

137768 - He mortgaged his house with the bank, in order to take out a loan

the question

My parents made the mistake of getting into a mortgage house awhile back and we have definately seen the effects of that sin. After making countless dua to Allah for my parents and asking to forgive us and trying my best to please Allah (swt)Alhamdulillah my parents decided to sell the house and move into a rent and not deal with riba. And because of that the house was sold in 1 day and made things soo easy. At first I was shocked because it wasnt like that before when they wanted to sell the house. Then I realized that with the right intention Allah makes things easy.Alhamdulillah. Im not sure how the banking or mortgage thing works but they had to pay the interest first monthly for number of years then when they finished that they started paying for the house monthly.Now the price of the house has increased from the time they had bought it and when they sold the house they made some profit because of that. My question is..is it ok for them to use/benefit from that profit made, like pay off other debts, invest it in a business etc?.

Detailed answer

There is no sin in the act of using a house or other wealth or property as surety for a loan, in and of itself. Such a pledge is in fact merely giving a guarantee for the debt, so as to assure the lender that he will get his rights from that pledge, if the borrower does not pay off the debt in time or does not pay it in full.

It is only sinful if the house is used as a pledge or surety in order to engage in a riba-based transaction with a bank or other entity that deals with riba. This is what appears to us to be the case from the question, as your parents dealt in riba for a period of time. We ask Allah to accept our repentance and that of the Muslims from all sins and bad deeds.

Based on that, the increase in the price of the house is not the result of a riba-based transaction or a transaction that is wrong according to sharee'ah; rather it is due to the passage of time,

according to what is mentioned in the question, and it is a permissible increase that does not involve any sin, and you may benefit from it however you wish.

Rather what is required from your parents is to repent to Allah, may He be exalted, from their earlier riba-based transactions, and get rid of their effects, if any of it is left.

Allah, may He be exalted, says:

“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”

[al-Baqarah 2:275].

And Allah knows best.