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Highwoods Closes \$660 Million Sale of Country Club Plaza Assets in Kansas City

RALEIGH, NC – March 1, 2016 – Highwoods Properties, Inc. (NYSE:HIW) has closed the sale of substantially all of its wholly-owned Country Club Plaza (the “Plaza”) portfolio in Kansas City for \$660 million. The buyer is a joint venture between Taubman Centers, Inc. (NYSE:TCO) and The Macerich Company (NYSE:MAC). The Plaza portfolio consists of 804,000 square feet of retail space and 468,000 square feet of office space.

The sale proceeds were used as follows:

Pay off unsecured bridge facility	\$350M
Pay down unsecured revolving credit facility	\$70M
Hold in escrow pending (1) reinvestment in 1031 exchanges qualifying for tax-deferred treatment, (2) repayment of additional debt <i>and/or</i> (3) other general corporate purposes	\$230M
Pay transaction expenses, including closing credits to the buyer for future tenant improvements	\$10M
Sale proceeds	\$660M

Following completion of the sale of the Plaza portfolio, the Company’s remaining wholly-owned assets in Kansas City consist of two wholly-owned office buildings totaling 149,000 square feet, a 50.0% interest in Plaza Colonnade, LLC (owner of a 292,000 square foot office building), a 12.5% interest in 4600 Madison Associates, LP (owner of a 262,000 square foot office building) and a 26.5% interest in Kessinger/Hunter & Company, LC (a real estate services firm).

About Highwoods

Highwoods Properties, Inc. (NYSE:HIW), headquartered in Raleigh, is a publicly-traded REIT and a member of the S&P MidCap 400 Index. Highwoods is a fully-integrated office REIT that owns, develops, acquires, leases and manages properties primarily in the best business districts (BBDs) of Atlanta, Greensboro, Kansas City, Memphis, Nashville, Orlando, Pittsburgh, Raleigh, Richmond and Tampa. For more information about Highwoods, please visit our website at www.highwoods.com.

