

M.D.C. HOLDINGS, INC.

RESTATED CHARTER FOR THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS

The Board of Directors (the "Board") of M.D.C. Holdings, Inc., ("MDC" or "the Company") previously established an Audit Committee. This Restated Charter for the Audit Committee (the "Charter") restates the authority, responsibilities and specific duties of MDC's Audit Committee (the "Committee"). This Charter shall be reviewed periodically and, as appropriate, approved by the Board.

The purpose of the Committee is to assist Board oversight of: (1) the integrity of the Company's financial statements; (2) the Company's compliance with legal and regulatory requirements; (3) the external auditors' qualifications and independence; (4) the performance of the Company's internal audit function and external auditors; and (5) the effectiveness of the Company's internal control over financial reporting. Primary oversight responsibility for the foregoing matters rests with the Board. Primary responsibility for MDC's financial reporting and internal controls is vested in management. In performing its designated functions, the Committee shall not assume or diminish management's primary responsibility for the content of the Company's financial statements or for other financial information disseminated by the Company.

I. ORGANIZATION

A. Composition

The Committee shall be comprised of three or more directors. Each member of the Committee shall serve until such member resigns or is removed by the Board. Members may be removed by the Board, at will, in its discretion. Each member of the Committee shall be independent as provided by the regulations of the Securities and Exchange Commission (SEC), the listing standards of the New York Stock Exchange and applicable legal requirements. Reliance on an exemption from applicable independence standards shall be disclosed to the extent required by applicable legal requirements.

Each member of the Committee must be financially literate, as interpreted by the Board in its business judgment, or become so within a reasonable period after appointment to the Committee and at least one member of the Committee shall have accounting or related financial management expertise as determined by the Board in its business judgment. Each year, the Company shall disclose in its annual report and/or proxy statement whether or not at least one member of the Audit Committee qualifies as an "audit committee financial expert," as defined by SEC regulations.

If a Committee member simultaneously serves on the audit committees of more than three public companies, the Board must determine that such simultaneous service

would not impair the ability of such member to effectively serve on the Committee and disclose such determination either on or through the Company's website or in its annual proxy statement or, if the Company does not file an annual proxy statement, in the Company's annual report on Form 10-K filed with the SEC. If this disclosure is made on or through the Company's website, the Company must disclose that fact in its annual proxy statement or annual report (as applicable) and provide the website address.

B. Access and Resources

The Committee shall have unrestricted access to MDC's personnel and records and to the Company's external auditors, and shall have authority to engage independent counsel and other advisers as it deems necessary to fulfill its duties. The Company shall provide the resources necessary for the Committee to discharge its responsibilities including, but not limited to, appropriate funding (as determined by the Committee in its capacity as a committee of the Board) for payment of (1) compensation to external auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (2) compensation to any advisers employed by the Committee; and (3) any other expenses that are deemed to be necessary or appropriate in carrying out its duties.

C. Meetings

The Committee shall meet on a regular basis, at least quarterly, and may call additional meetings as required. Further, the Committee shall meet separately, periodically, in executive sessions with management, the internal auditors and the external auditors. A quorum of the Committee shall consist of two members or a majority of the Committee membership, whichever is greater. Meetings may be telephonic as permitted by applicable law.

D. Minutes

Minutes of regularly scheduled and special meetings shall be reduced to writing and copies provided to Committee members for their approval. A record of approved minutes shall be maintained indefinitely by the Committee.

E. Reporting to the Board

The Committee shall report regularly to the Board regarding its activities.

F. Indemnification

Each Committee member shall be entitled to indemnification by the Company to the maximum extent permitted by Delaware law, the Company's Certificate of Incorporation, By-laws and resolutions of the Board.

G. Compensation and Expense Reimbursement

The Committee members shall be compensated for attendance at meetings as determined by the Board. Travel and other out-of-pocket expenses incurred by Committee members in connection with the performance of their duties shall be reimbursed in accordance with the Company's expense reimbursement policies.

II. FUNCTIONS - EXTERNAL AUDIT MATTERS

A. Select External Auditors, Review Independence and Evaluate Performance

The Committee shall be directly responsible for the appointment, compensation, retention, oversight, and termination of the services provided by any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company ("external auditors").

Each external auditor shall report directly to the Committee in accordance with New York Stock Exchange listing standards, SEC regulations and any other applicable requirements.

To the extent required by the New York Stock Exchange listing standards or other applicable requirements, the Committee shall obtain from the Company's external auditor and review an annual report describing:

- The external auditor's internal control procedures;
- Any material issues raised by the most recent internal quality control review, or peer review, of the external auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting independent audits carried out by the external auditor and any steps taken to deal with such issues; and
- All relationships between the external auditor and the Company (in order to assess the external auditor's independence).

After reviewing the foregoing report and the external auditor's work throughout the year, the Committee will be in a position to evaluate the auditor's qualifications, performance and independence.

The Committee shall pre-approve all audit services and, subject to the *de minimus* exception provided under Section 202 of the Sarbanes-Oxley Act, all non-audit services provided by the external auditors. The Committee may delegate to any of its members the authority to grant pre-approvals of audit and other permitted services,

provided that any such pre-approval shall be presented to the full Committee at the next scheduled meeting. The external auditors shall not be engaged to perform non-audit services proscribed by law or regulation. All approvals by the Committee for non-audit services to be performed by the external auditors shall be disclosed in the Company's periodic reports filed with the Securities and Exchange Commission as required by SEC regulations.

B. Review Results of the Annual Audit of Financial Statements

The Committee shall meet to review and discuss the Company's annual audited financial statements with management and the Company's external auditor, including the disclosures under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Form 10-K. The Committee shall recommend to the Board whether or not the audited financial statements should be included in the Company's Form 10-K.

The Committee shall review with the Company's external auditor any audit problems or difficulties and management's response. This shall include any restrictions on the scope of the external auditor's activities or in access to requested information and any significant disagreements with management.

Each external auditor that performs for the Company any audit required under the securities laws shall, prior to the filing with the SEC, report to the Committee on: the critical policies and practices of the Company, all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, and all other material written communications between the Company's external auditor and management.

C. Review Quarterly Reports on Form 10-Q

The Committee shall meet to review and discuss the Company's interim financial statements with management and the external auditor, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Form 10-Q.

D. Release of Material Financial Information

Management shall discuss with the Committee the Company's earnings press releases, and financial information and earnings guidance, if any, to be provided to analysts and rating agencies. This discussion may be done generally through discussion of the types of information to be disclosed and the type of presentation to be made.

E. Review Second Opinion Issues

The Committee shall be notified by management whenever a second opinion is being sought from an independent public accountant.

F. Review Management Representation Letters

The Committee shall periodically review management's representation letters furnished to the external auditors and shall be advised of any difficulties encountered by management in preparing the letter; and by the external auditors as to any difficulties encountered in obtaining the letter.

III. FUNCTIONS - FINANCIAL REPORTING MATTERS

A. Related Party Transactions

Management shall inform the Committee of related party transactions, including relationships and dollar volume (if applicable), at least quarterly so that the Committee can review and oversee related party transactions on an on-going basis as may be appropriate.

B. Status of Income and Other Tax Reserves and Significant Disputes with Taxing Authorities

At least quarterly, management shall report to the Committee on the status of all income and other tax reserves and deferrals and shall update the Committee concerning new or ongoing material disputes with taxing authorities.

C. Other Significant Reserves

The Committee shall be advised by management concerning the existence of and reasons for any other significant accounting accruals, reserves or estimates that have or may have a material impact on the financial statements.

D. Accounting Policies and Policy Decisions

While the fundamental responsibility for the Company's financial statements and disclosures rests with management and the external auditor, the Committee shall, nevertheless, review:

- Any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies;

- Analyses prepared by management and/or the external auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements including analyses of the effects of alternative GAAP methods on the financial statements;
- The effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company; and
- The type and presentation of information to be included in earnings press releases (including any use of "pro forma" or "adjusted" non-GAAP information), as well as review any financial information and earnings guidance provided to analysts and rating agencies.

#### IV. FUNCTIONS - INTERNAL AUDITING MATTERS

##### A. Personnel Decisions

The Company shall employ a qualified person to manage an internal audit department, whose duties shall be set by the Committee. The Committee shall have primary responsibility for all personnel decisions regarding the person managing the internal audit department, who shall consult with the Committee concerning decisions affecting all internal audit department personnel, including, but not limited to, hiring, termination and compensation.

The Committee shall establish clear hiring policies for employees or former employees of the external auditors that meet SEC regulations, New York Stock Exchange listing standards and any other applicable requirements.

##### B. Internal Audit Functions

At least annually, the Committee shall review the functions and goals of the internal audit department and may review its findings with management. The internal audit department shall provide management and the Committee with ongoing assessments of the Company's risk management processes and system of internal control.

#### V. FUNCTIONS - OTHER MATTERS

##### A. Receipt of Complaints

The Committee shall establish procedures for (1) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (2) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

B. Notification by Management of Fraud or Other Serious Breakdowns in Internal Control

The Committee shall be immediately informed by management or the internal audit department, as appropriate, of any perceived fraud or other material breakdowns in internal control.

C. Audit Committee Disclosures

The Committee shall prepare the audit committee disclosures required by SEC regulations.

D. Written Affirmations

The Committee shall review and, if required, approve the annual written affirmations to be provided to the New York Stock Exchange and any other exchanges on which the Company's securities may trade.

E. Other Responsibilities.

The Committee shall also have responsibility to discuss policies with respect to risk assessment and risk management. While it is the responsibility of the CEO and senior management to assess and manage the Company's exposure to risk, the Committee shall discuss guidelines and policies to govern the process by which the Company's exposure to risk is assessed and managed.

The Committee shall perform such other duties and functions as the Board may direct from time to time.

F. Annual Performance Evaluation

The Committee shall make provision for an annual performance evaluation of the Committee.

F. Website Posting Requirement

The Company shall make the Committee's Charter available on or through the Company's website. The Company must disclose in its annual proxy statement or, if it does not file an annual proxy statement, in its annual report on Form 10-K filed with the SEC that the Charter is available on or through its website and provide the website address.

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Restated as of December 12, 2016.