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Tow gets 5-year sentence in RICO case

Cleveland – Marc Tow, who coordinated a foreclosure scam that bilked investors and added to the devastation of Cleveland neighborhoods, has been sentenced to five years in prison. Cuyahoga County Common Pleas Court Judge Steven E. Gall imposed the punishment.

Tow, 62, plead guilty on July 9 to one count of Engaging in a Pattern of Corrupt Activity (RICO), one count of Aggravated Theft and one count of Money Laundering. Tow also was ordered by Judge Gall to forfeit 194 properties to the Cuyahoga County Land Bank and to pay restitution of \$300,000 to the six victims named in his indictment. He also must continue to cooperate with state and federal prosecutors in other pending cases.

Tow operated a fund in California that lured investors by telling them they would be purchasing properties in Cleveland that would be income-generating rentals or easily flipped rehabs. Instead, Tow's EZ Access Funding bought scores of foreclosed properties here between 2008 and 2011, never made needed repairs and ended up abandoning most of them.

"Mr. Tow chose to prey on the City of Cleveland," Assistant Prosecuting Attorney Gregory Mussman said at Tow's sentencing.

Mussman also rejected Tow's claims to Judge Gall that while he may have been negligent for not inspecting the Cleveland properties before buying them, others were more culpable for what happened to the investors and the neighborhoods

"From Day One, Mr. Tow has attempted to blame others," Mussman told Judge Gall. "When you look at the documents, all roads lead to Mr. Tow."

As he imposed sentence, Judge Gall told Tow that his professions of ignorance were "incredible."

Tow was indicted by a Cuyahoga County Grand Jury in August 2012 and ordered extradited by a California court in January of this year. Last December, after failing to appear in a California courtroom on the Ohio warrant, Tow was arrested near the Mexican border.

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