

AAVE has a lot going on, staking, providing liquidity and has an amazing money market platform.

The idea and suggestion I would like to propose is creating a loan origination fee that goes to depositors that are also staking AAVE.

Loans are easy, which is good, but the amount in which loans are opened and closed, I believe should have some tiny fee that goes back to the collateral providers.

Maybe it's all AAVE holders? I don't know. With the money markets available on AAVE, compare this to uniswap for example. Deposits on AAVE are liquidity for others to utilize, there should be some additional incentive for depositing for collateral and the loans/funds being established. Again, nothing substantial but it should reward all depositors relative to the asset pool that crypto is being used as collateral.

For example:

\$1000 USDC is deposited in total by all and can be used for collateral. People's deposited contribution relative to the percentage overall during the mechanism of taking a loan should be considered.

If I have \$100 deposited, or 10%, then each loan originated at the time of issuance should check the relative percentage of all, and this one time fee (let's just say it's .001% of the total loan should be distributed to the folks Proportionately providing collateral.

So if I was 10% of the total collateral, I would get 10% of the .001% origination fee.

Maybe have a stipulation for selecting collateral, that if you remove collateral in less than 30 days, you forfeit the fees.

Something like this, to incentivize folks, where the borrowers still won't think twice about it and collateral providers are dually rewarded (APY + tiny fee for utilization).

To grow this market, users will need to be additionally incentivized.

Thoughts?