



99366 - Can he sell his house to someone who he knows is going to buy it with a riba-based loan?

the question

My friend has a house. He wants to sell it, and Allah made it easy for him to find the buyer. The buyer wants to buy this house using a Riba-based mortgage from a non-Islamic bank. Is my friend permitted to sell this house to him knowing that the buyer will use a Riba-based mortgage to pay him? Is this considered co-operating in sin and transgression? Or the sin is on the buyer here?.

Detailed answer

Praise be to Allah.

It is permissible for your friend to sell his house to whoever wants to buy it, even if the buyer is going to get the money by taking a riba-based loan, because what is haraam here has to do with the borrower. Loans that are subject to riba, even though they are haraam, still confer ownership according to the Hanafi and Hanbali view, and according to some of the Shaafa'is, i.e. the one who takes a riba-based loan takes possession of the wealth that he borrows. Based on that, it is valid for him to buy whatever he wants with it, even though he is sinning by engaging in riba.

See: al-Manfa'ah fi'l-Qarad by 'Abd-Allaah ibn Muhammad al-'Umraani, p. 245-254.

But your friend should advise the buyer and explain to him that it is haraam to deal in riba, whether one is lending or borrowing, and that there is a stern warning concerning that.

The buyer may find a permissible way to buy a house, by means of muraabahah, which is when the bank or an individual or organization buys the house with cash, then sells it to him for a higher price by instalments.

And Allaah knows best.