



TAKING THE RISK OUT OF
SMALL BUSINESS LENDING

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Illinois Small Business Defaults Deteriorate in February

In February 2017, small business loan defaults increased in Illinois' business community, with default rates in 11 of the 18 major industries rising in the state, data published by PayNet show.

In spite of a 5 basis point climb from January, Illinois' PayNet Small Business Default Index (SBDFI) of 1.71% was still 18 basis points below the national SBDFI level of 1.89%. Over the last year, both the Illinois and national SBDFI increased 30 basis points.

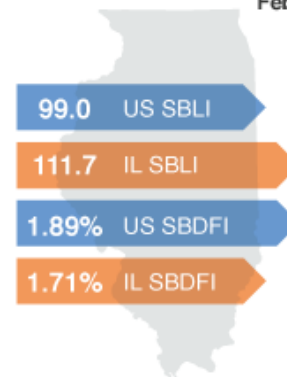
Transportation and Warehousing (4.27%); Manufacturing (3.46%); and Health Care and Social Assistance (2.59%) exhibited the highest default rates of all industries in Illinois. Nationally, Transportation and Warehousing had a default rate of 4.44%, with a difference of +1.31% compared to the prior year variance of +1.83% in Illinois.

Coming in at 111.7, the PayNet Small Business Lending Index (SBLI) for Illinois exceeded the national SBLI level (99.0) despite declining by 0.4% from last month's state level.

"More definitive trends are needed to gauge the future economic performance for Illinois," says the president of PayNet, William Phelan.

Illinois Small Business Credit Trends

February 2017



Source: SBinsights.net

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About

PayNet is the leading provider of credit ratings on small businesses enabling lenders to achieve optimal risk management, growth and operational efficiencies. PayNet maintains the largest proprietary database of small business loans, leases and lines of credit encompassing over 23 Million contracts worth over \$1.4 Trillion. Using state-of-the-art analytics, PayNet converts raw data into real-time marketing intelligence and predictive information that subscribing lenders use to make informed small business financial decisions and improve their business strategy. For more information, visit www.paynet.com.

PayNet Small Business Lending Index (SBLI)

The PayNet SBLI is based on new commercial loan and lease originations by major U.S. lenders in PayNet's proprietary database. This index measures the volume of loans to small businesses formulated on a rolling 12-month basis. Small businesses generally respond to changes in economic conditions more rapidly than do larger businesses; this statistic is a leading indicator of macroeconomic and industry trends

PayNet Small Business Default Index (SBDFI)

The PayNet Small Business Default Index (SBDFI) measures the percent of loans and leases to small businesses that have defaulted in the past 12 months.

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