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M.D.C. Holdings, Inc.

4th Quarter Webcast

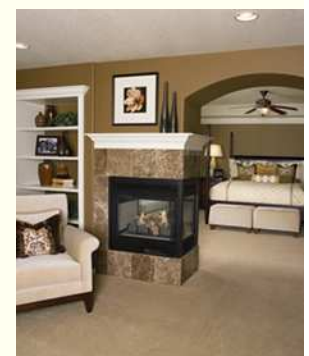
February 10, 2009

Forward Looking Statements

M.D.C. HOLDINGS, INC.

Certain statements in this Conference Call and Webcast, including statements regarding our business, financial condition, results of operation, cash flows, strategies and prospects and responses to questions, may contain “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 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 conditions, including changes in consumer confidence, inflation and employment levels; (2) changes in business conditions experienced by the Company, including cancellation rates, net home orders, home gross margins, and land and home values; (3) changes in interest rates, mortgage lending programs and the availability of credit; (4) the relative stability of debt and equity markets; (5) competition; (6) the availability and cost of land and other raw materials used by the Company in its homebuilding operations; (7) the availability and cost of performance bonds and insurance covering risks associated with our business; (8) shortages and the cost of labor; (9) weather related slowdowns; (10) slow growth initiatives; (11) building moratoria; (12) governmental regulation, including the interpretation of tax, labor and environmental laws; (13) changes in consumer confidence and preferences; (14) terrorist acts and other acts of war; and (15) other factors over which the Company has little or no control. Additional information about the risks and uncertainties applicable to the Company’s business is contained in the Company’s Form 10-K for the year ended December 31, 2008, which is expected to be filed with the SEC today. All forward-looking statements made in this Conference Call and Webcast 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 publicly 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.

It should also be noted that SEC Regulation G requires that certain information accompany the use of non-GAAP financial measures. Any information required by Regulation G will be posted on our web site, www.mdcholdings.com.



Primary Focus on Strengthening Financial Position

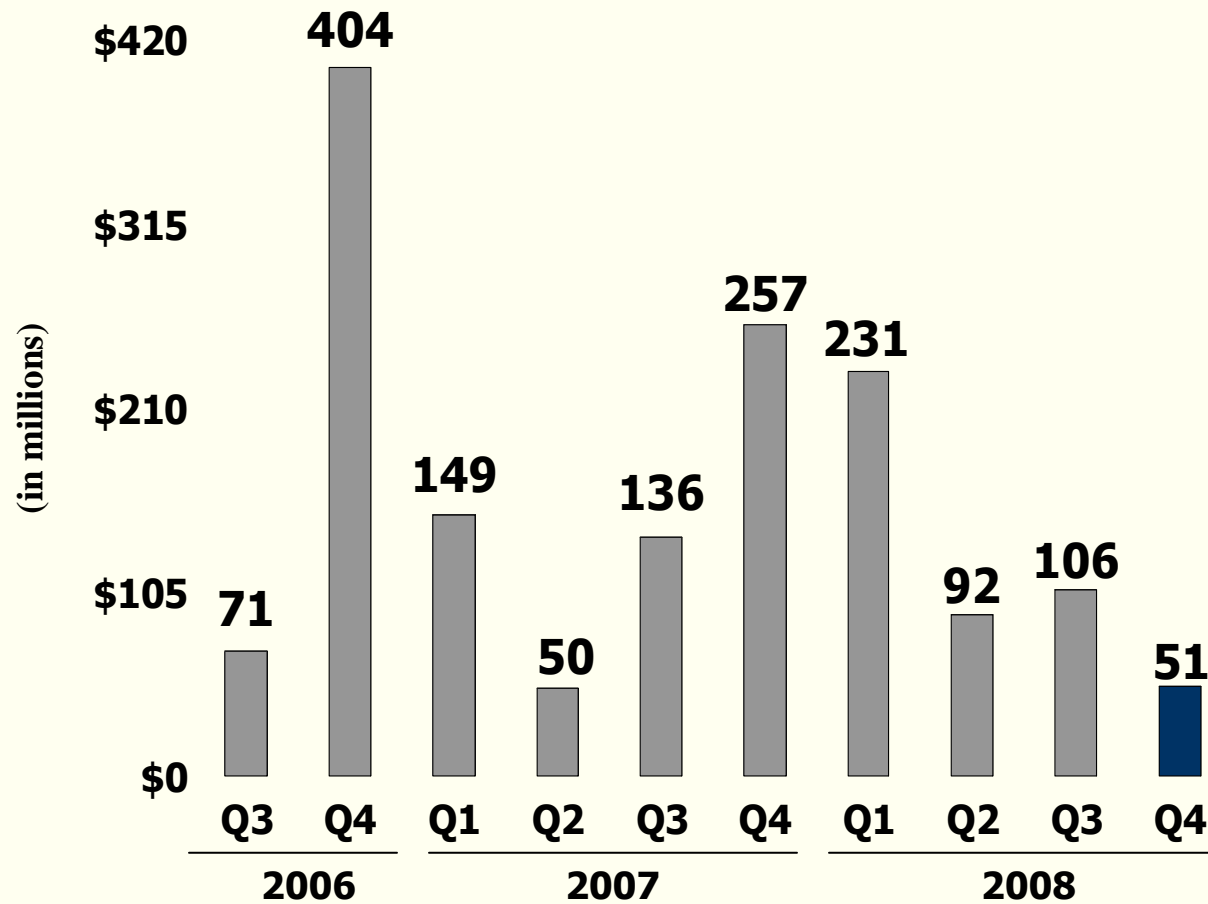
M.D.C. HOLDINGS, INC.

- Fourth Quarter Operating Cash Flow of \$51 Million
 - Full Year Cash Flow of \$480 Million
- Cash and Investments of \$1.42 Billion Exceeds Total Debt By Almost \$400 Million
- No Borrowings on Homebuilding Line of Credit
- No Debt Maturities Until 2012
- Focused on Streamlining Key Processes and Improving Customer Experience
- Continued Evaluation of Opportunistic Investments



Operating Cash Flow

M.D.C. HOLDINGS, INC.



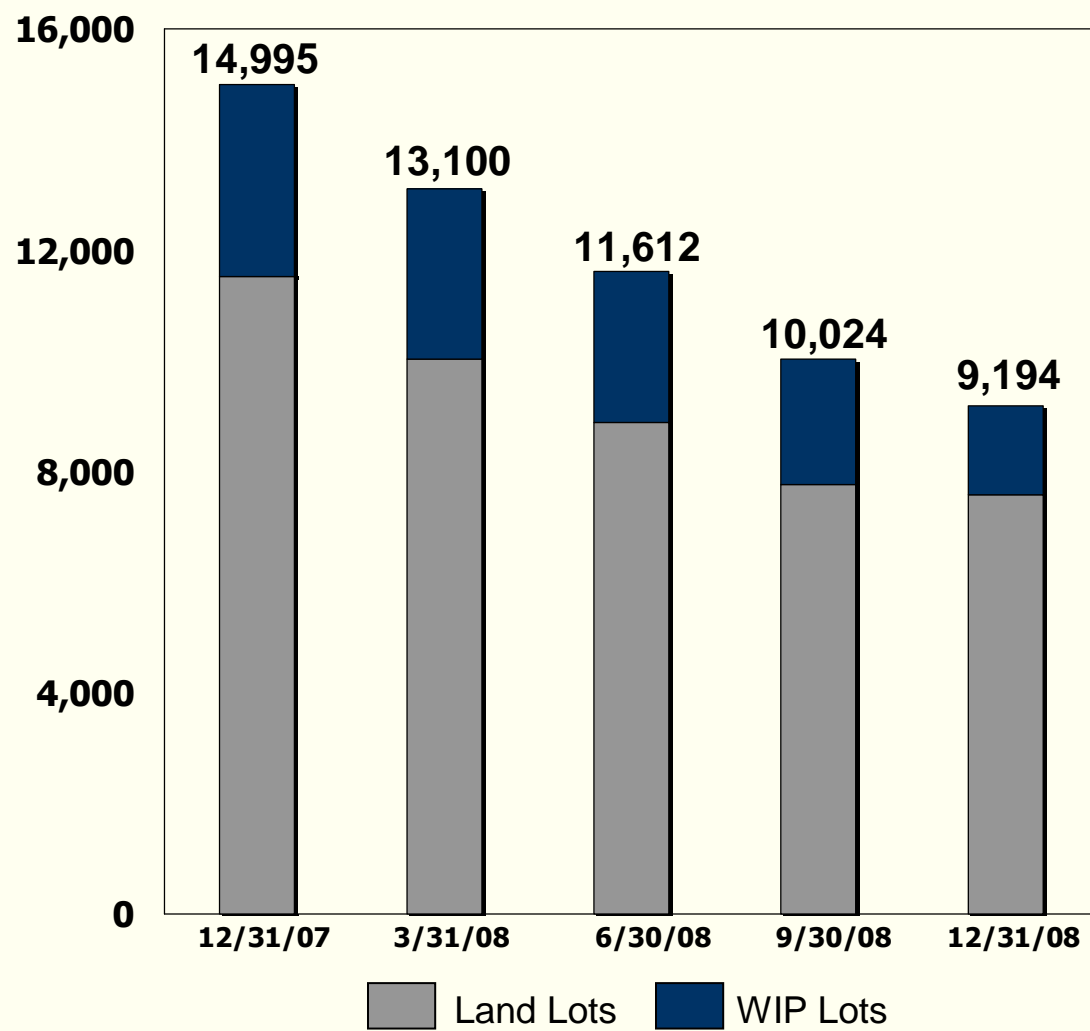
✓ *Ten Consecutive Quarters of Positive Operating Cash Flow*

✓ *Over \$1.5 Billion Total Cash Flow Generated Since Q3 2006, Including \$480 Million in 2008*

✓ *\$165 Million Tax Refund Expected in Q1 2009*

Lots Owned (Land and WIP)

M.D.C. HOLDINGS, INC.

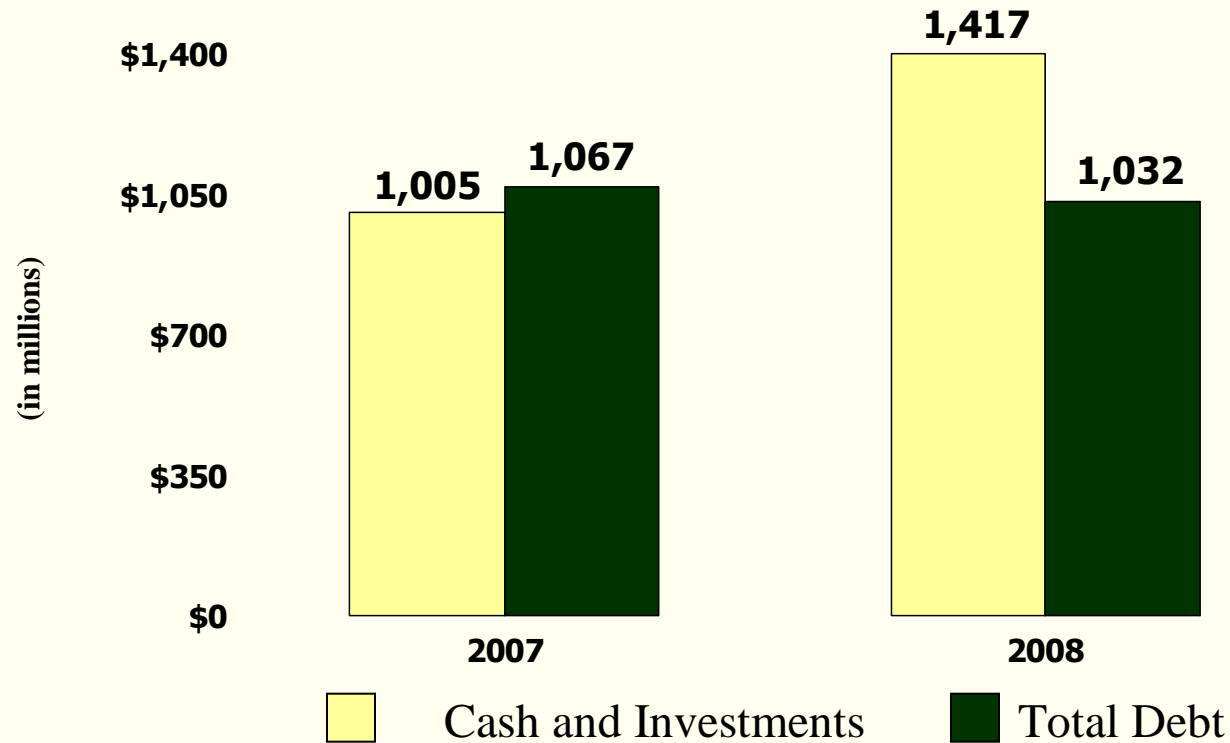


- ✓ Lot Supply Among Industry's Lowest
- ✓ 8% Sequential Decline in Total Lots Owned
- ✓ 39% Y-O-Y Decrease in Total Lots Owned
- ✓ Only \$10 Million in Deposits and \$1 Million in Capitalized Acquisition Costs (1% of Equity) at Risk for 2,350 Optioned Lots
- ✓ Poised to React to Future Opportunities

Strong Financial Position

M.D.C. HOLDINGS, INC.

Cash and Investments* vs. Total Debt December 31



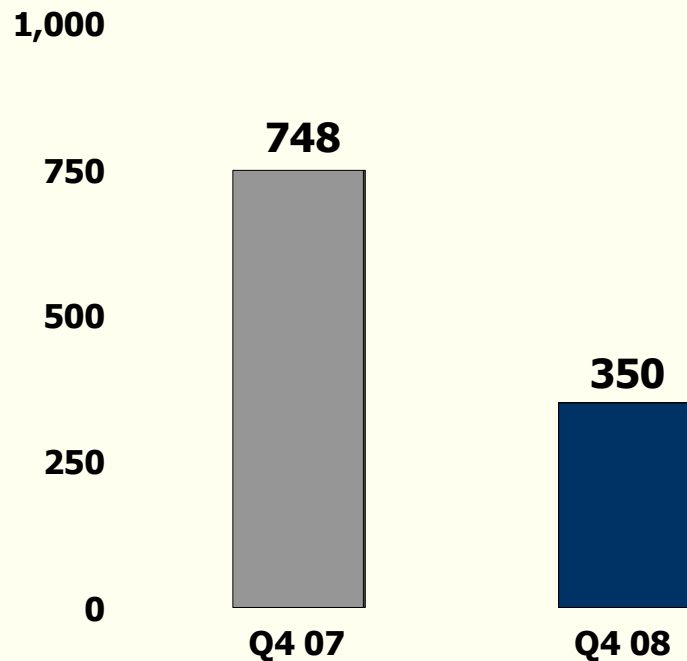
- ✓ *41% Year-Over-Year Increase in Cash and Cash Equivalents*
- ✓ *Cash and Investments* Exceeds Total Debt by 37% at 12/31/2008*

* Includes short-term investments and unsettled trades

Net Home Orders and Backlog

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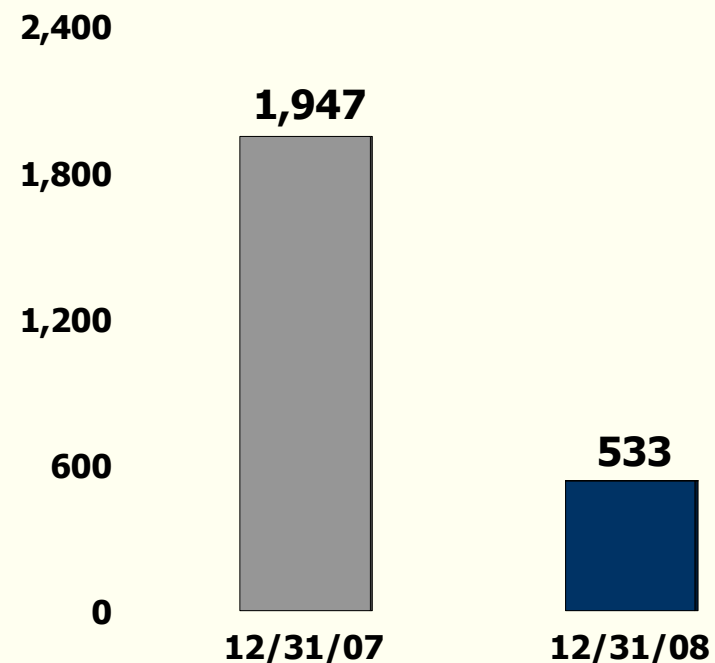
Net Home Orders



✓ *Average Price Increased 13% Year-Over-Year to \$283K*

✓ *Cancellation Rate: 52% of Gross Orders; Down from 65% in Q4 2007*

Backlog



✓ *Average Price Declined 3% Year-Over-Year to \$325K*

✓ *Cancellation Rate: 34% of Beginning Backlog, Down from 41% in Q4 2007*

Income and Earnings Per Share

M.D.C. HOLDINGS, INC.

(in millions, except per share amounts)

	4th Quarter		Full Year	
	2007	2008	2007	2008
(Loss) Income Before Taxes				
Homebuilding	\$ (195.9)	\$ (67.9)	\$ (764.2)	\$ (338.7)
Financial Services	\$ 6.3	\$ 3.6	\$ 23.1	\$ 11.7
Corporate	\$ (0.8)	\$ (22.1)	\$ (15.4)	\$ (55.1)
Total	\$ (190.4)	\$ (86.4)	\$ (756.5)	\$ (382.1)
Net Loss	\$ (281.1)	\$ (89.0)	\$ (636.9)	\$ (380.5)
Diluted Loss Per Share	\$ (6.14)	\$ (1.92)	\$ (13.94)	\$ (8.24)

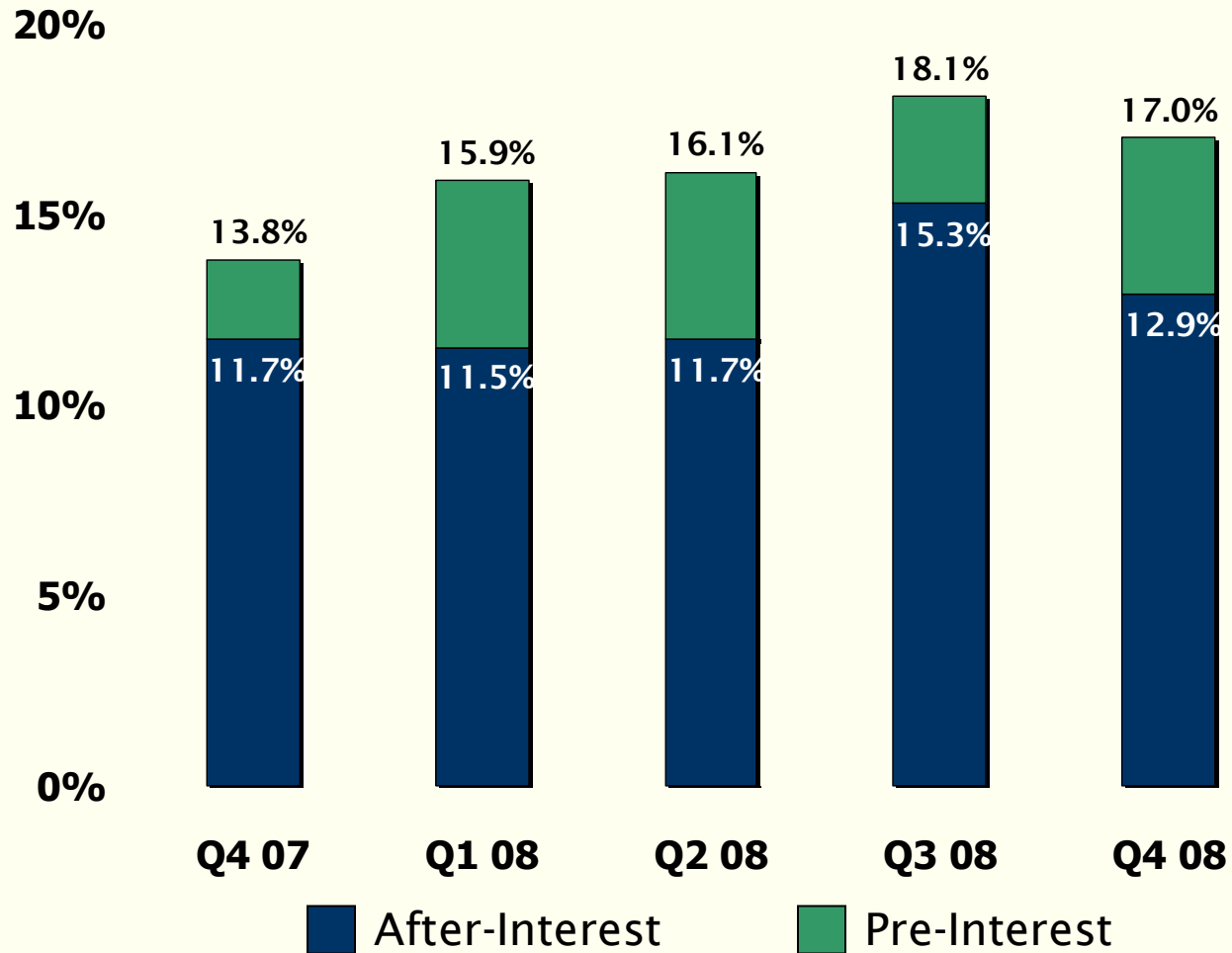
✓ *Decrease in Home Closings and Average Selling Prices*

✓ *Offset by Reduced Selling, General and Administrative Expenses and Asset Impairments*

✓ *\$7 Million Corporate Interest Expense Charge in Q4 2008*

Home Gross Margin

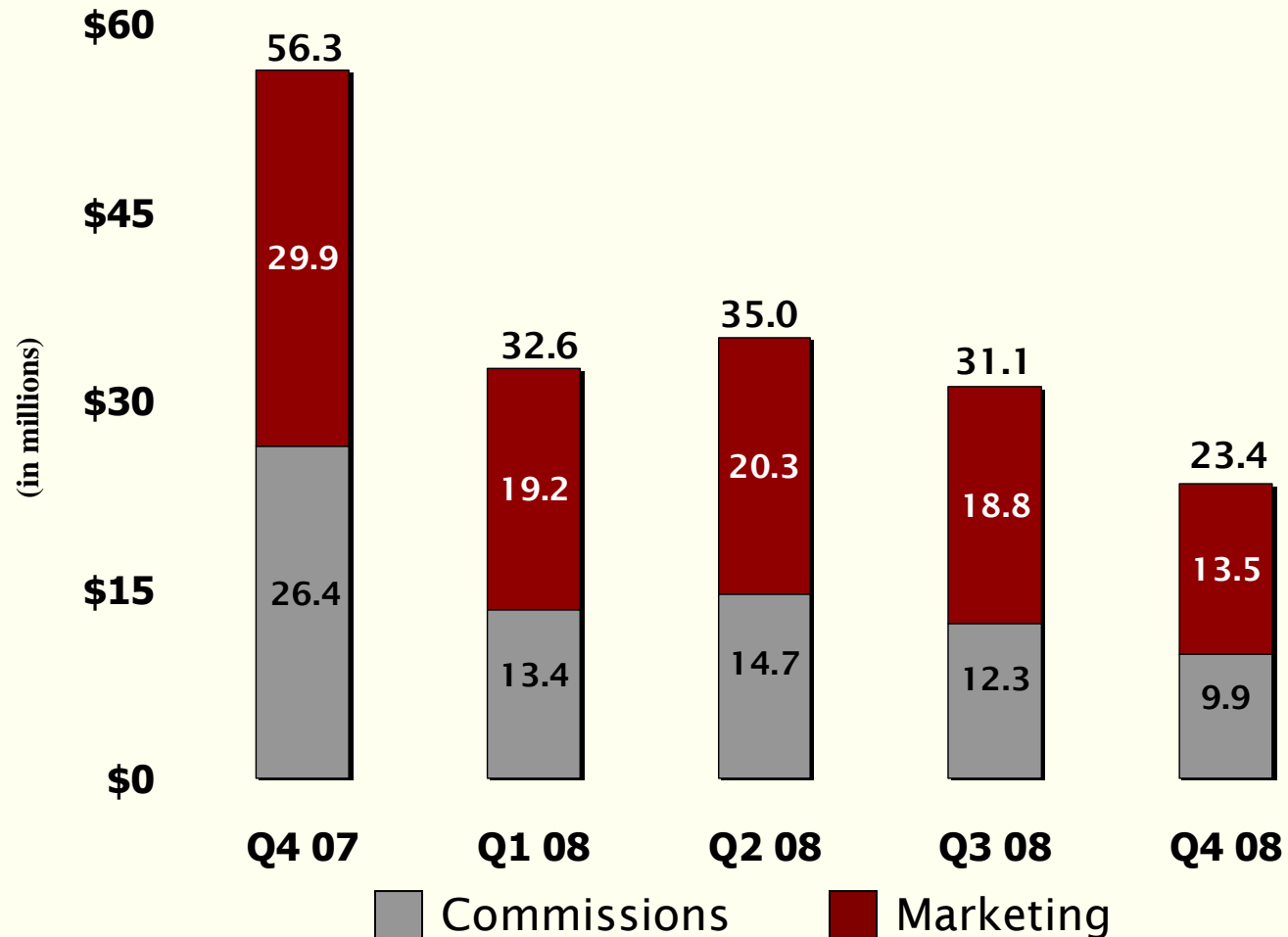
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- ✓ *Impact of Interest in Cost of Sales Remains High*
- ✓ *Additional Incentives to Move Speculative Inventory*

Selling Expenses

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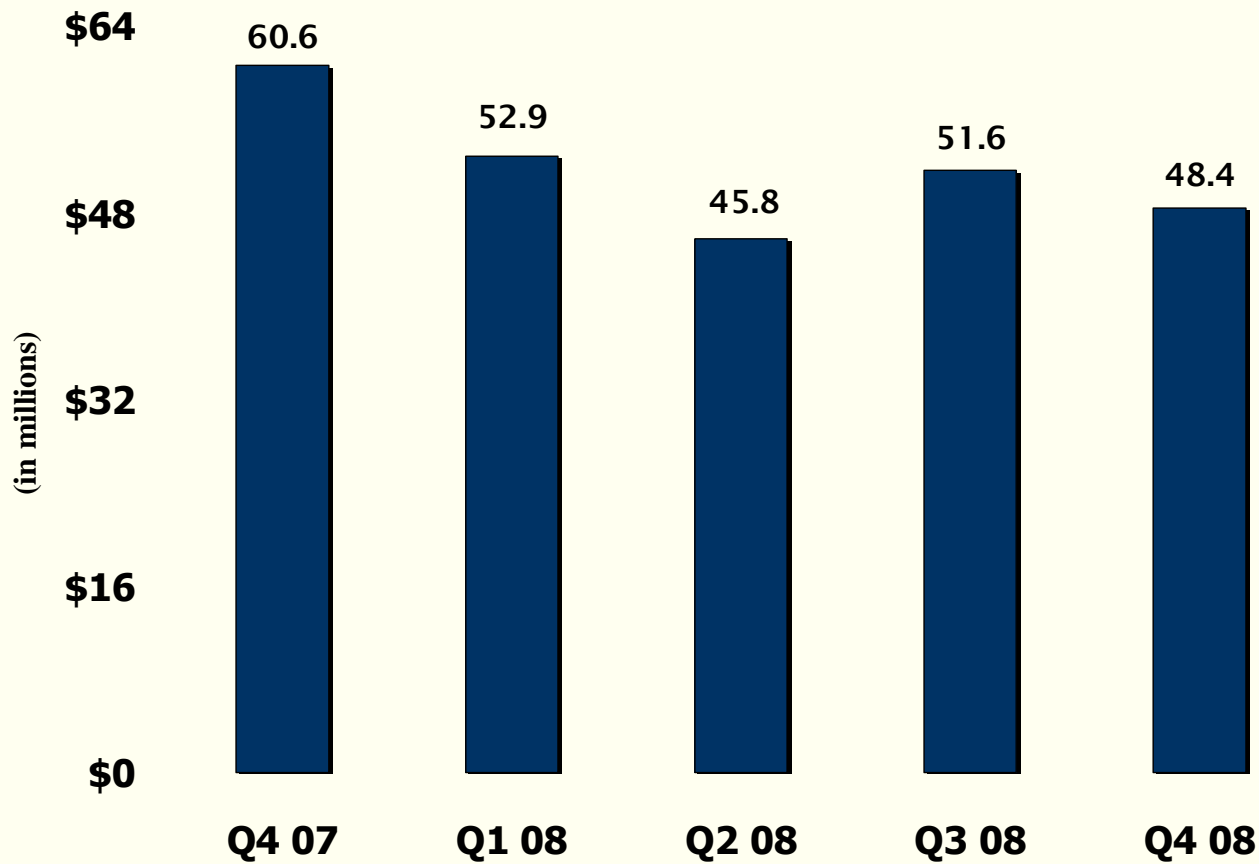


✓ *Reduction in Commissions Inline With Reduced Home Sales Revenue*

✓ *Focus on Decreasing Marketing Costs Related to Product Advertising and Model Homes*

General and Administrative Expenses

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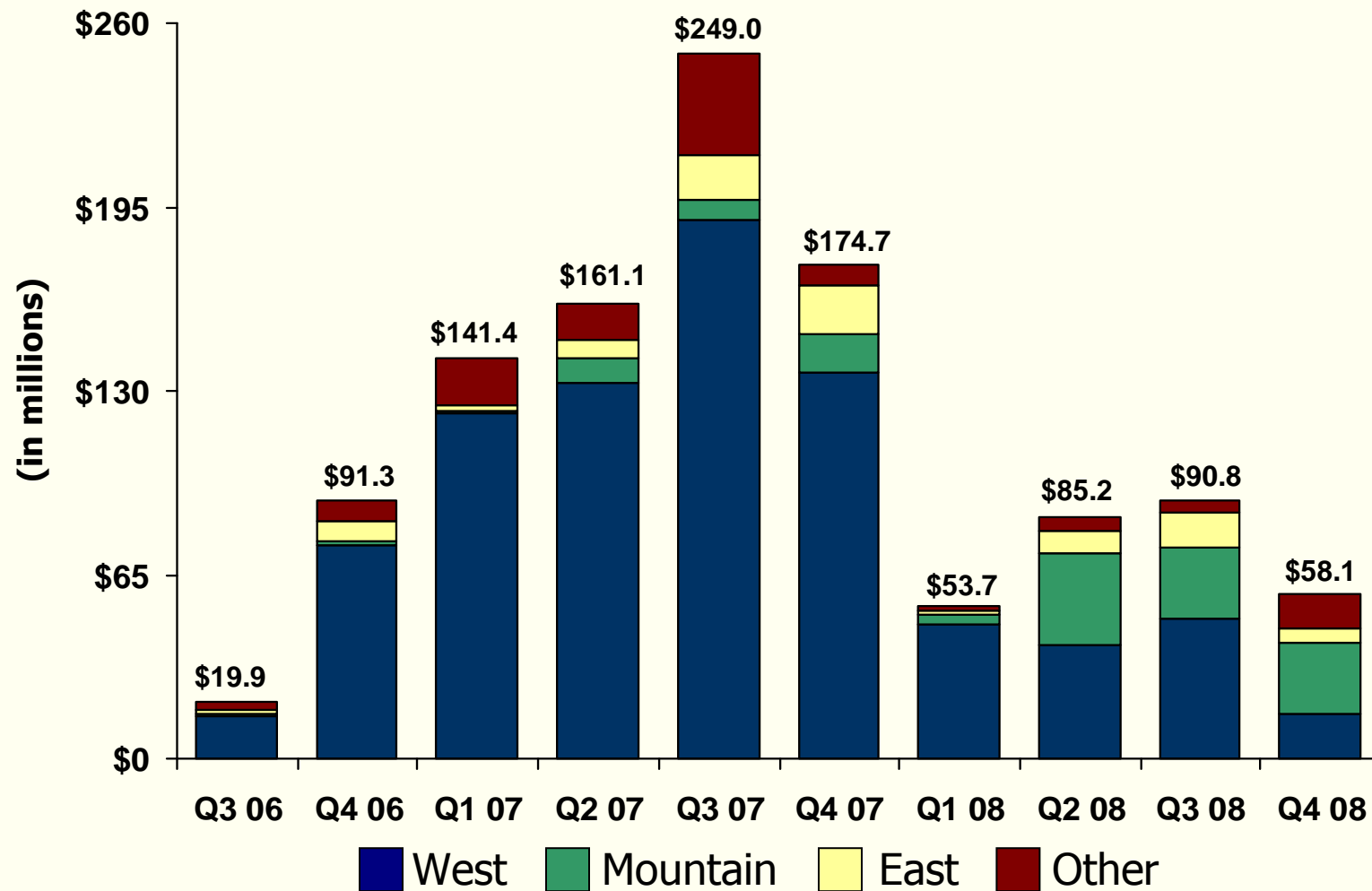
✓ *40% Year-Over-Year Reduction in Headcount*

✓ *Adjusting Operational and Administrative Infrastructure to Changes in Demand Levels*

NOTE: Graph includes related party expenses

Inventory Impairments by Segment

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Q4 08 Impairment Down 67% Year-Over-Year



Questions?

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Richmond American Homes

Home Gallery by Richmond American

HomeAmerican Mortgage

American Home Title and Escrow Company

American Home Insurance Agency