

# THE SMALL BUSINESS CREDIT GAP SOLUTION

**Credit systems** that exist today do not allow small businesses to fall neatly into any market.

The **corporate capital market** raised **\$2.2 trillion** for large businesses<sup>1</sup>

The **consumer mortgage market** raised **\$1.7 trillion** for homeowners<sup>1</sup>



## SMALL BUSINESS CREDIT AT \$4.4 TRILLION<sup>1</sup>

### SMALL BUSINESS GDP AT **\$8.5 TRILLION**<sup>2</sup>

#### DESERVES ITS OWN CREDIT MARKET

TO MAKE STARTING AND OPERATING SMALL PRIVATE BUSINESSES EASIER AND **BOOST THE ECONOMY**



A new credit market can inject **\$108 Billion**<sup>3</sup> of new GDP into the economy.

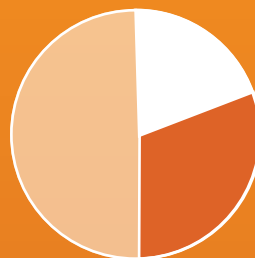
### CREATING A CAPITAL MARKET MECHANISM SPECIFICALLY FOR **MAIN ST**



# THE SMALL BUSINESS CREDIT STOP-GAP



**BANKS LOSE MONEY**  
UNDERWRITING LOANS  
**UNDER \$100,000<sup>1</sup>**



**High Cost of Loan Review**  
**\$1,033/LOAN<sup>1</sup>**

- admin
- credit
- banker

**\$108 BILLION LOST GDP**  
**IN THE CREDIT GAP**

- 16-21% of requests unfulfilled<sup>1</sup>
- 50% of small firms' credit applications completely denied<sup>2</sup>

small business  
credit conditions<sup>3</sup>

	LENDING ACTIVITY	LOANS PAST DUE	BUSINESS DEFAULTS
2008	2.86%	1.82%	2.58%
2016	0.48%	1.24%	1.64%



**29.6 MILLION US SMALL BUSINESSES<sup>4</sup>**  
**FACE LACK OF ACCESS TO CREDIT**  
further holding back the growth of small businesses

THE DIFFICULTIES OF ACCESSING CREDIT BY SMALL BUSINESSES WILL  
**COST THE US ECONOMY OVER 450,000**  
**JOBS TODAY<sup>1</sup>**

THE NUMBER OF TRADITIONAL LOAN  
SOURCES FOR SMALL BUSINESSES

**SHRANK ↓ 41%<sup>5</sup>**



**CREATING A SUBSTANTIAL**  
**SMALL BUSINESS**  
**CREDIT GAP**

**FINTECH NARROWS THE GAP**  
BUT CAN NOT CLOSE IT 

Growth rates for **Alternative Lending** are



**\$10 Billion<sup>6</sup>** out of

**\$4.4 Trillion market<sup>7</sup>**