MANDARICH DAVID D
Form 4/A
August 06, 2012

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL
OMB Number: 3235-0287
Expires: January 31, 2005
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(Print or Type Responses)

1. Name and Address of Reporting Person *
MANDARICH DAVID D

(Last) (First) (Middle)

4350 S. MONACO STREET, SUITE 500

(Street)

DENVER, CO 80237

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
MDC HOLDINGS INC [MDC]

3. Date of Earliest Transaction (Month/Day/Year)
08/03/2012

4. If Amendment, Date Original Filed(Month/Day/Year)
08/06/2012

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President, COO and Director

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock $.01 Par Value	08/03/2012		S		100 (1)	D	$ 32.58	3,033,260	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MANDARICH DAVID D 4350 S. MONACO STREET SUITE 500 DENVER, CO 80237	X		President, COO and Director	

Signatures

David D. Mandarich	08/06/2012
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This item was originally reported on Form 4 in Column 4 as shares acquired ("A") when it should have been reported as shares that were disposed of ("D").

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. th:1.3%;">

$

16,005

$

3

0.07

%

$

14,004

$

10

0.28

%

Money market deposits

10,507

8

0.30

9,014

17

0.75

Regular savings and other deposits

34,251

86

1.00

37,919

53

0.55

Certificates of Deposit

228,695

745

1.29

232,591

1,251

2.31

Total interest-bearing deposits

289,458

842

1.15

293,528

1,331

1.80

Total interest-bearing liabilities

$

289,458

842

$

293,528

1,331

Noninterest bearing deposits

Explanation of Responses:

2,761

2,163

Other noninterest-bearing liabilities

1,933

1,924

Total liabilities

294,152

297,615

Equity

Explanation of Responses:

Total equity	
	81,477
	61,017
Total liabilities and equity	

$

375,629

$

358,632

Explanation of Responses:

Net interest income

$

3,025

$

2,483

Interest rate spread

3.27

%

2.55

%

Net interest margin

3.46

%

2.83

%

Average interest-earning assets to average interest-bearing liabilities

1.20

X

1.18

X

22

Explanation of Responses:

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	For the Six Months Ended December 31,					
	2011			2010		
	Average Balance	Interest and Dividends	Yield/ Cost	Average Balance	Interest and Dividends	Yield/ Cost
	(Dollars in Thousands)					
Assets:						
Interest-earning assets:						
Loans	$ 263,695	$ 7,308	5.50%	$ 265,931	$ 7,350	5.58%
Investment securities	47,247	368	1.55	11,129	247	4.40
Other interest-earning assets	56,124	62	0.22	62,052	44	0.14
Total interest-earning assets	367,066	7,738	4.18	339,112	7,641	4.47
Noninterest-earning assets	7,651			10,983		
Total assets	$ 374,717			$ 350,095		
Liabilities and equity:						
Interest-bearing liabilities:						
NOW and demand deposits	$ 15,920	$ 9	0.11%	$ 13,927	$ 20	0.28%
Money market deposits	10,289	16	0.30	8,999	38	0.83
Regular savings and other deposits	34,088	195	1.14	34,968	109	0.06
Certificates of Deposit	228,451	1,568	1.36	227,576	2,540	2.21
Total interest-bearing deposits	288,748	1,788	1.23	285,470	2,707	1.88
Total interest-bearing liabilities	$ 288,748	1,788		$ 285,470	2,707	
Noninterest bearing deposits	2,455			2,108		
Other noninterest-bearing liabilities	2,776			1,893		
Total liabilities	293,979			289,471		
Equity						
Total equity	80,739			60,624		
Total liabilities and equity	$ 374,717			$ 350,095		
Net interest income		$ 5,950			$ 4,934	
Interest rate spread			2.95%			2.59%
Net interest margin			3.22%			2.89%
Average interest-earning assets to average interest-bearing liabilities	1.27X			1.19X		

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Comparison of Operating Results for the Three Months Ended December 31, 2011 and December 31, 2010

General. We recognized net income of $899 thousand for the three months ended December 31, 2011 as compared to net income of $788 thousand for the three months ended December 31, 2010. The increase of $111 thousand was attributable to an increase in net interest income, after the provision for loan losses, of $412 thousand, or 16.49%, for the three months ended December 31, 2011 and an increase in noninterest income of $35 thousand, offset partially by an increase in noninterest expense of $255 thousand, or 20.30%, and an increase in income tax expense of $81 thousand, or 17.02%.

Interest Income. Interest income increased $53 thousand, or 1.39%, to $3.9 million for the three months ended December 31, 2011. The increase was largely due to an increase in the yield on interest earning assets for the three months ended December 31, 2011 to 4.42% from 4.35% for the three months ended December 31, 2010, which was partially offset by a decrease in the average balances on interest-earning assets to $346.7 million for the three months ended December 31, 2011, from $347.6 million for the three months ended December 31, 2010 in the lower market interest rate environment.

Interest income on loans decreased by $34 thousand, or 0.93%, to $3.6 million for the three months ended December 31, 2011 from $3.7 million for the three months ended December 31, 2010. The decrease resulted from a decrease in the average balances of loans of $5.1 million for the three months ended December 31, 2011 to $261.1 million at December 31, 2011 from $266.2 million for the three months ended December 31, 2010. The decrease in average balances in loans was offset partially by an increase in the yields on loans to 5.53% for the three months ended December 31, 2011 from 5.47% for the three months ended December 31, 2011. Interest income on investment securities increased by $78 thousand to $196 thousand for the three months ended December 31, 2011 from $118 thousand for the three months ended December 31, 2010. The increase reflected an increase in the average balance of securities to $49.4 million for the three months ended December 31, 2011 from $10.7 million for the three months ended December 31, 2010. The increase in average balances offset the decrease in yields on such securities to 1.58% from 4.38% for the same periods.

Interest Expense. Interest expense decreased $489 thousand, or 36.74%, to $842 thousand for the three months ended December 31, 2011 from $1.3 million for the three months ended December 31, 2010. The decrease reflected a decrease in the average rate paid on deposits in the three months ended December 31, 2011 to 1.15% from 1.80% in the three months ended December 31, 2010 and a decrease in the average balance of deposits of $4.1 million to $289.4 million from $293.5 for the same periods. The largest decrease in interest expense came from certificates of deposit, which decreased $506 thousand, or 40.45%, which was partially offset by an increase in interest expense on regular savings and other deposits of $33 thousand in 2011.

Net Interest Income. Net interest income increased by $542 thousand, or 21.83%, to $3.0 million for the three months ended December 31, 2011 from $2.5 million for the three months ended December 31, 2010. The increase resulted from an increase in our interest rate spread to 3.27% from 2.55% and an increase in our net interest margin to 3.46% from 2.83% for the same periods. The increase in our interest rate spread was largely due to our declining cost of funds, which reflected the continuing decline across the U.S. Treasury yield curve, and a slight increase in our average interest-earning assets to average interest-bearing liabilities to 1.20X for the three months ended December 31, 2011.

Provision for Loan Losses. We recorded a provision for loan losses of $114 thousand for the three months ended December 31, 2011, compared to a credit in our provision of $16 thousand for the three months ended December 31, 2010. Net charge offs for the three months ended December 31, 2011 were $101 thousand compared with $50 thousand for the three months ended December 31, 2010. The increase in the provision for loan losses for the three months ended December 31, 2011 is reflective of the increase in net charge offs during the three months ended December 31, 2011 compared to the three months ended December 31, 2010.

We used the same methodology in assessing the allowances for both periods. To the best of our knowledge, we have recorded all losses that are both probable and reasonably estimable for the three months ended December 31, 2011 and 2010.

Noninterest Income. Noninterest income increased by $35 thousand to $56 thousand for the three months ended December 31, 2011 from $21 thousand for the same period in 2010. The increase in noninterest income was primarily attributed to gains on sales of $34 thousand on real estate owned.

Noninterest Expense. Noninterest expense increased $255 thousand to $1.5 million for the three months ended December 31, 2011. The increase was primarily attributable to an increase in salaries and employee benefits of $124 thousand, an increase in professional and supervisory fees of $61 thousand, an increase in the provision for real estate owned and related expenses of $86 thousand, and an increase in data processing and office expenses of $61 thousand in 2011. These increases were offset partially by decreases in occupancy and equipment expense of $25 thousand and FDIC deposit insurance

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premiums of $28 thousand. The increase in salaries and employee benefits reflects increases in raises and bonuses and stock based compensation expense associated with our ESOP for the three months ended December 31, 2011 as compared with the three months ended December 31, 2010.

Income Tax Expense. Income tax expense for the three months ended December 31, 2011 was $557 thousand compared with $476 thousand for the three months ended December 31, 2010. Our effective income tax rate was 38.26% for the three months ended December 31, 2011 as compared with 37.66% for the same period ended 2010.

Comparison of Operating Results for the Six Months Ended December 31, 2011 and December 31, 2010

General. We recognized net income of $1.9 million for the six months ended December 31, 2011 as compared to net income of $1.6 million for the six months ended December 31, 2010. The increase of $277 thousand was attributable to an increase in net interest income, after the provision for loan losses, of $927 thousand, or 18.99%, for the six months ended December 31, 2011 and an increase in noninterest income of $118 thousand, offset partially by an increase in noninterest expense of $550 thousand, or 23.48%, and an increase in income tax expense of $218 thousand, or 22.50%.

Interest Income. Interest income increased $97 thousand, or 1.27%, to $7.7 million for the six months ended December 31, 2011. The increase was largely due to an increase in the average balance of interest earning assets for the six months ended December 31, 2011 to $367.1 million from $339.1 million for the six months ended December 31, 2010, which was partially offset by a decrease in the yield on interest-earning assets to 4.18% for the six months ended December 31, 2011, compared to 4.47% for the six months ended December 31, 2010 in the lower market interest rate environment.

Interest income on loans decreased by $42 thousand, or 0.57%, to $7.3 million for the six months ended December 31, 2011, which reflected both a decrease in the yield on loans to 5.50% for the six months ended December 31, 2011from 5.58% for the six months ended December 31, 2010 and a decrease in the average balance of loans to $263.7 million from $265.9 million for the same periods. The lower yields reflected a declining market interest rate environment during 2011 from 2010 and its impact on our portfolio, which was primarily comprised of one to four family residential mortgage loans and a declining demand for those loans. Interest income on investment securities increased by $121 thousand, or 48.99%, to $368 thousand for the six months ended December 31, 2011 from $247 thousand for the six months ended December 31, 2010, reflecting an increase in the average balance of such securities to $47.2 million from $11.1 million in 2010, which more than offset the decrease in the average yield on such securities to 1.55% from 4.40%.

Interest Expense. Interest expense decreased $919 thousand, or 33.95%, to $1.8 million for the six months ended December 31, 2011 from $2.7 million for the six months ended December 31, 2010. The decrease reflected a decrease in the average rate paid on deposits in the six months ended December 31, 2011 to 1.23% from 1.88% in the six months ended December 31, 2010, which more than offset an increase in the average balance of deposits of $3.3 million. Interest expense on certificates of deposit decreased $972 thousand, or 38.27%, to $1.6 million for the six months ended December 31, 2011 from $2.5 million for the six months ended December 31, 2010. An increase in the average balance of such certificates to $228.5 million from $227.6 million was more than offset by a decrease in the average cost of such certificates to 1.36% from 2.21%. The increase in average balance of our certificates of deposit resulted primarily from our customers seeking lower-risk investments in lieu of higher volatility equity investments during the six months ended December 31, 2011.

Interest expense on money market deposits, savings, NOW and demand deposits increased $53 thousand, or 31.74%, to $220 thousand for the six months ended December 31, 2011 from $167 thousand for the six months ended December 31, 2010. The increase reflected the increase in the average balances of such deposits to $60.3 million for the six months ended December 31, 2011 from $57.9 million for the six months ended December 31, 2010.

Net Interest Income. Net interest income increased by $1.1 million, or 20.59%, to $6.0 million for the six months ended December 31, 2011 from $4.9 million for the six months ended December 31, 2010. The increase resulted from an increase in our average interest-earning assets to average interest-bearing liabilities to 1.27X for the six months ended December 31, 2011 from 1.19X for the six months ended December 31, 2010. The increase in the average interest-earning assets to average interest-bearing liabilities more than offset the declines in our interest spread and margin to 2.95% and 3.22%, respectively, for the six months ended December 31, 2011 from 2.59% and 2.89%, respectively, for the six months ended December 31, 2010.

Provision for Loan Losses. We recorded a provision for loan losses of $142 thousand for the six months ended December 31, 2011, compared to a provision of $53 thousand for the six months ended December 31, 2010. Net charge offs for the six months ended December 31, 2011 were $154 thousand compared with $61 thousand for the six months ended December 31, 2010. The increase in the provision for loan losses for the six months ended December 31, 2011 is reflective of the increase in net charge offs during the six months ended December 31, 2011 compared to the six months ended December 31, 2010.

We used the same methodology in assessing the allowances for both periods. To the best of our knowledge, we have recorded all losses that are both probable and reasonably estimable for the six months ended December 31, 2011 and 2010.

Noninterest Income. Noninterest income increased by $118 thousand to $147 thousand for the six months ended December 31, 2011 from $29 thousand for the same period in 2010. The increase in noninterest income was primarily attributed to gains on sales of available for sale securities of $67 thousand and gains on sale of real estate owned of $46 thousand for the six months ended December 31, 2011.

Noninterest Expense. Noninterest expense increased $550 thousand to $2.9 million for the six months ended December 31, 2011. The increase was primarily attributable to an increase in salaries and employee benefits of $182 thousand, an increase in professional and supervisory fees of $139 thousand, and an increase in the provision for real estate owned and related expenses of $198 thousand. These increases were offset partially by decreases in occupancy and equipment expense of $40 thousand and FDIC deposit insurance premiums of $51 thousand. The increase in salaries and employee benefits reflects increases raises and bonuses and stock based compensation expense associated with our ESOP expense for the six months ended December 31, 2011 as compared with the six months ended December 31, 2010.

Income Tax Expense. Income tax expense for the six months ended December 31, 2011 was $1.2 million compared with $969 thousand for the six months ended December 31, 2010. Our effective income tax rate was 38.75% for the six months ended December 31, 2011 as compared with 37.73% for the same period ended 2010.

Liquidity and Capital Resources

Our primary sources of funds are deposits and the proceeds from principal and interest payments on loans and investment securities. While maturities and scheduled amortization of loans and securities are predictable sources of funds, deposit flows and mortgage prepayments are greatly influenced by general interest rates, economic conditions and competition. We generally manage the pricing of our deposits to be competitive within our market and to increase core deposit relationships.

Liquidity management is both a daily and long-term responsibility of management. We adjust our investments in liquid assets based upon management s assessment of (i) expected loan demand, (ii) expected deposit flows, (iii) yields available on interest-earning deposits and investment securities, and (iv) the objectives of our asset/liability management program. Excess liquid assets are invested generally in interest-earning overnight deposits, federal funds sold, and short and intermediate-term U.S. Government sponsored agencies and mortgage-backed securities of short duration. If we require funds beyond our ability to generate them internally, we have credit available under a loan agreement with the Federal Home Loan Bank of Atlanta in the amount of 11% of total assets, or approximately $41.3 million at December 31, 2011.

Common Stock Dividend Policy. The Company declared a dividend of $0.10 per share on October 20, 2011, payable to stockholders of record as of November 3, 2011. The dividend was paid on November 17, 2011. In addition, on January 19, 2012, the Board of Directors of the Company declared a quarterly cash dividend of $0.10 per share of the Company s common stock. The dividend will be payable to stockholders of record as of February 2, 2012, and will be paid on February 16, 2012.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Disclosures of quantitative and qualitative market risk are not required by smaller reporting companies, such as the Company.

ITEM 4. CONTROLS AND PROCEDURES

An evaluation was performed under the supervision and with the participation of the Company s management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company s disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) promulgated under the Securities and Exchange Act of 1934, as amended) as of December 31, 2011. Based on that evaluation, the Company s management, including the Chief Executive Officer and the Chief Financial Officer, concluded that the Company s disclosure controls and procedures were effective.

During the quarter ended December 31, 2011, there have been no changes in the Company s internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Securities and Exchange Act of 1934, amended) that have materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

There are various claims and lawsuits in which the Company is periodically involved incidental to the Company s business. In the opinion of management, no material loss is expected from any of such pending claims or lawsuits.

ITEM 1A. RISK FACTORS

Disclosures of risk factors are not required by smaller reporting companies, such as the Company.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. (REMOVED AND RESERVED)

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

The exhibits required by Item 601 of Regulation S-K are included with this Form 10-Q and are listed on the Index to Exhibits immediately following the Signatures.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Oconee Federal Financial Corp.

Date: February 14, 2012

/s/ T. Rhett Evatt
T. Rhett Evatt
President and Chief Executive Officer

/s/ Curtis. T. Evatt
Curtis T. Evatt
Executive Vice President and Chief Financial Officer

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INDEX TO EXHIBITS

Exhibit number	Description
31.1	Certification of T. Rhett Evatt, President and Chief Executive Officer, Pursuant to Rule 13a-14(a) and Rule 15d-14(a).
31.2	Certification of Curtis T. Evatt, Executive Vice President and Chief Financial Officer, Pursuant to Rule 13a-14(a) and Rule 15d-14(a).
32.1	Certification of T. Rhett Evatt, President and Chief Executive Officer, and Curtis T. Evatt, Executive Vice President and Chief Financial Officer, Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from the Company s Quarterly Report on Form 10Q for the quarter ended December 31, 2011, formatted in XBRL (Extensible Business Reporting Language):

(i)	Consolidated Balance Sheets
(ii)	Consolidated Statements of Income and Other Comprehensive Income
(iii)	Consolidated Statements of Shareholders Equity
(iv)	Consolidated Statements of Cash Flows, and
(v)	Notes to The Consolidated Financial Statements (*)

(*) Furnished, not filed