

# MDC Holdings Expects Third Quarter Earnings to Exceed Analysts' Estimates

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M.D.C. Holdings, Inc. ([www.RichmondAmerican.com](http://www.RichmondAmerican.com)), which builds homes under the name "Richmond American Homes," today announced that it expects earnings per share for the three months ended September 30, 2000 to exceed the high end of analysts' estimates. Analysts who cover the Company's common stock have published earnings estimates ranging from \$1.10 to \$1.27 per share for MDC's third quarter. The Company has continued to benefit from higher home selling prices and increased options sold by design centers. In addition, MDC has resolved its only open IRS income tax examination. As a result, the Company's effective tax rate should decrease to approximately 36% for the remaining two quarters of 2000, and should rise to a more normalized rate of approximately 39% in 2001. The Company expects to release 2000 third quarter earnings and hold its quarterly conference call on October 17, 2000. Please refer to the last paragraph of this release for a discussion of factors that may impact the Company's estimate of third quarter earnings.

MDC is one of the largest homebuilders in the United States. The Company also provides mortgage financing, primarily for MDC's home buyers, through its wholly owned subsidiary, HomeAmerican Mortgage Corporation. MDC is a major regional homebuilder with a significant presence in some of the country's best housing markets. The Company is the largest homebuilder in metropolitan Denver; among the top five homebuilders in Northern Virginia, suburban Maryland, Tucson and Colorado Springs; and among the top ten homebuilders in Phoenix, Las Vegas, Southern California and the San Francisco Bay area.

Certain statements in this release, including those related to second quarter 2000 estimates of earnings and anticipated tax rates, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among other things, (1) general economic and business conditions; (2) interest rate changes; (3) the relative stability of debt and equity markets; (4) competition; (5) the availability and cost of land and other raw materials used by the Company in its homebuilding operations; (6) demographic changes; (7) shortages and the cost of labor; (8) weather related slowdowns; (9) slow growth initiatives; (10) building moratoria; (11) governmental regulation, including the interpretation of tax, labor and environmental laws; (12) changes in consumer confidence and preferences; (13) required accounting changes; and (14) other factors over which the Company has little or no control.

SOURCE: M.D.C. Holdings, Inc.

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