

# I. Small Business Loan Processes and Underwriting

## IA. Small Business Lending at Your Bank

### About This Section

In this section, we ask generally about your bank's lending for business purposes to small businesses.

#### **Lending for Business Purposes**

By "lending for business purposes" we mean lending to businesses of all sizes:

#### *Exclude*

- Paycheck Protection Program (PPP) loans
- Agricultural lending
- Loans for investment in real estate where loan repayment primarily depends on leasing income or resale of the property
  - E.g., loans for the improvement, purchase, or refinancing of
    - Residential properties (including "flipping")
    - Non-owner-occupied commercial real estate
    - ADC (Acquisition, Development, & Construction) loans

#### *Include*

- Unsecured lending
- Business credit cards
- Lines and letters of credit
- Government guaranteed lending (other than PPP loans)
- Lending made through third parties
- Lending primarily secured by non-real estate assets
  - E.g., automobiles, equipment, inventory
- Lending for the purpose of improving, purchasing, or refinancing owner-occupied commercial real estate
- Lending primarily secured by real estate
  - E.g., a loan for working capital secured by the owner's primary residence
  - E.g., a loan for equipment secured by non-owner-occupied commercial real estate

### **Defining a Small Business for Your Bank**

IA.1 Did your bank engage in any lending it considers small business lending, regardless of regulatory definitions for small businesses, in calendar year 2021?

- Yes
- No

**Important Note:** If your bank answers "No" to question IA.1 above, then your institution will not be asked to answer any of the remaining questions here, nor any question in Sections I, II, and III. Please go directly to Section IVA (page 29).

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IA.2 Does your bank have multiple divisions that conduct small business lending, excluding SBA divisions?

- Yes
- No

IA.3 Does your bank consider a level of gross annual revenue above which a business would not be considered a small business? *If your bank has multiple divisions, please consider the largest small business that any of those divisions would serve, excluding SBA divisions.*

- Yes
- No

*[If IA.3=Yes]* IA.4 What is the gross annual revenue benchmark above which a business is not considered a small business by your bank? \$\_\_\_\_,\_\_\_\_,\_\_\_\_.00

IA.5 Does your bank consider an aggregate loan exposure above which the business being lent to would not be considered a small business? *If your bank has multiple divisions, please consider the largest acceptable ALE for any of your divisions, excluding SBA divisions.*

- Yes
- No

*[If IA.5=Yes]* IA.6 What is the aggregate loan exposure above which a business is not considered a small business by your bank? \$\_\_\_\_,\_\_\_\_,\_\_\_\_.00

#### **Loan Portfolio Devoted to Small Business Lending**

IA.7 In calendar year 2021, approximately what percent of your bank's **dollar (\$) volume of total lending** was originated or committed for **business purposes**? *Select one.*

- 0 to less than 20 percent of loan dollars
- 20 to less than 40 percent of loan dollars
- 40 to less than 60 percent of loan dollars
- 60 to less than 80 percent of loan dollars
- 80 to 100 percent of loan dollars
- Don't know

IA.8 In calendar year 2021, approximately what percent of your bank's **dollar (\$) volume of total lending for business purposes** was originated or committed to **small business borrowers**? *Select one.*

- 0 to less than 20 percent of loan dollars
- 20 to less than 40 percent of loan dollars
- 40 to less than 60 percent of loan dollars
- 60 to less than 80 percent of loan dollars
- 80 to 100 percent of loan dollars
- Don't know

IA.9 In calendar year 2021, approximately what percent of your bank's **total number (units) of loans for business purposes** was originated or committed to **small business borrowers**? *Select one.*

- 0 to less than 20 percent of loans
- 20 to less than 40 percent of loans
- 40 to less than 60 percent of loans
- 60 to less than 80 percent of loans
- 80 to 100 percent of loans
- Don't know

**Lending to New Small Businesses or Startups**

IA.10 Below what age would a small business be considered a new small business, or startup, by your bank? \_\_\_\_\_ Years  My bank does not define start-ups by age

IA.11 Does your bank typically make loans to small businesses it considers new, or startups?

- Yes
- No

*[If IA.11=Yes and S4b=Yes]* IA.12 What portion of the loans your bank makes to startups are through programs that provide a government guarantee (e.g., SBA)? *Select only ONE.*

- All or almost all the loans my bank makes to startups are government guaranteed
- Most of the loans my bank makes to startups are government guaranteed
- Around half of the loans my bank makes to startups are government guaranteed
- Some of the loans my bank makes to startups are government guaranteed
- None or almost none of the loans my bank makes to startups are government guaranteed

**Specializations in Small Business Lending**

IA.13 In calendar year 2021, did your bank offer any of these specialized loan products to small businesses?

*Select only ONE option for each specialized loan product.*

Specialized loan product	Yes, offer to small businesses	No, do not offer to small businesses	Don't know
a. Asset- or borrowing-based lending	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Auto floorplan lending	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Equipment leases	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Factoring / invoice financing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Franchise lending	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Leasehold improvements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Other ____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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