278377 - He introduced a customer to a broker; is he entitled to commission every time there is a business dealing between the broker and the customer?

the question

I work as a real estate agent, and I have my own customers. Sometimes I find myself needing to deal with other agents to buy real estate for my customers through them, then my customer and the agent who helped me to conclude the deal form a relationship, then they keep in touch and may do more business in real estate without my knowledge, either deliberately or otherwise. Do I have a right to a share of commission on any deals that they do in the real estate business, because the customer is originally my customer? Is it permissible for me to ask for commission, whether I stipulated a condition to the agent or not, meaning that if the customer I introduced to him comes back in the future for any deal, buying or selling real estate, I should have a share of the commission?

Detailed answer

Praise be to Allah.

Working as an agent in a business transaction, which is known as brokerage or offering services, is permissible in principle. It comes under the heading of fees in return for service, which is permissible. Al-Bukhaari said in his Saheeh: Chapter on fees given to brokers: Ibn Sireen, ‘Ataa’, Ibraaheem and al-Hasan did not see anything wrong with fees given to brokers. End quote.

No one deserves to receive payment for work except the one who carries out the service and makes an effort to do so, because no one deserves the fee except the one who does the work for which he receives payment.

It says in ar-Rawd al-Murbi‘ (p. 446): Whoever carries out the service after hearing the one who

needs the work done say: “Whoever does such and such will have such and such,” payment is his due, because the deal becomes due when the work is done. If a group of people does the work, then they all share the payment equally, because they all shared in doing the work for which the payment became due, and therefore they should share the payment. End quote.

Based on that, if a relationship developed between your own customer and the agent who helped you with the sale, and they kept in touch and did more real estate business, then you are not entitled to any share of that, either with or without prior stipulation. If you did stipulate that, then that is not valid, because you are only entitled to payment for the work you do, and you did not do anything after the first brokerage work.

If you stipulated that, then it was invalid, because there is nothing in the Book of Allah to suggest that it is valid. In other words, it is contrary to Islamic teachings. The Prophet (blessings and peace of Allah be upon him) said: “What is the matter with people who stipulate conditions that are not in the Book of Allah? Whoever stipulates a condition that is not in the Book of Allah, it is not valid, even if he stipulates a hundred conditions. The conditions decreed by Allah are more deserving of being applied and are more binding.” Narrated by al-Bukhaari (2168) and Muslim (1504).

You have the right to take commission for the first brokerage work, i.e., introducing the agent to the customer. However, whatever comes after that of business between them, you did not do any work for that, so on what basis would you be entitled to payment?

It says in al-Mawsoo‘ah al-Fiqhiyyah (26/60): Entitlement to profit:

No one is entitled to profit unless he invests money, does the work or undertakes liability. In that case, he is entitled to the profit, because it is the growth of the wealth, so it belongs to the owner of that wealth. For that reason the owner of the wealth is entitled to a share of the profit in the case of mudaarabah [a partnership in which one partner invest capital and the other invests his labour].

Entitlement to a share of the profit is deserved if someone works and puts in effort, as in the case of the one who does the work in a mudaarabah partnership, so he is entitled to a share of the

profits. This is similar to the concept of hiring someone to do work. A person may also be entitled to a share of the profits in return for undertaking liability, as in the case of a partnership where each partner has full authority and full liability, because the Prophet (blessings and peace of Allah be upon him) said: “Profit is by virtue of liability” or “The proceeds are by virtue of liability.” In other words, whoever is liable has a right to the proceeds. Hence it is permissible for a person to take on work – such as sewing a garment –for a certain fee, then agree with someone else to do this work for a fee lower than what he is going to be paid, and to take the difference as a lawful profit, for the simple reason that he is liable for the work, even though he is not going to do any of the work himself, and perhaps he has no wealth of his own at all.

If none of these three scenarios apply, in which a person is only entitled to profit because of one of them, then there is no way that he may be entitled to take any profit. Hence, it is not right for one person to say to another, Use (invest) your wealth on condition that the profit will be mine, or the profit will be shared between us. This is nonsense according to all the fuqaha’. The profit belongs to the owner of the wealth, without anyone else having the right to any claim on it. End quote.

And Allah knows best.