

Terminologies Used in Data

Fields Used in Data

1. **Loan ID:**
 - **Purpose:** Loan ID is a unique identifier assigned to each loan application or account. It serves as a primary key for tracking and managing individual loans.
2. **Address State:**
 - **Purpose:** Address State indicates the borrower's location, aiding in assessing regional risk factors, compliance with state regulations, and estimating default probabilities.
3. **Employee Length:**
 - **Purpose:** Provides insights into the borrower's employment stability, where longer durations may indicate greater job security.
4. **Employee Title:**
 - **Purpose:** Specifies the borrower's occupation or job title, helping to understand the source of the borrower's income.
5. **Grade:**
 - **Purpose:** Represents a risk classification assigned based on creditworthiness, where higher grades signify lower risk.
6. **Sub Grade:**
 - **Purpose:** Refines the risk assessment within a grade, offering additional risk differentiation.
7. **Home Ownership:**
 - **Purpose:** Indicates the borrower's housing status, providing insights into financial stability.
8. **Issue Date:**
 - **Purpose:** Marks the loan's origination date, crucial for tracking and maturity calculations.
9. **Last Credit Pull Date:**
 - **Purpose:** Records the last access to the borrower's credit report, helping monitor creditworthiness.
10. **Last Payment Date:**
 - **Purpose:** Marks the most recent loan payment received, tracking the borrower's payment history.
11. **Loan Status:**
 - **Purpose:** Indicates the current state of the loan (e.g., fully paid, current, default), tracking loan performance.
12. **Next Payment Date:**
 - **Purpose:** Estimates the date of the next loan payment, assisting in cash flow forecasting.
13. **Purpose:**
 - **Purpose:** Specifies the reason for the loan (e.g., debt consolidation, education), helping to understand borrower intentions.
14. **Term:**

- **Purpose:** Defines the duration of the loan in months, setting the repayment period.

15. Verification Status:

- **Purpose:** Indicates whether the borrower's financial information has been verified, assessing data accuracy.

16. Annual Income:

- **Purpose:** Reflects the borrower's total yearly earnings, assessing repayment capacity.

17. DTI (Debt-to-Income Ratio):

- **Purpose:** Measures the borrower's debt burden relative to income, gauging the capacity to take on additional debt.

18. Installment:

- **Purpose:** Is the fixed monthly payment amount for loan repayment, including principal and interest.

19. Interest Rate:

- **Purpose:** Represents the annual cost of borrowing expressed as a percentage, determining the loan's cost.

20. Loan Amount:

- **Purpose:** Is the total borrowed sum, defining the principal amount.