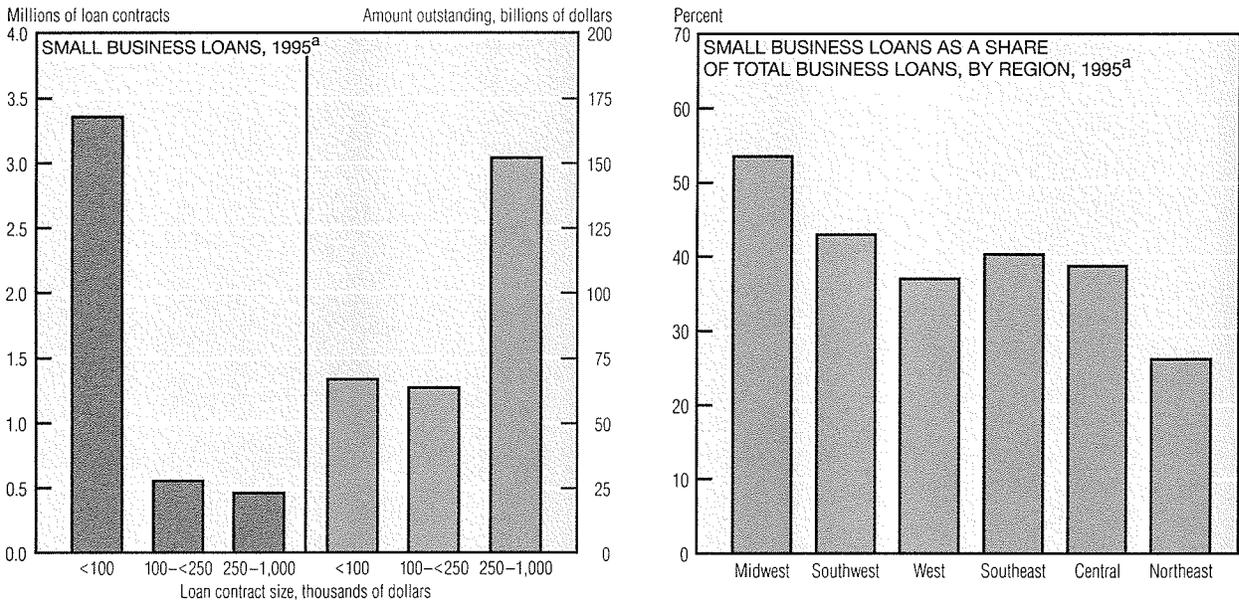
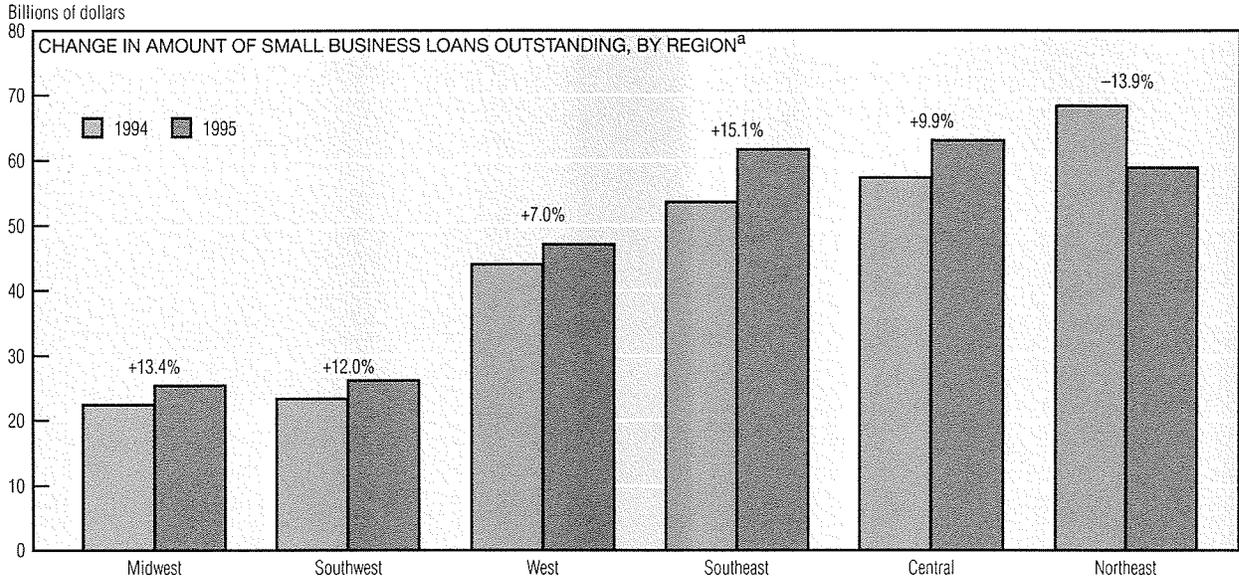


# Small Business Lending



a. Includes loans secured by nonfarm, nonresidential properties, plus commercial and industrial loans to U.S. addressees.  
 NOTE: All data are for FDIC-insured domestic depository institutions. Small business loans are those with original amounts of \$1 million or less.  
 SOURCE: Federal Financial Institutions Examination Council, *Consolidated Reports of Condition and Income*, June 1994 and June 1995.

Between June 1994 and June 1995, small business lending increased 4.9% nationwide (to \$282.3 billion), but it showed striking regional variations.

The Southeast and Midwest posted the strongest gains. At the other extreme, lending in the Northeast, which had the largest dollar volume in 1994, fell by 13.9%. Such a decline is perhaps less worrisome

here than it would be in the rest of the country, since small business lending comprises a relatively minor fraction of this region's total business credit extended (26.2%). In contrast, although small business lending was only \$25.4 billion in the Midwest, it constituted 53.5% of all business loans outstanding in the region in June 1995.

Compared to 1994, there has been

little change in the composition of small business lending. Loans for amounts less than \$100,000 account for 76.8% of all contracts outstanding. This is slightly higher than in 1994 (75.1%), perhaps reflecting the shift away from lending in the Northeast. On the other hand, contracts for more than \$250,000 still account for over half of all dollars lent to small businesses.