Lending offers

Lending Offers are proposed loan offers that can be automatically matched with prospective borrowers.

Introduction

With Astaria, users are able to perform lending offers. A user looking for a loan that matches your desired parameters can have their borrow position filled automatically.

It is possible to offer loans using any ERC-20, with any asset as collateral. Most users choose to borrow stablecoins or WETH.

Once a loan has been active for 24 hours, it is possible hold a Recall auction .

Step 1: Transmitting the Lending Intent

User will define the key parameters of their intent, specifying:

- Collateral:
- The amount and type of asset that a borrower must provide to fulfill the loan
- Borrow amount:
- The total amount that can be borrowed against the above collateral
- Interest rate:
- The minimum APY
- that a prospective borrower can accept.
- LTV:
- The LTV
- will be automatically calculated based on the above fields; however, it can also be directly edited to adjust the borrow amount to meet a desired threshold.
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The higher your LTV and the lower your APY interest rate, the more likely you are to have your intent filled by a borrower.

When the above information is submitted through the Astaria application, the user will sign an EIP-712 message off-chain through their connected wallet to confirm the intent . This signed message is gas-free, although users will have to approve the collateral token before proceeding.

Important: When turned on, the Repeat fill toggle will allow Astaria to continuously fill loans at your desired parameters until all of the lent asset has been depleted from your wallet. Disable it to only allow one loan to fill.

Step 2: Wait for a Borrower

- The offer then enters the matching service where it will be matched with a borrower, should the terms fit their requirements.
- It's advised to regularly monitor the loan to ensure that the LTV
- is within your risk tolerances, as certain assets are prone to price fluctuation.
- Wallet access is not necessary to fill a loan. The approval and signed intent message will allow funds to automatically be withdrawn safely from the wallet at the time of execution.
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Step 3: Monitoring the Loan

- Lenders should monitor the health of the loan continuously to make sure that the value of the collateral does not fall below the value of the borrowed asset.
- In order to exit the loan, you must administer a Recall
- .This can only be done 24 hours after the loan has been initiated.
- See the 'loan recall and liquidation' section for further information.
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