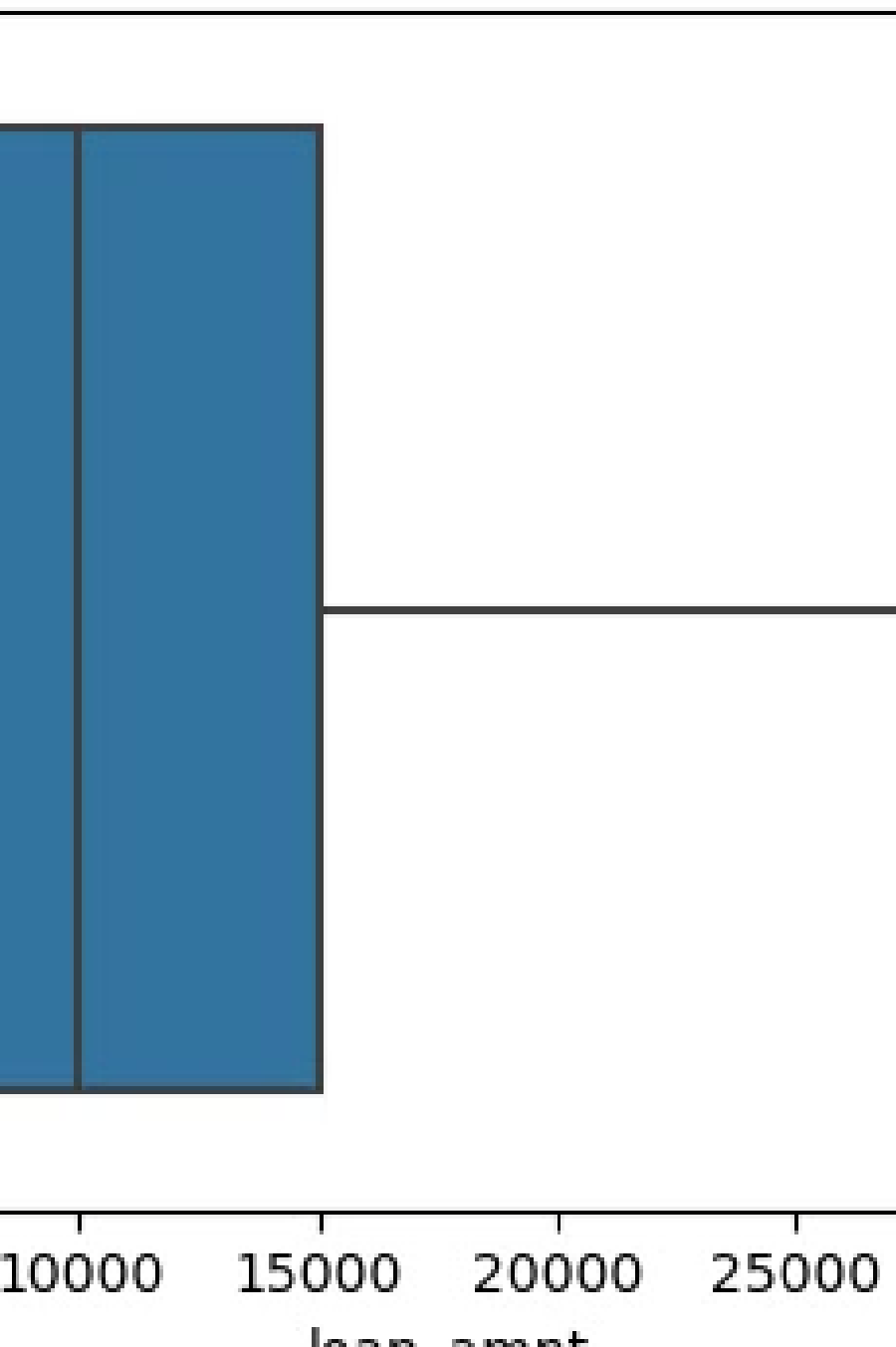


Loan Default Drivers: Understanding Risk Factors

This presentation explores key factors that contribute to loan default, providing insights for portfolio and risk assessment.

AG by aparna guntuboina



Loan Amount Distribution

Loan Amount Range

The minimum loan amount is 500 USD, while the maximum is 35,000 USD.

Common Loan Amounts

Most loans fall between 5,000 USD and 15,000 USD.

Loan Status: Identifying Risk

1

Fully Paid

32,950 loans were fully repaid.

2

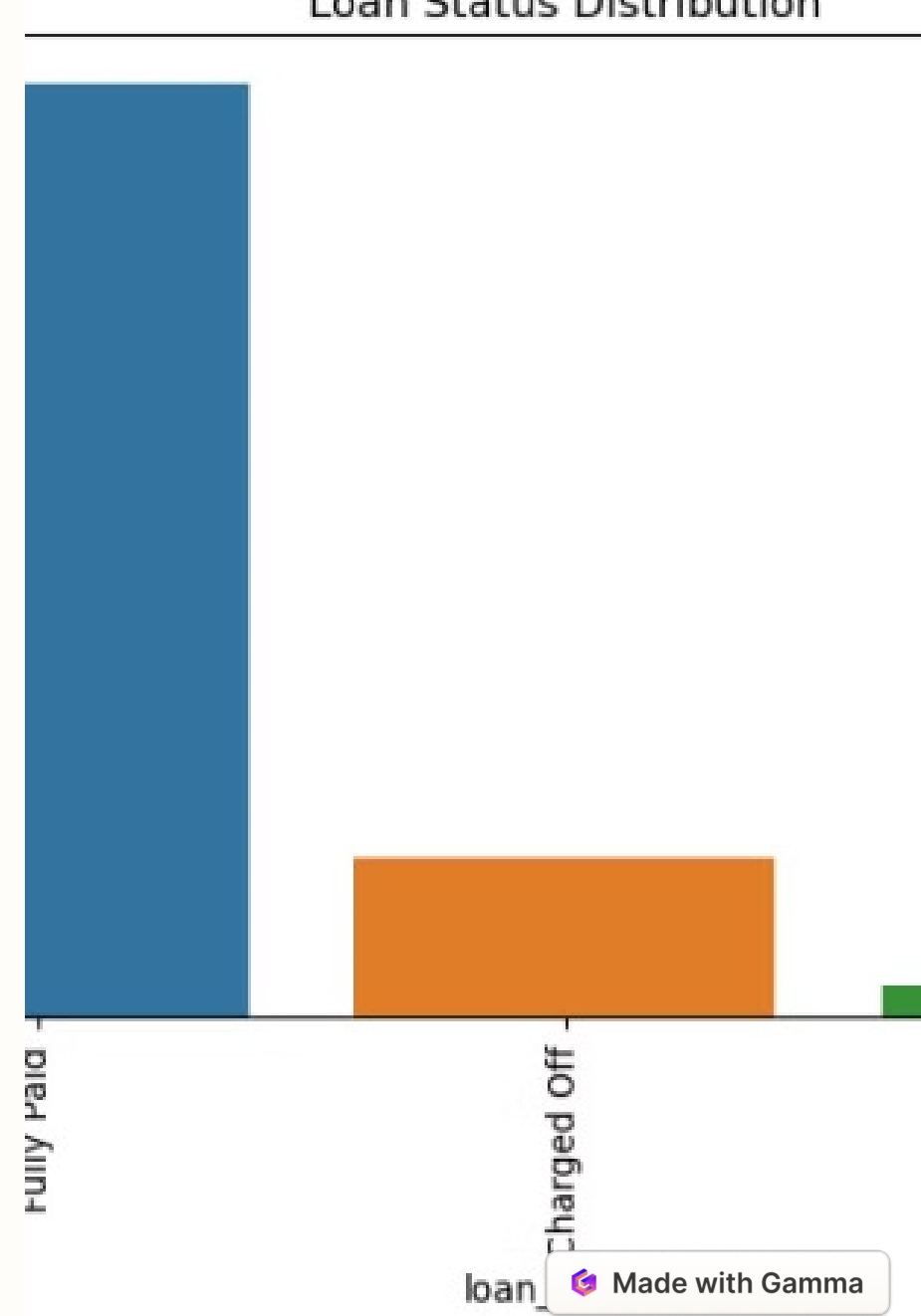
Charged Off

5,627 loans were charged off, indicating default.

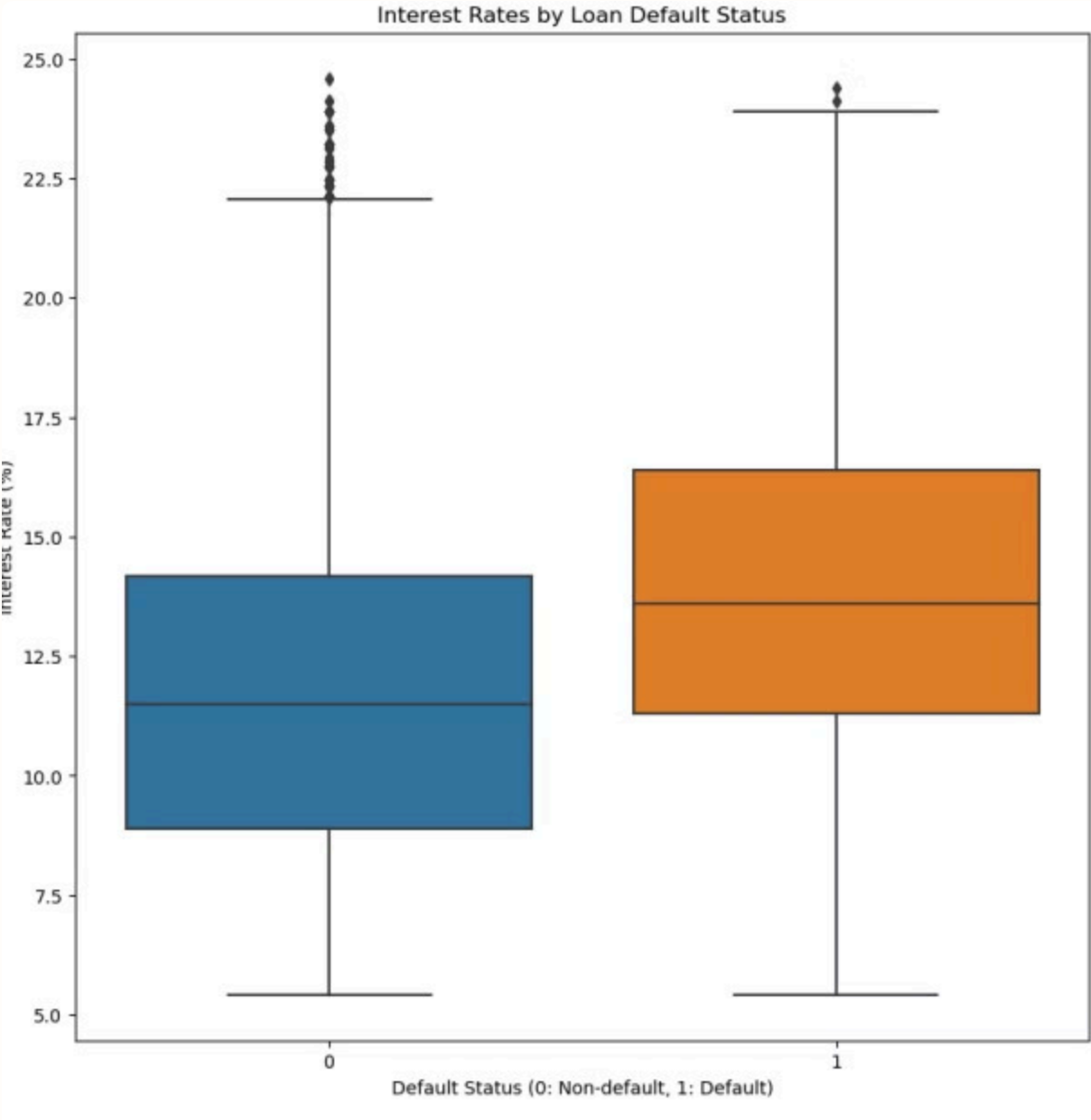
3

Current

1,140 loans are currently active.



Interest Rate Impact



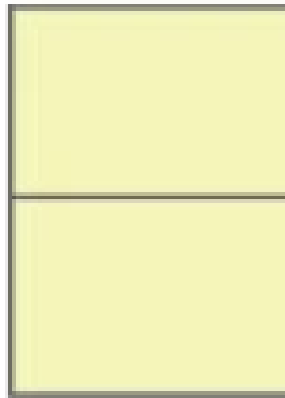
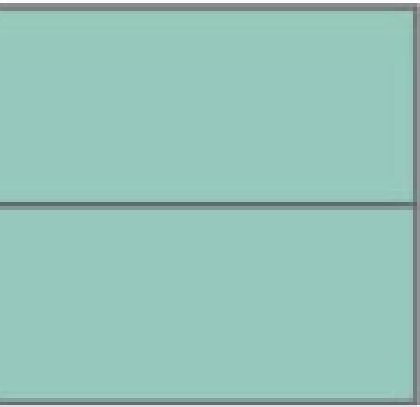
Average Interest Rates

Non-defaulted loans: 11.72%

Defaulted loans: 13.82%

Correlation

Higher interest rates are associated with higher default risk.



Debt-to-Income Ratio (DTI)

Default Status	Average DTI
Non-Defaulted	13.20
Defaulted	14.00



Annual Income Analysis

Income Range

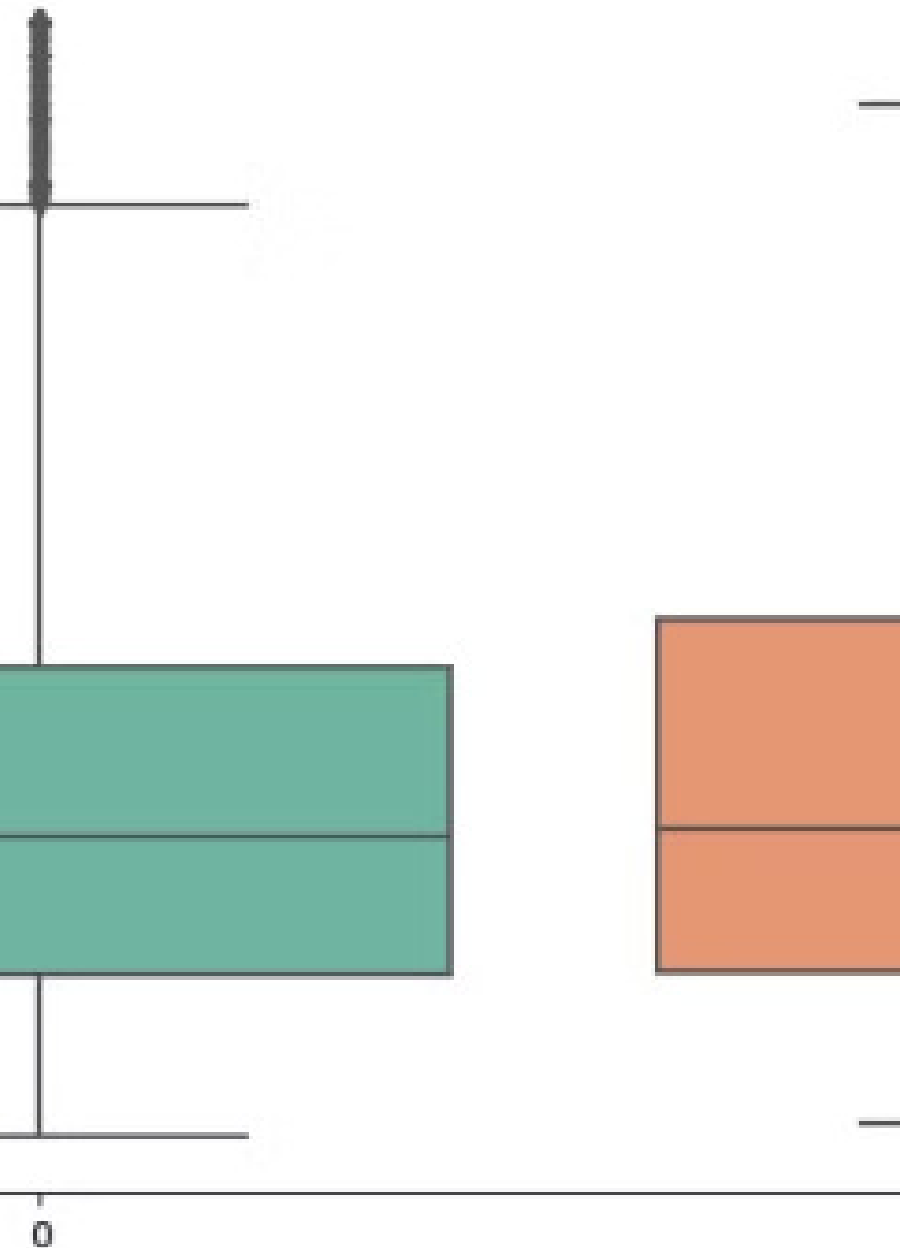
Minimum: 4,000 USD

Maximum: 6,000,000 USD

Median Income

Non-Defaulted: 24,000 USD

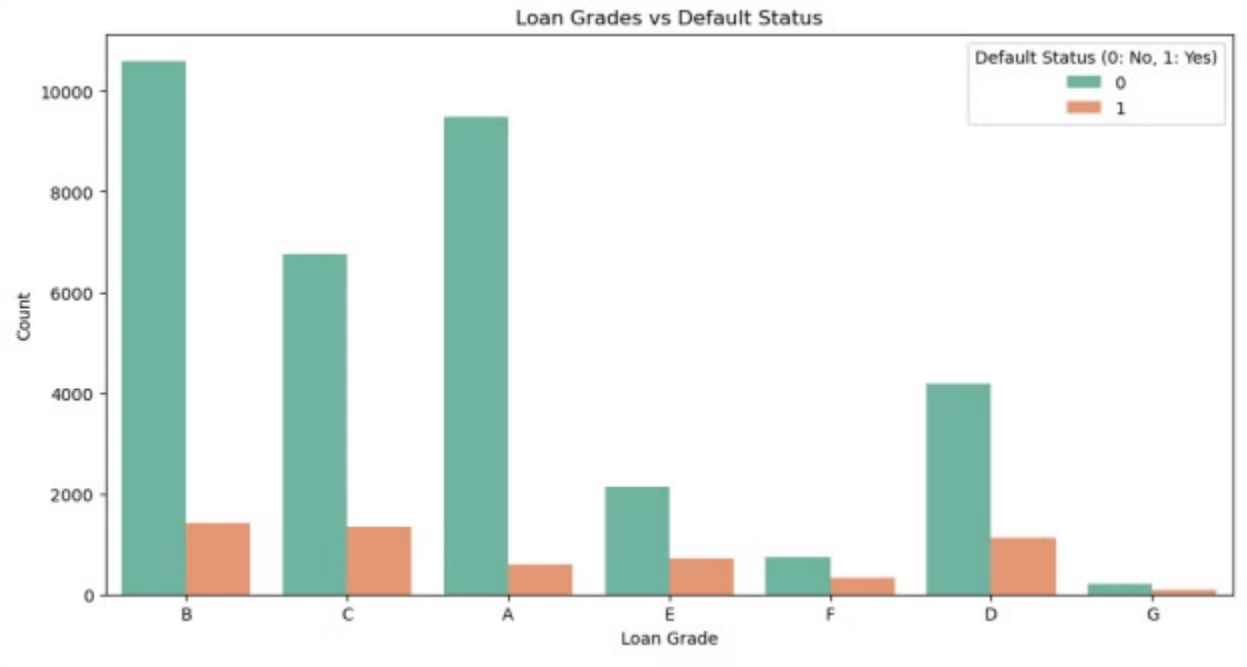
Defaulted: 30,000 USD



Revolving Utilization (Revol_Util)

Default Status	Average Revol_Util
Non-Defaulted	47.72%
Defaulted	55.57%

Loan Grade: A-G



1

Grade A

Default Rate: 5.97%

2

Grade B

Default Rate: 11.86%

3

Grade C

Default Rate: 16.63%

4

Grade D

Default Rate: 21.07%

5

Grade E

Default Rate: 25.16%

6

Grade F

Default Rate: 30.41%

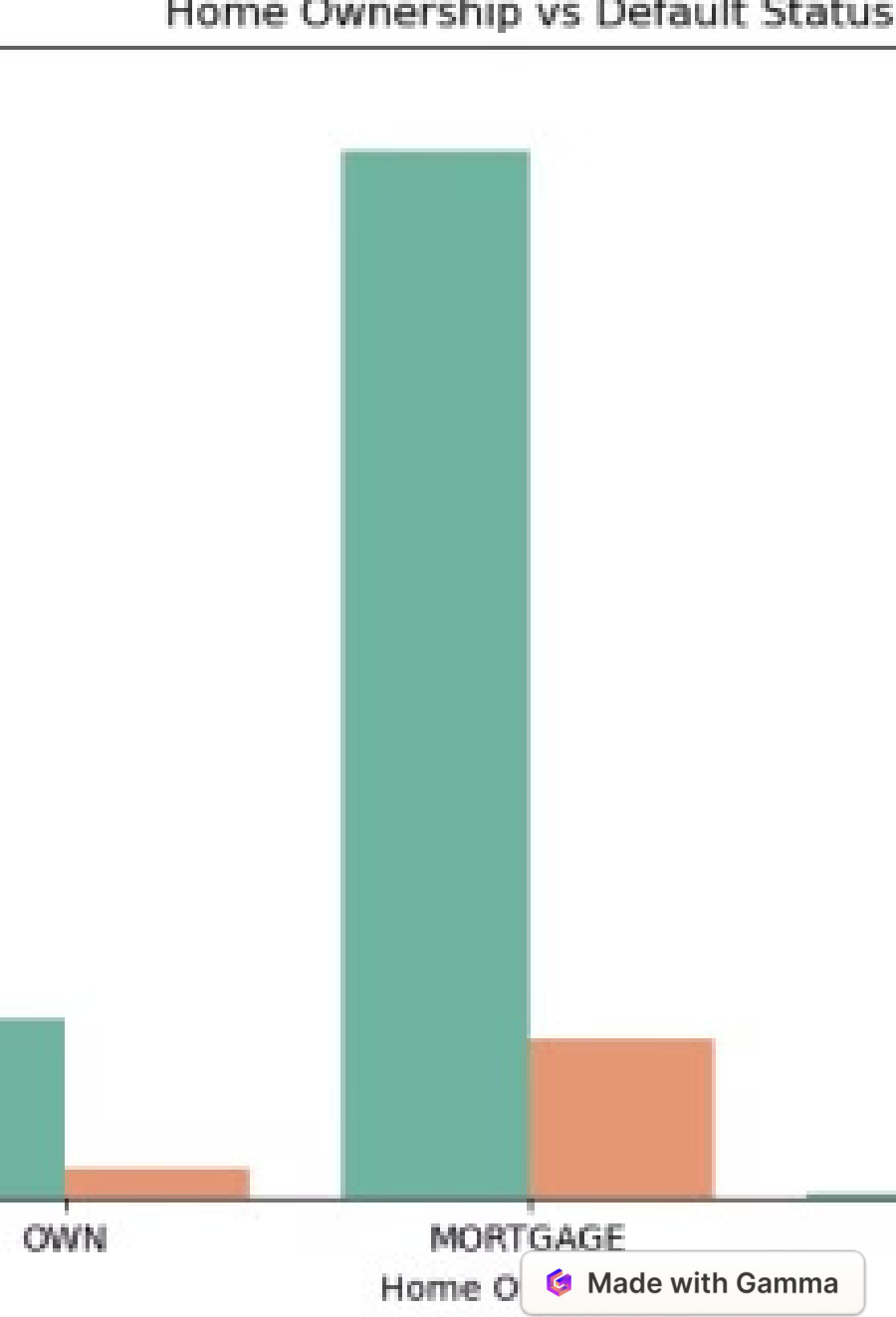
7

Grade G

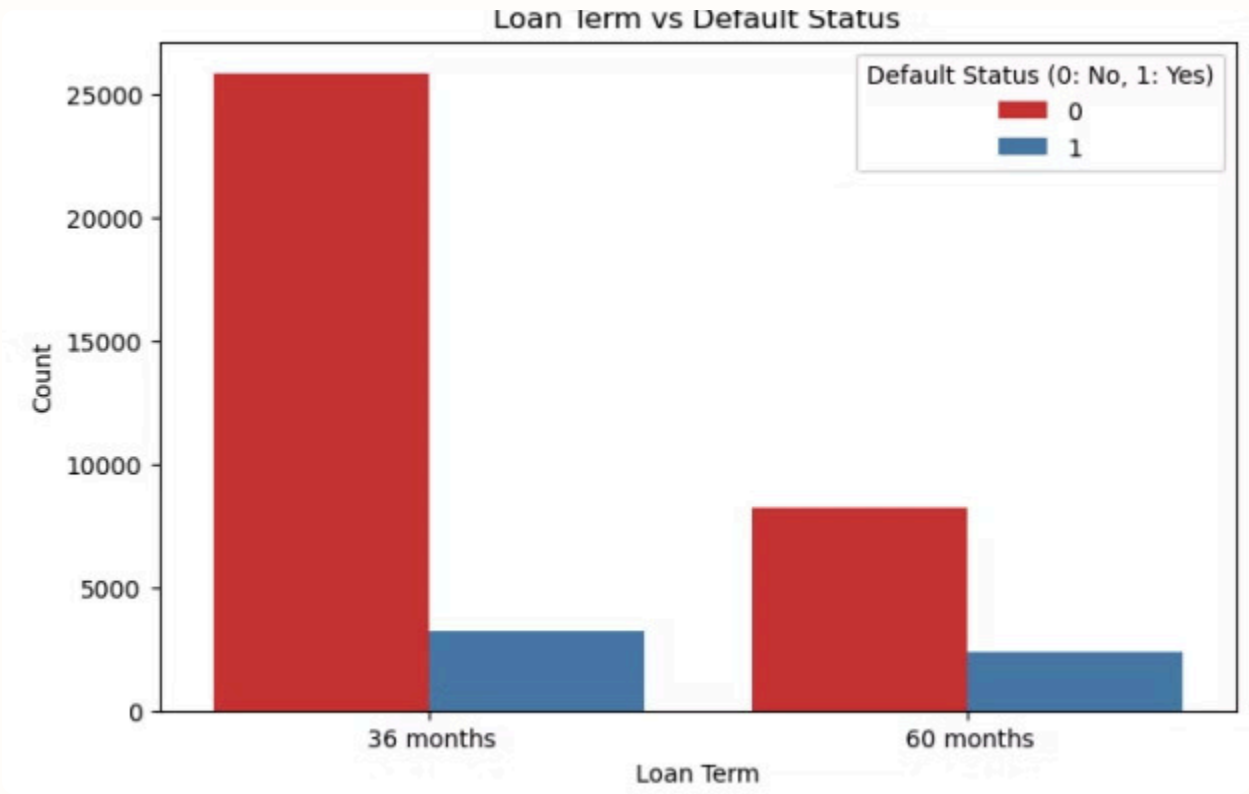
Default Rate: 31.96%

Home Ownership: A Key Factor

Home Ownership	Default Rate (%)
Mortgage	13.18
None	0.00
Other	18.37
Own	14.49
Rent	15.02



Loan Term: 36 vs. 60 Months



36 Months

Default Rate: 11.09%

60 Months

Default Rate: 22.60%