



FOR IMMEDIATE RELEASE

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**Highwoods Properties to Develop Riverwood 200 in Atlanta**  
39% Pre-Leased  
Multi-Customer, 299,000 Square Foot Office Building  
\$107 Million Total Investment

Raleigh, NC – June 4, 2015 – Highwoods Properties, Inc. (NYSE: HIW) will begin construction of Riverwood 200, a LEED certified, 12-story, multi-customer office building located adjacent to the Company-owned Riverwood 100 office building (502,500 square feet, 94.1% occupied) in Atlanta’s Cumberland/I-75 submarket. The project, which is 39% pre-leased to two firms, both new customers to Highwoods, will encompass approximately 299,000 square feet with structured parking. The Company’s projected investment is \$107 million and includes the cost to acquire 3.3 acres of land, 2.1 acres of which will be used for this project. Construction is scheduled to begin in the third quarter of 2015 with a mid-year 2017 targeted completion date.

Ed Fritsch, president and chief executive officer of Highwoods, stated, “We think this is an opportune time to commence development of Riverwood 200. Our sister building, Riverwood 100, is 94% occupied, and we believe there is demand for new Class A space in this location. We also expect this submarket’s attractiveness will be significantly enhanced with the Atlanta Braves’ new stadium and complex also slated for completion in 2017.”

Long-term leases have been signed with these new customers:

Customer	Business	SF	% of Building
Bennett Thrasher LLP	One of the largest Atlanta-based, full-service certified public accounting and consulting firms	62,500	21%
Holder Construction	A national commercial construction services firm founded in 1960	56,000	19%
<b>Totals</b>		<b>118,500</b>	<b>39%</b>

“We are pleased to have leases signed with two new Highwoods customers and to have prospects for additional space. We look forward to delivering an excellent working environment where these businesses can continue to grow and prosper,” noted Fritsch.

*“We also thank Atlanta-based Seven Oaks Company led by Bob Voyles, principal and founder, and Randy Holmes, principal, for helping us acquire this land parcel and for collaborating with Highwoods to develop the project and to identify pre-lease customers. We look forward to continuing to work with Seven Oaks as we sign additional customers, identify new prospects and deliver this building. I also applaud the solid efforts of our entire Atlanta team who continue to successfully identify growth opportunities.”*

Kenneth Thrasher, Chairman of Bennett Thrasher LLP, said, *“We are excited to be working with Highwoods and relocating in 2017 to Riverwood 200. This new location will provide our clients with convenient access to our firm and provide our associates a first class workplace with ample room to accommodate our expanding practice.”*

To view a rendering of Riverwood 200, please click the following link:

<http://www.highwoods.com/Investor/Riverwood-200-Rendering.pdf>

Year-to-date, the Company has delivered \$146 million of 87% pre-leased development. With the addition of this project, the Company’s development pipeline encompasses 1.5 million square feet representing an investment of approximately \$490 million that is 76% pre-leased with a projected stabilized GAAP yield of approximately 9%.

### **About Highwoods Properties**

Highwoods Properties, headquartered in Raleigh, North Carolina, is a publicly traded (NYSE:HIW) real estate investment trust (“REIT”) and a member of the S&P MidCap 400 Index. The Company is a fully-integrated office REIT that owns, develops, acquires, leases and manages properties primarily in the best business districts (BBDs) of Atlanta, Kansas City, Memphis, Nashville, Orlando, Pittsburgh, Raleigh, Richmond, Tampa and the Triad. For more information about Highwoods Properties, please visit our website at [www.highwoods.com](http://www.highwoods.com).

Certain matters discussed in this press release, such as the expected cost, timing and impact of our development activity, are forward-looking statements within the meaning of the federal securities laws. These statements are distinguished by use of the words "will", "expect", "intend" and words of similar meaning. Although Highwoods believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved.

Factors that could cause actual results to differ materially from Highwoods' current expectations include, among others, the following: the financial condition of our customers could deteriorate; development activity by our competitors in our existing markets could result in excessive supply of properties relative to customer demand; development, acquisition, reinvestment, disposition or joint venture projects may not be completed as quickly or on as favorable terms as anticipated; we may not be able to lease or re-lease second generation space quickly or on as favorable terms as old leases; our markets may suffer declines in economic growth; we may not be able to lease our newly constructed buildings as quickly or on as favorable terms as originally anticipated; unanticipated increases in interest rates could increase our debt service costs; unanticipated increases in operating expenses could negatively impact our NOI; we may not be able to meet our liquidity requirements or obtain capital on favorable terms to fund our working capital needs and growth initiatives or to repay or refinance outstanding debt upon maturity; the Company could lose key executive officers; and others detailed in the Company's 2014 Annual Report on Form 10-K and subsequent SEC reports.