

M.D.C. Holdings Achieves Investment Grade Rating by Moody's

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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 Moody's Investors Service ("Moody's") has upgraded the Company's senior implied rating, issuer rating, and senior unsecured debt rating to "Baa3" from "Ba1." In its announcement of the ratings action, Moody's stated, "The upgrades reflect the company's success in diversifying its profit base away from Colorado, its consistent generation of some of the strongest financial ratios within the homebuilding industry, its conservative accounting and cautious land position, the strong, largely organic growth rate, the growing equity base, and significant management ownership." Moody's continued, "Among its peer group, MDC generated over the three-year period 2000-2002 the highest EBIT and EBITDA margins, the strongest interest coverage, and the best returns (ROA and ROE) despite carrying the lowest debt leverage...."

Larry A. Mizel, MDC's chairman and chief executive officer, said, "We are pleased that Moody's has recognized the success of our strategy and the strength of our operating performance. We are especially appreciative of the efforts of the people who have worked for and with our Company to produce the results that have enabled us to achieve this important milestone."

MDC, whose subsidiaries build homes under the name "Richmond American Homes," 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, Tucson and Las Vegas; among the top ten homebuilders in suburban Maryland, Northern California and Southern California; and has recently entered the Salt Lake City and Dallas/Fort Worth markets.

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

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