

Feature Story

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'Wrapping' Up REO

By Lew Sichelman

Here's an offbeat idea for REO specialists who need to protect their assets: Rather than pay a caretaker a monthly fee to watch over vacated houses and protect them from the elements, not to mention vandals and varmints, shrink wrap them instead.

Fast Wrap USA, a Reno, Nev.-based company specializing in shrink-wrapping everything from boats to buildings, hasn't done any foreclosed houses yet. But it has wrapped half-built houses, churches and small office buildings. So it's inevitable that it will.

After all, as founder and CEO Mike Enos says, "We're in the asset protection business." And shrink wrap, he adds, can extend the life of what it surrounds "by two or three times." Mr. Enos, who is something of a serial entrepreneur, got into the business innocently enough when he tried to get a company which wrapped new boats to wrap his air boat, which was too big to fit into his garage.

When his request was rejected, he contacted the maker of the wrap itself. He bought the materials and used the maker's heat gun to wrap the boat himself. From there, a business was born. His wrapped boat sat next to a freeway like a billboard. And his secretary took so many calls about it that she asked him to move it. Everybody, it seems, wanted him to wrap something, perhaps a backhoe or patio furniture or their own boat. He did, and he's been wrapping stuff ever since.

Mr. Enos, whose previous endeavors were in taxidermy and portable toilets, started Fast Wrap USA at the end of 2007. Today, its fleet of vans is wrapping things in 12 markets, including several where the number of foreclosures are outpacing some servicers' ability to manage them, places like Las Vegas, Sacramento, Calif., and Dania Beach, Fla. The goal is eventually to have 500 franchises nationwide.

Fast Wrap started out wrapping mainly dry-docked boats, but now roughly half its clients are recession-wracked businesses. Rather than store 11 pickup trucks

that were sitting idle after a wave of layoffs, for example, one company parked them side-by-side outdoors and hired Mr. Enos to ensconce them in plastic.

Among other items, the company has wrapped a church in Virginia City, Nev., that was still under construction when the funding ran out. "The only other option they had was to let it sit exposed to the elements," Mr. Enos said.

It also has covered an FAA airport tower in Reno, a 300-foot walkway at the Sacramento airport, a partially built strip mall that had lost its financing, and the North Star Ritz Carlton in Lake Tahoe for temperature control — warm in the winter, cool in the summer — while it is under construction.

The only single-family house wrapped by the company was a 2,000-square-foot structure in San Francisco that was in the framing stage when the builder ran out of money. "Pigeons were getting in," Mr. Enos said, "and so were people after the copper piping." So he wrapped the place up tight to protect it from vermin, the elements and thieves.

"I put in a zipper door so it could be accessed for showing," he said. "And we devised a large 'No Trespassing' decal for the sides."

The wrap comes in widths of from 10 to 40 feet, and is welded together and shrunk tight by a gun that generates 340,000 BTUs of heat. The covering is fire retardant and flame resistant. The cost is roughly \$1 per square foot.

While the material can be cut by a knife if someone wants to get through bad enough, it is extremely strong, he said. "You cannot just run and jump through it."