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Highwoods Sells \$54.5 Million of Non-Core Buildings

Raleigh, NC – January 3, 2019 – Highwoods Properties, Inc. (NYSE: HIW) has sold Two Point Royal, a 124,000 square foot building in Alpharetta, GA, and Highwoods Preserve I, a 199,000 square foot, single customer building in northeast Tampa, for combined gross proceeds of \$54.5 million. These sales closed subsequent to October 23, 2018, the date of Highwoods third quarter earnings release. These two office properties were 91% occupied upon sale and were expected to generate \$4.2 million of annual GAAP net operating income in 2019. Highwoods will continue to serve as property manager of Highwoods Preserve I in exchange for customary fees.

The Company will record non-FFO gains of approximately \$20.7 million in the fourth quarter of 2018 in connection with these sales.

Ed Fritsch, Chief Executive Officer of Highwoods Properties, said, *“The sale of these non-core assets is in sync with our ongoing work to continuously improve our portfolio and further strengthen our long-term cash flow growth. These assets were not strategic to our holdings, which consist primarily of Class A properties in BBD locations.”*

About Highwoods

Highwoods Properties, Inc., headquartered in Raleigh, is a publicly-traded (NYSE:HIW) real estate investment trust (“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, Memphis, Nashville, Orlando, Pittsburgh, Raleigh, Richmond and Tampa. For more information about Highwoods, please visit our website at www.highwoods.com.

