



Video: What are the 4 steps in the property settlement process?

If you are going through a [separation or divorce](#) you will likely need to consider [property settlement](#). [Ryan Thomas](#) is head of Andersons' Family Law team and an accredited Family Law specialist. In this video, he explains the four step process of property settlement.

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TRANSCRIPT:

As a preliminary step, the court needs to determine whether it's just and equitable to make an order for property settlement.

Step 1: Determine what assets are available for division

The first step is to work out the property pool of the parties, that includes the assets, liabilities and financial resources.

The assets are things such as a house, cars, shares and bank accounts. The liabilities

are things such as home mortgage, credit cards and HECS debts. The superannuation of the parties is also included and treated as property.

Step 2: Identify and assess the respective contributions of the parties

The second step we're looking into the past in terms of the contributions that they've each made. We're looking at the financial contributions, non-financial contributions as well as home making and parenting contributions.

So financial contributions are things like assets brought in at the beginning of the relationship, income from employment and also inheritances and money coming in.

Non-financial contributions may be things like working in a family business unpaid or also improving or renovating a property.

The home making and parenting contributions are things such as raising a family, looking after children and domestic duties around the home.

Step 3: Assess each party's future needs

The third step is future needs, that's looking forwards to work out whether a party needs or requires an adjustment in terms of the percentage because of their future needs.

The factors we look at in terms of working out their future needs are their age, their income, their earning capacity, the care of children and payment of child support, to work out does someone need an adjustment in terms of their future needs moving forward.

An example of that would be someone who has the caring responsibility for the children of the relationship who is not working full time or at all; they're likely to get an adjustment in their percentage moving forwards on future needs.

Step 4: Consider whether this proposed division is 'just and equitable'

The fourth step is to work out the percentage, assess the affect of the division on the property pool of the parties to ensure that it is just and equitable, and that is the four step process of a property settlement.

For more information about [Property settlement](#) or to make an appointment with a Family Lawyer, please contact us on 8238 6666 or email enquiry@andersons.com.au