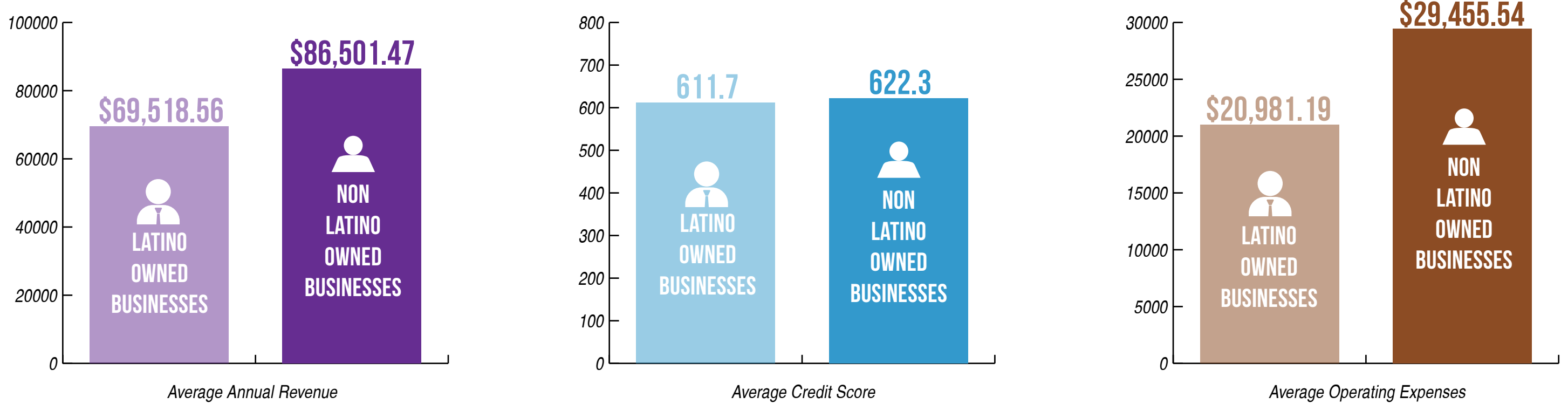


Biz2Credit Quantifies Challenges Faced by Latino Small Business Owners & Entrepreneurs in Securing Financing

Analysis Examined Average Annual Revenue, Credit Scores and Operating Expenses

Latino entrepreneurs face challenges in securing financing and are more likely to borrow money from high interest, non-bank lenders, according to a study released by Biz2Credit.com that looked at annual revenue, credit scores, age of business (in months), and operating expenses.

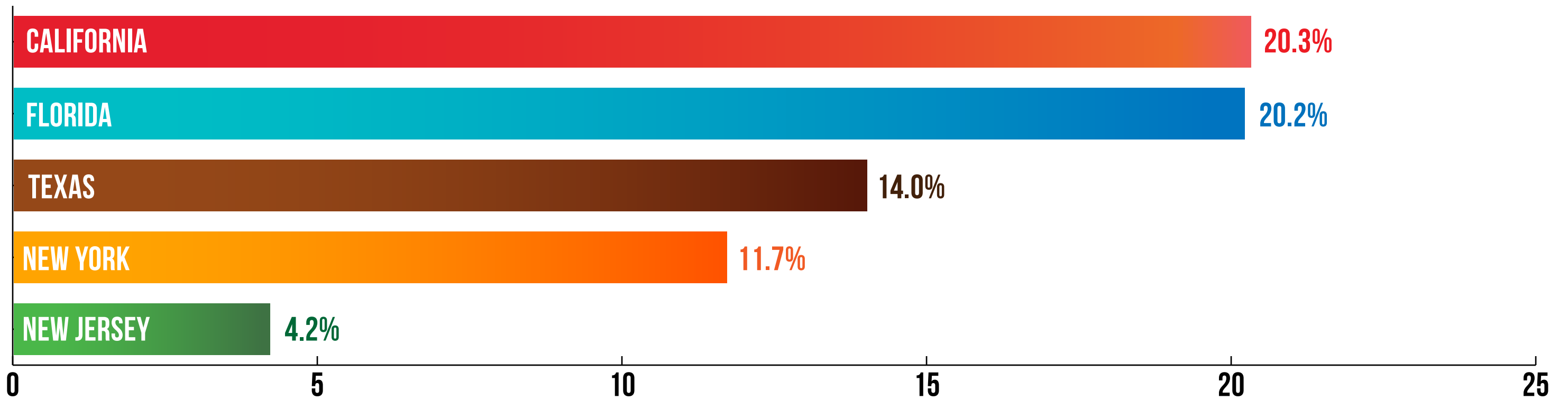
Average Annual Revenue for Latino-owned businesses was \$69,518.56, while for non-Latino-owned businesses the figure was \$86,501.47. Meanwhile, the Average Credit Score for Latino-owned businesses was 611.7, compared to 622.3 for all others. Average Operating Expenses were lower at \$20,981.19, Compared to \$29,455.54 for non-Latino businesses.



"Even when the age of business -- how long a company has been in operation -- was the same, the average revenue and credit scores for Latino-owned companies were often lower than those of non-Latino businesses," said Biz2Credit CEO Rohit Arora, one of the nation's leading experts in small business finance. "The result is that Latino entrepreneurs face greater scrutiny from banks and often have to turn to alternative lenders that charge much higher interest rates."

The Top 5 States for Latino-Owned Small Business Loan Applications

The top five states California (20.3%), Florida (20.2%), Texas (14%), New York (11.7%), and New Jersey (4.2%) -- represented more than 70 percent of the loan requests made by Latinos in the past two years.



For this analysis, Biz2Credit defined "small businesses" as companies having fewer than 250 employees or less than \$10 million in annual revenues.

"The young generation of Latinos -- both immigrants and 1st or second generation Americans -- are very entrepreneurial," said Hector Barreto, Chairman of The Latino Coalition. "Where I see a need for improvement is that we need to mentor them better, to create role models in the community and help them take their companies to higher levels. I'd also like to see more Latinos enter the booming technology sector in Silicon Valley and elsewhere."

"Many are home-based, which saves a lot of money on rent and lowers operating expenses," added Arora, who oversaw the research. "In any ethnic community, often family-run, they often don't run a formal payroll. Many a times they are less integrated with the formal economy. Many times the business is conducted in cash, and the owners may not have business credit cards or lines of credit. Latinos are hardworking, but many are not running large profitable businesses as yet."

About the Biz2Credit Latino Small Business Credit Study

Biz2Credit analyzed the financial performance of more than 1,000 Latino owned businesses and startups across the country. These businesses had less than \$10 million in annual revenue, fewer than 250 employees and had been in operation for more than a year.