

FAQ

Frequently Asked Questions (FAQ) about Astaria

1 - What is Astaria?

Astaria is a decentralized finance (DeFi) platform that offers an oracle-less, intent-based lending system. It supports fixed-rate loans with unlimited durations for various digital assets, including ERC-20 tokens and NFTs (ERC-721).

Key features include:

- Intent-based lending mechanism (peer-to-peer)
- Oracle-less lending system
- Fixed-rate, unlimited-duration loans
- Support for ERC-20 and ERC-721 assets on Base and MODE Network
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2 - How does Astaria differ from other DeFi lending platforms?

Astaria offers intent-based lending, which functions as a handshake between peers. Unlike pool-based lending DeFi platforms like Aave and Compound, Astaria does not rely on external price oracles. This enhances security and reduces the risk of manipulation, providing greater flexibility and predictability for users to set specific loan terms and avoid forced liquidations due to market volatility.

3 - What is intent-based lending?

In intent-based lending, users define their lending or borrowing terms through pre-defined agreements that specify the conditions under which loans will be executed. This system provides stability and predictability, allowing users to confidently borrow and lend assets.

4 - What types of collateral does Astaria support?

Astaria supports various digital assets as collateral, including ERC-20 tokens and NFTs (ERC-721) issued on Base and MODE Network, such as:

- DeFi Tokens
- LP positions
- Governance tokens
- Memecoins
- Any NFT collection or 1/1
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5 - Can NFTs be used as collateral on Astaria?

Yes, Astaria allows users to use NFTs (ERC-721) as collateral for loans. This feature opens up new financial opportunities for NFT holders, enabling them to unlock liquidity from their digital collectibles and assets.

6 - What types of advanced DeFi strategies can I employ with Astaria?

Astaria's intent-based lending mechanism enables users to:

- Leverage a long position:
- Place a token (like DEGEN) as collateral for getting stablecoins or ETH to buy more tokens (more DEGEN).
- Short a token:
- Borrow a token (like DEGEN), sell it on the market, and rebuy it at a lower price.
- Hedge their position:
- Borrow USDC or ETH against their collateral to protect against potential market downturns.
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7 - Where does my collateral go when I borrow using Astaria?

If your intent is filled, your collateral goes to the [Astaria vault contract](#) until the loan is repaid or recalled.

8 - What happens if the loan is recalled? And what happens if it is not repaid?

If a loan is recalled, borrowers have 24 hours to repay their debt. They can either repay it or wait for someone to refinance it with a higher APY (up to 1000%). If the loan is not repaid or refinanced, the collateral is transferred from the vault to the lender after the 24-hour grace period ends.

9 - What happens if the collateral value drops below a certain level?

In Astaria's system, loans are not liquidated based on price fluctuations. Instead, the risk of forced liquidation is minimized, providing a more stable lending environment. Therefore, lenders and borrowers should always consider the loan-to-value (LTV) and decide when to recall or repay the loan.

10 - How can I contact Astaria's support team?

You can visit our [website](#) and use the contact options provided, or join our [Discord](#) or [Telegram Feed](#) channel. To stay updated on developments, please subscribe to Astaria's newsletter on our [website](#).

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