

M.D.C. Holdings Announces Agreement to Acquire Assets of W. L. Homes LLC in Las Vegas and Salt Lake City

- Market position in Las Vegas improved to top five - Geographic diversification enhanced through entry into Salt Lake City Market - Over 2,400 lots purchased or optioned

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M.D.C. Holdings, Inc. (www.RichmondAmerican.com), whose subsidiaries build homes under the name "Richmond American Homes," today announced that two of its subsidiaries have signed definitive agreements to acquire substantially all of the homebuilding operations of W. L. Homes LLC d/b/a John Laing Homes ("WLH") in Las Vegas and Salt Lake City. The assets to be acquired consist of over 1,600 lots in Nevada and over 800 lots in Utah, including approximately 150 homes in both markets in various stages of construction. MDC's Board of Directors has approved the transaction, which is expected to close in mid- April. WLH closed 353 homes in Las Vegas and 168 homes in Salt Lake City in 2001.

David D. Mandarich, MDC's president and chief operating officer, said, "This acquisition not only continues our strategy of expanding our presence in our existing markets, but also gives us entry into the Salt Lake City market, where almost 6,000 single-family permits were issued in 2001. The combined 1,057 homes closed by W.L. Homes and Richmond American Homes in Las Vegas in 2001 would have positioned us as the third largest builder in this dynamic market. We are pleased to have most of the W. L. Homes management and employees in these markets join the MDC team. Their market knowledge and expertise will effectively complement our current operations in Las Vegas, and should provide the solid foundation and leadership necessary to accomplish our vision for the Salt Lake City market. We expect the addition of the W.L. Homes personnel and projects to position us as a leading builder in Las Vegas and Salt Lake City for years to come."

Paris G. Reece III, MDC's executive vice president and chief financial officer, added, "We expect this acquisition to begin providing home closings and revenues immediately following the transaction closing, and to be accretive to earnings in 2003. MDC's recording of the project acquisitions anticipated in this transaction should increase the Company's ratio of debt to capital by no more than 5 percentage points. In addition, no goodwill should be recorded by MDC as a result of this transaction."

MDC is one of the largest homebuilders in the United States. The Company also provides mortgage financing, primarily for MDC's homebuyers, 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 Colorado; among the top five homebuilders in Northern Virginia, Phoenix and Tucson; and among the top ten homebuilders in suburban Maryland, Las Vegas, Northern California and Southern California.

Certain statements in this release 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.

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