

# **Lending Club Case Study**

Group Members:

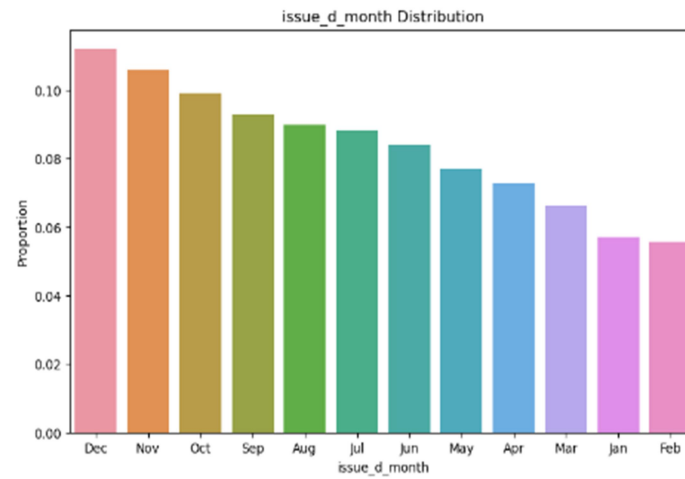
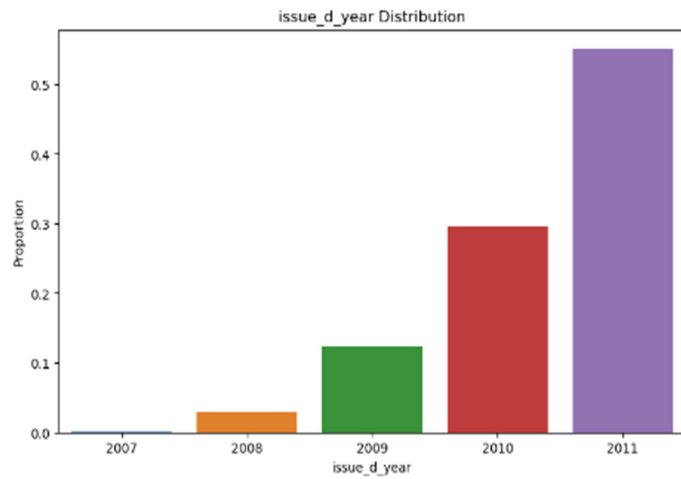
Omkar Chavan

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## Objective

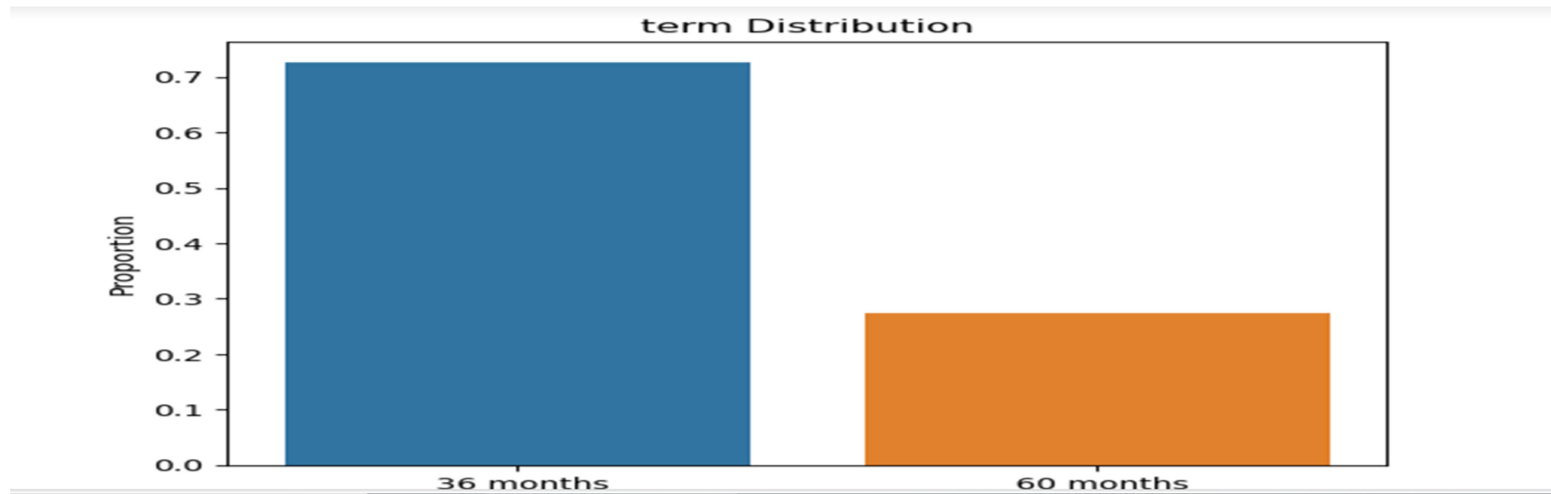
- Lending club is the largest online loan marketplace, facilitating personal loans, business loans and finance of medical procedure
- Borrowers can easily access lower interest rate loans through a fast online interface.
- The objective of analysis is to use the information about past loan applicants and find whether they 'defaulted' or not

# Analysis



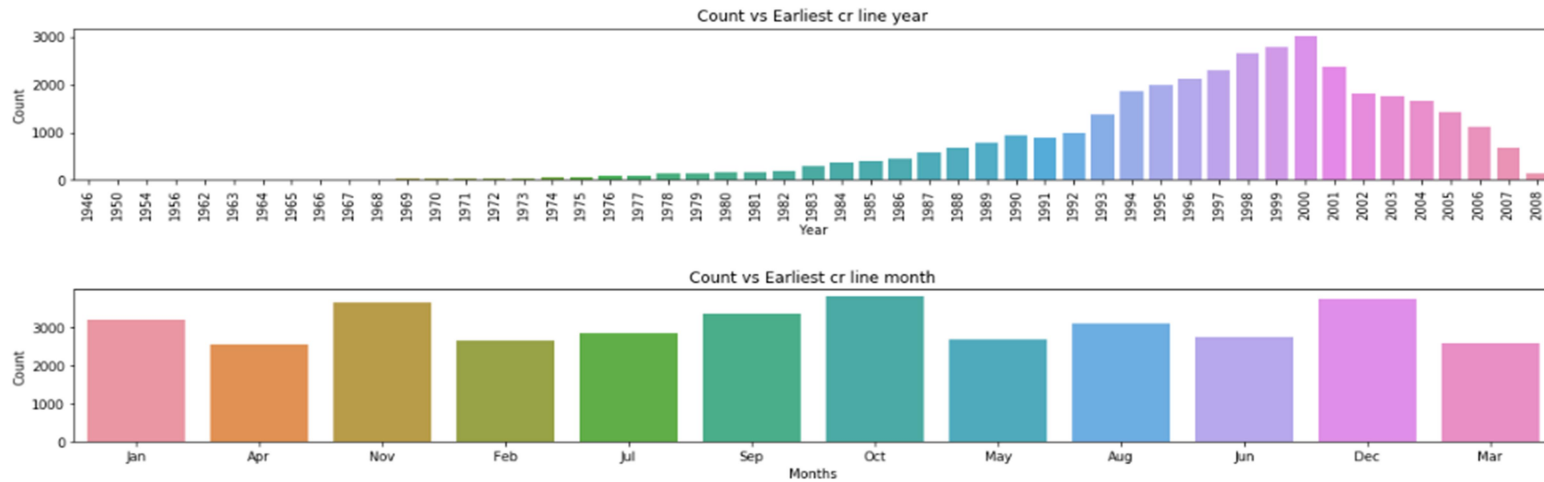
- Lending club has really expanded year by year, the number of loan issued are doubled every year.
- In the final quarter of year there are more loans issued this could be because of vacation and Christmas

# Analysis



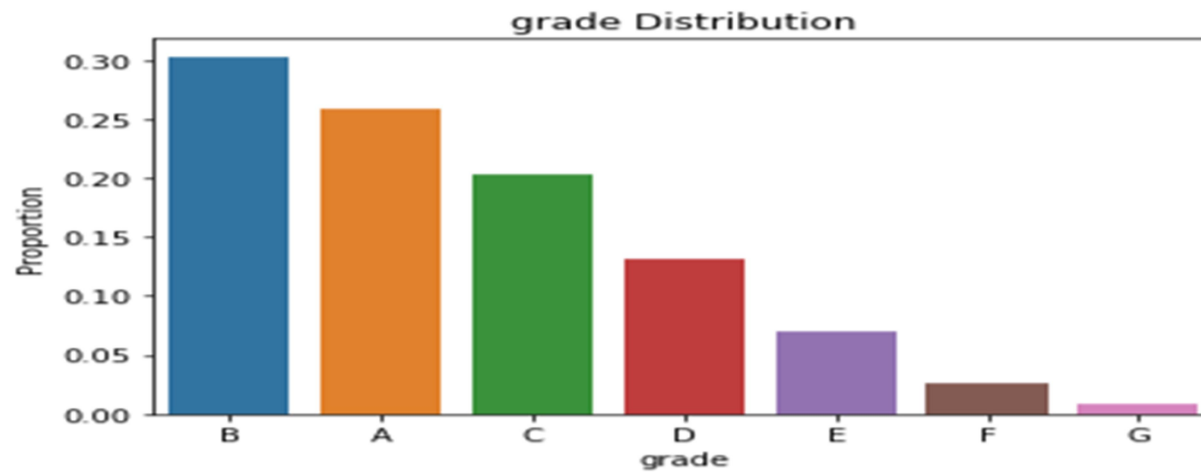
- There are only two terms i.e. 36 months and 60 months. Around 75% borrowers take loan with 36month term.

# Analysis



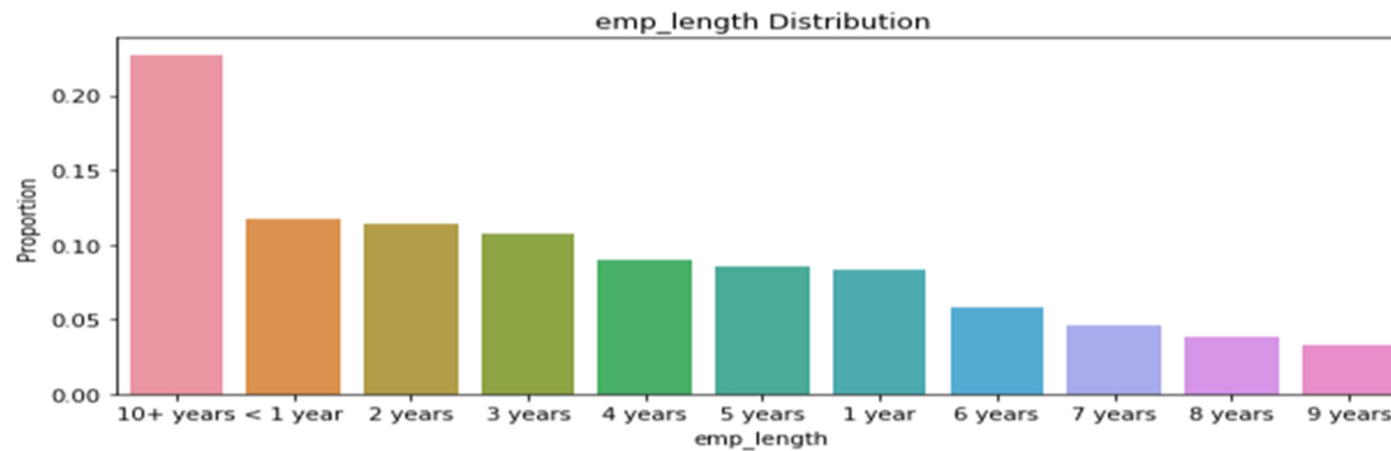
- Many of Loan borrowers of LC have got earlier credit line in 2000 year, and also most have got earlier credit line on end of the year i.e., Oct, Nov, Dec

## Analysis



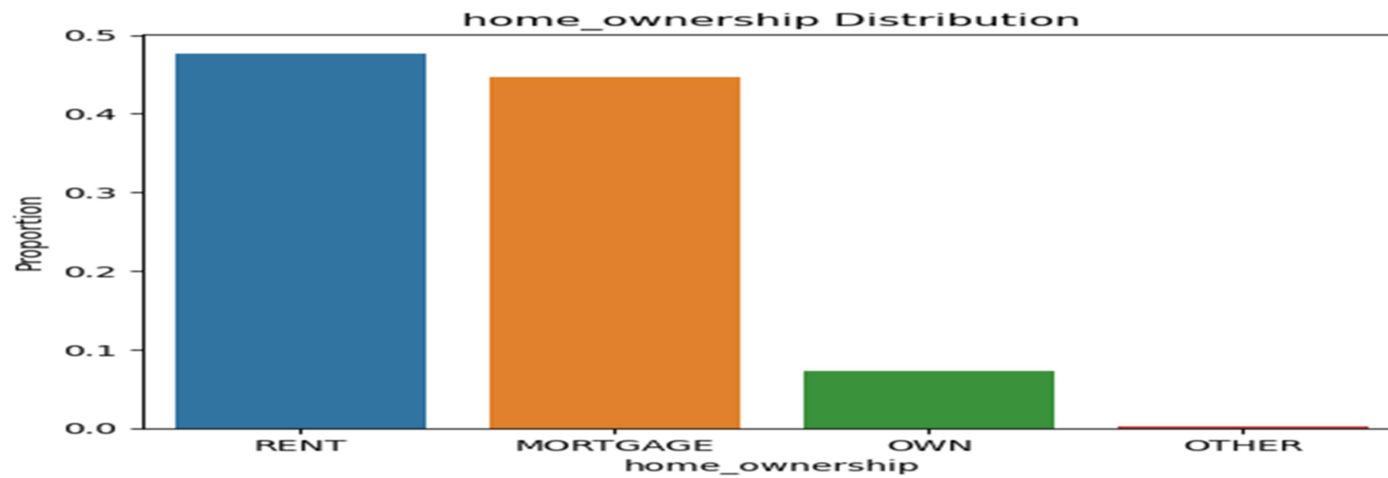
- Most borrowers fall under A and B grades then other grades.

## Analysis



- Borrowers are mostly 10+ years of employment length.

## Analysis

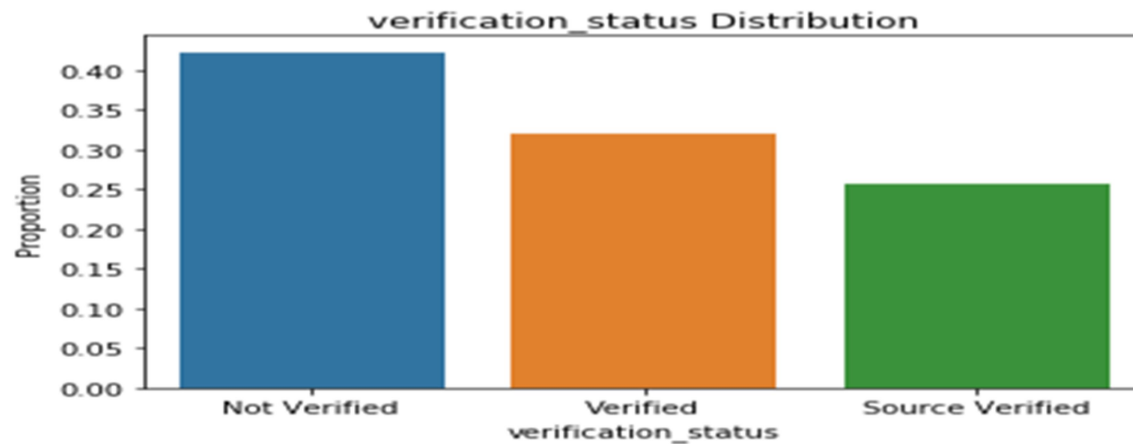


- The loan borrowers are mostly having rented and mortgage houses.



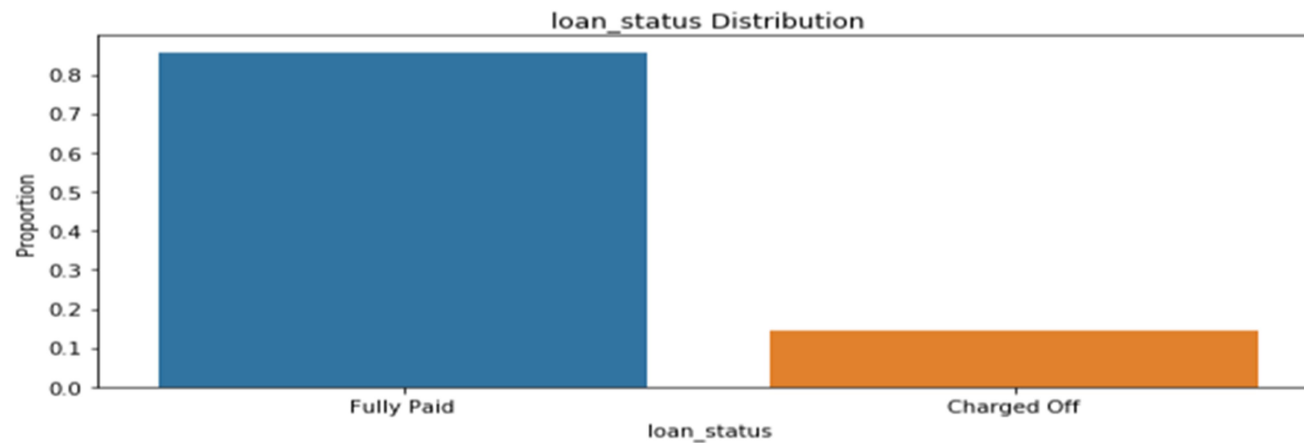
## Analysis

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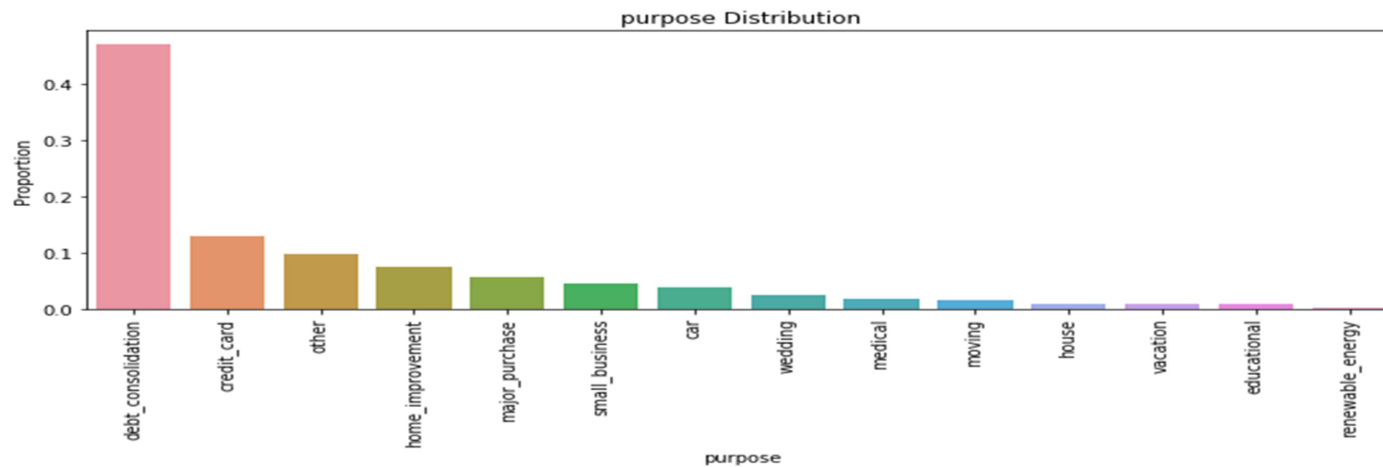
- Majority of loans were given without verification of applicants income

## Analysis



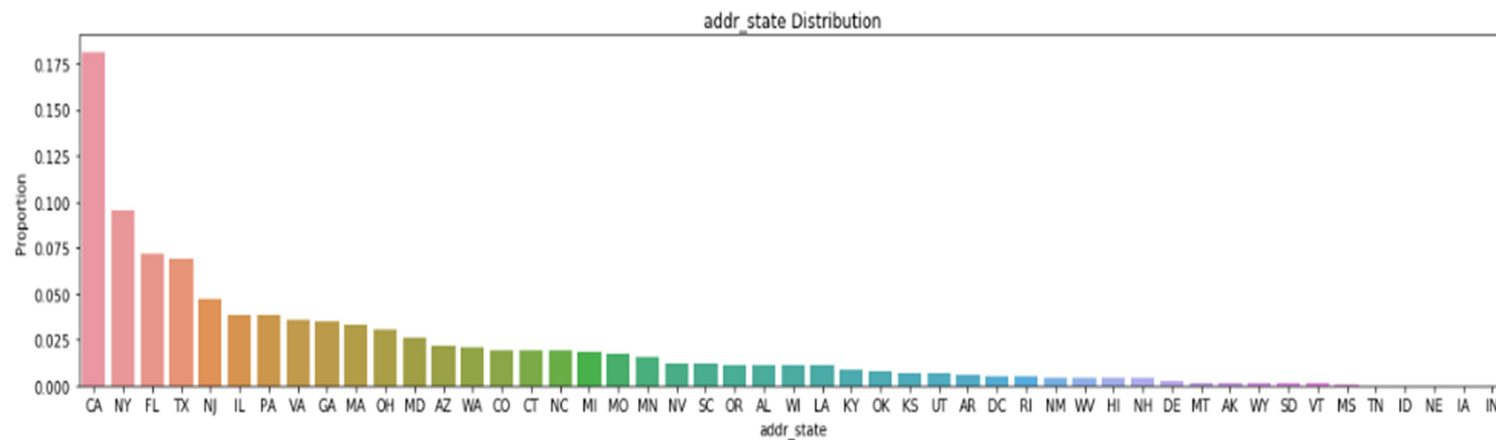
- 85% of borrowers have paid the loan fully.
- Where are 14% are defaulted the loan.

## Analysis



- Looks like more number of people took loan for *debt* consolidation and a very few people took for renewable energy

# Analysis



- Most of the borrowers are from *CA* and *NY*