



LENDING CLUB CASE STUDY

- BY AKASHV

UNIVARIANT ANALYSIS OBSERVATION:

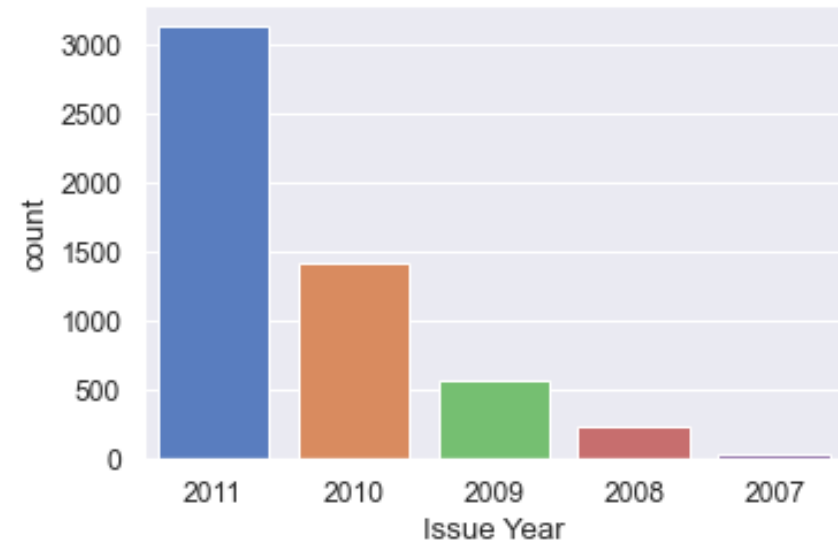
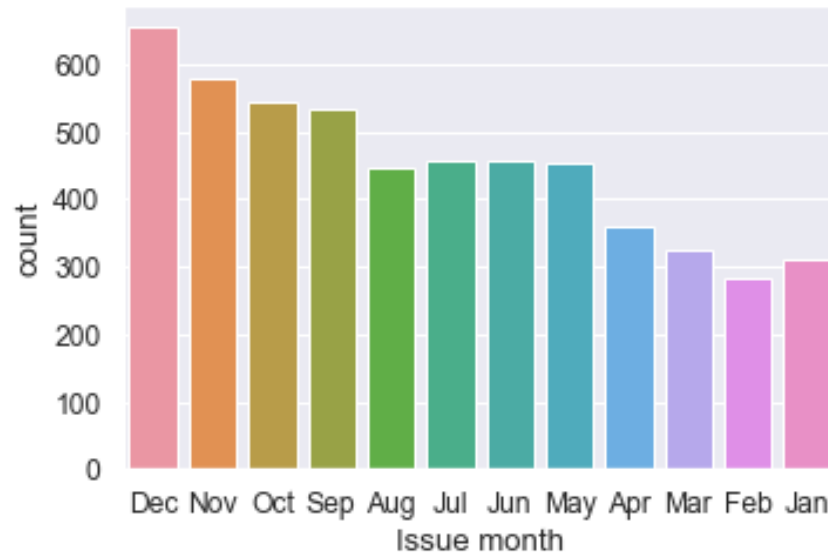
- The applicant with the grade B and C, that too in the sub_grade of 5
- The applicant with home onwership of RENT and MORTAGE
- The applicant who took the loan on as the purpose debt_consolidation
- The applicants with employment length of 10
- The Applicants with Interest rate of 9% - 17%
- The Applicants with open credit lines of 2-10
- The Applicants with revol_util of 60-80
- The Applicants with annual income of 31k-58k

CONT..

- The Applicants with loan period of 36 months
- The Applicants who has the Not verified status
- When the no of enquiries in last 6 months is 0
- The Applicants with 0 Derogatory of public record
- The Applicants with the monthly installment of 145-403
- The Applicants with the loan amount between 5k-10k
- Dti between 12-24

AN INTERESTING INSIGHT

An interesting insight is found in the analysis, there is high Charged off on month of December specially in the year of 2011. This may be due to the financial crisis. So, many loan have charged off. The below graph will represent the statement mentioned above.



BIVARIANT ANALYSIS OBSERVATION:

- If the applicant Loan amount is higher than the annual income (85k
- Applicant with Low income and high interest rate
- The person with income around (50k - 60k) applied for house, debt_consolidation, small business are high chance of Charged off. In that debt_consolication has the low income range. It may be reason of high charged off
- Applicants whose home ownership is 'MORTGAGE' and have income of 60-70k
- Applicant with Loan amount that has high interest rates

CONT.

- Loan amount is high for House, debt_consolidation, small_business as there is high chance of Charged off
- Higher the years of employment, higher the Loan amount and as higher the chance of Charged off
- Loan is verified and has issued a high Loan amount
- Applicant at the Grade G and interest rate of 20
- Higher the loan with longer Loan period