

M.D.C. Holdings Expects Third Quarter Earnings to Exceed Consensus Analyst Estimate; Reports 2001 Third Quarter Home Orders, Home Closings And Quarter-End Backlog

- Third quarter home closings increased 7% - Earnings per share should exceed consensus analyst estimate of \$1.53 - Release of earnings anticipated on October 16, 2001

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M.D.C. Holdings, Inc. (www.RichmondAmerican.com) today announced, in anticipation of meeting with investors in New York later this week, that it expects earnings per share for the three months ended September 30, 2001 to exceed the consensus analyst estimate of \$1.53. MDC remains on pace to establish new records for revenues and earnings in 2001. The Company expects to release its 2001 third quarter earnings and hold its quarterly conference call and webcast on October 16, 2001. Please refer to the last paragraph of this release for a discussion of factors that may impact the Company's estimate of 2001 revenues and third quarter and total year earnings.

MDC closed 2,076 homes in the three months ended September 30, 2001, the highest third quarter level of home closings in the Company's history and 7% higher than the 1,943 homes closed for the same period in 2000. The Company ended the third quarter of 2001 with a backlog of 3,924 homes with an estimated sales value of \$1.050 billion, compared with a backlog of 3,967 homes with an estimated sales value of \$930 million at September 30, 2000.

The Company received orders for 1,628 homes and 6,328 homes, respectively, net of cancellations, during the third quarter and first nine months of 2001, compared with net orders for 2,092 homes and 6,381 homes, respectively, for the same periods in 2000. MDC received 405 net orders for new homes in September 2001, compared with 616 net orders received in September 2000. Levels of traffic and gross home orders declined by approximately 30% during the week immediately following the tragic events of September 11th, compared with the weeks prior to such events, while the absolute number of home order cancellations were consistent. During the last two weeks of September, traffic increased, cancellations remained relatively stable and home orders improved on both a gross and net basis, although not to weekly levels immediately prior to September 11th.

In September 2001, as well as throughout most of the 2001 third quarter, MDC orders continued to be impacted by temporary reductions in the number of active subdivisions in Virginia, Nevada and Phoenix. A significant number of active subdivisions in these markets also were approaching close-out in this period. The Company anticipates opening six, five and ten new subdivisions, respectively, in these markets in the next 90 days. In addition, while the number of active subdivisions increased in Colorado, many of these new subdivisions have been selling out of trailers with models under construction, contributing to a lower absorption pace. MDC expects to open 35 new model homes in Colorado subdivisions before the end of the year.

MDC, whose subsidiaries build homes under the name "Richmond American Homes," is one of the largest homebuilders in the United States. The Company's wholly owned subsidiary HomeAmerican Mortgage Corporation provides mortgage financing primarily for MDC's home buyers. MDC is a major regional homebuilder with a significant presence in some of the country's best housing markets. Richmond American Homes is the largest homebuilder in Colorado; among the top five homebuilders in northern Virginia, Phoenix and Tucson; and among the top ten homebuilders in suburban Maryland, Las Vegas, Southern California and Northern California.

Certain statements in this release, including those related to the Company's anticipated revenues and earnings, 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; (14) terrorist acts and other acts of war; and (15) other factors over which the Company has little or no control.

Homebuilding Operational Data
(Dollars in Thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	2000	2001	2000
Orders For Homes, net (units)				
Colorado	494	668	2,101	2,134
California	362	415	1,217	1,272
Arizona	433	573	1,699	1,486
Nevada	161	199	591	631
Virginia	117	177	481	641
Maryland	61	60	239	217
Total	1,628	2,092	6,328	6,381

Homes Closed (units)				
Colorado	688	702	1,988	2,152
California	433	369	1,048	887
Arizona	611	405	1,622	1,094
Nevada	165	212	493	500
Virginia	107	175	413	497
Maryland	72	80	195	225
Total	2,076	1,943	5,759	5,355

	September 30, 2001	December 31, 2000	September 30, 2000
Backlog (units)			
Colorado	1,498	1,385	1,608
California	677	508	642
Arizona	887	747	844
Nevada	296	198	268
Virginia	396	328	434
Maryland	170	126	171
Total	3,924	3,292	3,967

Backlog Estimated Sales			
Value	\$1,050,000	\$775,000	\$930,000

Active Subdivisions	141	133	120
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SOURCE: M.D.C. Holdings, Inc.

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