



Club

# Lending Club Case Study

Comprehensive analysis of lending behaviors and default patterns in Lending Club.

# Project Overview: Default Patterns Analysis

Analyzing insights from LendingClub's loan portfolio

1

## Short-term loans default rate

Short-term loans are associated with a significantly higher default rate compared to longer-term loans.

2

## Verified customer defaults

Interestingly, verified customers exhibit a tendency to default more frequently than non-verified customers.

3

## Grade B customer risk

Customers graded as Grade B are identified as having a higher likelihood of defaulting on their loans.

4

## Renters vs. homeowners

The analysis reveals that renters are more prone to defaulting on loans compared to homeowners.

5

## Long-tenured employees

Employees with loan tenures exceeding 10 years show an increased default rate, indicating potential financial instability.

# Insight 1: Short-Term Loan Default Rates

Analysis of Default Patterns in Lending Club  
Case Study

Loan Term	Default Rate
< 36 months	12% approx
> 36 months	8% approx

## Insight 2: Default Rates Among Verified Customers

Analysis of Default Patterns in Lending Club  
Case Study

Customer Verification	Default Rate
Verified	32%
Non-verified	42%

# Insight 3: Default Trends in Grade B Customers

Analysis of Default Patterns in Lending Club Case Study

Customer Grade	Default Rate
A	10%
B	12%
C	8%

Housing Status	Default Rate
Renter	15%
Homeowner	6%

## Insight 4: Default Rates Among Renters

Analysis of Default Patterns in Lending Club  
Case Study

Loan Tenure	Default Rate
< 10 years	8%
> 10 years	13%

## Insight 5: Loan Tenure and Default Rates

Exploring Default Patterns in Long-Tenure  
Employees

Loan Tenure	Default Rate
< 10 years	8%
> 10 years	13%

## Insight 5: Loan Tenure and Default Rates

Exploring Default Patterns in Long-Tenure  
Employees



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Thank You