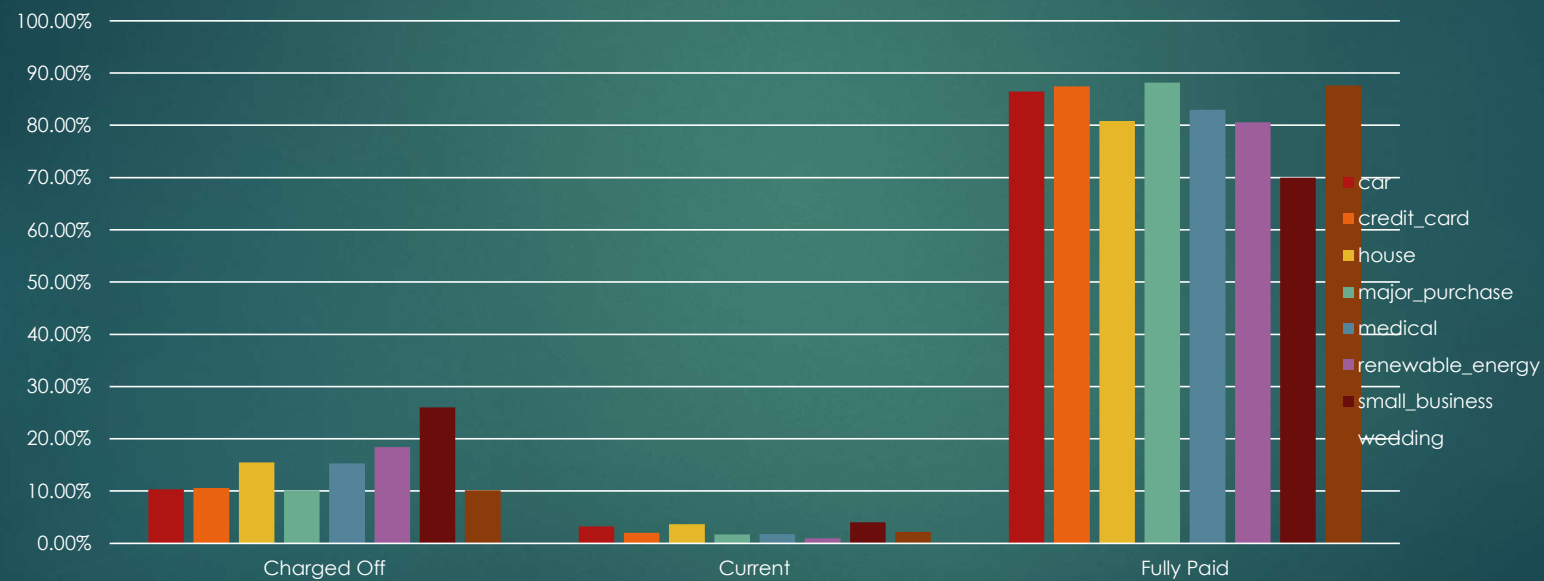




Lending Club Case Study

MITHUN COMAR
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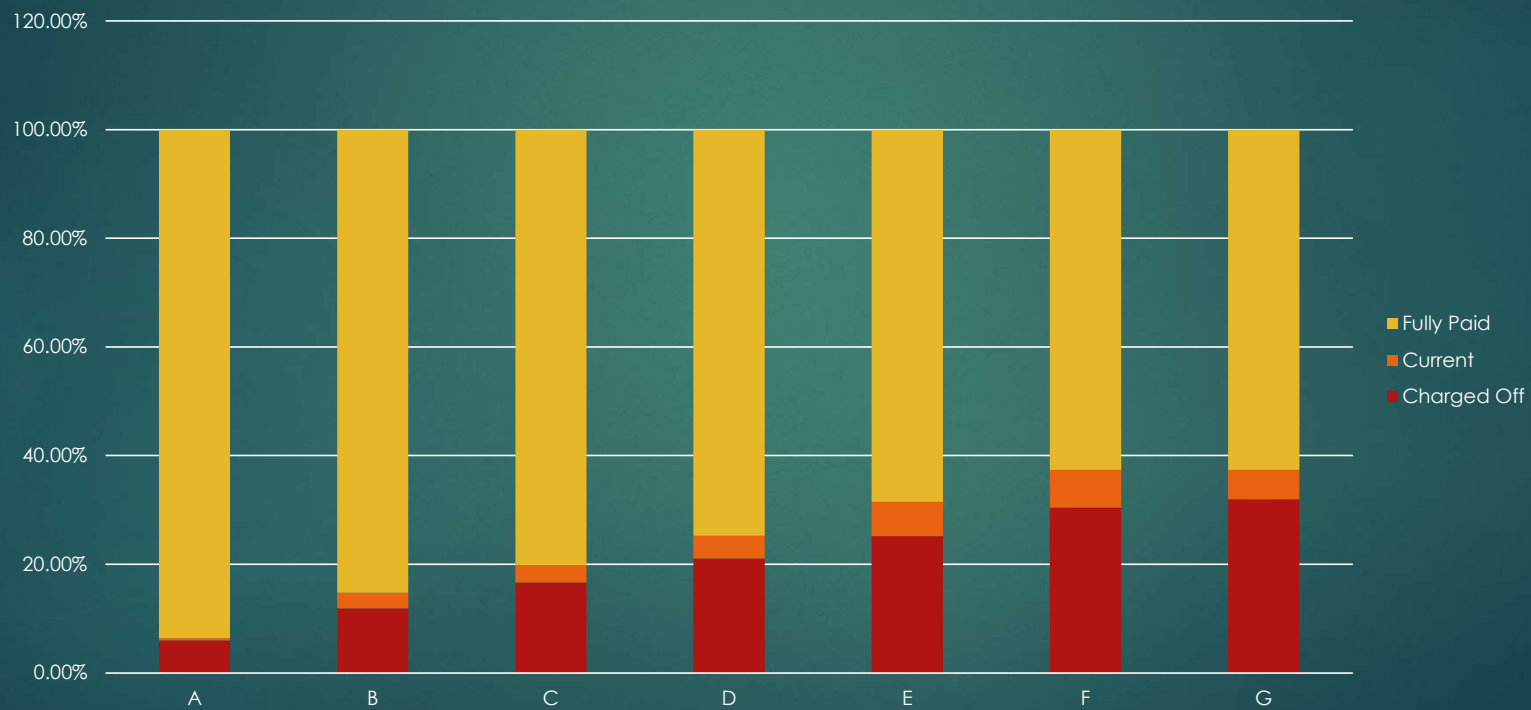
Purpose of loan



Purpose of loan

- ▶ We advise investors to approve more loans with purpose of wedding & major purchase since they have the lowest charged off percentage
- ▶ It is risky to provide loan for small business & renewable energy, the small business have charged off percent above 25 percent while renewable have around 18 percent

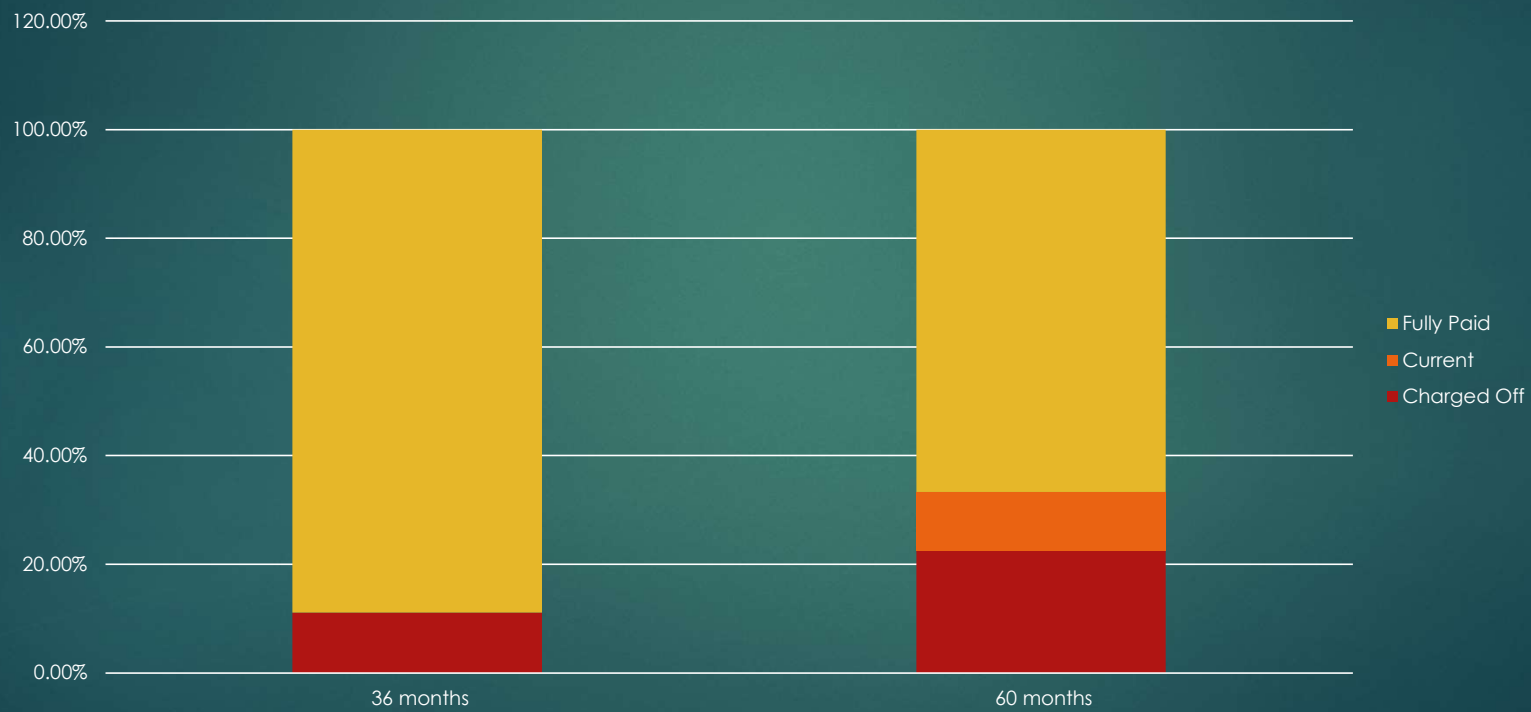
Grade type



Grade type

- ▶ It is advised that investors must pay special attention to loan grade type as loan grade were directly related to charged off loans
- ▶ Better grade are were found to fully pay the loan.
- ▶ Loan with grade D to G were having a charged off percent above 20.

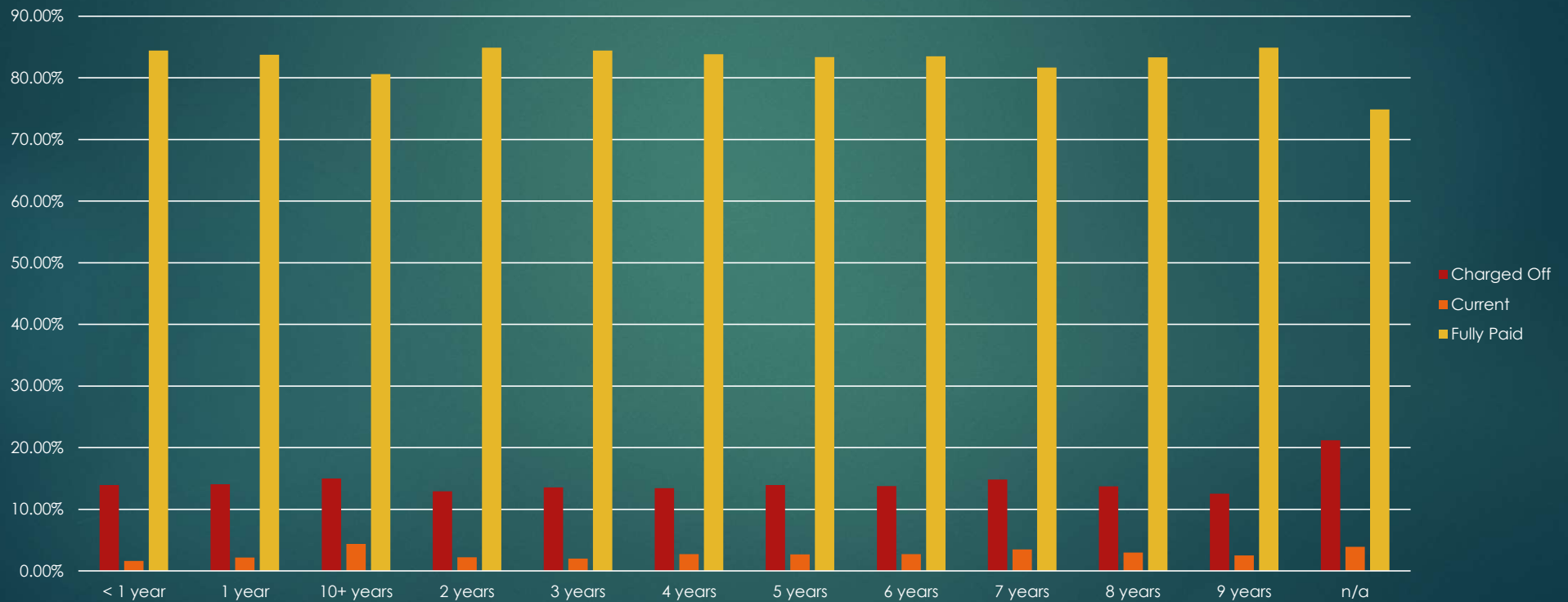
Loan term



Loan term

- ▶ An interesting find was that, people going for 60 month loan term were two times more likely to charge off compared to people with 36 month loan tenure.
- ▶ So an advise would be to go for Short term 3 year loan compared to 5 year loan.

Employment Experience vs Loan status



Employment Experience vs Loan status

- ▶ People with no experience are twice as likely to default on loan as compared to people with experience