

Bringing home the cash to stash

By **SUSAN CARPENTER**
 Los Angeles Times

Mattresses are so obvious. If you really want to keep cash in the house, stash it in a child's toy or a cereal box or a curtain rod. Don't hide it anywhere you've seen in a movie. And don't put it in a sock. Those are some of the suggestions circulating among cash stashers online as increasing numbers of Americans grow ever more wary of the global financial system.

Never mind that in 2009, U.S. bank and credit union accounts of up to \$250,000 are covered by the Federal Deposit Insurance Corp., which was established in 1933 to combat bank panics.

As Americans face a triple whammy of declines in the stock, housing and job markets, they're looking for financial security. And some of them are indulging their fears by stuffing bills that had been destined for savings accounts into re-purposed peanut-butter jars and tampon boxes and fire-resistant safes.

For Georg Lindsay, 22, it's her Kia that's become a quasi bank — specifically, the pull-out ashtray and the pocket of space beneath the driver's seat. She also has stashed cash in an old purse and a hand-me-down bamboo cup from her grandmother. Lindsay started hid-

ing money four years ago when she found herself out of work for several months.

"I was like, OK. You better stash whatever money you come across," said Lindsay, from Oak Grove, Ala., who was recently discussing money-hiding strategies on the social networking site Gaia Online.

A teddy bear, a picture frame and a narcotics safe from an old hospital were among the suggestions from the cadre of teenagers and twentysomethings who participated in the discussion.

As the economy crumbles and fiscal safety nets disappear, cash stashing is crossing generational and psychological divides, the behavioral pattern expanding beyond what had long been the domain of seniors and paranoiacs.

Until recently, the typical cash stasher had been an "older person who lived through the Depression or children of parents who lived through the Depression," said Lynnette Khalfani-Cox, an author and financial adviser who runs TheMoneyCoach.net.

But an increasing number of stashers are members of generations X and Y "who've experienced downsizing among their peer group or among their parents," she said. "So many people are saying, 'If I'm not looking out for myself, who's going to?' Financial realities have come crashing down on people and created a much larger

pool of stashers in this country than we've ever experienced in recent years."

The "stasher" is one of six money personalities Khalfani-Cox identifies on her Web site; the others are the "spender," "dreamer," "goal-setter," "splurger" and "saver."

The stasher, she said, often starts as a healthy saver who evolves into an aggressive saver and finally becomes a stasher based on "the prospect of impending doom or some financial calamity."

Whether the U.S. banking system is destined for more turmoil remains to be seen, but some Americans are behaving as if it is.

The world's largest safe manufacturer, SentrySafe, has seen a 30 percent to 50 percent increase in sales since September 2008. Hollandia International, which incorporates Safe-T safes on its "extreme luxury beds," has sold more than 400 of the \$800 add-ons since they became available this summer.

Online retailer Keeping Women Safe has seen a 15 percent jump in sales of its "diversion safes" — money hideaways that are disguised to look like everyday household products, such as carpet cleanser, deodorant sticks and cans of potato chips. Paint buckets and soda cans are the site's best-selling diversion safes, said owner Ted Kollins.

"I'm not sure why," he said. "If I were a criminal



or the IRS coming to look in a house, paint cans and jars are the first place I would look.”

Cash stasher Shawn Forno, 26, said he tries to choose locations that seem obvious to him but ridiculous to someone who might be looking for money.

“If it tickles your fancy and yours alone, it is a great hiding place,” he said. “If you ever need a map or a string tied around your finger to remember it, try harder.”

Forno’s first stash for cash was a tin can buried under something few would want to touch: a heaping pile of dirty laundry. That was two years ago, when Forno was working as a bartender and couch surfing with roommates. Since then, he has used a disco ball, an old

VHS case and the lining of some never-to-be-worn-again raver pants. Although Forno has never had his entire wad stolen, he suspects he has been “skimmed” by acquaintances or strangers who happened upon his stash and peeled off a bill.

Even so, “I absolutely think stashing cash is a good idea, especially in this economy,” said Forno, who keeps a small bank account for emergencies but mostly saves his money in \$20 bills.

“Stashing cash is about securing yourself in the present,” he said.

Just be sure to remember where you hid the money. In October, a woman nearly lost \$10,000 when she accidentally returned a box of crackers — with an envelope stuffed full of \$100

bills.

Financial researcher Jack Marrion understands the impulse to stash cash.

“It’s the old, ‘If the bank fails and I can’t get my money’ logic,” said Marrion, who finds the idea unwise.

The loss of money inside a home is not covered by homeowner’s insurance, and banks and credit unions covered by the FDIC have never lost a penny of covered funds, said Marrion, who is also the president of SafeMoneyPlaces.com.

“The odds are much, much, much higher of having the money stolen than having the money lost,” Marrion said. “There are no FDIC failures, but there are burglaries. It’s an infinitesimal risk to a real risk.”