

LENDING CLUB CASE STUDY

By:

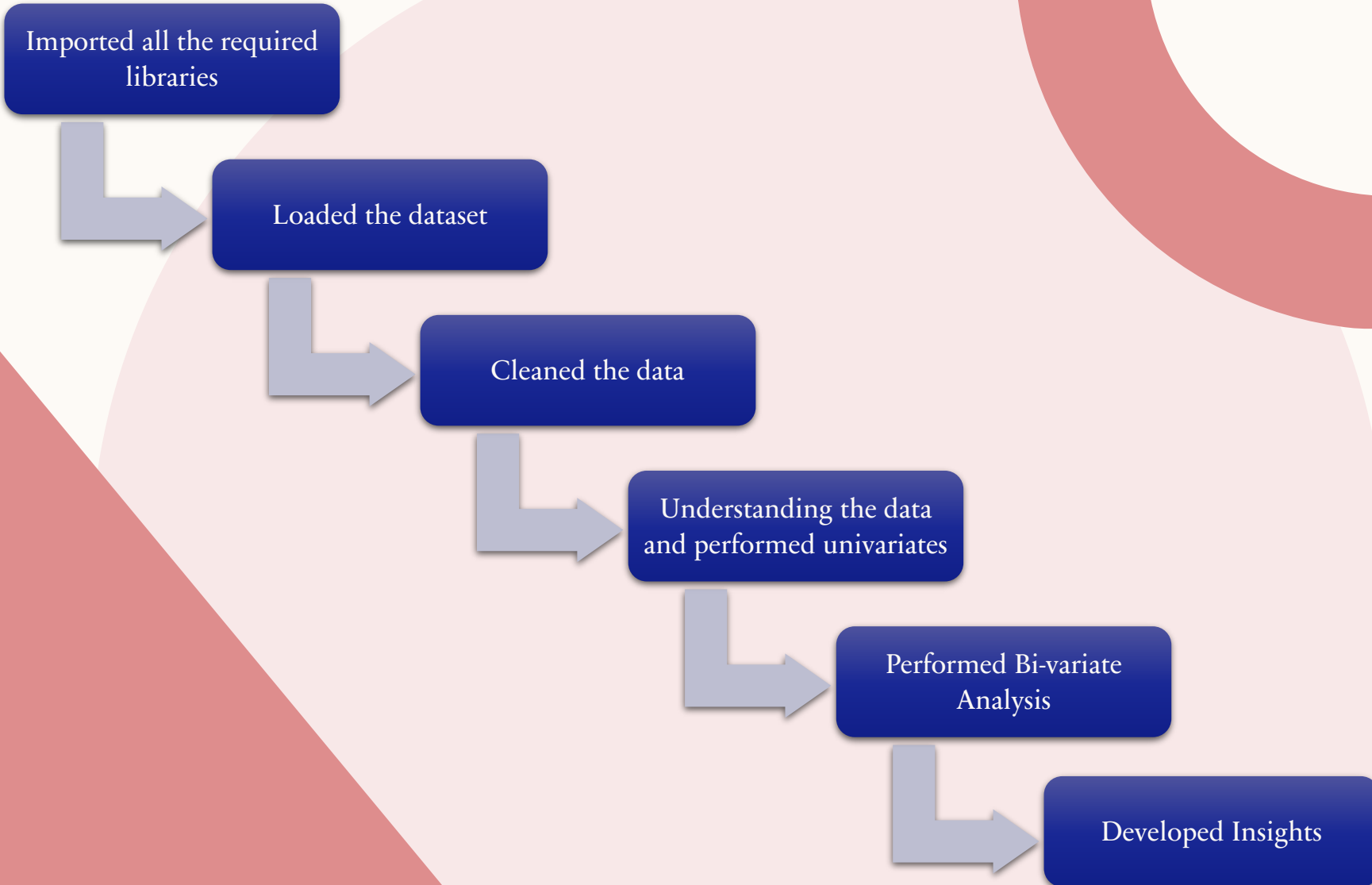
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STEPS FOLLOWED

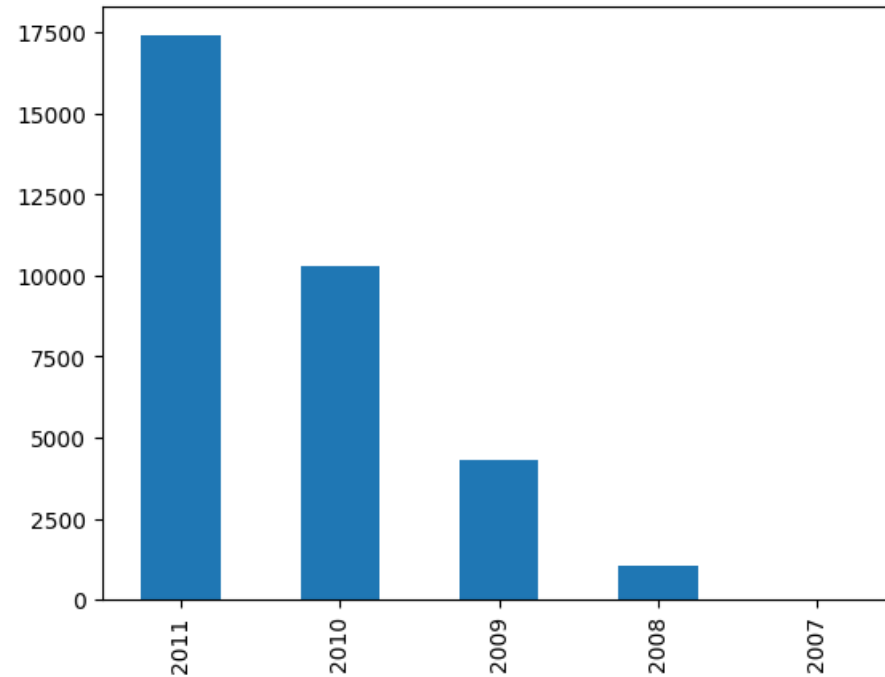
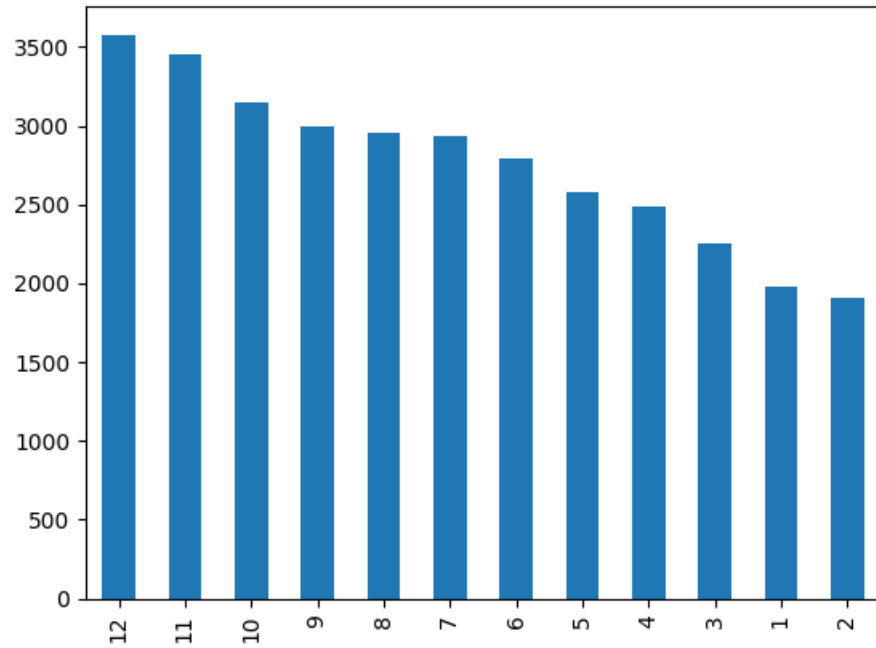


INTRODUCTION

- Lending club is the largest online loan marketplace, facilitating personal loans, business loans, and financing of medical procedures
- Borrowers can easily access lower interest rate loans through a fast online interface
- The **objective** of analysis is **to use the information about past loan applicants and find whether they ‘defaulted’ or not**

ANALYSIS

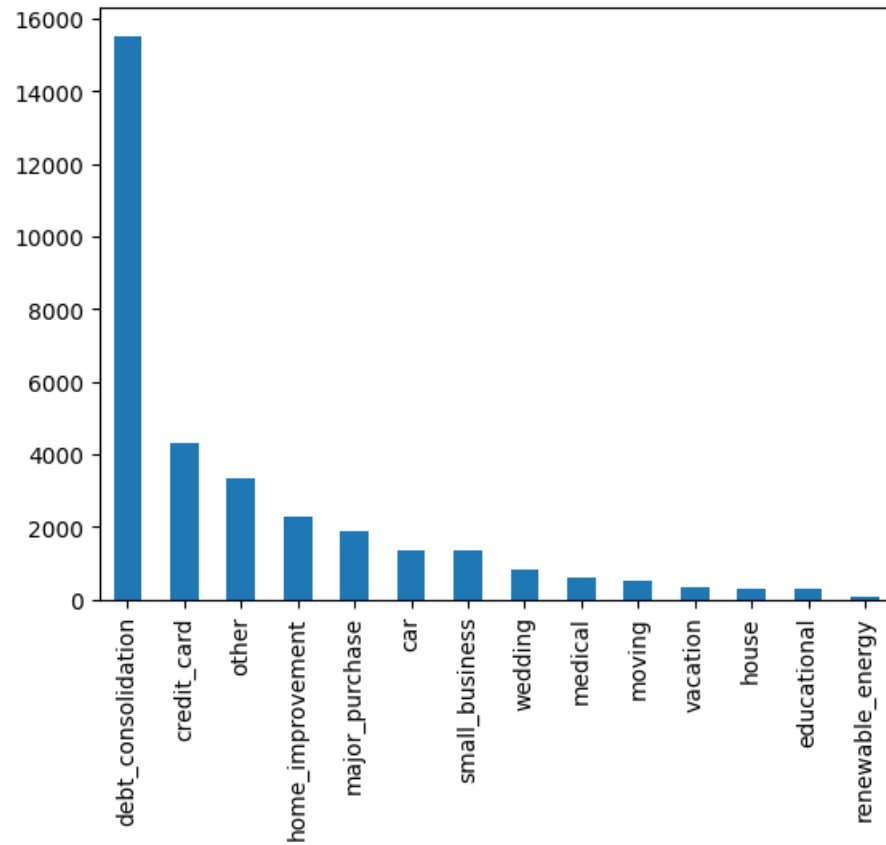
Count vs Issue month and Issue year



- Lending club has really expanded year by year, the number of loan issued are doubled every year
- Also the issued month of loans is also increasing from January to December
- In the final quarter of year there are more loans issued this could be because of vacation and christmas

ANALYSIS

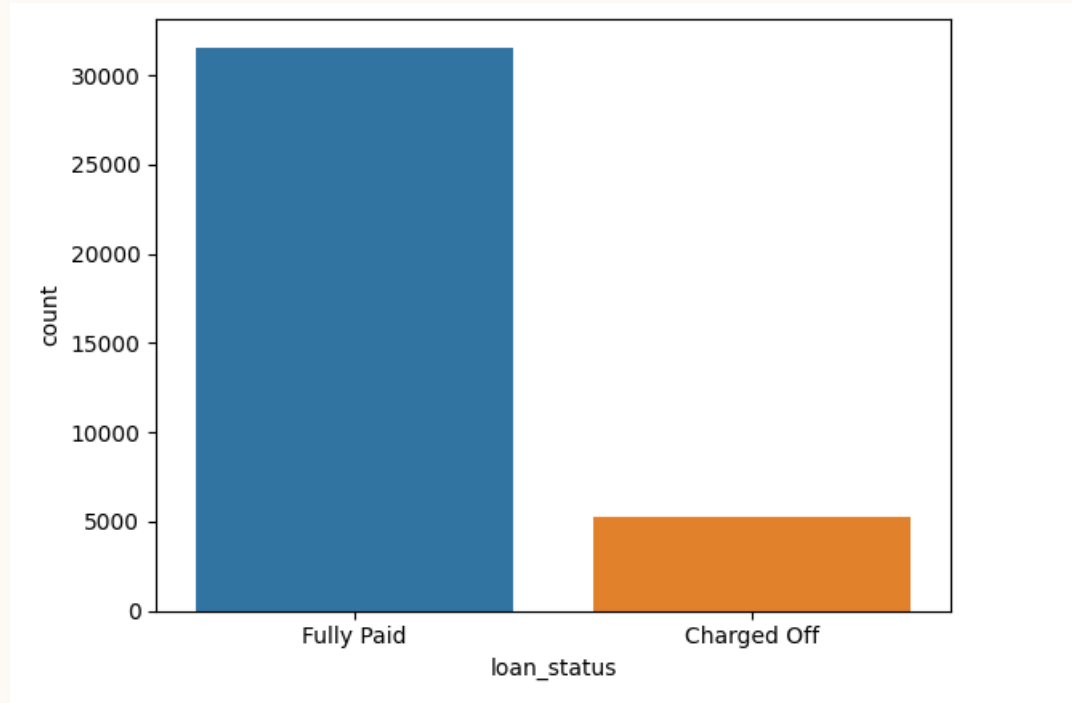
Loan Purpose vs Value Count



- Majority of loans are taken for debt consolidation

ANALYSIS

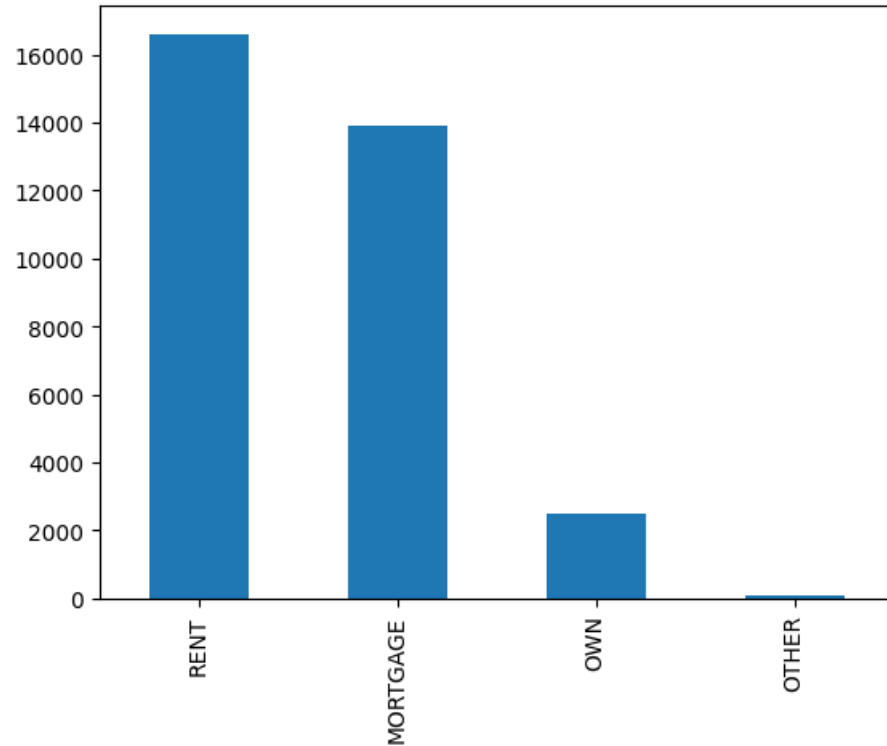
Loan Status vs Count



- Majority Applicants have paid the loan amount

ANALYSIS

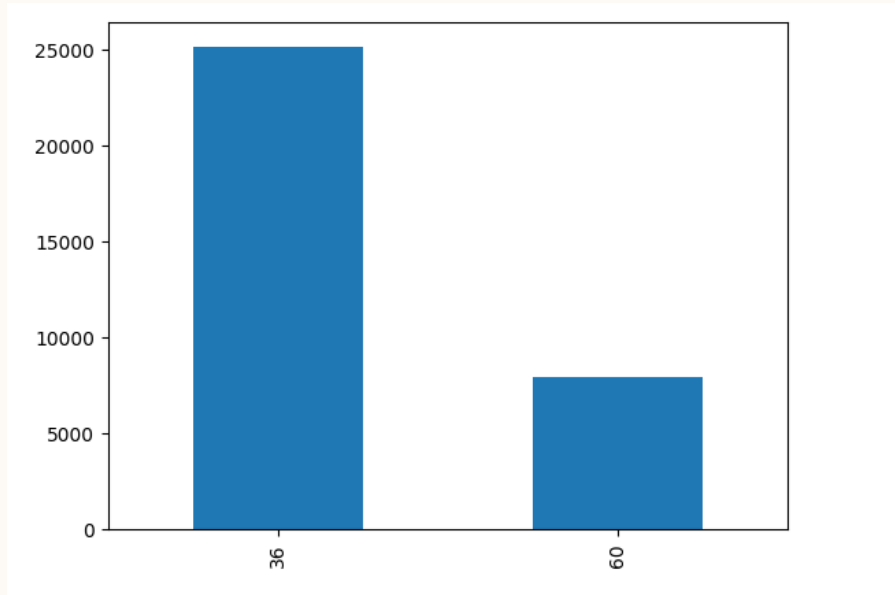
HOME OWNERSHIP VS COUNT



- Majority of the home owner status are in status of RENT and MORTGAGE

ANALYSIS

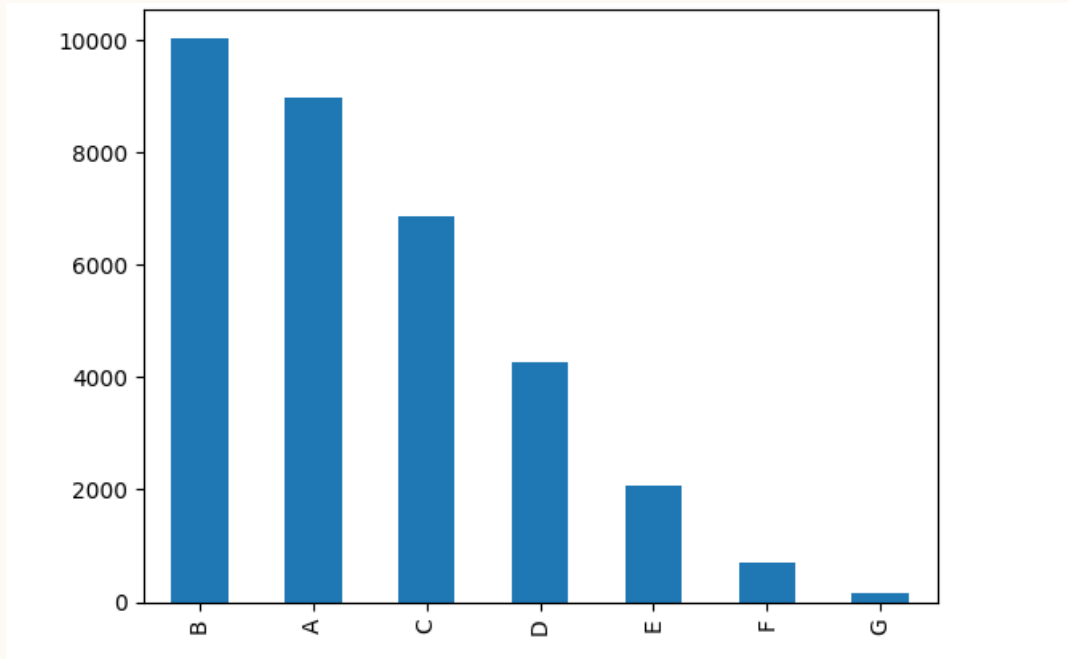
LOAN TERM VS COUNT



- There are two loan terms i.e for 36 and 60 months. For 75% of the total are from 36 months loan term

ANALYSIS

Grade vs count

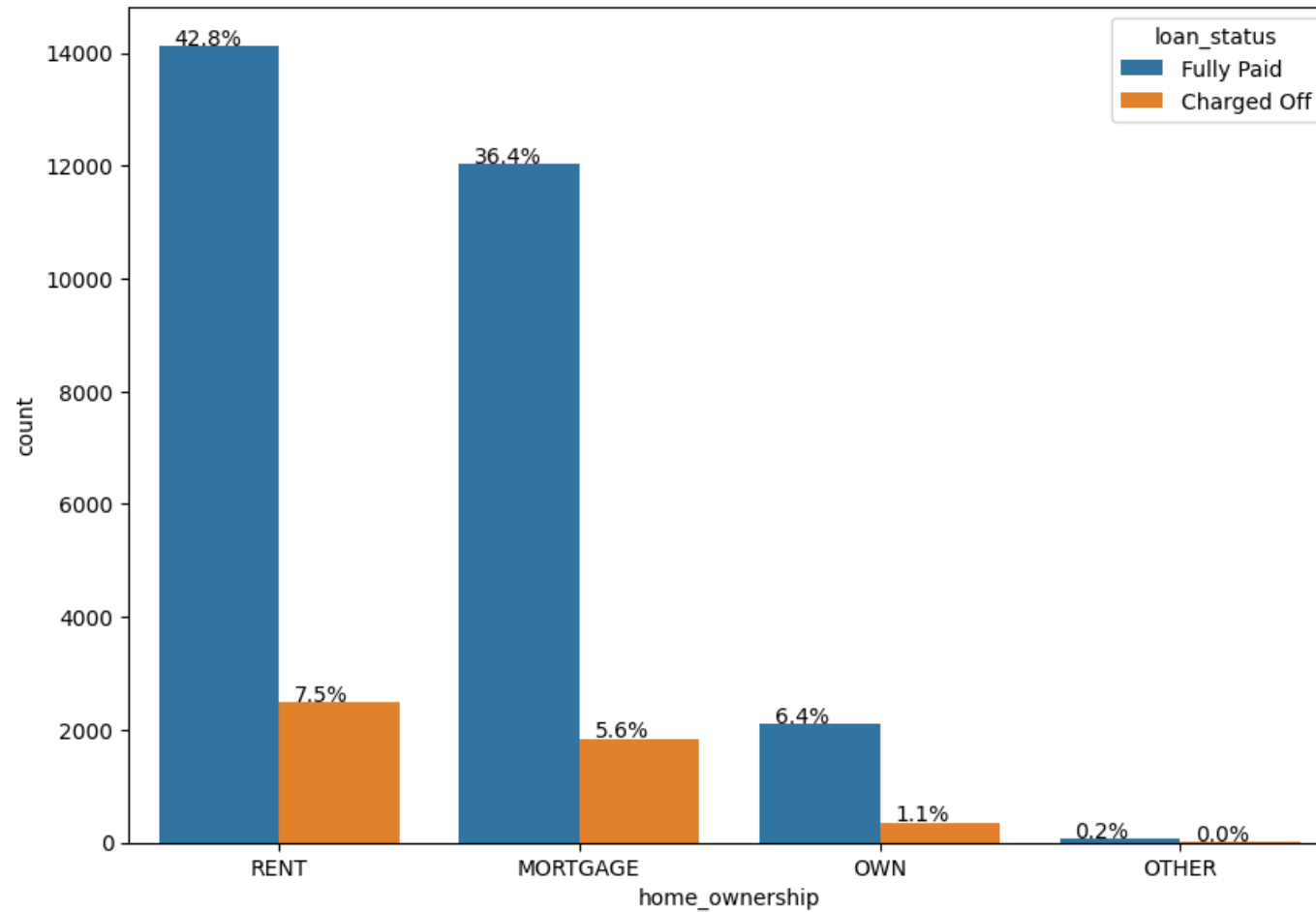


- Grades are very good category to tell the borrower probability of defaulting the loan
- Majority of loans are of Grade A & B

ANALYSIS

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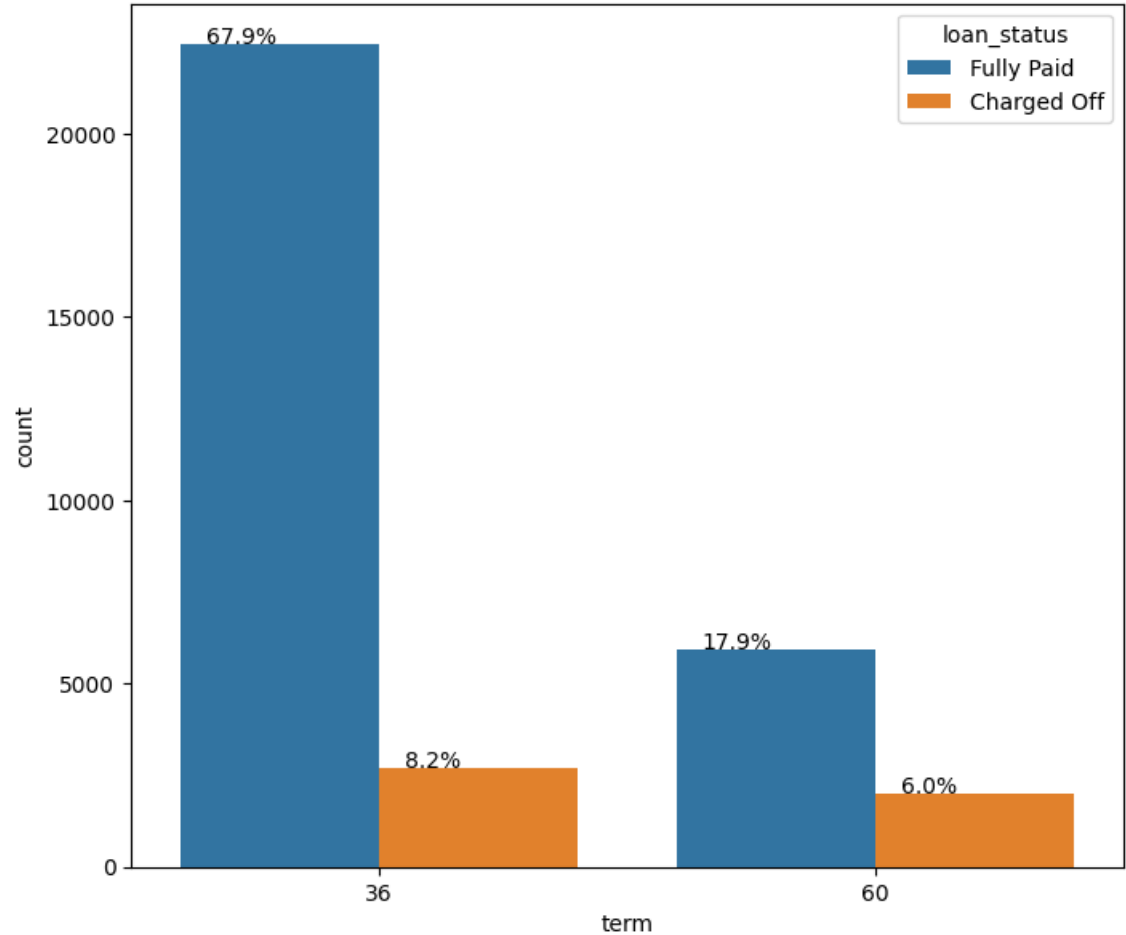
Home ownership vs Count



Overall ratio of Charge Offs
against the total

ANALYSIS

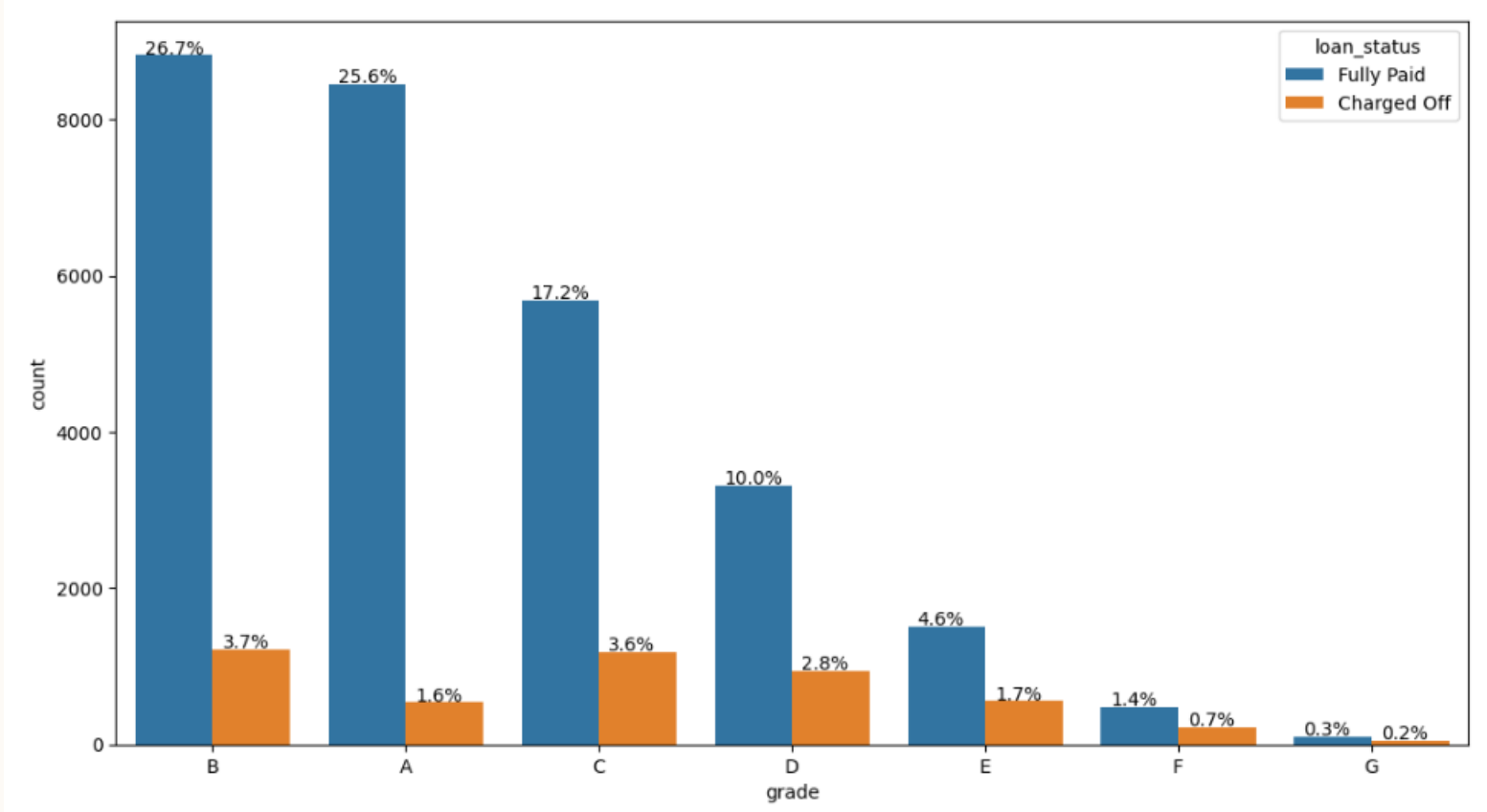
Term vs Count



Overall ratio of Charge Offs

ANALYSIS

Grade vs Count

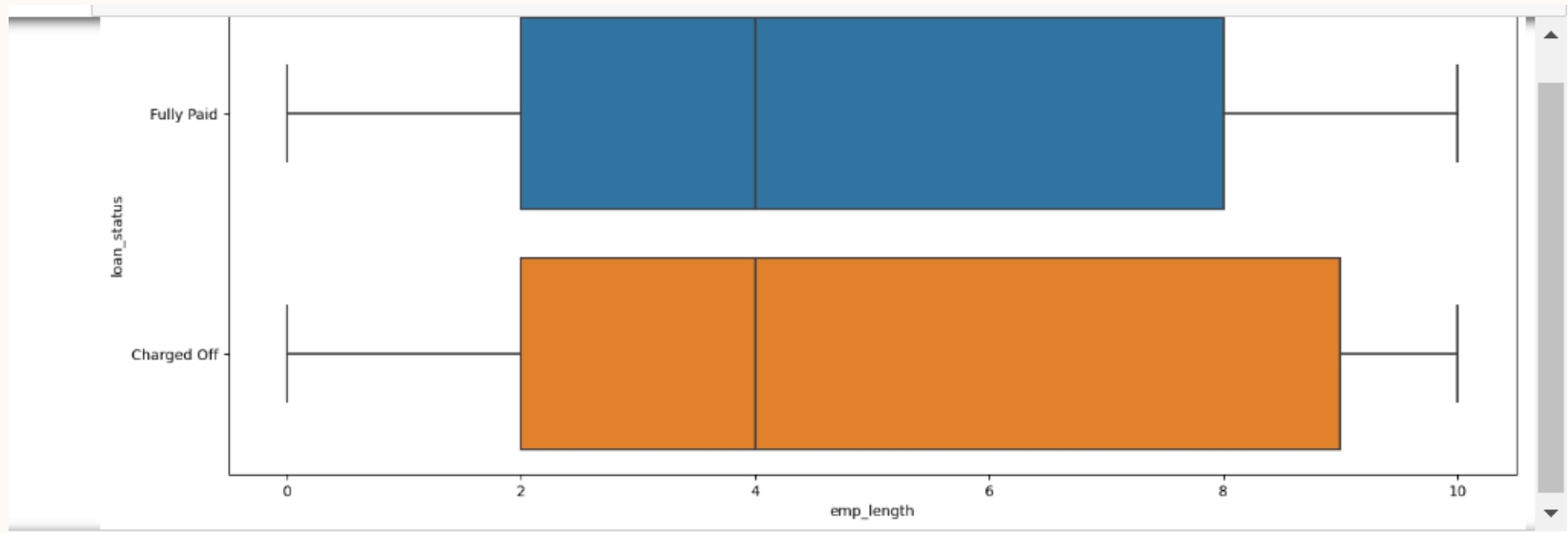


Overall ratio of Charge Offs against the total

ANALYSIS

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Emp Length vs Loan_Status

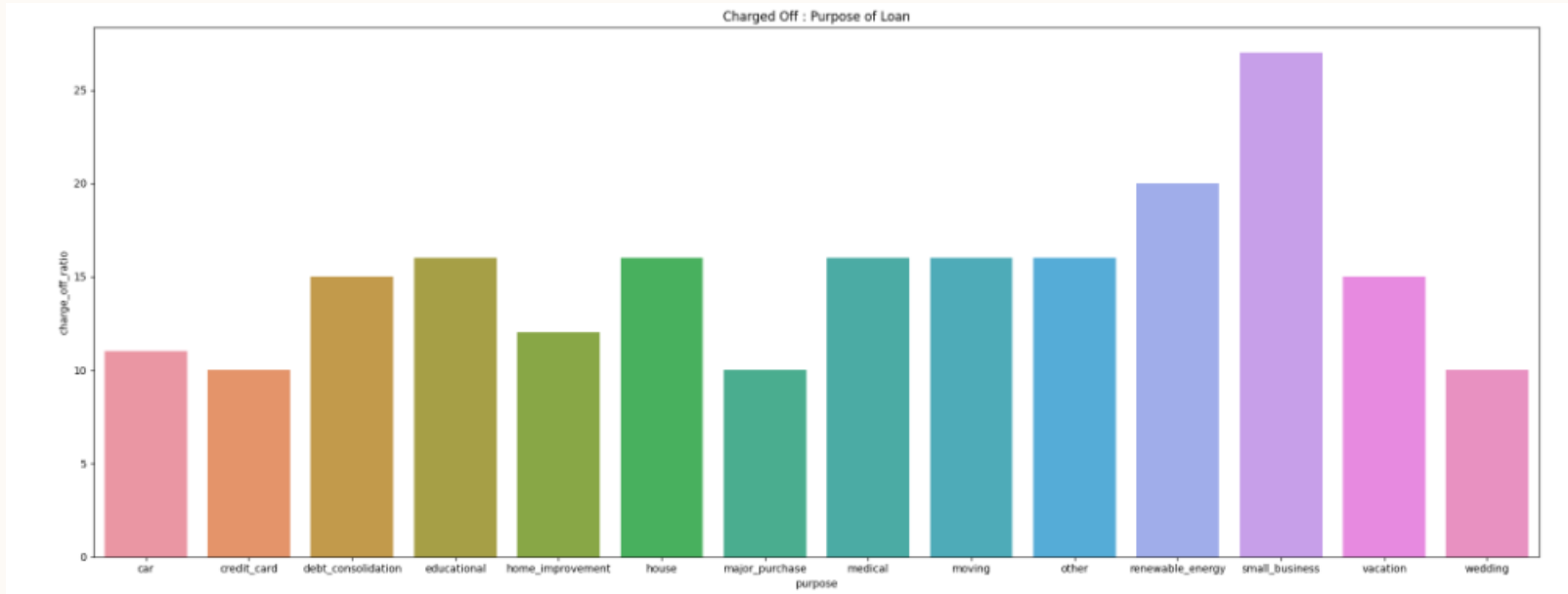


- Highest Charge Offs are in the employee length category of 10 Years and above

ANALYSIS

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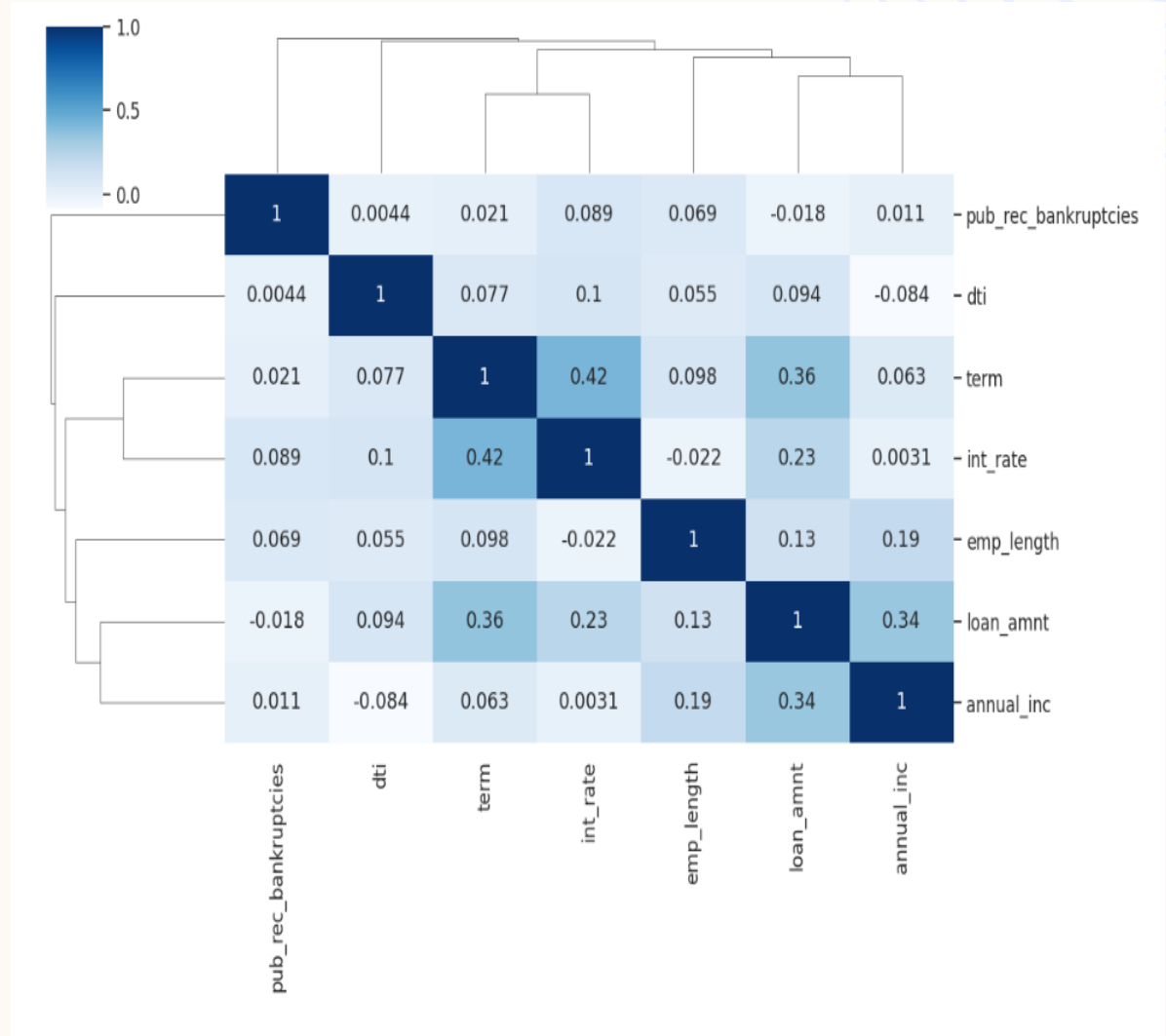
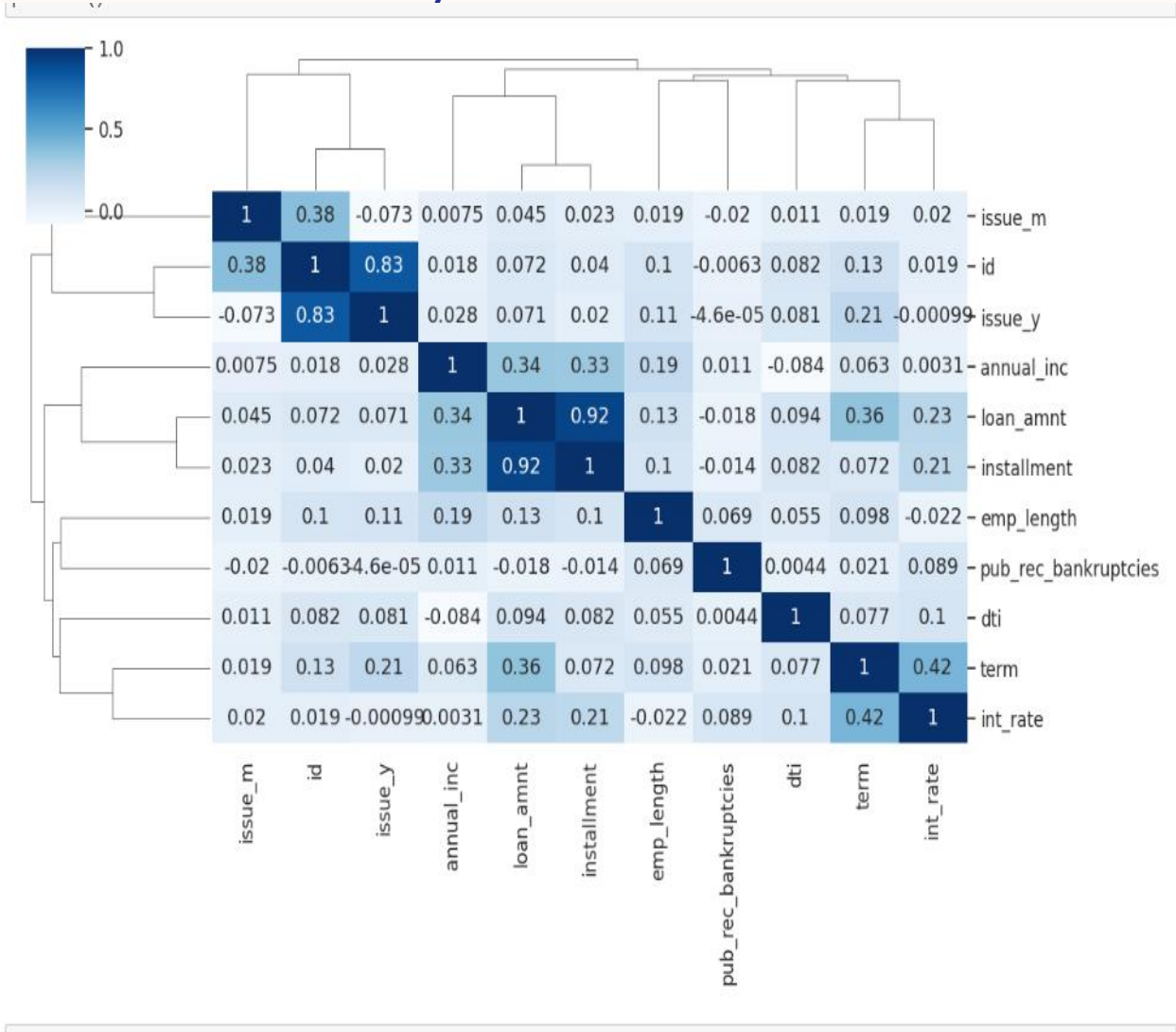
Purpose vs charge of ratio



The ratio of
Charge Offs
within the
category
total

ANALYSIS

Correlation Analysis—Part 1 and Part 2



THANK YOU