

UPHOLDING A TRADITION

PROPERTY TAX CASE STUDY

CLIENT'S CHALLENGE

Cavatore, a well-known Italian restaurant in the Houston Heights, received their 2018 notice value, which increased 22.5% from the previous year. After sustaining flood damage from Hurricane Harvey — in addition to the Memorial Day flood in 2015 and the Tax Day flood in 2016 — the Cavatore family wondered if they were going to have to close their doors. Their accounting firm, who also utilizes Lane's services, recommended our team. The Cavatore family reached out to see how our experts could help.

OUR RESULTS

During the initial hearing, we provided details about the reoccurring flood damage. Although a reduction in value was made, it was not enough for Federico Cavatore to have the necessary funds to bonus his employees — a year-end tradition that is very important to his family. In addition, the Lane team thought the value could still come down further, so we decided to take his case to arbitration.

During arbitration, we explained the property's relative location in the floodplain had impacted the restaurant on three separate occasions, forcing them to remodel time and time again. We also proved the property sales the county had used to value Federico's property had greater developability and higher return on investment when compared to his.

The county reviewed our evidence proving the property was not equivalent to the surrounding area and decreased the 2018 value again. In the end, the property value was actually reduced to an amount lower than the previous year's value.

FROM OUR CLIENT'S POINT OF VIEW

“ Last year our restaurant's property taxes went up a lot, and we were very concerned it was going to keep us from giving Christmas bonuses to our employees. Giving bonuses is something we've been doing for years, and as a small, family-owned operation, it was very important that we continue doing so. But because the increase in our taxes was about the amount it would take to give bonuses, we felt we weren't going to be able to.

After receiving the notice, we contacted our property tax advisor, Lane. They fought the taxes and brought them back down to just under what we paid the year before. It was a very nice phone call to get. We were able to provide bonuses and it made the end of the year really great for us.

Taxes are going up so much in the Heights and businesses are closing doors and leaving because they can't afford it. When we first got the notice, all we could do was ask ourselves, 'How are we going to pay this, let alone give bonuses?'. But Lane took care of it and handled everything for us. We just provided them the tax information and they took off from there.

One reason our taxes were brought down was the half million dollars in damages our property had sustained from Hurricane Harvey. Lane had this information and used it to build our case. They also didn't charge us because we were affected by Harvey. All we had to pay for was filing costs, but not for the work they did for us. ”

— Federico Cavatore

PROPERTY DETAILS

RESTAURANT
HOUSTON HEIGHTS

Name:
Cavatore

Last Year's Value:
\$1,314,313

Notice Value:
\$1,610,615

Final Value:
\$990,395

Tax Savings:
\$620,220

Impact:
A decrease of
38.5%
in taxable value.