

Title: [ARFC] Aave V3 Deployment on Base

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## Summary:

This ARFC proposes the deployment of Aave V3 on the Base upon Mainnet launch, expanding Aave's presence and tapping into the future growth, budding DeFi ecosystem, and unique users home to Base.

## Abstract:

When / if approved by the Aave community, Aave V3 will be deployed on Base Mainnet with a selection of assets for collateral, including wETH, wstETH, cbETH, and USDC.

This deployment aims to expand Aave to a new ecosystem, capturing the growth and infrastructure allowed by Coinbase's products and distribution – providing new opportunities for both ecosystems.

## Motivation:

By enabling Base on Aave, it creates valuable (and differentiated) revenue opportunities for Aave, capturing the growth and interest of users who live on the Coinbase platform.

This allows Aave to leverage Coinbase integrations, fiat onramps, and access to 110mm+ users and \$80B+ assets in the Coinbase ecosystem.

For Base, deploying Aave V3's codebase expands the on-chain experience by fostering a diversity of DeFi platforms and introducing trusted, flagship lending protocols.

## Specification:

The ARFC suggests deploying Aave V3 on Base with the following assets for collateral: wETH, wstETH, cbETH, and USDC.

The table below illustrates the initial suggested risk parameters for each asset, a combination of recommendations provided by [@Gauntlet](#) and [@ChaosLabs](#).

Risk Parameter

WETH

wstETH

USDC

cbETH

Isolation Mode

NO

NO

NO

NO

Enable Borrow

YES

YES

YES

YES

Enable Collateral

YES

YES

YES

YES

Emode Category

eth-correlated

eth-correlated

N/A

eth-correlated

Loan To Value

80%

80%

82.5%

75%

Liquidation Threshold

82.5%

82.5%

85%

77.5%

Liquidation Bonus

5%

7.5%

5%

7.5%

Reserve Factor

15%

15%

10%

15%

Liquidation Protocol Fee

10%

10%

10%

10%

Supply Cap

200

100

1,000,000

100  
Borrow Cap  
160  
20  
800,000  
20  
Debt Ceiling  
N/A  
N/A  
N/A  
N/A  
uOptimal  
80%  
45%  
90%  
45%  
Base  
0%  
0%  
0%  
0%  
Slope1  
3.8%  
4.5%  
3.5%  
7%  
Slope2  
80%  
80%  
60%  
300%  
Stable Borrowing  
Disabled  
Disabled  
Disabled  
Disabled  
Flahloanable

YES

YES

YES

YES

Siloed Borrowing

NO

NO

NO

NO

Borrowed in Isolation

NO

NO

YES

NO

## Deployment Checklist:

- Feedback from at least one Risk Service Provider:

([Gauntlet](#)) & ([Chaos Labs](#))

- Infrastructure/technical evaluation report by BGD Labs

([BGD Report](#))

- Oracle recommendation

([Chainlink Docs](#) & [Announcement](#))

- The graph support
- Cross-chain messaging infrastructure for governance

## Disclaimer:

The information provided above about Base is from public sources and Flipside Crypto cannot guarantee that it is or will stay accurate.

For full disclosure, Coinbase partnered with Flipside Crypto upon the announcement of the network to make Base on-chain data available for free, for analysts.

Coinbase has not compensated Flipside to create this proposal and we are doing this because we believe that the deployment would be in the best interest of the Aave.

This ARFC has solely been prepared for technical evaluation and further community feedback.

## Next Steps:

1. Integrate BGD Labs Infrastructure/technical evaluation report once available.
2. Refine the ARFC based on community feedback and updated risk service provider recommendations.
3. Submit the ARFC for a Snapshot vote for final approval.
4. If consensus is reached, submit a deployment AIP to activate Aave V3 Base (upon Mainnet launch)

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