan applications on Biz2Credit.com. Meanwhile, small banks, alternative lenders and credit unions all experienced a decline in the percent of funding requests they approved. While loan approval rates at institutional investors remained stagnant.



# LOAN APPROVALS AT BIG BANKS

Small business loan approval rates at **big banks** bounced back in June, improving two-tenths of a percent to **24.3%**, matching an all-time Index high. It marked the eighth time in the last 12 months that loan approval rates increased at this category of lenders.





percent and 1.25 percent in a vote of confidence in the economy. This bodes well for big banks," explained Biz2Credit CEO Rohit Arora, who oversaw the research. "Small business lending is strong among mainstream lending institutions. The interest rate increase are resulting in more profitable deals for big banks. This is incentivizing these mainstream lending institutions to approve a higher percentage of loan requests."

- Biz2Credit CEO Rohit Arora

"For the third consecutive quarter, the Federal Reserve has voted to increase its benchmark interest rate to a range between 1



### Loan approval rates at small banks dropped slightly in June to 48.7%, down from May's 48.8% figure. It marked the second

**LOAN APPROVALS AT SMALL BANKS** 

consecutive month that loan approval rates dropped in this category of lenders.





- Biz2Credit CEO Rohit Arora

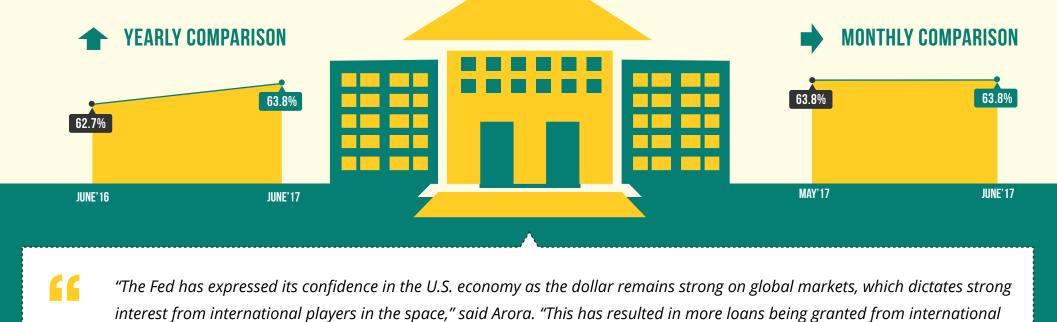
Arora, one of the leading experts in small business finance. "Small banks have not crossed the 50 percent threshold."

"Despite this small dip, small banks are a good source for small business funding, particularly for SBA-backed loans," said



## **Institutional lenders'** loan approval rates in June remained stagnant at **63.8%**. However, the percentage marks an all-time high for Biz2Credit's index, continuing an 11-month streak of neutral or positive gains in loan approval rates.

LOAN APPROVALS AT INSTITUTIONAL LENDERS



- Biz2Credit CEO Rohit Arora

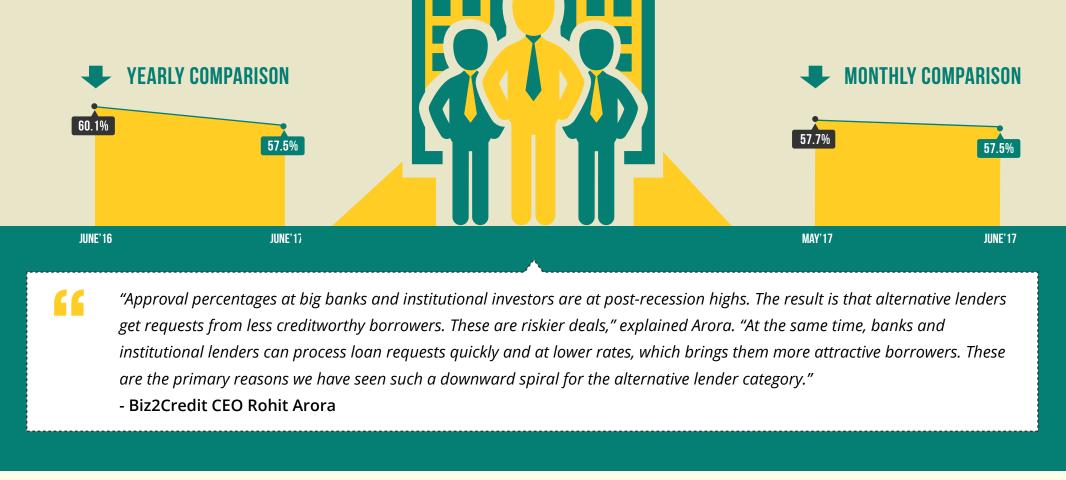


SMALL BUSINESS LOAN APPROVALS BY ALTERNATIVE LENDERS

investors as the category of lenders continues to revolutionize lending."

Loan approval rates dropped at alternative lenders by two-tenths of a percent in June, as non-bank lenders granted 57.5% of

the funding requests. This marks one full calendar year of consecutive decreases for this category of lenders.





- Biz2Credit CEO Rohit Arora

funders on Biz2Credit's index.

**CREDIT UNION APPROVALS** 

Loan approval rates at credit unions dropped one-tenth of a percent in June to 40.4%, another new low for this category of



lending platform, which connects business borrowers and lenders.