Lending Club is America’s largest lending marketplace, connecting borrowers with investors since 2007. The LCTM Marketplace Platform has helped more than 4 million members get over $70 billion in personal loans so they can save money, pay down debt, and take control of their financial future. Moreover, because they don’t have any brick-and-mortar locations, they’re able to keep costs low and pass the savings back to consumers in the form of great interest rates.

Lending Club is the future of the lending as it is crowdsourced and that is what peaked our interest regrading this dataset. Here, we have a specific goal to look at whether platforms like these are indeed a viable and long term financial solutions. Here we want to concentrate on their credit approval policy and compare its dependence to other factors like credit score, annual income, debt-to-income ratio, number of derogatory public record and so on. The relevance this project lies in the understanding of the practicality of a peer to peer lending environment in this given financial market. Moreover, all the data here is quantified and easy to analyse and draw an inference from. We are equipped with sufficient people and skills to fulfil the research and analysis over the duration of this course. We do not anticipate other professional responsibilities and required coursework to significantly strain time or resources.

Follow the link(s) below for access to our dataset, as well as our GitHub repository where we will be collaborating throughout the period of this project.

* <https://github.com/jschild01/JMB_DATS_6101.git>
* <https://www.kaggle.com/datasets/urstrulyvikas/lending-club-loan-data-analysis?resource=download>

SMART QUESTION:

1. What variable or variables, if any, have an impact on of the person meets the credit underwriting criteria? How strong is that impact?
2. What variable or variables, if any, have an impact on if the person fully repays the loan? How strong is that impact?
3. Do borrowers who meet the credit underwriting criteria have a lower chance of not fully repaying the loan? If so, how big of a difference is it, and is it statistically significant?