

ABSTRACT

The distribution of credit is the main business of the Bank, including BPR, the main target of their loan portfolio itself is SMEs. In the lending bank has to consider the factors that may affect lending itself. BPR in Central Java in the top five BPR from 33 provinces in Indonesia based on the number of BPR and total assets. In 2014, the OJK reported that approximately 15% of BPR in Central Java in the category is not healthy, so some of them must license has been revoked by Bank Indonesia, while BPR itself each year targeting significant growth in lending.

This study aims to know the factors that influence the distribution of loan in Central Java. The data used in this study is the CAR, NPL, BOPO, and lending of BPR in Central Java 2012-2014. This study used a technique Non-Probability Sampling consisted of 249 rural banks in Central Java. This study uses panel data regression model.

These results indicate simultaneously CAR, NPL, BOPO significant effect on lending, while partially CAR has a positive and significant impact on lending, the NPL has a negative and significant impact on lending, BOPO did not have a significant effect on lending

Keywords: Lending, Capital Adequacy Ratio, Non Performing Loan, Operating Expenses to Operating Income