

Appendix Tables of U.S. Small Business Lenders

The Small Business Administration Office of Advocacy prepares tables of lending activity by bank to help small businesses and stakeholders understand the credit activities of small business lenders and the competitive small business lending landscape in their areas.¹ Lenders in each state are listed by their small business lending performance using the Call Report and CRA data. Data sources, limitations, and a description of Tables 1 through 4 are provided below.

Data Sources, Limitations, Methodology, and Table Descriptions

Data Sources

Data for this report are compiled by the three federal banking agency members of the Federal Financial Institutions Examination Council (FFIEC): the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency. The report uses Call Report data from the FDIC website <https://www.fdic.gov/bank/statistical/> and Community Reinvestment Act (CRA) data from the FFIEC tabulated for the Office of Advocacy by Dr. George Haynes of Montana State University. See <http://www.ffiec.gov/cra/craflatfiles.htm> for CRA data.

The Call Reports, officially the Consolidated Reports of Condition and Income, are quarterly reports filed by financial institutions with their appropriate depository regulators. Call Reports provide detailed information on the status of a financial institution.

The Community Reinvestment Act, enacted in 1977, was designed to encourage depository institutions to meet the credit needs of the local communities from which they obtain deposited funds. CRA data are important for understanding small business lending activities by lenders and bank holding companies in each state. These data show activities of local reporting depository lenders, including large lenders that have a local presence in a state or territory, but are headquartered out of the state. For more information on lenders filing CRA reports, see <http://www.federalreserve.gov/newsevents/press/bcreg/20081217a.htm> and <http://www.ffiec.gov/>

¹ This study examines all small business loans (business loans of \$1 million or less) by depository lending institutions in the United States and is not specific to SBA loans or lenders. The underlying FDIC and FFIEC data used in the analysis do not distinguish SBA-guaranteed lenders or SBA-guaranteed loans.

cra/reporter.htm. For detailed information on loan originations and purchases, see the CRA reporting program: <http://www.ffiec.gov/press/pr082213.htm>.

Data Limitations

The Call Report and CRA data provide a useful look at small loans held by all depository institutions, but the picture remains incomplete.

On the demand side, the Call Report and CRA data do not provide information on the personal or demographic characteristics of the borrowers or characteristics of the businesses (such as employment or sales data, income, or balance sheet information). Thus, these statistics do not shed light on the demand for financial capital by small business owners.

On the supply side, the Call Report and CRA data provide information on the aggregate value and number of loan balances and originations for \$1 million or less, including those secured by nonfarm, nonresidential property and commercial and industrial loans. The data do not provide information about whether the loan is a line of credit or an asset-backed loan (such as a capital lease, vehicle, or equipment loan).

Small and large firm lending is defined here by the size of the loan. However, there may be some overlap, as some small firms may have originated loans of more than \$1 million and some large businesses may have originated loans of less than \$1 million.

CRA data likely underestimate the loans originated with larger lenders because these lenders are more likely to securitize loans with SBA loan guarantees. Hence, only the unguaranteed portion of the loan will be reported by the lending institution. Smaller institutions are more likely to hold the entire small business loan in house, even if the loan has an SBA loan guarantee attached.

Depository lenders hold about 60 percent of the total loans to small business borrowers from traditional sources of credit (excluding owner loans). The remaining 40 percent of loans (not included here) are from finance companies, brokerage firms, family, friends, and other businesses.

Household assets are often pledged against the debt of the business. In addition, business and household financial assets are occasionally intertwined. Hence, a complete picture of the financial condition of small businesses requires a careful review of income statement and balance sheet information for both the household and the business.

Finally, the CRA data provide useful information on current lending primarily for larger depository lenders required to submit CRA reports. While the current size threshold at which lenders must submit a CRA report is total assets of just over \$1 billion, the CRA data set includes lenders with total assets of less than \$1 billion. CRA data include originations and purchases of small business loans for the calendar year. Originations are new loans or extensions of lines of credit, and purchases are loans purchased from another lending institution in the current year.

For more information about the limitations of CRA data, see “A Guide to CRA Data Collection and Reporting,” <http://www.ffiec.gov/cra/guide.htm>.

For more information about other limitations of Call Report data, see the “Disclaimer and Notes” section of the FDIC webpage, <https://www.fdic.gov/bank/statistical/>.

Ranking Methodology

Unlike previous studies which covered and aggregated holding company data, this report uses consolidated data at the bank level to generate estimates for the lending institution. The report uses the following four variables:

- (1) the ratio of small business loans to total assets (the TA ratio),
- (2) the ratio of small business loans to total business loans (the TBL ratio),
- (3) the dollar value of small business loans, and
- (4) the number of small business loans.

Small lenders tend to fare higher in some categories than larger lenders, and vice versa. For example, smaller lenders have a higher percentage of total assets in small business loans, but larger lenders lead in the sheer number and value of small loans. Assessing multiple lending variables generally permits a more balanced measure of lending performance by lenders of different sizes.

The four measures mentioned above provide a gauge of how lenders are meeting the needs of small business borrowers. The Call Report data captures lending institutions headquartered in each state in Table 1, which is sorted by the total asset ratio. For state lending using the CRA data (Table 2), banks were listed in order of the dollar amount of small business loans made in each state in the year.

Table Descriptions

Table 1 uses four criteria to measure the emphasis on various sizes of small business loans in a lender’s loan portfolio. The lenders are presented based on their lending in two specific categories (lending of \$1 million or less, and under \$100,000). Each lender is measured by four variables:

1. The ratio of small business loans to total assets (total asset ratio or TA ratio),
2. The ratio of small business loans to total business loans (total small business loan ratio or TBL ratio),
3. The amount of small business lending by the lender, and
4. The total number of small business loans.

Table 1 presents unconsolidated small business loan balances in the Call Report data by the lending institution. The variables in columns 1-4 provide the measure of each lender. Column 5 shows the lender’s size category. Columns 6-7 provide comparative information: the value and number of the lenders’ loans in the other loan-size category. The last column shows the ratio of credit card lending to the lender’s total assets. Table 2 captures and lists all in-state lenders participating in the CRA

program with loans in three size categories (lending of \$1 million or less, under \$100,000, and \$100,000 to \$1 million). Table 3 provides the aggregate of small business lending by state using the CRA data and employment data from the Statistics of U.S. Businesses to generate small business loan rankings, while table 4 lists the number of banks by state and asset size for a given year.

Table 1. Small Business Lending Institutions by State Using Call Report Data, June 2020.

Table 1 presents four criteria from the Call Report data to measure the importance of small business lending activities in a lender's loan portfolio alongside information on loan balances of depository lending institutions. The data is sorted by the total asset ratio of the lending institution.

1. **Ratio of Small Business Loans to Total Assets (TA Ratio).** The ratio of the value of small business loans outstanding to total domestic assets.
2. **Ratio of All Small Business Loans to Total Business Loans (TBL Ratio).** The ratio of the value of small business loans outstanding to total business loans outstanding.
3. **Amount of All Small Business Lending by the Lender (Amount).** Amount in thousands of dollars.
4. **Number of Small Business Loans (Number).** The number of small business loans.
5. **Lender Domestic Asset Size Class (Lender Asset Size).** Domestic asset size class of the lender. All classes are shown in this table.
6. **Amount of Loans under \$100,000 (Amount).** Amount in thousands of dollars.
7. **Number of Loans under \$100,000 (Number).** The number of business loans.
8. **Credit Card Loans to Total Assets (CC Amount/TA).** The ratio of credit card loans to total assets.

Table 2. All Lenders in Making Business Loans of \$1 Million or Less, Based on CRA Data 2019.

Table 2 uses the CRA data to present the list of all lenders by state and territory. The CRA database best captures state lending information for large lending institutions. Three loan sizes (i.e., loans of \$1 million or less; \$100,000 to \$1 million; and loans under \$100,000) are provided for each lender. Because CRA data provide location-specific information for a lender's small business lending, information is presented by the lenders' home state and in descending order by dollar amount of \$1 million or less.

1. **Amount of Small Business Loans (Amount).** The dollar amount (in thousands) of loans \$1 million or less made in 2019.
2. **Number of Small Business Loans (Number).** The number of loans of \$1 million or less disbursed.
3. **Institution Domestic Asset Size (Category).** The total assets of the owning institution by size category.
4. **Amount of Business Loans Less than \$100,000 (Amount).** The dollar amount (in thousands) of loans less than \$100,000.

5. **Number of Business Loans Less than \$100,000 (Number).** The number of loans less than \$100,000.
6. **Amount of Business Loans \$100,000 to \$1 Million (Amount).** The dollar amount (in thousands) of loans between \$100,000 and \$1 million.
7. **Number of Business Loans \$100,000 to \$1 Million (Number).** The number of loans between \$100,000 and \$1 million.

Table 3. Total Amount and Number of Small Business Loans per Small Business Employee by State Based on CRA Data, 2019.

Table 3 is derived from CRA data plus small business establishment employment information from the Statistics of U.S. Businesses (SUSB), partly funded by the U.S. Small Business Administration, Office of Advocacy. The table lists the amount and number of all small business loans and loans under \$100,000 made in the home state of the lender. The ranking by state is based on the amount of small business loans made in 2019 divided by the number of small business employees in the state.

Table 4. Number of Reporting Institutions by Asset Size and State and Territory, Based on Call Report Data, June 2020.

Table 4 summarizes the number of lenders by state and territory for 2020. Each state's lenders are broken out into six lender asset size categories.