

## Family Law Fact Sheet

### The 4 Steps of a Property Settlement

#### Step 1

##### Identification and valuation of all property

The first step is to identify and value the property of the relationship. Any property held by both parties at the time of the Court hearing or at the time of settlement is held to be property of the relationship. This includes property acquired by either party after separation but before the Court hearing or settlement. Property can include things like an inheritance, a personal injury payment, interest in a company and superannuation. The value of each item of property is either agreed by both parties or determined by a jointly appointed registered valuer if agreement cannot be reached.

##### Assessing contributions

The Court will take into account each party's financial and non-financial contributions to the acquisition, maintenance or conservation of property. This step also includes an assessment of contributions made to the welfare of the family, including any contributions as homemaker and parent.

#### Step 2

#### Step 3

##### Consideration of future needs

The factors the Court may consider include each party's age and health, whether either party has the care of a child under 18 years, each party's income, property and financial resources (such as the expectation where a party may receive an inheritance in the future), the duration of the relationship, the need to protect a party who wishes to continue that party's role as parent, and the eligibility of either party for a pension, allowance or benefit and the rate of that pension, allowance or benefit.

*These factors relate to the section of the Family Law Act 1975 (Cth) in respect of marriages (s75(2)) and de facto relationships (s90SF(3)).*

##### Determining the just and equitable nature of any order

The Court must consider the first 3 steps and must not make an order unless it is just and equitable in all the circumstances. The specific assets and liabilities to be retained by each spouse is also considered under this step.

#### Step 4

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