

M.D.C. HOLDINGS, INC.
CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines were adopted by the Board of Directors of M.D.C. Holdings, Inc. (the "Company") on January 26, 2004 and restated on January 23, 2006.

1. Director Qualification Standards. The composition of the Company's Board of Directors shall meet the following requirements:
 - a. A majority of directors shall be independent. The members of the Audit Committee, Compensation Committee and Corporate Governance/Nominating Committee shall be independent directors. For these purposes, "independent" shall mean compliance with the independence requirements set forth in the Securities Exchange Act of 1934, as amended, the rules adopted by the Securities and Exchange Commission thereunder and the corporate governance and other listing standards of the New York Stock Exchange, as in effect from time to time.
 - b. The qualifications of a director shall be considered at the time the director is recommended for election by the Corporate Governance/Nominating Committee. The Committee shall consider whether the candidate is fit to serve and has experience in the appropriate areas and disciplines desired of a member of the board. The criteria that the Committee shall consider in selecting candidates for the Board shall include, in addition to any applicable requirements of law or of the NYSE, extent of business experience, specific expertise, strength of character, judgment, and such other factors deemed appropriate to adding value to the current composition of the Board (including its size and structure). These factors shall also be considered at the time of the annual performance evaluation of the Board and the Committees referred to below.
 - c. Although there shall be no fixed limit on the number of other boards on which a director may serve, the number of board memberships shall be considered as a factor, along with other time commitments a prospective director may face and the effect outside board commitments, as well as the effect other commitments, may have on the candidate's ability to serve effectively on the Company's Board of Directors.
 - d. Although there shall be no fixed retirement age for directors nor limits on the length of director tenure, in determining whether or not to recommend a director for re-election, the Committee shall consider the factors listed above in this Section, along with the director's ability to serve effectively on the Company's Board of Directors.

e. In planning for succession and considering candidates to succeed current members of the Company's Board of Directors, the Committee shall consider the factors listed above in this Section.

2. Director Responsibilities. Management shall conduct the Company's business under the direction of the Board of Directors. The Board of Directors shall monitor management on behalf of the shareholders. The following duties are among the Board's responsibilities:

- a. Striving to maximize long-term shareholder value.
- b. Monitoring the Company's financial results and risks.
- c. Selection of the Chief Executive Officer and oversight of succession planning.
- d. Monitor processes that have been established to promote compliance with law and standards of business ethics.
- b. Oversight of strategic planning.
- c. Reviewing transactions in accordance with the Company's Transaction Policy and Procedure.
- d. Reviewing the Company's financial statements and other disclosures.
- e. Consulting with management on major issues facing the Company.
- f. Evaluating the performance of the Board and its committees.
- g. Maintenance of a regular attendance record and familiarization with the materials distributed prior to each Board or committee meeting.

The non-management directors shall meet at regularly scheduled executive sessions without management present. At least once a year, the independent directors shall meet in an executive session including only independent directors. The non-management directors must select a presiding director for each executive session. In order that interested parties may be able to contact non-management directors, such persons may use the procedures established by the Audit Committee for receipt of complaints and concerns.

3. Responsibilities of Key Board Committees. The responsibilities of the Audit Committee, the Corporate Governance/Nominating Committee and the Compensation Committee shall be set forth in respective charters for those committees adopted by the Company's Board of Directors.

4. Director Access to Management and Independent Advisors. All directors shall have access to directly contact members of management. For Audit Committee members, this includes direct access to the director of internal audit. The Board and its Committees may hire, as necessary and appropriate, at Company expense their own financial, legal and other experts to assist them in performing their functions.
5. Director Compensation. The amount and type of compensation for the Corporation's non-management directors shall be recommended by the Compensation Committee and approved by the Company's Board of Directors. In order to attract and retain qualified individuals, non-management directors should receive reasonable compensation for their services, as well as reimbursement of expenses, as may be determined from time-to-time by the Board upon recommendation by the Compensation Committee.
6. Director Orientation and Continuing Education. Directors shall be provided appropriate material regarding the Company upon their initial election to the Board, including information regarding the Company and its policies and various administrative and legal matters. Other orientation procedures should include meetings with senior executives of the Corporation and its major business divisions. Directors should also receive material and information regarding their role and responsibilities as directors.
7. Management Succession. As part of its annual CEO evaluation process, the Compensation Committee should co-ordinate with the CEO to develop a plan for the CEO's eventual succession, as well as to develop plans for interim succession in the event of an unexpected occurrence. Succession planning may be reviewed more frequently by the Compensation Committee or the Board, as deemed appropriate. In the event of an emergency, the Board will promptly convene an emergency meeting and, as may be appropriate, appoint a temporary CEO.
8. Annual Performance Evaluation of the Board and its Committees. The Corporate Governance/Nominating Committee shall prepare materials to perform an annual evaluation of the effectiveness of the Board and each Committee. The Board shall conduct a self-evaluation annually to determine its effectiveness and that of its key Committees.
9. Evaluation of Corporate Governance Guidelines. The Corporate Governance/Nominating Committee shall review these Guidelines periodically and, as deemed appropriate, recommend changes to the Board.