

**RESTATED CHARTER OF THE LEGAL COMMITTEE
OF THE BOARD OF DIRECTORS**

M.D.C. HOLDINGS, INC

The Board of Directors (the “Board”) of M.D.C. Holdings, Inc., (“MDC” or “the Company”) has heretofore established a Legal Committee (the "Committee") and does hereby adopt this charter (the “Charter”) to formally set forth its authority, responsibilities and specific duties.

The Charter shall remain in effect until amended or terminated by the Board.

Performance of the functions designated herein shall not diminish Management’s responsibility for managing and directing the legal affairs of the Company.

ORGANIZATION

A. **Composition**

The Committee shall be composed of two or more directors designated by the Board. Preferably, at least one member of the Committee should have legal experience. At least one of the members of the Committee shall be an independent director, as defined in accordance with the rules and regulations of the New York Stock Exchange and the standards of the Company, as determined in the business judgment of the Board.

B. **Committee Responsibilities**

1. Provide board level oversight and review of the significant legal affairs of the Company
2. Provide advice and counsel to the Board and the Committees of the Board.

B. **Access and Resources**

1. The Committee shall have unrestricted access to MDC’s personnel and records, to the Company's external outside counsel and their records, as they pertain to the Company's legal affairs.
2. The Committee shall have authority, in its discretion, to retain outside counsel, and is to be given, or have available to it, the Company's resources necessary to discharge its responsibilities.

C. Meetings

The Committee is to meet on a regular basis and may call additional meetings as required. A quorum of the Committee shall consist of two members.

D. Minutes

In order to preserve the confidentiality of the Committee, minutes of the meetings shall not be required to be prepared.

E. Reporting to the Board

The Committee shall report periodically to the Board regarding its activities.

F. Indemnification

Each Committee member is entitled to indemnification by the Company to the maximum extent permitted by Delaware law, the Company's Certificate of Incorporation, By-laws and resolutions of the Board.

G. Compensation and Expense Reimbursement

The Committee members shall be compensated for meeting attendance at a rate determined by the Board. Travel and other out-of-pocket expenses incurred by Committee members in connection with such meetings, shall be documented and reimbursed by MDC in accordance with MDC's expense reimbursement policies.

FUNCTIONS - OTHER MATTERS

A. Personnel Decisions

The Committee shall review and recommend to the Board, as it deems appropriate, personnel decisions regarding the officers of the Company and may be consulted by the General Counsel concerning Legal Department personnel decisions, including, but not limited to, hiring, termination and compensation arrangements.

B. Annual Review

At least annually, the Committee shall review and, if deemed appropriate, approve general policies and procedures governing the Company's Legal Department for the coming year. This review is also to encompass the anticipated budget required to accomplish their goals.

C. Review of Claims and Litigation

The Committee shall review with Management all significant claims and litigation.

D. Notification of Management Fraud or Other Serious Breakdowns in Internal Control

The Committee is to be informed immediately by Management or the Audit Committee, as appropriate, of any perceived fraud or other significant breakdown in the internal controls of the Company. Upon being informed by Management or the Audit Committee, the Committee shall:

- Inform the Board; and
- Oversee and approve Management's response.

Approved January 28, 2008.