

Forum:[Hack Forums](#)

Thread: [Thinking of starting a bitcoin lending business.](#)

SIM-1589588 - April 21, 2018, 7:01 am

I need to put some of my bitcoins for good use. So I'm planning to start a bitcoin lending business that accepts altcoins as collateral.

I would like to ask few questions from HF users.

1. Do you guys hold more alt than bitcoins?
2. Do you have a way to cashout altcoins without converting them to bitcoins?
3. How many times you had a bill to pay and you had to sell your alts for bitcoins even if you didn't wanted to sell them?
4. Will you guys use a service that gives you bitcoins on loan against your alts, and gives your alts back once you clear all dues.
5. How much intrest you are willing to pay for this kind of service. (Let's assume, loan is for 1 month only)

Zexi - April 21, 2018, 7:08 am

1. Yes.
2. I don't think so.
3. Never.
4. I am a person that hates owing anyone anything so i wouldn't be interested in this.
5. You should make it something high like atleast 10% considering you are risking your money, i met too many people in my life that never returned their debts IRL even though they got beaten up and threatened.

This is gonna be really rough considering all the scams going around bruh. Good luck with this bruh.

MARIO - April 21, 2018, 7:10 am

1. Yes. Only 10% of my portfolio is BTC.
2. Yes. With a 5% loss though. Instant bank transfer with a verified business.
3. Didn't have to do that yet and I hope I won't have to do it.
4. Personally I don't have a need for it but it is a great idea and I think that'd work.
5. 10-15% a month would be decent. Every day over the due date extra 2% on total sum.

Awesome idea but it's gonna be hard task to do. Definitely ask for ID proof and work on trust i.e. start from 150-200\$ max amount and work your way up.

SIM-1589588 - April 21, 2018, 7:22 am

(Apr 21, 2018 07:10 AM)MARIO Wrote: [\[CITE\]](#) Awesome idea but it's gonna be hard task to do. Definitely ask for ID proof and work on trust i.e. start from 150-200\$ max amount and work your way up.

No ID or any other paper documents for a loan. I'll be taking 120% to 180% or more, depending on the altcoin and the lenght of loan term and of cource I won't be accepting altcoins that are highly volatile.

I won't be risking my money, there will be proper Terms and Conditions for the loan and In case

he's not able to pay the installment on time, he will be allowed to pay the installment by liquidating some of his alts.

Ps: Thank you guys for your feedback.

2073436 - April 21, 2018, 7:25 am

(Apr 21, 2018 07:22 AM)J.P Morgan Wrote: [\[CITE\]](#) No ID or any other paper documents for a loan. I'll be taking 120% to 180% or more, depending on the altcoin and the length of loan term and of course I won't be accepting altcoins that are highly volatile.

I won't be risking my money, there will be proper Terms and Conditions for the loan and In case he's not able to pay the installment on time, he will be allowed to pay the installment by liquidating some of his alts.

Ps: Thank you guys for your feedback.

I don't understand? ToS isn't going to hold someone back from running with your coins

My advice: don't bother, hold these shiny coins (it can be a headache)

Zexi - April 21, 2018, 7:28 am

(Apr 21, 2018 07:25 AM)Skilo Wrote: [\[CITE\]](#) I don't understand? ToS isn't going to hold someone back from running with your coins

My advice: don't bother, hold these shiny coins (it can be a headache)

He is gonna hold the user's altcoins and give him bitcoin for it. If i understood correctly.

.Bus - April 21, 2018, 7:30 am

(Apr 21, 2018 07:28 AM)Zexi Wrote: [\[CITE\]](#) He is gonna hold the user's altcoins and give him bitcoin for it. If i understood correctly.

I think you are correct yet I don't understand why would I do that instead of just exchanging them to BTC if for any reason I would need it.

V For Vendetta. - April 21, 2018, 7:30 am

1. Do you guys hold more alt than bitcoins?

Yes

2. Do you have a way to cashout altcoins without converting them to bitcoins?

Yes

3. How many times you had a bill to pay and you had to sell your alts for bitcoins even if you didn't wanted to sell them?

I've sold highs, bought lows. Paid bills with the alts I sold, but bought back more than I had after paying

4. Will you guys use a service that gives you bitcoins on loan against your alts, and gives your alts back once you clear all dues.

No. Just use DAI token if you're looking for something stable.

5. How much interest you are willing to pay for this kind of service. (Let's assume, loan is for 1 month only)

0%. Dai is 1:1 to USD, price determined by MakerDAO.

No point of this service imo.

Zoomer - April 21, 2018, 7:38 am

People would love for you to start lending money, oh the prayers have been heard and the heavenly gates have opened for the whicked!

SIM-1589588 - April 21, 2018, 7:44 am

(Apr 21, 2018 07:25 AM)Skilo Wrote: [\[CITE\]](#) I don't understand? ToS isn't going to hold someone back from running with your coins

My advice: don't bother, hold these shiny coins (it can be a headache)

Well if someone runs with my coins, I'll liquidate his collateral and recover my money.

I'm pretty sure the guy who wants to run won't be paying the first installment, or reply to liquidation warnings. I can issue 2-3 warnings before liquidating his assets.

For eg:

A took a loan of \$1000 worth bitcoins for 1 month against \$1200 worth Litecoins (8.5714) with litecoins current value being 140\$.

I can liquidate his litecoins if

1. He'll miss his first installment and there's no reply for atleast a week (Max 3 warnings)
2. If there's a crash and litecoins price goes to 120\$, His coins will be sold automatically. (Stoploss at 125\$)

However as I said, I'll be taking more money as collateral, it depends on altcoin and time.

(Apr 21, 2018 07:30 AM).Bus Wrote: [\[CITE\]](#) I think you are correct yet I don't understand why would I do that instead of just exchanging them to BTC if for any reason I would need it.

Emergency or if your coin is in bear market and you don't want to sell your coins but you have some bills to pay or need money for something.

th3c0rrupt3d0n3 - April 21, 2018, 7:54 am

If you want to lend why not doing it via ETHlend? afaik their app is working fine.

SIM-1589588 - April 21, 2018, 7:55 am

(Apr 21, 2018 07:30 AM)V For Vendetta. Wrote: [\[CITE\]](#) 4. Will you guys use a service that gives you bitcoins on loan against your alts, and gives your alts back once you clear all dues.

No. Just use DAI token if you're looking for something stable.

5. How much intrest you are willing to pay for this kind of service. (Let's assume, loan is for 1 month only)

0%. Dai is 1:1 to USD, price determined by MakerDAO.

No point of this service imo.

So you are saying it's possible to sell 1000 XRP for 854 DAI, convert that to 854\$ bitcoins, cashout, use that money and come back a month later, buy 844 DAI back with bitcoins, and get 1000XRP back?

Or you are saying everyone should sell their alts and hold dai because it's stable, isn't it's better to hold USD then?

(Apr 21, 2018 07:54 AM)th3c0rrupt3d0n3 Wrote: [\[CITE\]](#) If you want to lend why not doing it via ETHlend? afaik their app is working fine.

Because I want to loan my bitcoins and ethlend only supports eth.

V For Vendetta - April 21, 2018, 8:03 am

(Apr 21, 2018 07:55 AM)J.P Morgan Wrote: [\[CITE\]](#) So you are saying it's possible to sell 1000 XRP

for 854 DAI, convert that to 854\$ bitcoins, cashout, use that money and come back a month later, buy 844 DAI back with bitcoins, and get 1000XRP back?

Or you are saying everyone should sell their alts and hold dai because it's stable, isn't it's better to hold USD then?

Because I want to loan my bitcoins and ethlend only supports eth.
Instead of going through DAI, can't you just do 1000 XRP for 0.096 BTC. Use coinbase to convert to bank, get \$845 in the bank, pay the bills. When you have money again buy BTC and buy back XRP. I'm kinda confused why this service is even being offered.

SIM-1589588 - April 21, 2018, 8:23 am

(Apr 21, 2018 08:03 AM)V For Vendetta. Wrote: [\[CITE\]](#) Instead of going through DAI, can't you just do 1000 XRP for 0.096 BTC. Use coinbase to convert to bank, get \$845 in the bank, pay the bills. When you have money again buy BTC and buy back XRP. I'm kinda confused why this service is even being offered.

Answer is Volatility.

Okay let's do the math, XRP's price is 0.845\$ and you'll get 0.096 BTC and you sold that via coinbase and got your money in your bank, paid your bills etc. You saved some money to buy xrp but prices went up and you are getting only 800 XRP now.

I'm not saying that it can go only up but the whole point of this business is you don't loose your alts as long as there's no crash. If there's a crash, system will liquidate your holdings automatically for you.

V For Vendetta - April 21, 2018, 8:39 am

(Apr 21, 2018 08:23 AM)J.P Morgan Wrote: [\[CITE\]](#) Answer is Volatility.

Okay let's do the math, XRP's price is 0.845\$ and you'll get 0.096 BTC and you sold that via coinbase and got your money in your bank, paid your bills etc. You saved some money to buy xrp but prices went up and you are getting only 800 XRP now.

I'm not saying that it can go only up but the whole point of this business is you don't loose your alts as long as there's no crash. If there's a crash, system will liquidate your holdings automatically for you.

What % do I get back if the system liquidates me?

Troop - April 21, 2018, 8:43 am

Mannn. This is great idea why did you share it with everyone here... You could have just asked few trusted people.

SIM-1589588 - April 21, 2018, 8:51 am

(Apr 21, 2018 08:39 AM)V For Vendetta. Wrote: [\[CITE\]](#) What % do I get back if the system liquidates me?

Everything minus the loan amount+ intrest calculated. Not intrested in taking anything extra from user. I'm just collecting feedback right now, obviously there will be more brainstorming before I'll start it.

ZeroOne - April 21, 2018, 8:58 am

I don't use cryptos due to strict laws in my country but I wish you all the best starting this sort of business.

Good luck OP ?

SIM-1589588 - April 21, 2018, 8:58 am

(Apr 21, 2018 08:43 AM)Troop Wrote: [\[CITE\]](#) Mannn. This is great idea why did you share it with everyone here... You could have just asked few trusted people.

It's not about the idea, it's about implementation.

Ideas are everywhere but not everyone can implement them, and those who do it successfully become rich.

Troop - April 21, 2018, 8:59 am

(Apr 21, 2018 08:58 AM)J.P Morgan Wrote: [\[CITE\]](#) It's not about the idea, it's about implementation.

Ideas are everywhere but not everyone can implement them, and those who do it successfully become rich.

Well said.

grady - April 21, 2018, 9:03 am

(Apr 21, 2018 08:58 AM)J.P Morgan Wrote: [\[CITE\]](#) It's not about the idea, it's about implementation.

Ideas are everywhere but not everyone can implement them, and those who do it successfully become rich.

That sounds like the reason you're fucking around with BTC lending on HackForums.

SIM-1589588 - April 21, 2018, 9:12 am

(Apr 21, 2018 09:03 AM)?Infamy Wrote: [\[CITE\]](#) That sounds like the reason you're fucking around with BTC lending on HackForums.

Brainstorming here, taking feedback from young generation, from those who use crypto's and rely on their crypto earnings.

I can post the same on bitcointalk but I'm not active there anymore.

With 300k worth bitcoins available for Lending/investment purpose in my hand, I'm pretty much fucking around HF.

Ludicolo - April 21, 2018, 2:23 pm

In an emergency, yes.

I would actually use it if it used something else as collateral, I could use some loans for starting up something :)

Pronouncer - April 21, 2018, 2:25 pm

Tbh does seem like a great way to pull off a massive exit scam

SIM-3323508 - April 22, 2018, 11:58 am

Why not just sell the altcoins for bitcoin and cut you out? Like why is this "lending" service even needed?

SIM-1589588 - April 22, 2018, 12:11 pm

(Apr 21, 2018 02:25 PM)Pronouncer Wrote: [\[CITE\]](#) Tbh does seem like a great way to pull off a massive exit scam With my identity being public I don't think it's a good idea.

(Apr 22, 2018 11:58 AM)MoneyManeLaFlare Wrote: [\[CITE\]](#) Why not just sell the altcoins for bitcoin and cut you out? Like why is this "lending" service even needed?

I don't want to build this service for those who want to sell, I'll be building this service for those who want to hold. Not everyone's gonna use it but some people will use it for sure.

V For Vendetta. - April 22, 2018, 2:35 pm

(Apr 22, 2018 12:11 PM)J.P Morgan Wrote: [\[CITE\]](#) With my identity being public I don't think it's a good idea.

I don't want to build this service for those who want to sell, I'll be building this service for those who want to hold. Not everyone's gonna use it but some people will use it for sure.

Man Bitconnect pulled the biggest finesse in the crypto world and NOTHING happened to them. They were public as well. Nobody cares if your identity is public or not.

SIM-1589588 - April 22, 2018, 2:37 pm

(Apr 22, 2018 02:35 PM)V For Vendetta. Wrote: [\[CITE\]](#) Man Bitconnect pulled the biggest finesse in the crypto world and NOTHING happened to them. They were public as well. Nobody cares if your identity is public or not.

That's ponzi, I'm not running a ponzi.