88023 - She is helping her husband to buy a flat, but he borrowed the money with interest

the question

My husband and I work at the same agency. This agency helps its employees by selling flats to them in return for only its actual cost. The agency has 3 buildings, and the price the agency offers its employees is incomparable with the prices in the real estate market.
We were on the list of buyers on the basis that every one of us will pay 50% of the price of the apartment. My question is: if we borrow from the agency we work for, there will be a small interest; the agency helps paying 12.5% of the borrowed amount. Is this haram? Is it impermissible interest?
My second question is:
I can borrow my share from my sister, but my husband cannot have this amount unless he borrows from an interest-based bank. Will the sin be his? Or will it be a sin for both of us?.

Detailed answer

Praise be to Allah.

Firstly:

If buying the flat will be done by means of a loan from the company with interest, then this loan is riba which is haraam, regardless of whether the interest is great or small.

Based on that, it is not permissible to enter into this transaction, because of the prohibition and stern warning on riba. Allaah says (interpretation of the meaning):

“Those who consume Riba will not stand (on the Day of Resurrection) except like the standing of a person beaten by Shaytaan (Satan) leading him to insanity. That is because they say: ‘Trading is only like Riba,’ whereas Allaah has permitted trading and forbidden Riba. So whosoever receives an admonition from his Lord and stops consuming Riba, shall not be punished for the past; his

case is for Allaah (to judge); but whoever returns (to Riba), such are the dwellers of the Fire — they will abide therein.

276. Allaah will destroy Riba and will give increase for Sadaqaat (deeds of charity, alms). And Allaah likes not the disbelievers, sinners.

[al-Baqarah 2:275-276]

“O you who believe! Fear Allaah and give up what remains (due to you) from Ribaa (from now onward) if you are (really) believers.

279. And if you do not do it, then take a notice of war from Allaah and His Messenger but if you repent, you shall have your capital sums. Deal not unjustly (by asking more than your capital sums), and you shall not be dealt with unjustly (by receiving less than your capital sums)”

[al-Baqarah 2:278-279]

And the Messenger of Allaah (peace and blessings of Allaah be upon him) cursed the one who consumes riba and the one who pays it, the one who writes it down and the two who witness it, and he said: they are all the same. Narrated by Muslim (1598) from the hadeeth of Jaabir (may Allaah be pleased with him).

So beware of falling into this major sin which leads to doom.

Secondly:

What you must do is advise your husband to keep away from riba, for Allaah does not bless it. What the believer should do is be prepared to meet Allaah and strive for that; he should realize that Allaah has only forbidden the things that He forbids because they are harmful and evil. He says, describing the Prophet (peace and blessings of Allaah be upon him) (interpretation of the meaning):

“he allows them as lawful At-Tayyibaat (i.e. all good and lawful as regards things, deeds, beliefs, persons and foods), and prohibits them as unlawful Al-Khabaa’ith (i.e. all evil and unlawful as

regards things, deeds, beliefs, persons and foods)”

[al-A’raaf 7:157]

If your husband insists on taking a loan with interest, the sin of that will fall upon him alone.

We ask Allaah to guide us and you.

And Allaah knows best.