22905 - Benefitting from a house that was built with an interest-based loan

the question

3 years ago we bought a house with a morgage with interests [riba] after we heard a fatwa.now we finished paying it [we payed a big part of it cash] my questions are ;-
1- is it halal for us to live in this house.
2- can we rent it.
3- can we use it as a work place . [business,work from home].

Detailed answer

Praise be to Allah.

Firstly:

You have to repent to Allah for this interest-based loan, because interest (riba) is one of the worst of major sins. Allah says (interpretation of the meaning):

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

And if you do not do it, then take a notice of war from Allah 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]

Ibn Katheer (may Allah have mercy on him) said in his Tafseer (2/657):

“This is a stern warning and a threat to those who persist in dealing in riba after having been

warned. Ibn Jurayj said: Ibn ‘Abbaas said: ‘Take a notice of war’ means, be certain of war from Allah and His Messenger… and it was narrated that Ibn ‘Abbaas said: It will be said on the Day of Resurrection to the one who consumed riba: ‘Take up your weapon for war.’ Then he recited (interpretation of the meaning):

‘And if you do not do it, then take a notice of war from Allah and His Messenger’ [al-Baqarah 2:279].”

The Messenger of Allah (peace and blessings of Allah be upon him) cursed the one who consumes riba, the one who pays it, the one who records it and the two who witness it, and he said: “They are all the same.” (Narrated by Muslim, 1598).

With regard to living in this house, if you have repented to Allah then there is nothing wrong with you living in it or renting it out or using it as a place of business.

The Standing Committee was asked about a man who took out an interest-based loan and built a house: should he knock down the house, or what should he do?

They replied:

If the situation is as you say, then what you have done by taking out this loan in this manner is haraam because it is riba. You have to repent and seek forgiveness for that, and regret what you have done, and resolve not to do such a thing again. With regard to the house that you built, do not knock it down, rather make use of it by living in it etc, and we hope that Allah will forgive you for your careless action.

Fatawa al-Lajnah al-Daa’imah, 13/411.

We ask Allah to accept our repentance and to help us to do that which He loves and which pleases Him.

And Allah knows best.