2020

M.D.C. Holdings, Inc.

November 2020

INVESTOR PRESENTATION

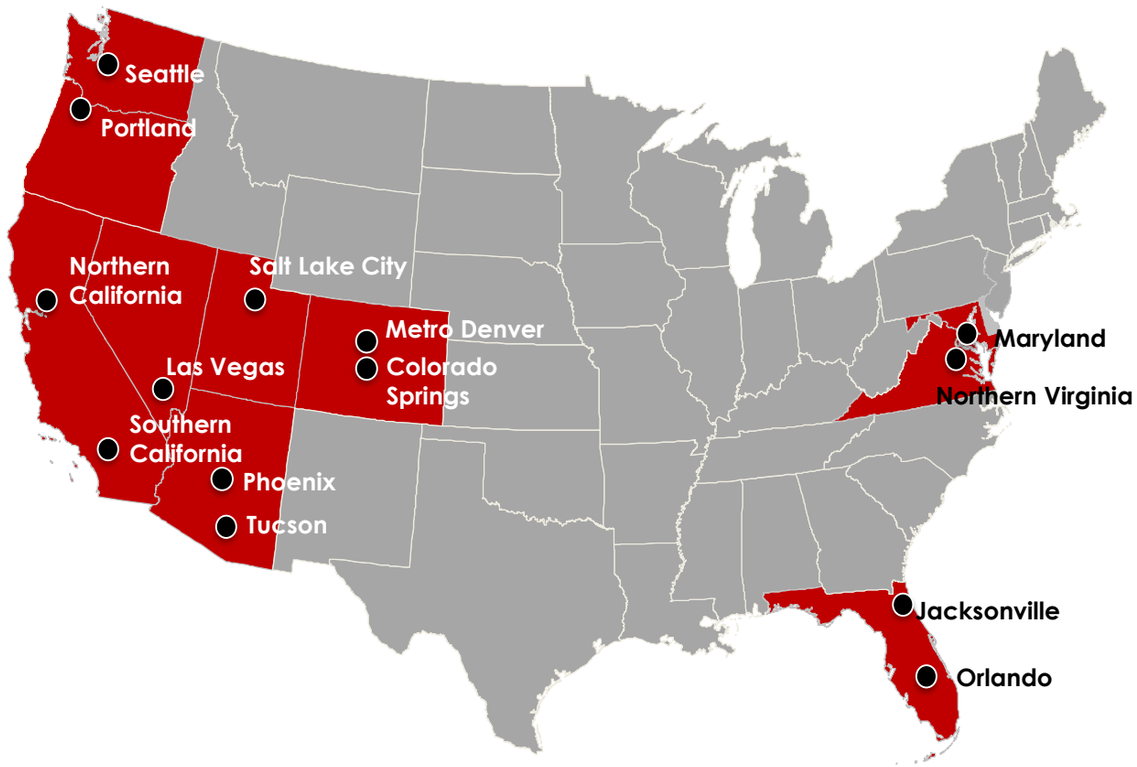
Forward Looking Statements

Certain statements in this release, including statements regarding our business, financial condition, results of operation, cash flows, strategies and prospects, 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 MDC 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 conditions, including the impact of the COVID-19 pandemic, changes in consumer confidence, inflation or deflation and employment levels; (2) changes in business conditions experienced by MDC, including restrictions on business activities resulting from the COVID-19 pandemic, cancellation rates, net home orders, gross margins from home sales, land and home values and subdivision counts; (3) changes in interest rates, mortgage lending programs and the availability of credit; (4) changes in the market value of MDC's investments in marketable securities; (5) uncertainty in the mortgage lending industry, including repurchase requirements associated with HomeAmerican Mortgage Corporation's sale of mortgage loans (6) the relative stability of debt and equity markets; (7) competition; (8) the availability and cost of land and other raw materials used by MDC in its homebuilding operations; (9) the availability and cost of performance bonds and insurance covering risks associated with our business; (10) shortages and the cost of labor; (11) weather related slowdowns and natural disasters; (12) slow growth initiatives; (13) building moratoria; (14) governmental regulation, including orders addressing the COVID-19 pandemic, the interpretation of tax, labor and environmental laws; (15) terrorist acts and other acts of war; (16) changes in energy prices; and (17) other factors over which MDC has little or no control. Additional information about the risks and uncertainties applicable to MDC's business is contained in MDC's Form 10-Q for the quarter ended September 30, 2020.

All forward-looking statements made in this presentation are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed in this press release will increase with the passage of time. The Company undertakes no duty to update any forward-looking statements, whether as a result of new information, future events or otherwise. However, any further disclosures made on related subjects in our subsequent filings, releases or presentations should be consulted.

Company Overview

Founded in 1972, M.D.C. Holdings, Inc. is one of the leading homebuilders in the United States. Through our Richmond American Homes subsidiaries, we've helped over 210,000 buyers move into new, quality homes across the country.



	AZ	CA	NV	OR	WA	CO	UT	FL	Mid-Atl	Total
LTM Deliveries	1,607	1,318	1,019	90	288	2,017	465	942	237	**7,983**
% of Total	*20.1%*	*16.5%*	*12.8%*	*1.1%*	*3.6%*	*25.3%*	*5.8%*	*11.8%*	*3.0%*	
LTM ASP ('000s)	$ 358	$ 615	$ 461	$ 515	$ 558	$ 523	$ 444	$ 272	$ 382	**$ 458**

Data as of September 30, 2020

Competitive Advantage and Strategic Focus

2020 INVESTOR MEETING

The MDC Difference

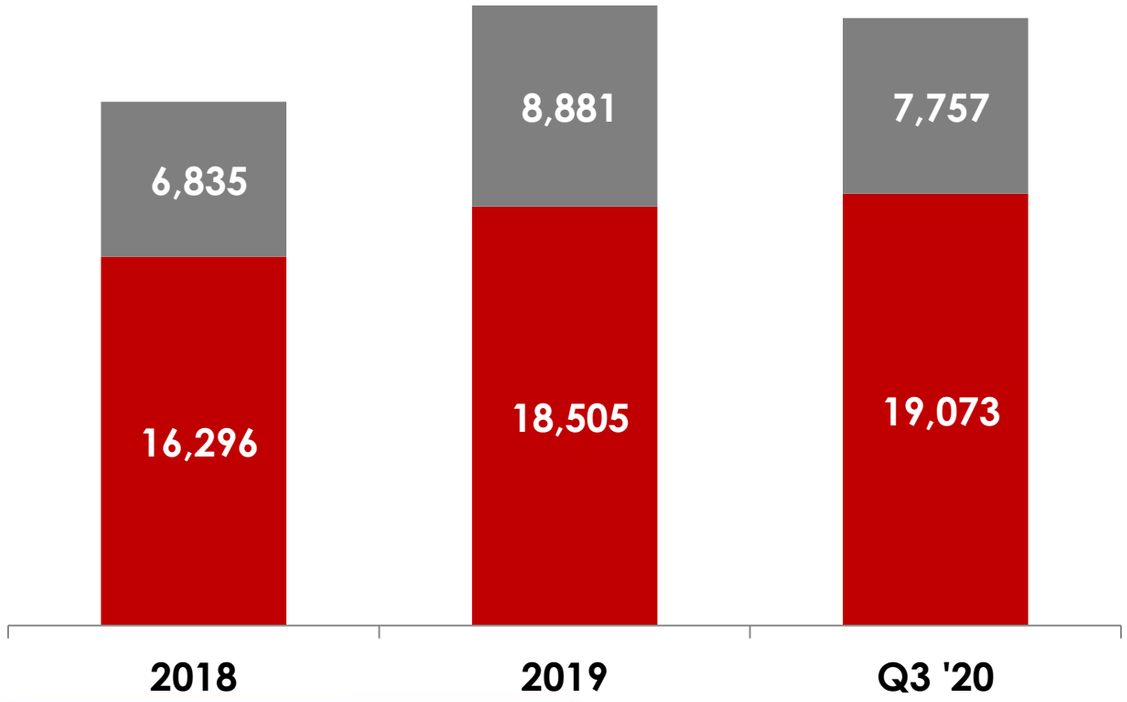
How MDC is Different	Why It Matters
BUILT FOR SUCCESS THROUGH THE HOUSING CYCLE ✓ Strong balance sheet ✓ 2-3 years land supply ✓ Limited amount of speculative inventory ✓ Industry leading dividend	We're focused on homebuilding, not land speculation, which positions us to withstand, and ultimately benefit from, downturns. Allows us to reward shareholders with an industry leading dividend, which has remained consistent / increased each year since 1994.
DIVERSE PRODUCT MIX WITH AN INCREASING FOCUS ON THE AFFORDABLE SEGMENT ✓ Appeal to a number of buyer demographics ✓ Benefitting from the Millennial homebuying wave ✓ Moving down in price without sacrificing quality or design elements	Allows us to have faster cycle times, increase our absorption pace and improve our gross margin through better pricing power. Attracts both new homebuyers and move down buyers focused on affordability. Unique products help differentiate us from peers.
BUILD TO ORDER MODEL ✓ Allows for customization ✓ Differentiates us in the market as more builders move to a spec strategy ✓ "Build-to-order" strategy limits risk vs. speculative building of unsold homes by peer group	Allows us to manage the customer experience from end-to-end. Customization leads to higher margin sales. We've proven we can generate order rates above peer group average without the use of specs. Model is consistent with our risk conscious operating philosophy.

Built for Success Through the Housing Cycle

2020 INVESTOR PRESENTATION

Land Strategy

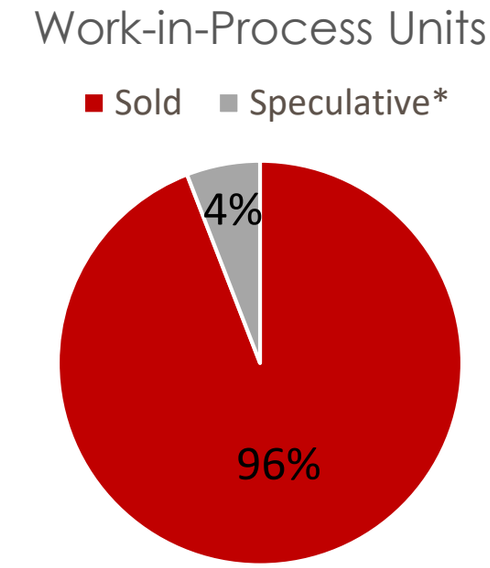
- Target 2-3 year land supply
- Carefully managed to reduce exposure to industry cycles
- Strong lot approval and acquisition activity expected to continue into Q4*

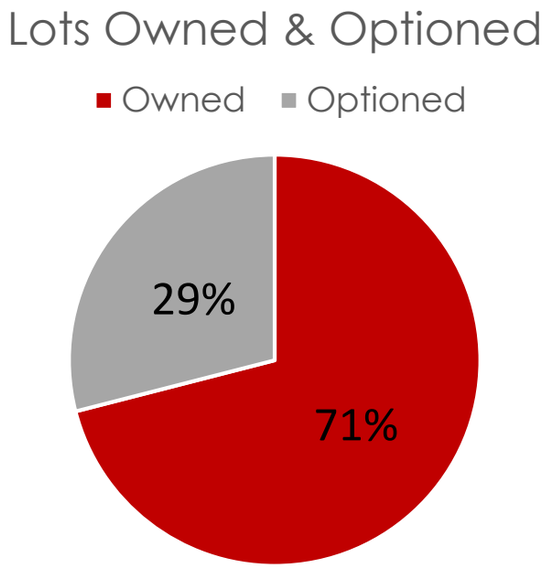


* See **"Forward-Looking Statements"** on Slide 2

Inventory Management

- No land banking or "mothballed" communities
- Minimal speculative inventory
- 96% of work-in-process units already sold at September 30, 2020
- 29% of lots controlled via option

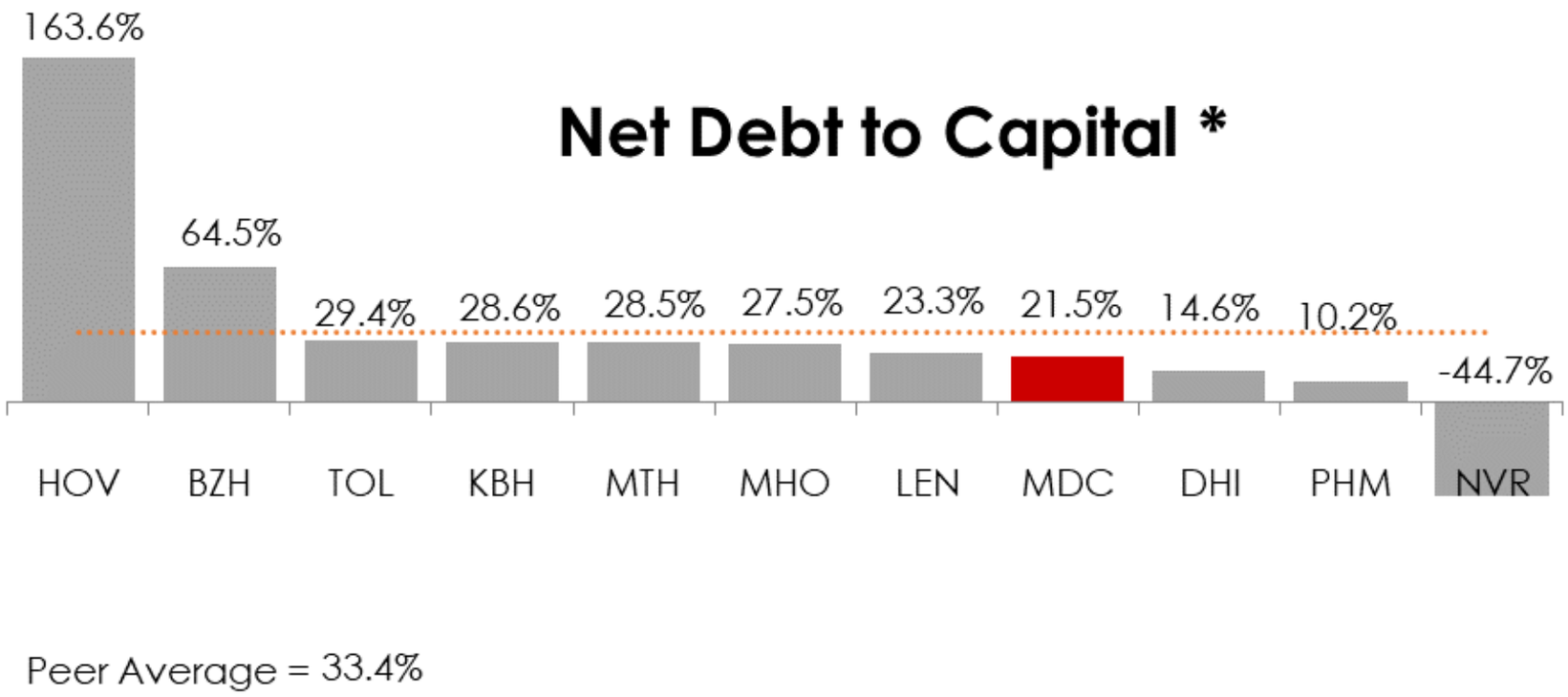




* Speculative Work-in-Process Units exclude models.

Strong Balance Sheet

MDC's transparent balance sheet and disciplined operating principles are uniquely designed to balance risk and reward



Source: Most recently published financial statements as of 11/2/2020
* See appendix for reconciliation of non-GAAP measures

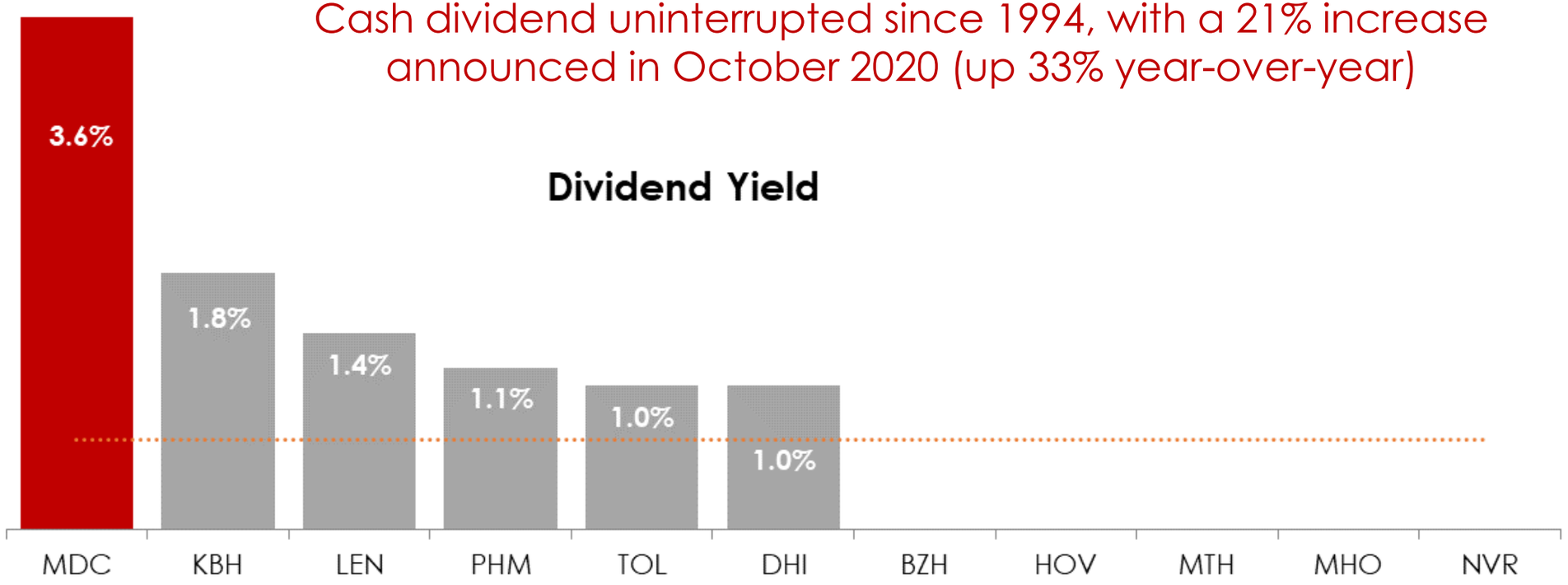
Access to Capital Markets

Senior/Corporate Credit Ratings		
Fitch Inc.	BBB-	Stable
Standard & Poor's	BB+	Positive
Moody's	Ba2	Stable

Credit ratings among the industry's best, further demonstrating our disciplined approach and strong financial position

Industry Leading Dividend

Cash dividend uninterrupted since 1994, with a 21% increase announced in October 2020 (up 33% year-over-year)



Peer Average = 0.6%

Quarterly dividend declared in October 2020 was $0.40 ($1.60 annualized)

Source: Yahoo Finance on 11/2/2020

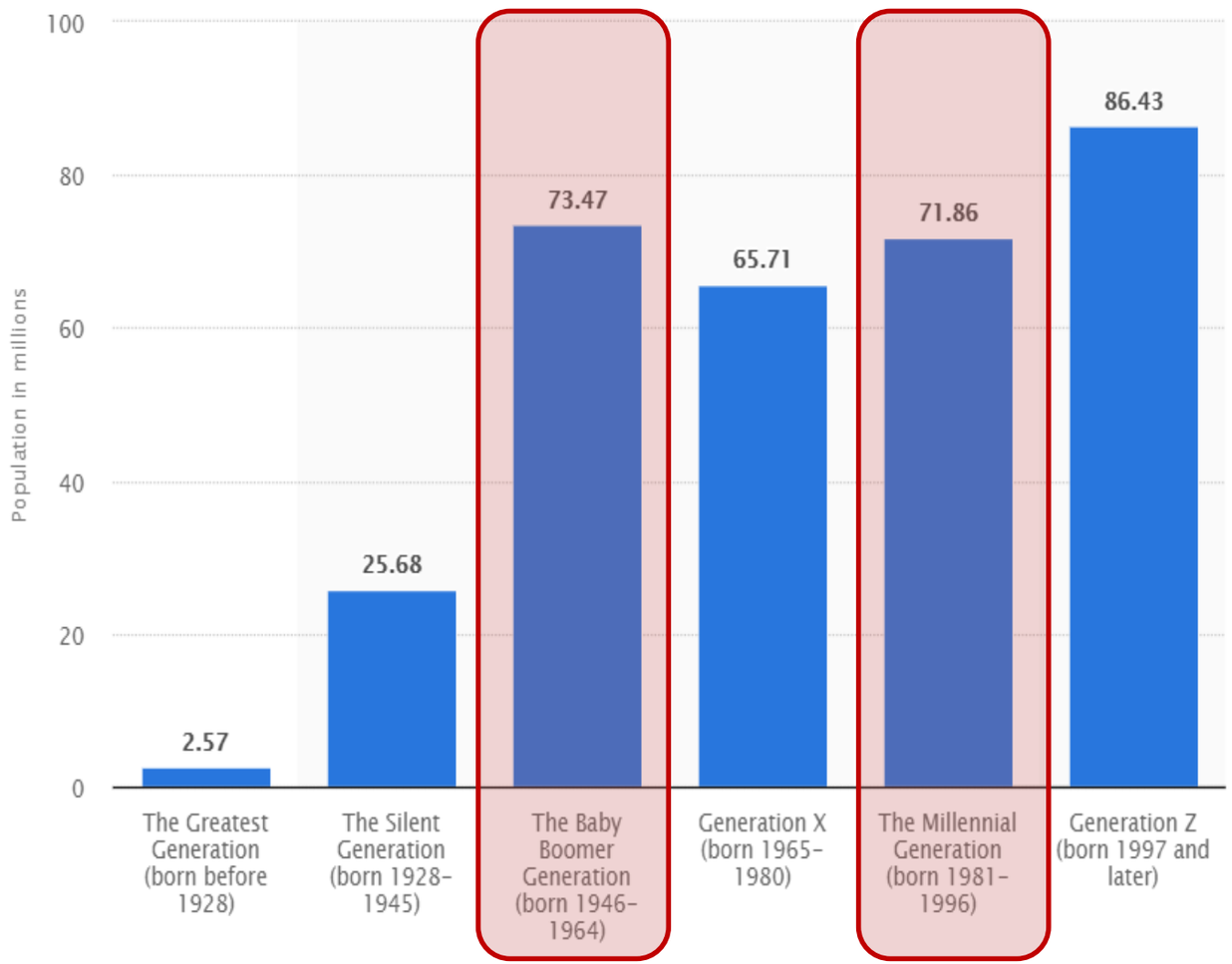
Diverse Product Mix with a Focus on Affordability

2020 INVESTOR MEETING

MDC's Affordable Product Approach

- Smaller floor plans
- Value-engineered but still high-quality construction
- Offering as build-to-order
- Nicer structural features included
- Faster growth rate than traditional product
- Appeals to multiple generations, in particular: Baby Boomer and Millennials

U.S. Population by Generation



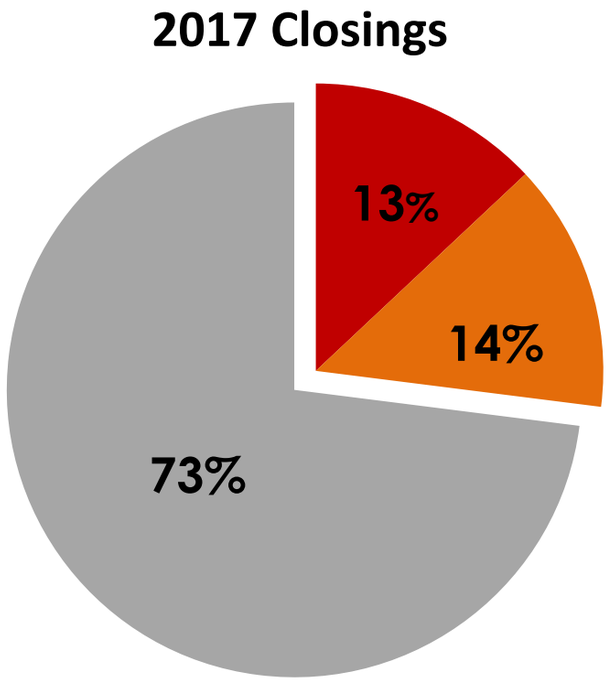
Source: https://www.statista.com/statistics/797321/us-population-by-generation

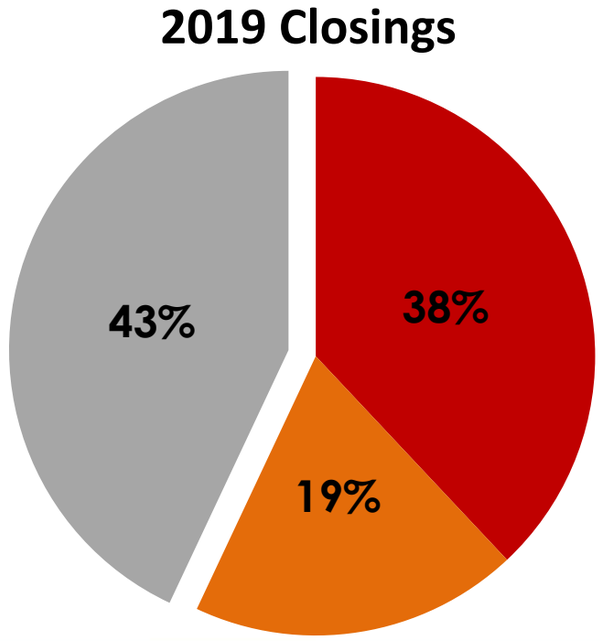
Product Mix

Seasons

Other Affordable

Traditional Single Family Detached

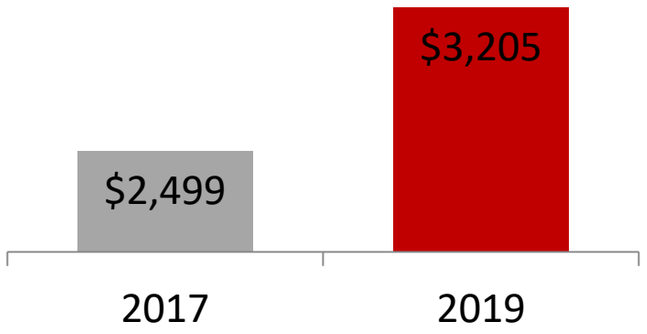




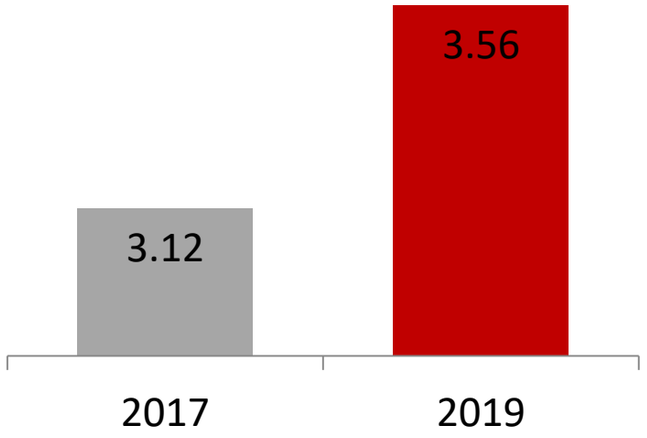
Benefits of our Focus on Affordability

Home Sale Revenues

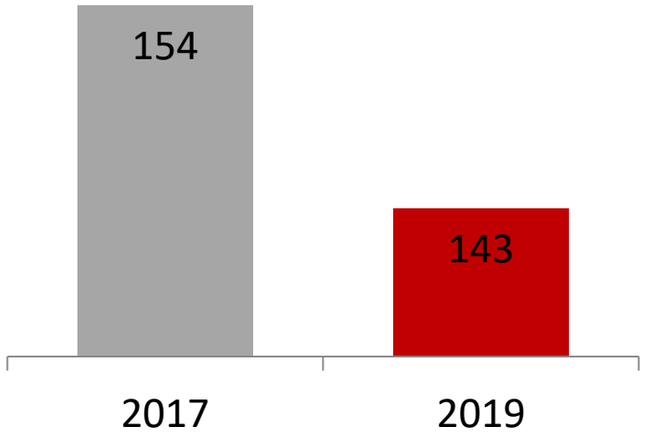
(in millions)



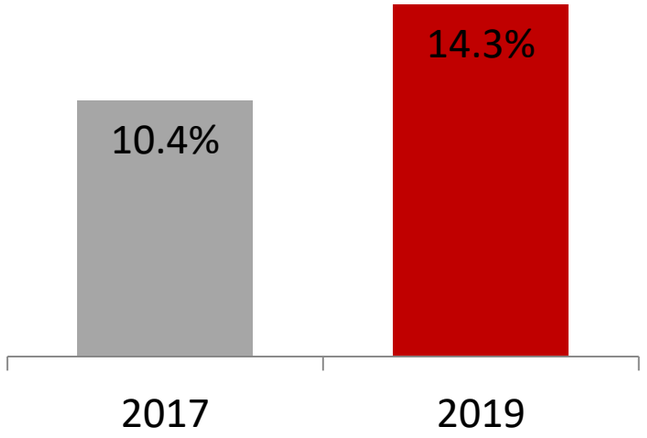
Absorption Pace



Cycle Time



Return on Equity



Product Spotlight

SEASONS™
By Richmond American

RICHMOND AMERICAN
CITYSCAPE™
COLLECTION

Product Spotlight

ULTRAGARAGE™
BY RICHMOND AMERICAN

RICHMOND AMERICAN
urban
COLLECTION™

Product Spotlight: Seasons™ Collection

Target buyer

- Buyers seeking affordable homes with all the best options
- Suburban locations offer affordability & easy access to employment centers

Floor plan overview

- 68 ranch & two-story floor plans
- Approx. 1,250 to 3,040 sq. ft.
- 2 to 6 bedrooms

Collection features

- Open layouts with 9' main-floor ceilings
- Center-meet sliding doors & optional covered patios
- Low monthly payments
- Move-in package helps buyers set up their new home

Driver of MDC's growth

- Launched in 2016, Seasons made up 33% of net orders in Q3 2019 and has grown to 40% of net orders in Q3 2020
- Shows Richmond American's ability to capture a growing market for affordable homes

Product Spotlight: Cityscape™ Collection

CITYSCAPE™ COLLECTION

Target buyer

- Buyers seeking urban lifestyle near employment/shopping
- Typically infill locations

Floor plan overview

- 4 three-story floor plans
- Rooftop decks included on many designs
- Approx. 1,710 to 1,800 sq. ft.
- 2 to 3 bedrooms

Collection features

- Low maintenance
- Attached 2-car garages
- Infill sites with prime locations
- Vertical living with rooftop decks and main-floor balconies
- Contemporary finishes available

Positioning MDC for growth

- First sold in 2016
- Contemporary design appeals to multiple consumer groups
- Drives affordability to infill areas through increased density

Product Spotlight: UltraGarage™

ULTRAGARAGE™

Target buyer

- Buyers in the need of additional storage space for RVs, boats and other recreational vehicles in suburban locations

Floor plan overview

- 9 ranch & two-story floor plans
- Approx. 2,100 to 2,950 sq. ft.
- 3 to 5 bedrooms

Collection features

- Buyers have 24/7/365 access to their RV, boat, ATVs or other vehicles with an attached garage that is accessible from the main house or smaller garage
- Product eliminates potential offsite storage fees for buyers by providing private indoor parking, protected from wind, hail and unnecessary UV damage

Positioning MDC for growth

- Launched in 2019 in AZ markets and since expanded to CO, FL, NV, CA and WA
- Shows Richmond American's ability to reach buyers with unique requirements and personalize to their needs

Build-to-Order Model

2020 INVESTOR MEETING

MDC's Distinct Build-to-Order Model

- Distinct Build-to-Order Strategy is a key differentiator for MDC
- Ability to select a lot, plan and options helps create an end-to-end "customer experience"
- In-house merchandising and marketing teams highlight design through model home presentation
- Strategy aligns with disciplined operating principles by limiting speculative inventory and exposure to industry cycles

End-to-End Customer Experience

End-to-end customer experience creates multiple consumer touch points and drives incremental revenue through Home Gallery Design Studios, as well as our homebuyer financial service businesses highlighted below:

- HomeAmerican Mortgage Corporation
  - Originates mortgage loans for our homebuyers
- American Home Title and Escrow Company
  - Provides title agency services to our homebuyers and homebuilding subsidiaries
- American Home Insurance Agency, Inc.
  - Provides third-party insurance products to homebuyers

Homebuyers Want Choices

Most commonly cited reasons for purchasing a new home:

- ***Avoid need for renovations*** or problems with plumbing or electricity ***(38%)***
  - Cited by approximately two-thirds of all Millennials
- ***Ability to choose and customize design features (31%)***
  - Cited more often than any other by Baby Boomers
- Amenities of new home construction communities (21%)

Source: 2019 Home Buyer and Seller Report by NAR

HOME GALLERY™
BY RICHMOND AMERICAN

- Hundreds of fixture and finish options
- Step-by-step design assistance
- Higher margin products help drive higher gross margin from home sales
- Comprise approximately 8% of home sales revenue (with approximately another 8% of home sales revenues from structural options)
- Ability to analyze customer preferences and quickly adjust pricing based on customer demand

Financial Service Businesses

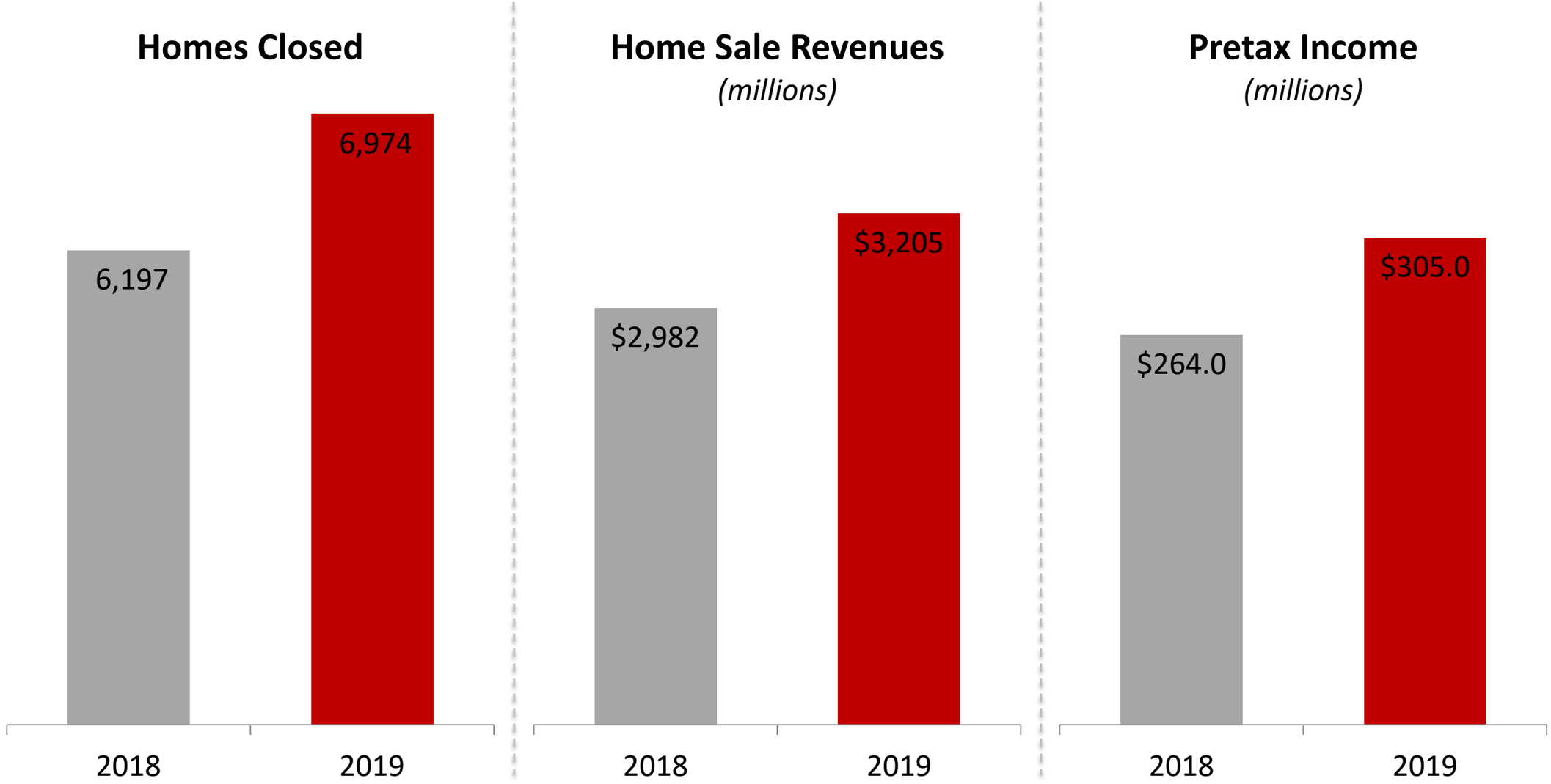
- Highly profitable complementary homebuyer services
- Over $88 million in revenues and $60 million in pretax income* in 2019
- Homebuyer capture rate of approximately 70% for HomeAmerican Mortgage Corporation
- Recurring income streams generated by American Home Insurance Agency

* Includes $11.8 million gain on marketable equity securities

Recent Financial Highlights

2020 INVESTOR MEETING

2019 Full-Year Results



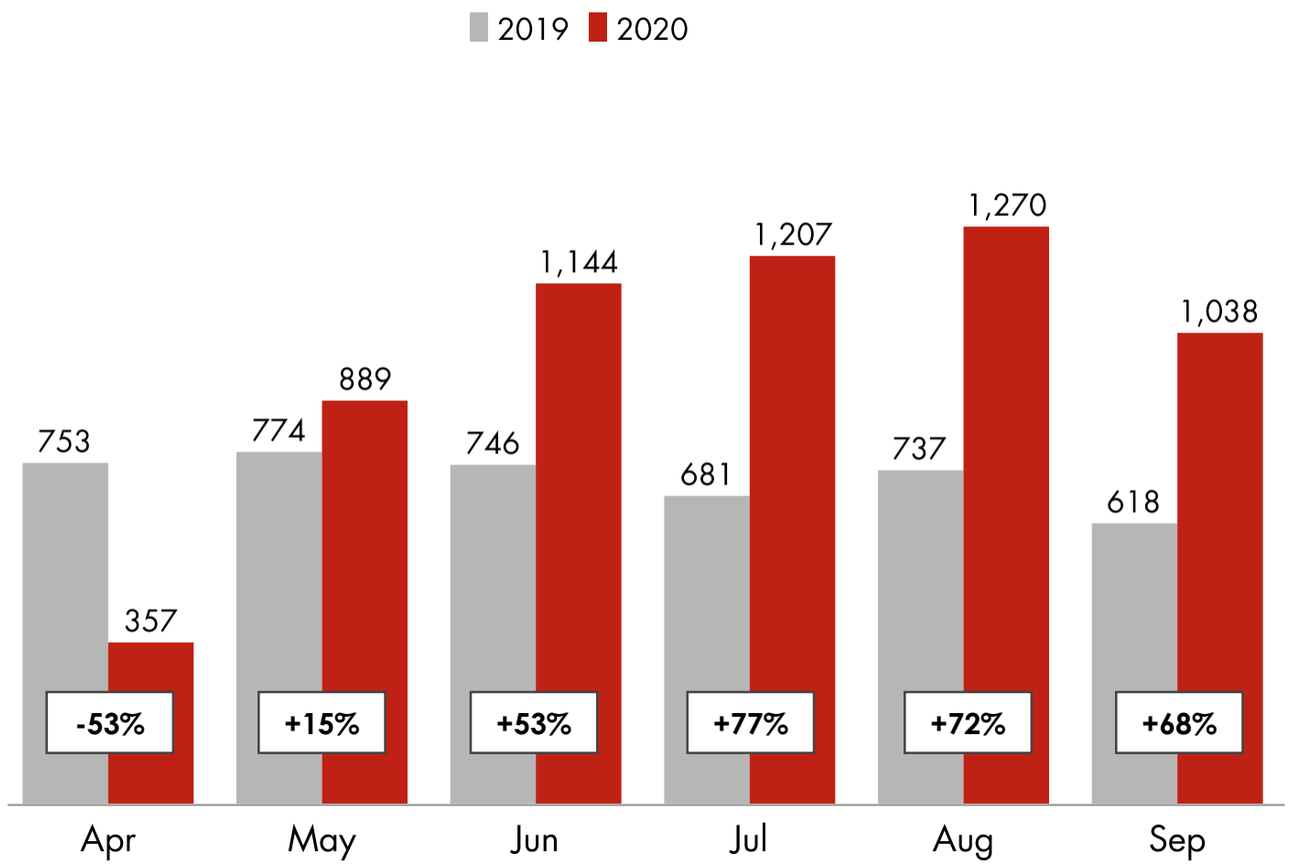
Impressive top and bottom line growth in 2019

Quarterly Results – Q3 2020

($ in millions)	Q3 2020	Q3 2019	% Change
Homes Closed	2,147	1,713	25%
Homes Sales Revenue	$1,000.5	$750.3	33%
Homebuilding Pretax Income	$101.7	$48.7	109%
Financial Services Pretax Income	$24.4	$14.1	73%
Net Income	$98.9	$50.6	96%
Gross Margin	20.5%	18.8%	170 bps
Homes Sold	3,515	2,036	73%
Sales Absorption Pace	6.1	3.6	70%
Average Active Subdivisions	193	191	1%
Backlog Units	6,511	4,616	41%
Backlog Dollar Value	$3,075.8	$2,099.1	47%

Accelerating growth in 2020 third quarter

Monthly Net New Home Orders



Strong recovery in net new home orders after COVID-19 impact in April

Recent Promotions & Changes Highlight Depth of Company Leadership

Larry A. Mizel
Executive Chairman

David D. Mandarich
President/CEO/
Director

Rebecca Givens
Senior Vice President & General Counsel

Staci Woolsey
Vice President and Chief Accounting Officer

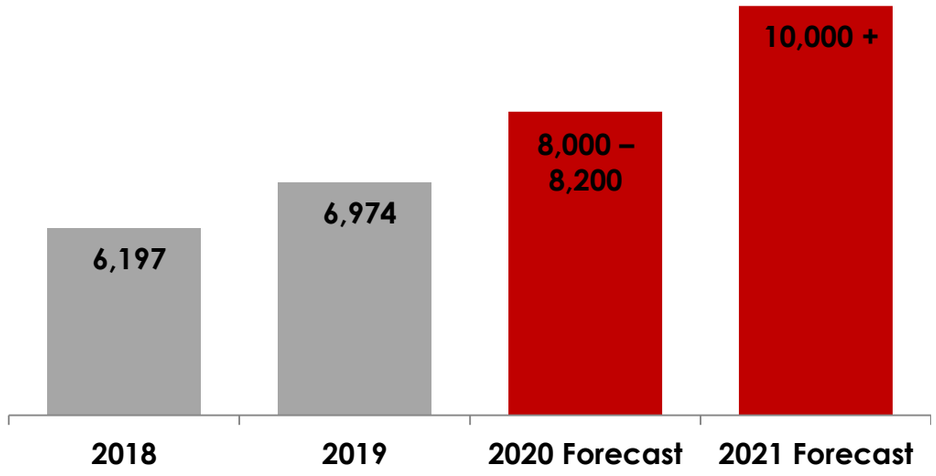
David Viger
Chief Operating Officer, Richmond American Homes

Anthony Berris
President of Financial Services

2020 Outlook & Other Selected Information*

- Home deliveries for the 2020 fourth quarter between 2,400 and 2,600
  - Average selling price for 2020 fourth quarter unit deliveries exceeding $460,000
  - Gross margin from home sales for the 2020 fourth quarter approaching 21% (excluding impairments and warranty adjustments)
- Preliminary target of at least 10,000 home deliveries for 2021
- Lots controlled of 26,830 at September 30, 2020, up 8% year-over-year
- Quarterly cash dividend of forty cents ($0.40) per share, up 21% from the prior quarter and 33% from the prior year

Home Closings



* Outlook & Other Selected Information provided as of10/29/2020. See **"Forward-Looking Statements"** on Slide 2

Strong Case for Multi-year Housing Rally*

- Historically low interest rates unlikely to rise soon
- Rise in remote work and school options
- Migration away from high cost, densely populated urban areas
- Limited resale inventory
- Buyer demographics – Millennials buying for first time, Baby Boomers downsizing and relocating
- Unemployment rates among homebuyer customer base lower than rest of country

* See **"Forward-Looking Statements"** on Slide 2

Appendix – Company Leaders

2020 INVESTOR MEETING

MDC Senior Executives

Larry A. Mizel *Founder/Executive Chairman*

Mr. Mizel provides leadership and judgment, while advancing the long-term interests of the company's shareholders. As founder, and one of the most experienced leaders in the homebuilding industry, his knowledge and foresight provide invaluable guidance.

David D. Mandarich *President/CEO/Director*

A skilled and experienced leader in the homebuilding industry, Mr. Mandarich has been with the company since 1977. He provides seasoned judgment, industry knowledge and a keen understanding of the company's homebuilding business and operations.

MDC Senior Executives

Robert N. Martin

Senior Vice President & CFO

Mr. Martin started his career in public accounting with Arthur Andersen LLP. Since 2002, he has served a variety of leadership roles at MDC, with direct oversight over the company's accounting, finance, tax, investor relations, information technology, treasury and planning and analysis functions.

Rebecca Givens

Senior Vice President & General Counsel

Ms. Givens was a partner at a Denver-area law firm, then joined MDC as a real estate attorney for eight years. She then served as general counsel for Spectrum Retirement Communities for nearly 20 years. In 2020, Ms. Givens returned for a second tenure with the company and was elected Senior Vice President and General Counsel in October 2020.

Staci Woolsey

Vice President and Chief Accounting Officer

Ms. Woolsey joined the Company in November 2018 as Vice President and Controller. She has direct oversight of the Company’s corporate and divisional accounting, financial reporting, audit and administrative functions. Prior to joining the Company, Ms. Woolsey was a Vice President and Controller at AECOM.

Homebuilding & Financial Services Executives

David Viger

Chief Operating Officer, Richmond American Homes

Mr. Viger has a 16-year tenure at Richmond American Homes, serving in many capacities. He started as an Assistant Superintendent and climbed the ranks to become a Regional Division President before taking on his current role. A retired lieutenant in the Navy, David earned a B.S. from the U.S. Naval Academy and previously played for the NFL.

Anthony Berris

President of Financial Services

Mr. Berris joined the company in 2006 with a background in mortgage banking. Prior to coming aboard, he served as President of Tuttle Risk Management Services, an interest rate risk management consultancy. Currently, Mr. Berris has direct oversight over the company's retail mortgage, insurance and title operations as well as our captive insurance companies.

Recent promotion of Mr. Viger to COO of Richmond American Homes and Anthony Berris to President of Financial Services demonstrates strong leadership development and bench strength

Corporate/National Leadership

Increasingly diverse senior leadership team with an average of 14 years experience at the Company

Bryan Blum
Vice President, Real Estate Legal
Tenure: 5.5 years

Stacy Givens
Vice President, Finance & Business Operations
Tenure: 7 years

Lud Jones
Vice President, Treasurer
Tenure: 33 years

Tracie Major
Vice President, Corporate Accounting
Tenure: 17 years

Ben Clarke
Vice President, National Home Gallery, Options & Customer Experience
Tenure: 15 years

Andrew Harris
Senior Vice President, National Construction
Tenure: 24 years

David Kenyon
Vice President, Division Accounting
Tenure: 7 years

Ron Milzer
Vice President, Real Estate Legal
Tenure: 20 years

Joe Fretz
Corporate Counsel & Secretary
Tenure: 17 years

Dawn Huth
Senior Vice President, National Finance
Tenure: 12 years

Debbi Kovacs
Director of Risk Management
Tenure: 24 years

Krista Montgomery
Vice President, Human Resources
Tenure: 13 years

Corporate/National Leadership

Joe Morrissey
Vice President, Tax
Tenure: 5 months

Christy Ross
Vice President, National Marketing
Tenure: 10 years

Heidi Sheldon
Vice President, National Merchandising
Tenure: 20 years

Brittany Wall
Vice President, National Sales
Tenure: 11 years

Elizabeth Peros
Corporate Counsel – Real Estate Legal
Tenure: 2 months

Scott Rust
Vice President, IT Operations
Tenure: 8 years

Jamie Sporrer
Vice President, Internal Audit
Tenure: 17 years

Alan Whitehead
Vice President, National Architecture
Tenure: 25 years

Other Homebuilding Leadership

Todd Baker

Senior Division President, Central and Southern Colorado

Tenure: 6 years

Jack Gallagher

Regional President, Maryland, Virginia and Florida

Tenure: 16 years

Kelly Taga

Senior Division President, Northern Colorado, Washington and Oregon

Tenure: 13 years

Additional regional Homebuilding Division President position for California market to be filled to provide further support for growth

Other Financial Services Leadership

Stephen McQueen

Senior Vice President, Finance
HomeAmerican Mortgage Corporation

Tenure: 7 years

Pat Rice

President

American Home Title & Escrow Company

Tenure: 20 years

Jennifer Prom

Chief Compliance Officer, Mortgage Counsel

HomeAmerican Mortgage Corporation

Tenure: 3 years

Appendix – Reconciliation of Non-GAAP Financial Measures

2020 INVESTOR MEETING

Reconciliation of Non-GAAP Financial Measures

"Net debt" and "net capital" are non-GAAP financial measures, and should not be considered in isolation or as an alternative to performance measures prescribed by GAAP. The table below reconciles "net debt" and "net capital" to debt and capital as calculated based on GAAP. We believe the ratio of net debt to net capital, also knows as "net debt-to-capital" is meaningful to investors as management uses the ratio in understanding the leverage employed in our operations and as an indicator of our ability to obtain external financing. Furthermore, we utilize this information for comparative purposes within our industry.

	September 30, 2020	December 31, 2019	September 30 2019
	(Dollars in thousands)		
Senior notes, net	$ 1,037,225	$ 989,422	$ 989,050
Revolving credit facility	10,000	15,000	15,000
GAAP debt	1,047,225	1,004,422	1,004,050
Stockholders' equity	1,987,999	1,782,485	1,701,801
Total GAAP capital	3,035,224	2,786,907	2,705,851
GAAP debt to capital ratio	**34.5 %**	**36.0 %**	**37.1 %**
GAAP debt less:			
Homebuilding cash and cash equivalents	(432,277)	(424,186)	(285,338)
Financial services cash and cash equivalents	(70,435)	(35,747)	(46,790)
Financial services marketable securities	—	(56,747)	(52,876)
Net debt	544,513	487,742	619,046
Stockholders' equity	1,987,999	1,782,485	1,701,801
Total net capital	$ 2,532,512	$ 2,270,227	$ 2,320,847
Net debt to capital ratio	**21.5 %**	**21.5 %**	**26.7 %**