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# Peer-to-Peer Lending Service: Data Science Proposal

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Metis

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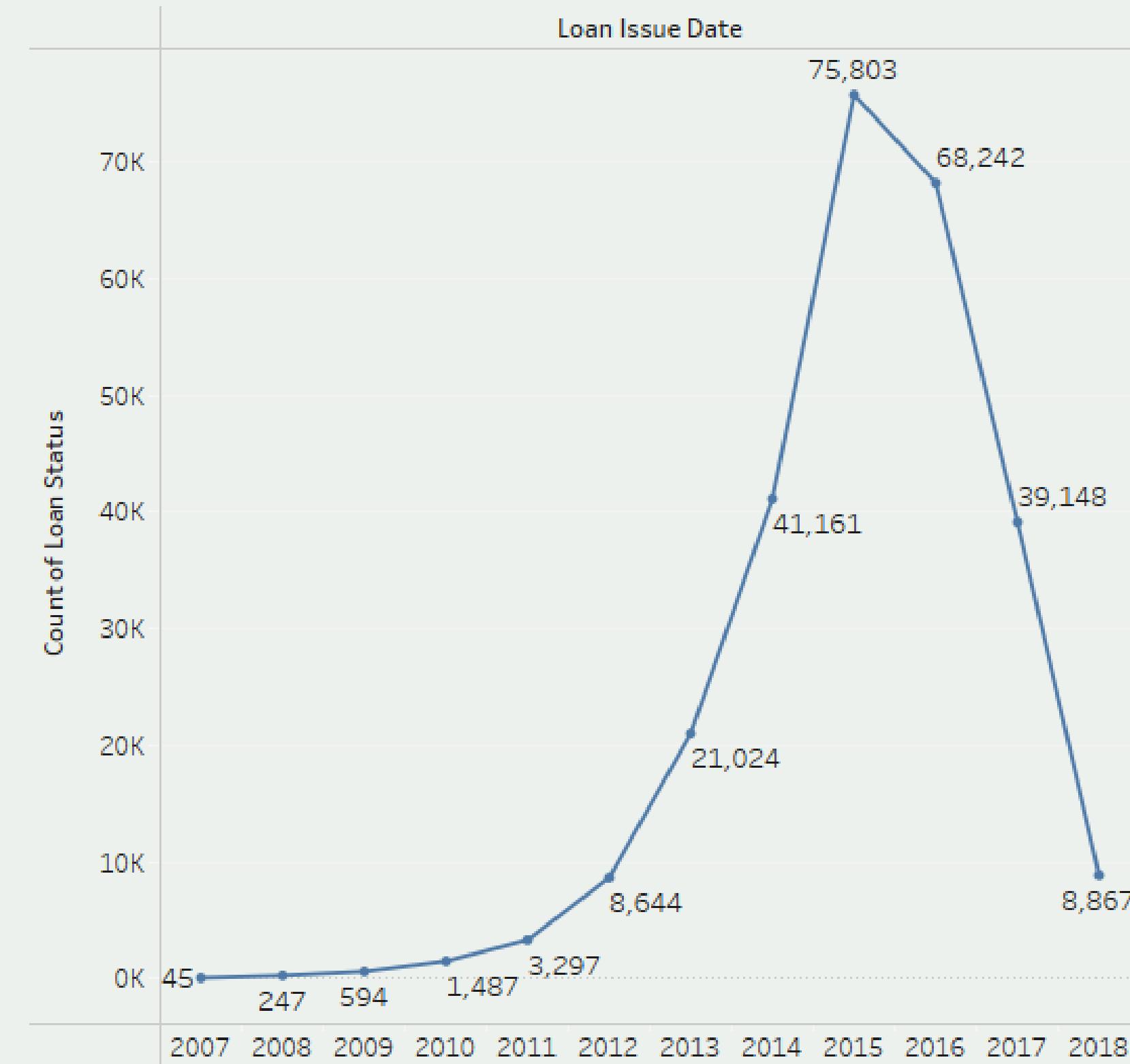
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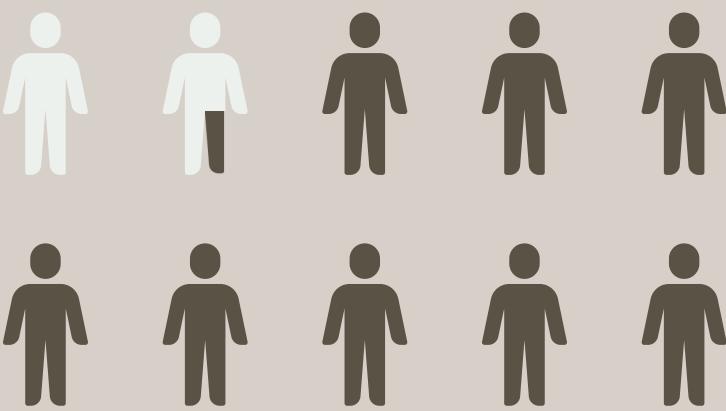
All loans originated and issued by our federally regulated issuing bank partners.

# Charge-Offs

Unpaid debts that are later sold to debt collectors will typically only result in  
**4% of the total current balance**  
returning to Lending Club



# Revenue and client opinion suffer when charge offs occur



18% Charge-Off Rate

# Proposal: Analyze Collected Data in Comparison With Regional Trends



Geographic Area



Credit History



Employment History

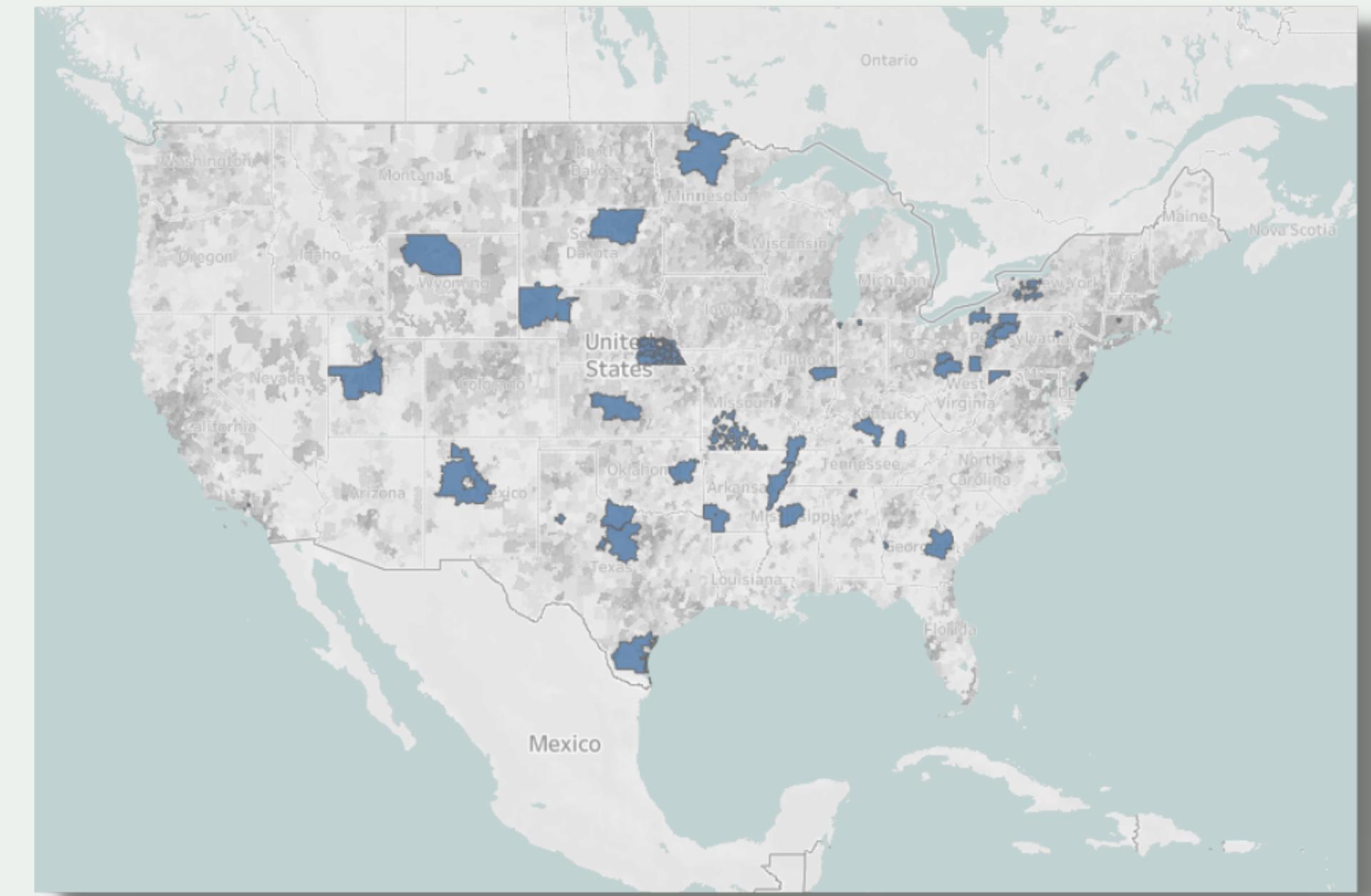


Income

# IMPACT HYPOTHESIS:

By identifying geographic trends among successful or non-successful debtors, LendingClub can enhance its standing as an independent lending service while ensuring reliable revenue flows.

# Geographic Trends Appear to Exist Within the Continental United States



# Case Study I

Zip Code: 082\_\_

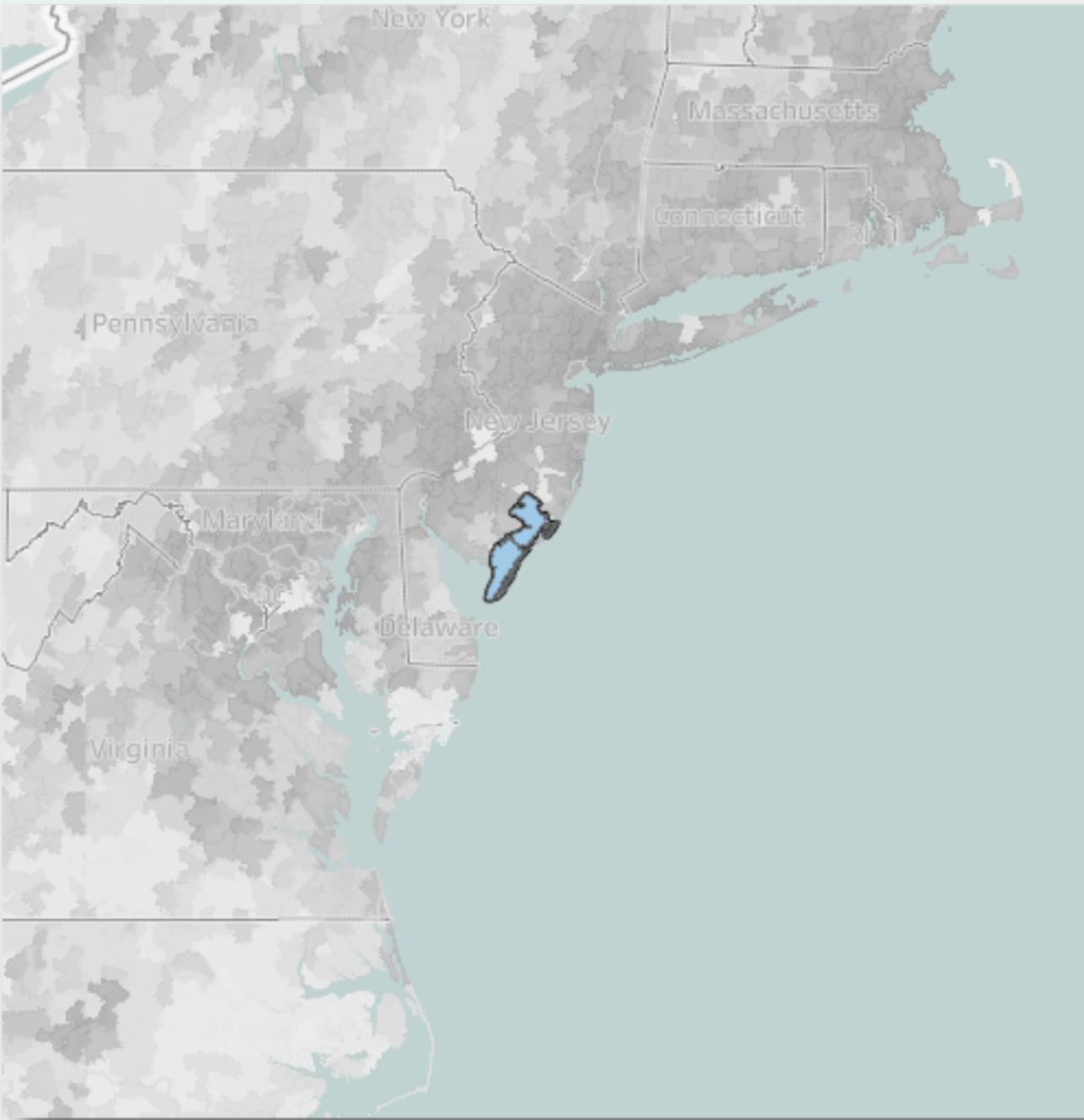
Counties: Atlantic, Cape May,  
Burlington

State: New Jersey

Population: 237,208

Estimated: 16 loans, 3 defaulted

Actual: 24 loans, 11 defaulted



# Case Study II

Zip Code: 701\_\_

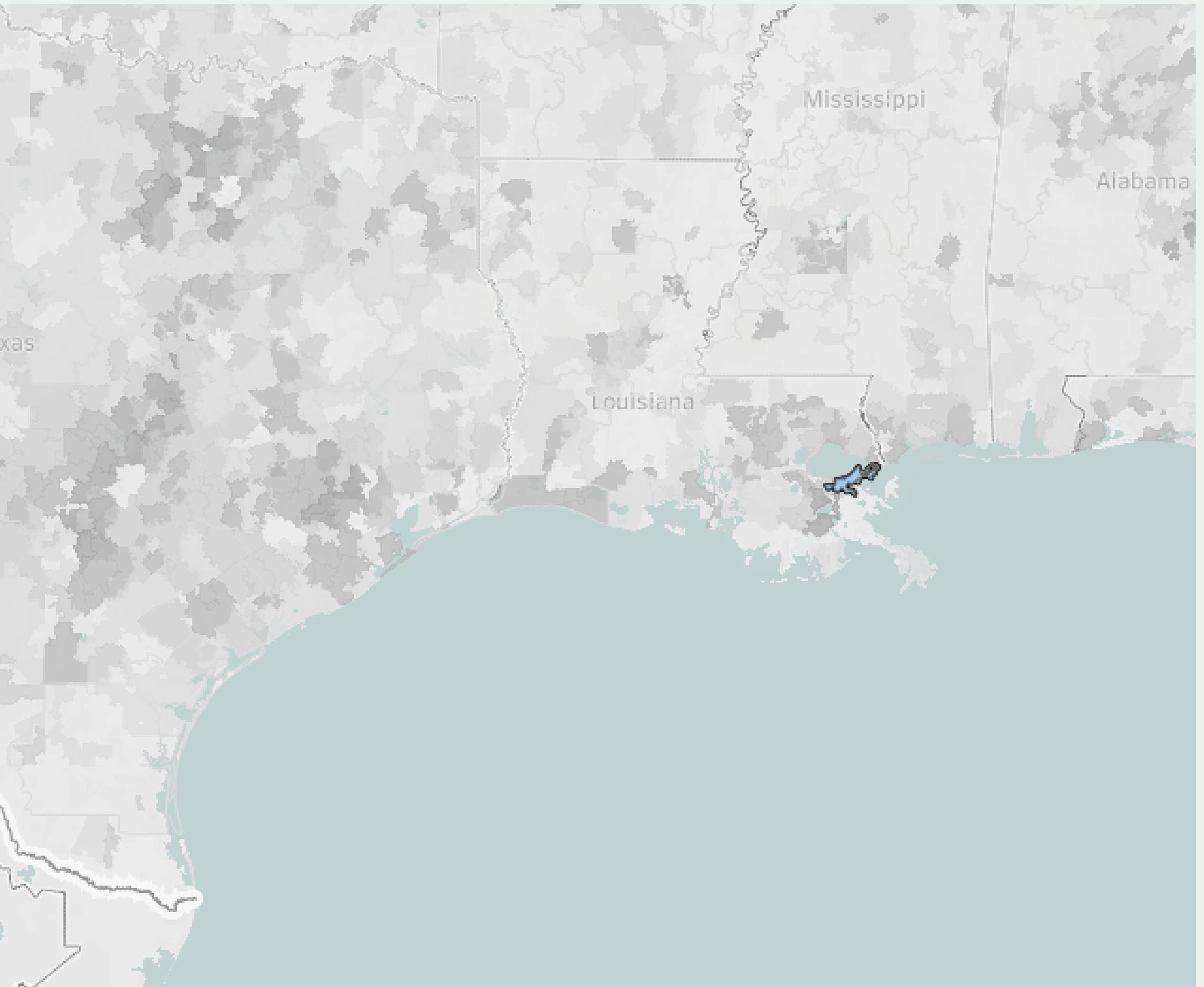
Parish: Orleans

State: Louisiana

Population: 375,674

Estimated: 25 loans, 5 defaulted

Actual: 34 loans, 1 defaulted



# References

Kaggle.com  
LendingClub Accepted Loan Data, Q1 2007 to Q2 2018  
<https://www.kaggle.com/wordsforthewise/lending-club>

Michigan Population Studies Center  
Zip Code Characteristics: Median Household Income 2006-2010  
<https://www.psc.isr.umich.edu/dis/census/Features/tract2zip/>