



## Tyco's Kozlowski Selling Mountain Mansion in Colorado (Update2)

By Karen Freifeld

Nov. 7 (Bloomberg) -- L. Dennis Kozlowski, the imprisoned former chief executive officer of Tyco International Ltd., is selling his Colorado mountain mansion for \$10 million to raise money for fines and restitution, court documents show.

An unidentified Texan agreed to buy the 8,627-square-foot house near Beaver Creek, Colorado, and to pay another \$750,000 for the furnishings, in a deal to close Nov. 9, according to a real estate broker and a sales contract filed in court. The house has a heated driveway and a stuffed mountain lion on a 20-foot- high beam just inside the front entrance.

``At 10 million, it's a decent house, although some people I talked to thought it wasn't worth more than eight," said David Nilges, a Colorado real estate broker not involved in the sale who toured the residence in January. ``The view is to die for."

Kozlowski, convicted in 2005 of looting Tyco, is selling assets to pay \$167 million in court-ordered restitution and fines. Prosecutors said in August he was \$59 million short.

After Kozlowski missed a September deadline for full payment, a judge gave him more time and ordered a progress report next June.

Kozlowski also has a buyer for another of his boats, a 1999 Hinckley Talaria 44. Purchaser Peter Dooney was to complete the \$485,000 sale Oct. 26 in Stuart, Florida, court papers said.

‘I’ll Buy It’

In September, Kozlowski found a buyer for the historic America's Cup yacht Endeavour for \$13.1 million, court papers showed. He also sold paintings by Monet and Renoir for \$7.8 million this year and a Beaver Creek Lodge condominium for \$2 million plus \$15,000 for the furnishings.

Kozlowski bought the mountain house just before Christmas 2000 for \$845,000. People can ski directly from the residence to the Beaver Creek ski area, in Vail Valley west of Denver.

``The story in the valley is he rode up on a motorcycle and said, ‘I’ll buy it,’” Nilges said. Kozlowski had a seven-foot carved bear by the door to hold umbrellas, the broker said, adding that it reminded him of the \$15,000 dog-shaped umbrella stand in Kozlowski's Manhattan apartment. The former CEO lived rent-free in the \$31 million apartment, bought in his name with Tyco's money, the U.S. government said.

Kozlowski spent \$1 million remodeling the eight-bedroom house, including the addition of a ninth bathroom designed to look like an Old West outhouse, according to Darwin McCutcheon, a broker with Forbes Group Real Estate in Avon, Colorado, who represented the buyer.

‘Fair Value’

The house, originally priced at \$11.5 million, was listed in September at \$9.9 million, Coldwell Banker broker Tony Petruccione said at the time. It is now priced at \$10.8 million on the Web site of Prudential Colorado Properties in Beaver Creek.

``This is a fair value price," said McCutcheon. His office will split a 5 percent broker's fee with Prudential

Colorado Properties, whose listing broker, Mac Hodge, confirmed the house was ``under contract." He declined to discuss details.

Glen Bellinger, the Dallas attorney for the house buyer, didn't return phone calls seeking comment. The buyer's name was crossed off the contract filed in New York state court in Manhattan.

Yacht broker Miles David said the boat Kozlowski sold, named Karina, was priced at \$765,000, within the \$600,000 to \$900,000 such craft usually fetch. Asked why Dooney was paying one-third less than the asking price, the broker said, ``Because they had to get rid of it."

#### Larceny Convictions

Kozlowski is serving 8 1/3 to 25 years in the Mid-State Correctional Facility, a medium-security state prison in Marcy, New York. He must pay \$97 million in restitution to the company and \$70 million in fines.

The former CEO and Tyco's chief finance officer, Mark Swartz, were convicted of grand larceny and securities fraud for stealing \$137 million in unauthorized compensation and gaining \$410 million more through sales of inflated stock. Swartz, who got the same sentence as his former boss, is in the Oneida Correctional Facility in Rome, New York.

Stephen Kaufman, a lawyer for Kozlowski, declined to comment on the sales.

Tyco, nominally based in Bermuda and operating out of West Windsor, New Jersey, is the world's biggest maker of electronic connectors, industrial valves and security systems.

The case is People v. Kozlowski, 2002-cr-5259, New York Supreme Court, New York County (Manhattan).

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