



VALUATION SERIES: REAL ESTATE

Finding out the value of assets and liabilities is an important step when you are going through a property settlement with your ex-partner. This fact sheet is about valuing real estate.

What is real estate?

Real estate can be land, houses, buildings or properties and are usually the most expensive assets to be divided after separation.

What is the most common real estate to be divided?

For many separating people, the main asset to be divided after separation is the family home. It is important you work out the value of your house at an early stage. This will help you when you are negotiating with your ex-partner about how property and finances will be divided. Try to reach an agreement about the market value of the house with your ex-partner.

What does market value mean?

Market value means the value of your house if it was listed for sale in the real estate market today.

How do you find out the market value of the house?

There are two main ways you can find out the market value of your house:

- Look at sales history of what a similar house in the same suburb sold for recently. For example, if you live in a 3-bedroom, 2-bathroom house in Eden Hill you can look on realestate.com.au to find out what other houses in the suburb with the same number of bedrooms and bathrooms have recently sold for.
- Contact up to 3 real estate agents in the area to provide a market appraisal of the house free of charge. It is helpful to have more than one market appraisal so that you can use the average of the different estimates to try to reach an agreement with your ex-partner about the market value.

What if we cannot agree on the market value of the house?

If you and your ex-partner cannot agree on the market value of the house, you can agree to hire an expert to value it and provide a sworn valuation.

The expert is a person that is highly qualified in valuing real estate. It is a good idea to use an expert who is accredited through the [Australian Property Institute](#).

There are specific family law rules that experts need to follow. The expert will give their opinion in writing and will 'swear' that the valuation is independent and authentic. This is called a sworn valuation.

Who is responsible for paying for a sworn valuation?

It is common for people to share the costs of a sworn valuation. The fee for a sworn valuation will change from expert to expert. You should make enquiries with a few experts to find out their costs.

It is common for people to share the costs of a sworn valuation.

What are the benefits of getting a sworn valuation?

A sworn valuation will generally give you a more accurate value of the house than a market appraisal. This is because an expert will look for things such as square meterage, number of bathrooms and bedrooms and the structure of the house.

A sworn valuation will also usually give you a narrower range of value than a market appraisal. A sworn valuation can be used in court if you and your ex-partner are unable to agree on the value of the house.



How can Legal Aid WA help?

amica

[amica](#) is a secure online tool that helps separating couples reach amicable agreements about parenting and property.

[amica](#) guides people through a step-by-step process and offers information and support along the way to help them reach agreements about parenting issues and property settlement.

[amica^{one}](#) is a single-sided version of amica that you can use to find out how amica works and get an estimate of what your property settlement might look like, without involving your ex-partner.

Legal Aid WA Website

You can also find a range of information, videos and fact sheets about dividing property and finances on the Legal Aid WA website www.legalaid.wa.gov.au.

© Legal Aid Western Australia. This factsheet contains information only. It is not legal advice. If you have a legal problem, you should speak to a lawyer. Legal Aid WA aims to provide accurate information but does not accept responsibility if it is not. You are welcome to copy, use and share the information from our website, including our resources and publications, if you are doing so for non-commercial or non-profit purposes. You must make it clear the content was created by Legal Aid WA.

CMS 7801381 | Last reviewed Friday, March 10, 2023