**Distribution of Loan Terms**

Machine generated alternative text:
400000 
350000 
300000 
250000 
200000 
150000 
100000 
50000 
Loan Term 

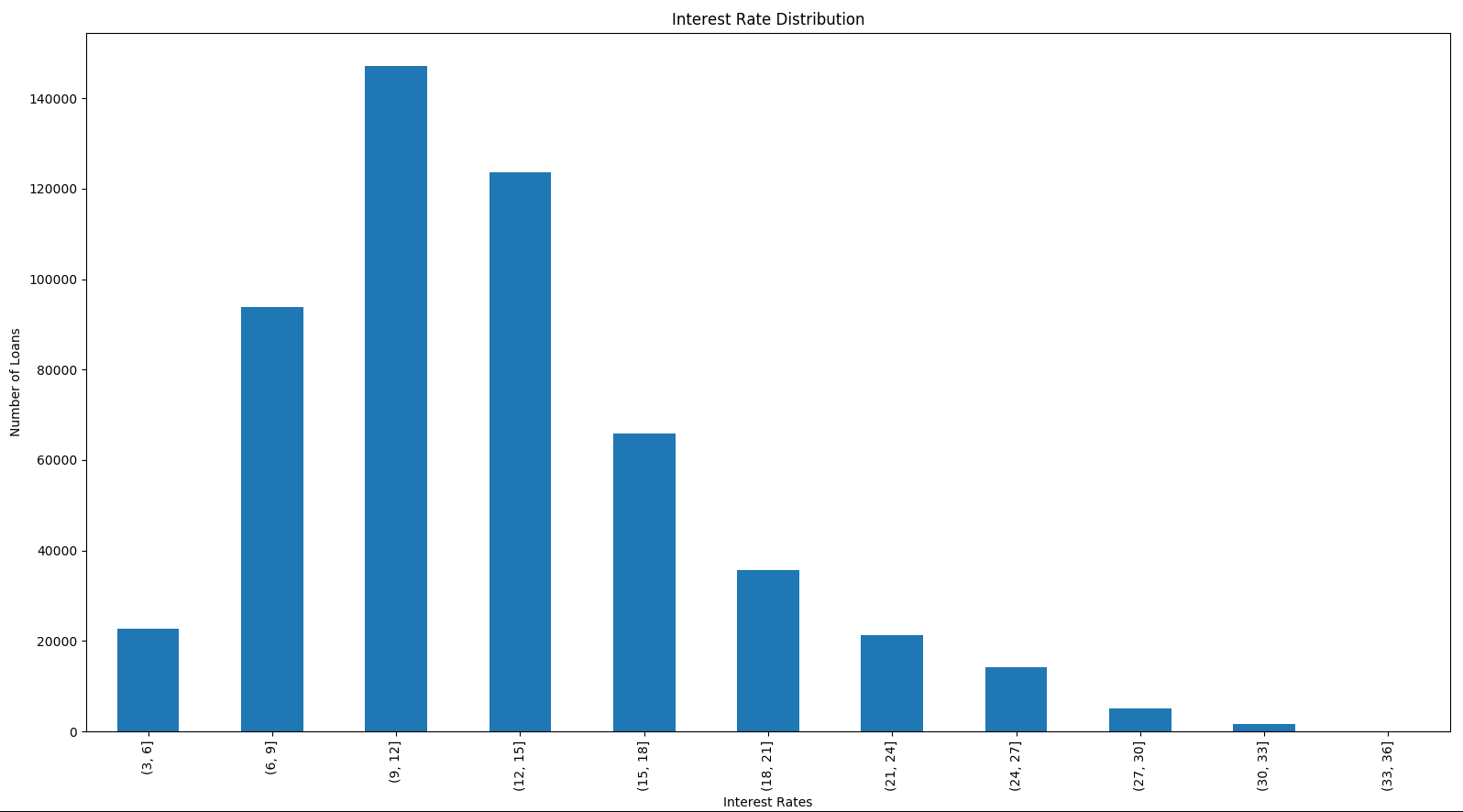
Maximum loans are for 3 year duration compared to 5 year duration

**Distribution of Loan Status**

Machine generated alternative text:
400000 
300000 
200000 
100000 
Loan Status Distribution 
Loan Status 

Maximum loans are Active. There are few loans which are either Charged Off, Late (by various durations) or in Grace Period.

**Distribution of Interest Rates**



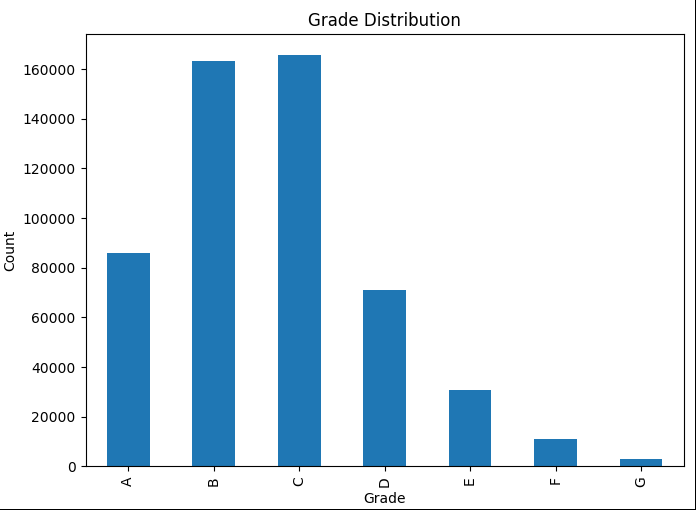
Maximum loans disbursed are in the range of 9 - 15 %. But it is extremely right skewed. There are significant number of loans upwards of 24 %. These high interest loans shall require further analysis as they could be potential candidates for defaulting.

**Distribution of Interest Rates for non-Active loans**

Machine generated alternative text:
Interest Rate Distribution for Non Current Accounts 
7000 
6000 
5000 
4000 
3000 
2000 
1000 
Interest Rate 

Maximum loans which are either Charged Off or Late Payment are in 9 - 18% range. Although the distribution is still skewed towards the Higher Interest rates but still we cannot be sure if high interest rate has a significance impact on payment default.

**Distribution of Grades**

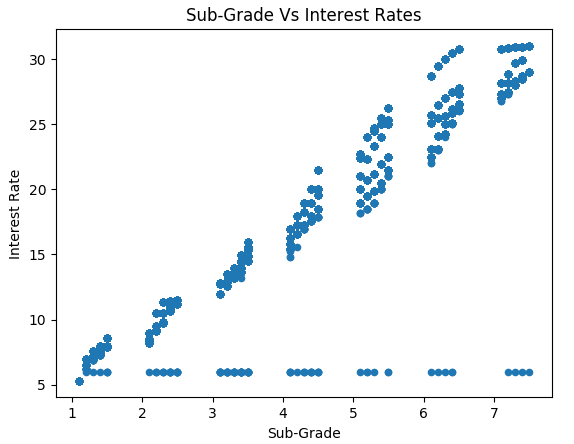


Maximum loans disbursed are Grade B and C. The distribution is right skewed.

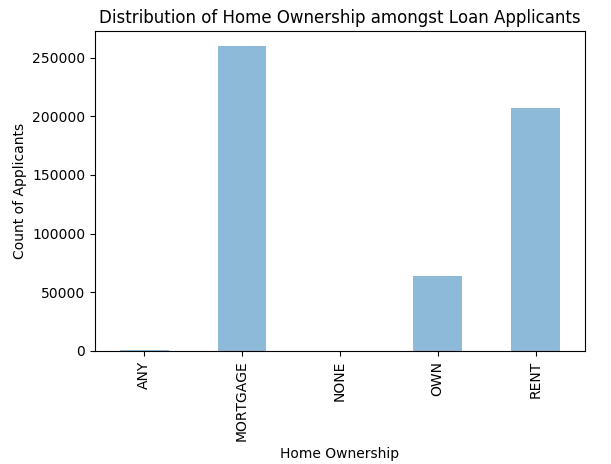
Each of these Grades are further sub-categorized. For example: A1, A2, A3, A4, A5, B1, B2, B3 …. And so on.

The correlation between Sub-Grades (and in turn Grades) is:

|  |  |  |
| --- | --- | --- |
|  | Sub-Grade | Interest Rate |
| Sub-Grade | 1 | 0.98 |
| Interest Rate | 0.98 | 1 |

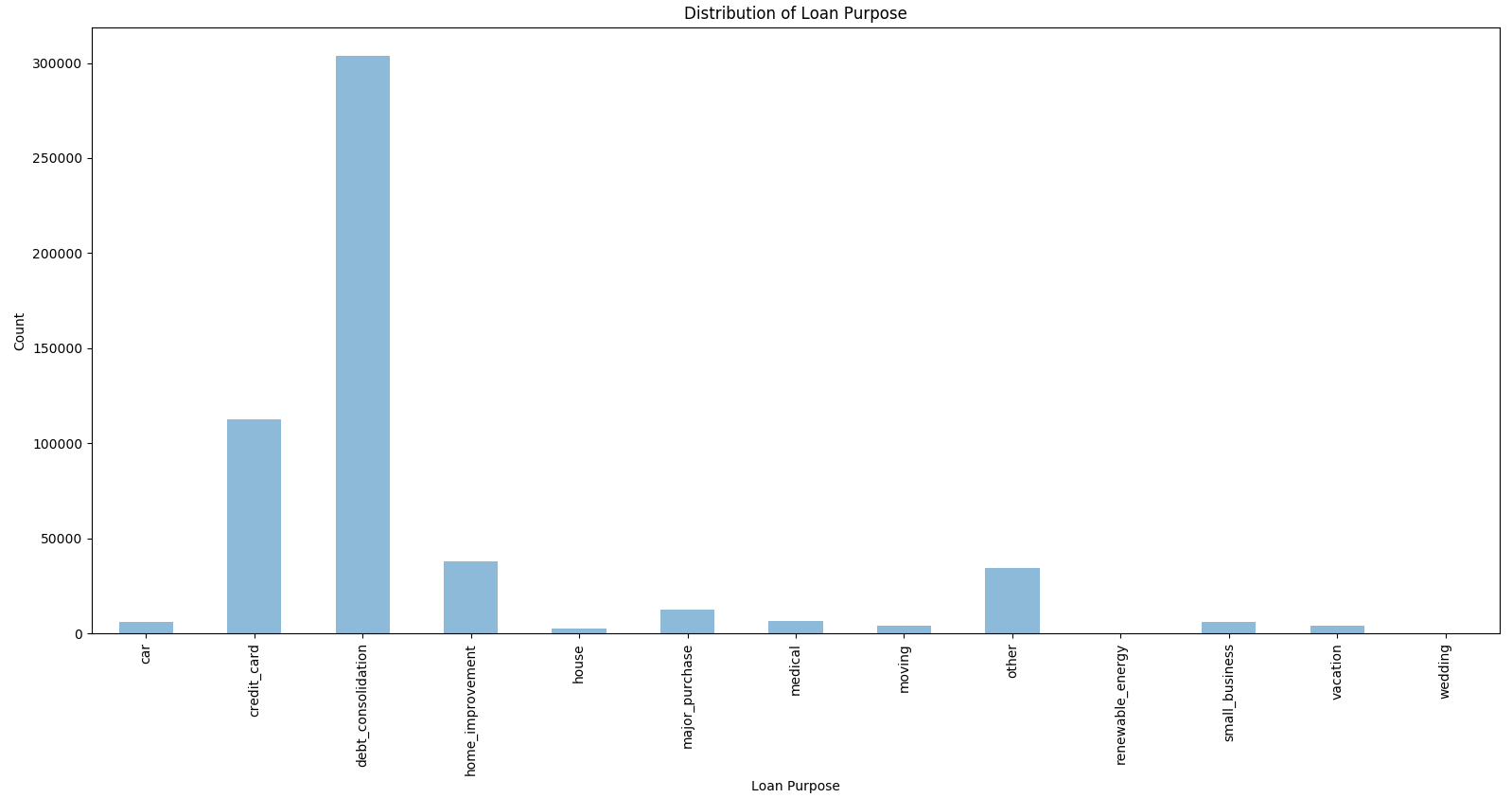
Therefore, Grades and Sub-Grades are highly correlated to Interest Rates.

**Distribution of Home Ownership**



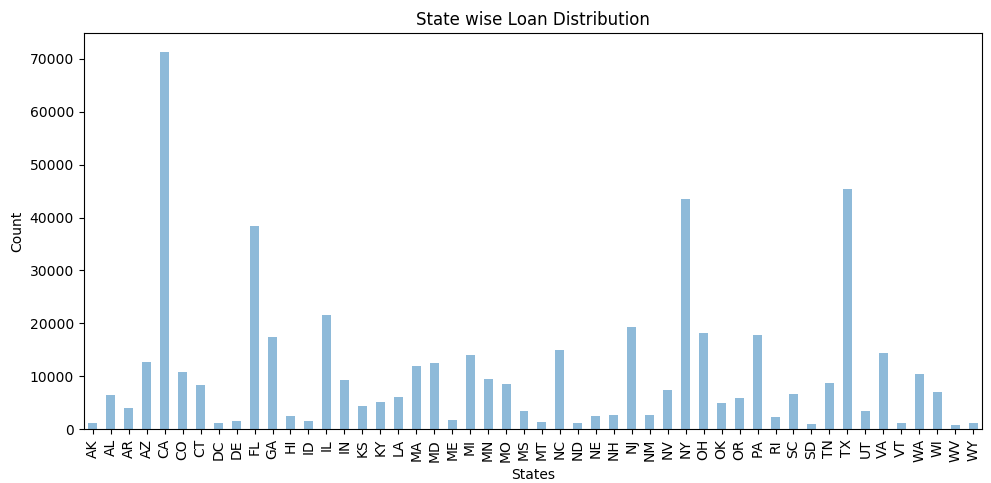
This distribution illustrates that very less number of loan applicants own a house. Analysis of Type of loan distribution should give us some insight on the purpose of people opting for loan.

**Distribution of Loan Type**



This distribution clearly illustrates that the maximum loans were taken for Debt Consolidation with Credit Card Payment being the second highest. That is a huge number and illustrates the fact that people are borrowing money for managing their finances or for paying Credit Card bills.

**Distribution of State Wise Loans**



California, Florida, New York and Texas are the top four states which have taken maximum number of loans. From the previous distribution of Loan Purpose, we had observed that Debt Consolidation and Credit Card Payments were the top two purpose of people borrowing money. So, could we draw inference that people living in these top four borrower states are lesser in managing their finances compared to rest of states?