

327313 - Resorting to the National Debt Assistance Center on Defaulted Mortgage

the question

recently the Bank is asking for the house.

Because I had some arrears on payment long time ago, but I was trying to pay them back as much as I can from the rent.

Because I am not living in the house and moved to another country, it is easy for the bank to take the court order to take the house and sell it unless I go and tell the court I like to keep it.

I went to the Ireland free Advice center who helps about people debts, their Solicitor advise me that if I do not like to keep the house then just let the bank to take it, after the bank will sell the house and put the arrear and the short balance (the balance I bought the house 300,000 and now the house is 200,000) 100,000 on my name.

Then I can go to the National debts help center and make an arrangement with them that I can pay them some amount of money every month(very small amount depend after all expenses). And I have to do this for five years and then after five years everything will be clear.

I have already paid the bank nearly 80,000 up to now. And I have told the bank to fix the amount and explained that I can't deal with interest, but they said they can't change their system.

Can I follow the Solicitors advice or shall I continue with the house.

Detailed answer

Firstly:

If you wish to keep the house, there is no harm in retaining it even with the payment of usurious interest to the bank. As you clarified in your first question, you purchased it through a mortgage, and we answered that you must repent from usury, and there is no harm in staying in the house.

The principle is that whoever buys something with a usurious loan, they own it along with the sin of usury, and if a person cannot avoid paying the usurious interest: it is permissible for them to pay it, along with repentance from the original prohibited transaction.

Secondly:

If you do not wish to keep the house, and you do not have the money to pay off what you owe after the bank sells the house at a loss, it is permissible for you to approach the National Debt Assistance Center to take on the debt for you, and you pay them in installments, provided that they do not take any extra amount over what they will pay to the bank, otherwise, this is prohibited usury, and you must then keep the house and pay the bank to avoid entering into a new usurious transaction.

And Allah knows best.