# Lending Club Case Study

NAME – KAUSHIK PAUL

1. **Loan accepted:** If the company approves the loan, there are 3 possible scenarios described below:

    1. **Fully paid**: Applicant has fully paid the loan (the principal and the interest rate)

    2. **Current**: Applicant is in the process of paying the instalments, i.e. the tenure of the loan is not yet completed. These candidates are not labelled as 'defaulted'.

    3. **Charged-off**: Applicant has not paid the instalments in due time for a long period of time, i.e. he/she has **defaulted** on the loan

2. **Loan rejected**: The company had rejected the loan (because the candidate does not meet their requirements etc.).
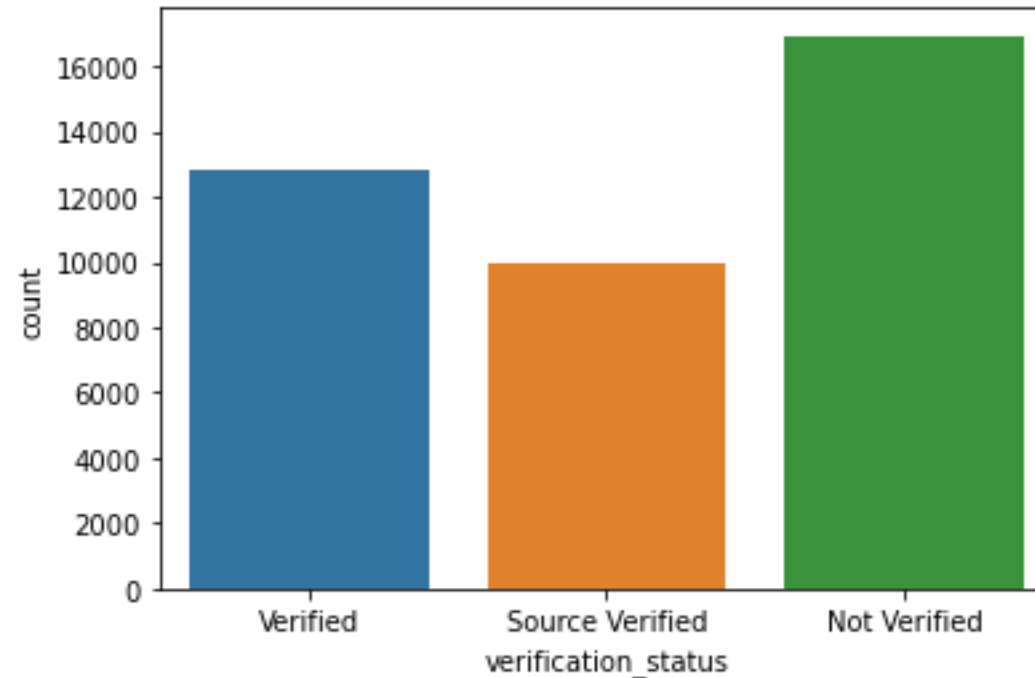
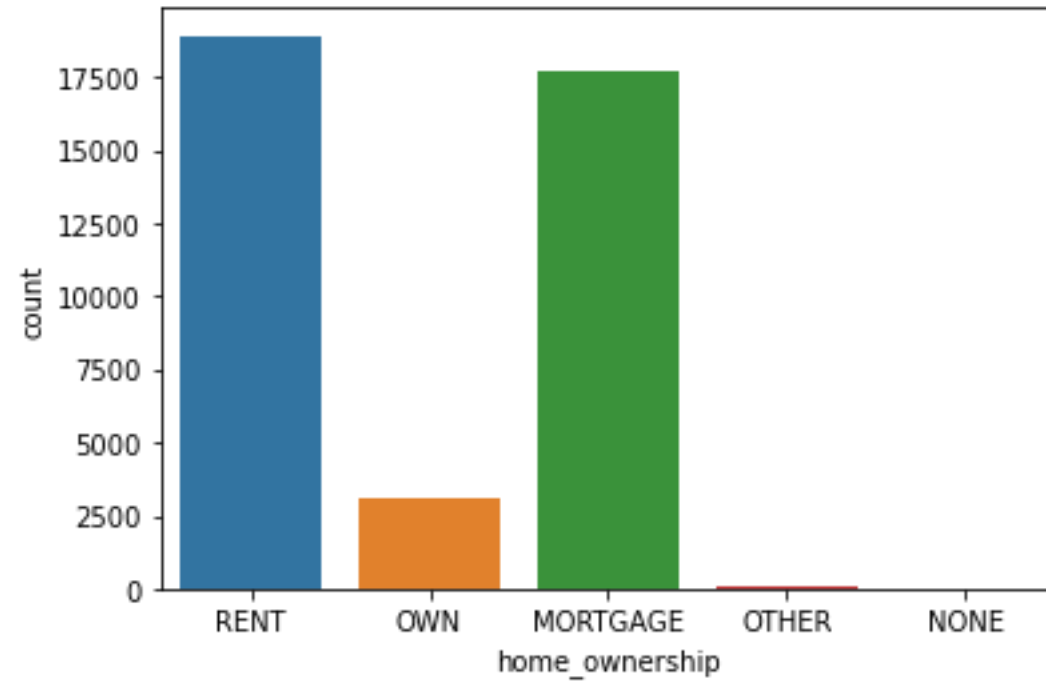# Histogram of various types of Loan Grade
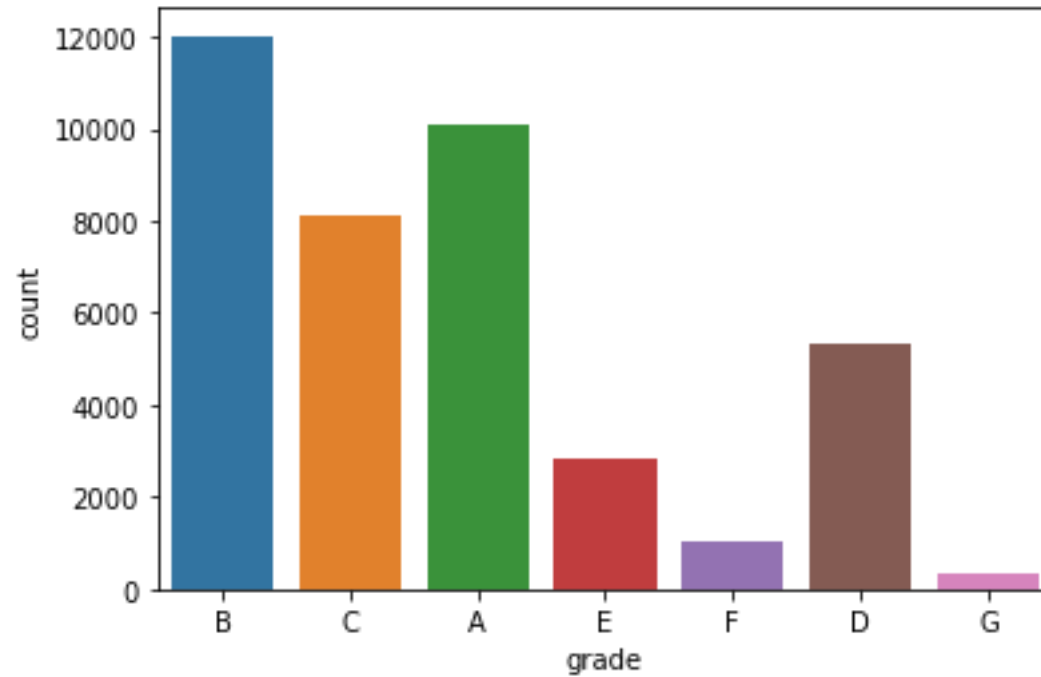
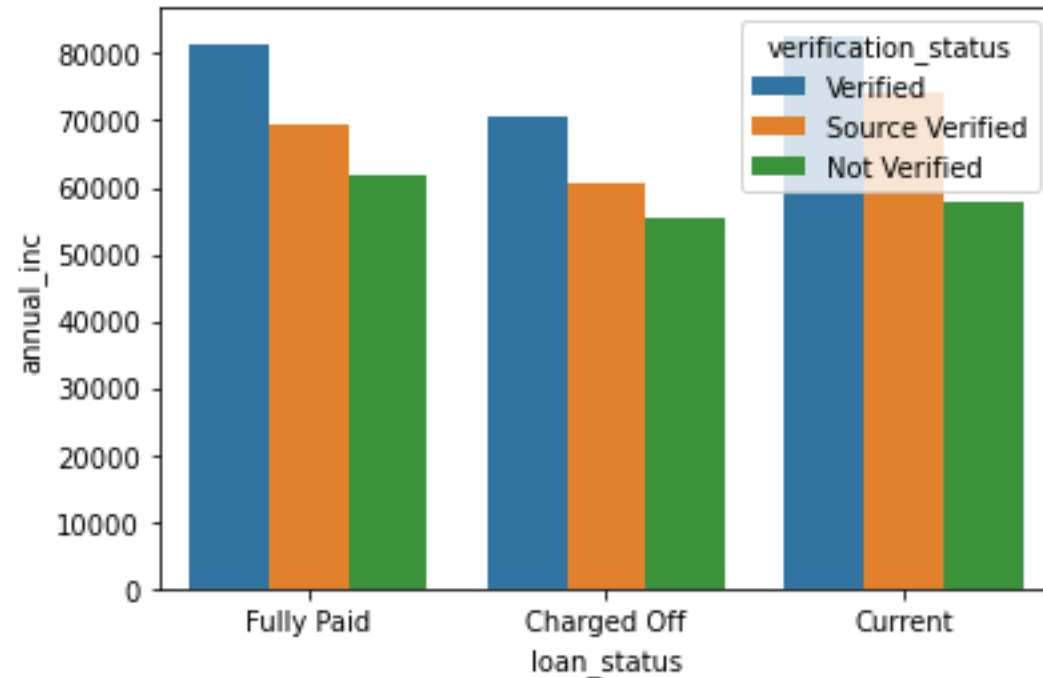# Histogram of Employment duration who applied for jobs
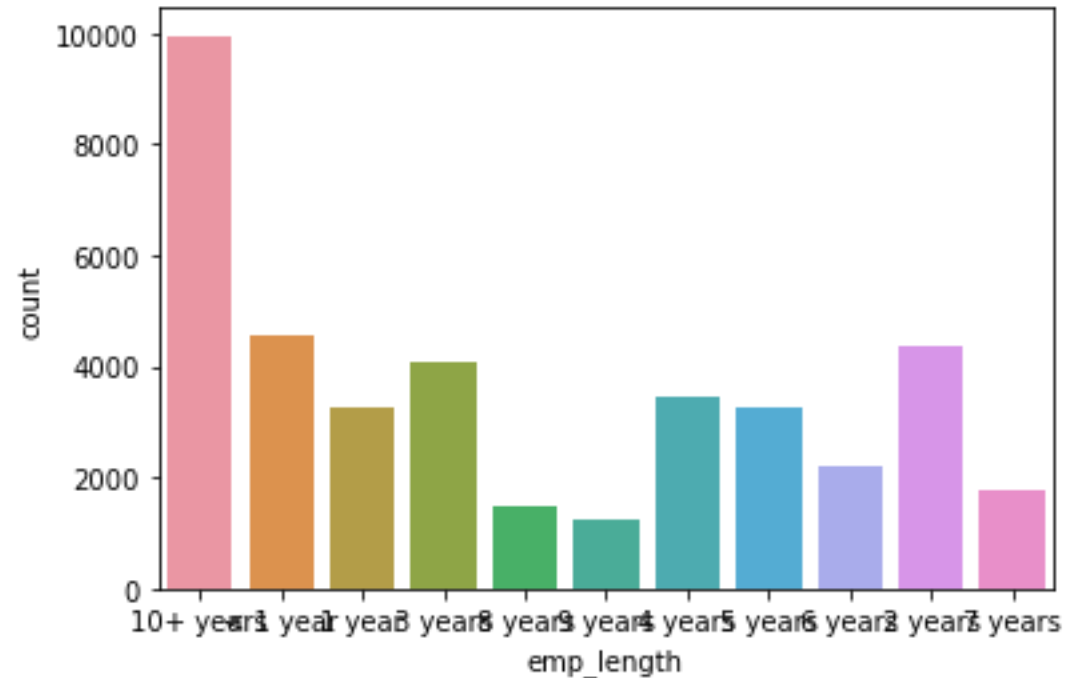
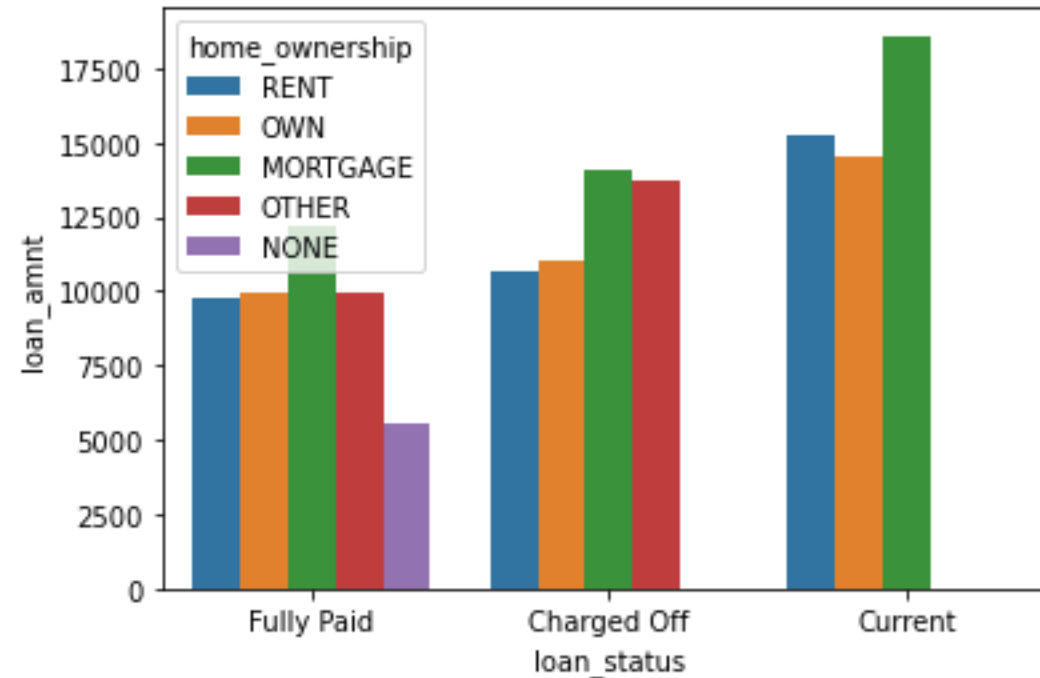# Histogram of Verification status of persons who applied loans
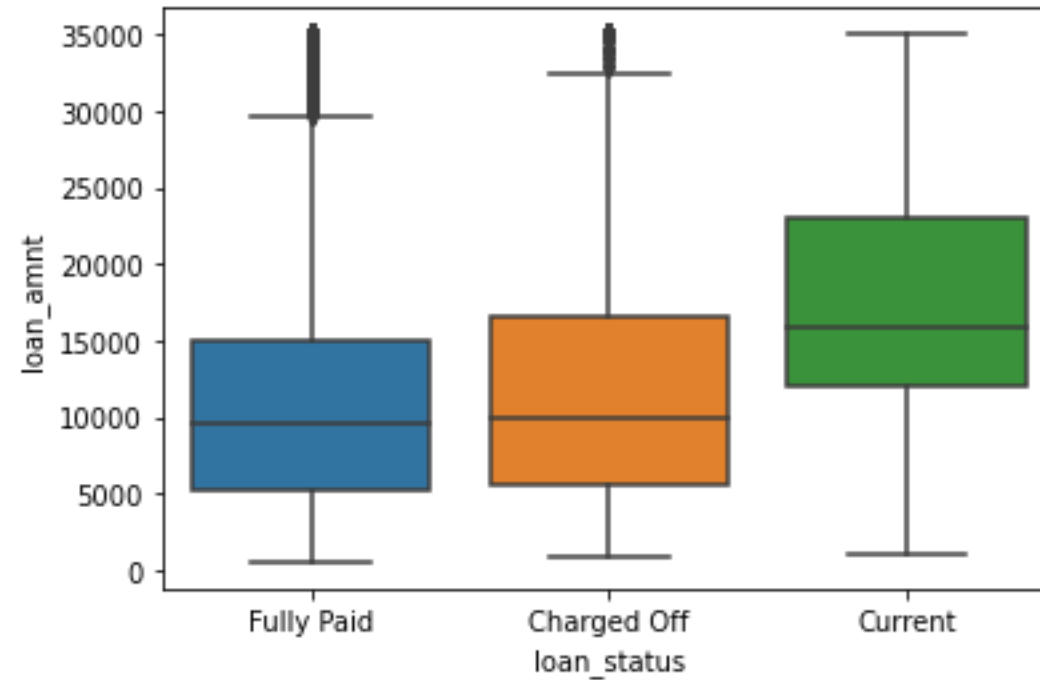
Histogram of Home ownership

Comparison of Loan status Vs Annual Income with Verification status
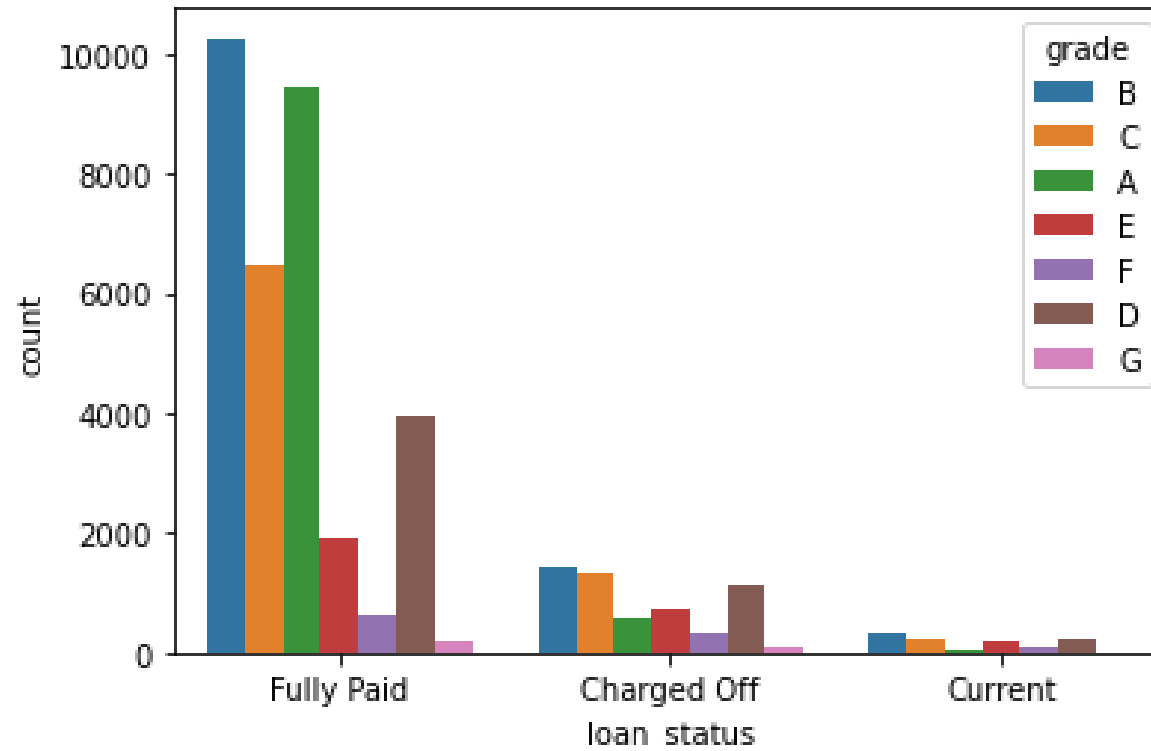
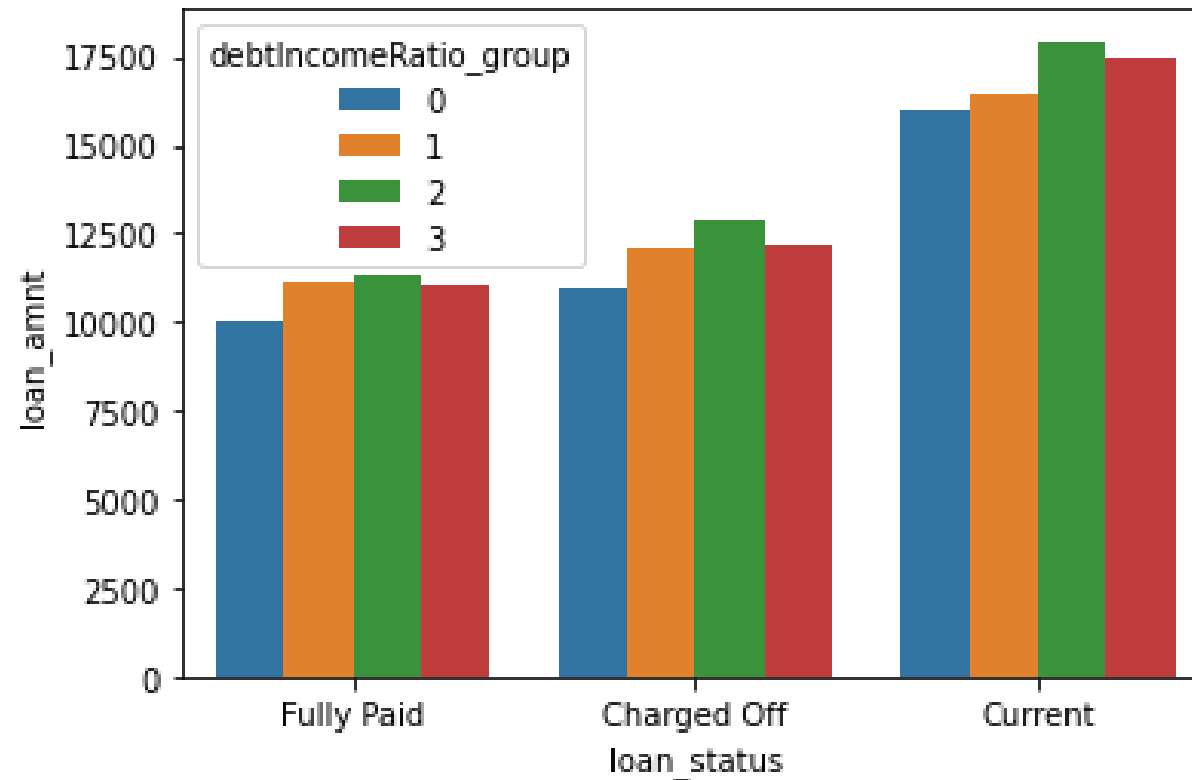# Comparison of Loan status with Loan amount and Home ownership

Comparison of Loan status with Loan amount

Comparison of Loan status with Loan Grade issued

Comparison of Loan status with Debt to Income ratio

Analysis of data.

- Most no of the loans assigned belong to Grade B. Among the charged off, most belonged to Grades B, C & D. It is advised to lend such cases with higher interest rates.

- Maximum people applying for loans have more than 10 years of employment.

- Loans have been provided to maximum number of persons with no verification.

- Maximum people applying for a loan have their home as rent or Mortgage.

- Among the loans charged off, most of them were having homes as mortgages, it is advised to lend such cases with higher interest and complete verification.

- Loan amount more than 1 lakh to be carefully verified as it has slightly higher charged off status.