



Supplemental Information
September 30, 2011

Supplemental Information
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The information within refers to all Highwoods Properties' wholly-owned entities, except pages 30 to 36, unless noted otherwise. Wholly-owned entities include properties classified as both continuing operations and discontinued operations.

All financial information contained in this document is unaudited. In addition, certain matters discussed in this supplemental, including estimates of net operating income, pre-leasing commitments and the cost, timing and stabilization of announced development projects, are forward-looking statements within the meaning of the federal securities laws. 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 general economic conditions, local real estate conditions, the timely development and lease-up of properties, and other risks listed at the end of our third quarter earnings press release and detailed from time to time in the Company's SEC reports. Highwoods assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

This supplemental also includes non-GAAP financial measures, such as Funds From Operations (FFO) and net operating income (NOI). Definitions of FFO and NOI and an explanation of management's view of the usefulness and risks of FFO and NOI can be found toward the end of the third quarter earnings press release.

Summary

Amounts in thousands, except %'s and per share amounts

	<i>Three Months Ended</i>				
	<u>09/30/11</u>	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>	<u>09/30/10</u>
Shares and units:					
Common shares outstanding at end of period	72,579	72,399	72,130	71,690	71,656
Common units outstanding at end of period	3,751	3,775	3,788	3,794	3,797
Weighted average common shares outstanding - basic	72,492	72,211	71,817	71,661	71,631
Weighted average common shares outstanding - diluted	76,402	76,197	75,792	75,724	75,638
Share price:					
At end of period	\$ 28.26	\$ 33.13	\$ 35.01	\$ 31.85	\$ 32.47
High close during period	35.06	36.92	35.01	35.16	33.07
Low close during period	26.81	32.15	31.63	29.55	26.54
Financial information:					
Lease termination income	\$ 690	\$ 26	\$ 266	\$ 375	\$ 362
Straight line rental income	2,816	2,788	3,492	3,433	2,975
Capitalized interest	169	137	207	305	392
Property acquisition costs	(4,260)	(37)	(37)	(149)	(249)
Loss on debt extinguishment	-	(24)	-	(620)	(85)
Land sale gains	262	200	-	-	-
Gains/(losses) on for-sale residential condominiums, net of partner's interest 1/	(476)	116	38	(140)	493
Gains on disposition of depreciable properties	2,573	-	-	19	19
Gains on disposition of investment in unconsolidated affiliates	2,282	-	-	-	-
Impairment of assets held for use	(2,429)	-	-	-	-
Excess of preferred stock redemption/repurchase cost over carrying value	-	(1,895)	-	-	-
Funds from operations per share - diluted	\$ 0.56	\$ 0.60	\$ 0.61	\$ 0.62	\$ 0.57
Funds from operations per share - diluted, excluding certain items 2/	\$ 0.65	\$ 0.63	\$ 0.61	\$ 0.63	\$ 0.58
Wholly - owned property information:					
In-Service rentable square feet:					
Office	22,554	20,642	20,446	20,502	20,423
Industrial	5,827	5,827	5,827	5,827	5,827
Retail	853	853	854	853	853
Total	29,234	27,322	27,127	27,182	27,103
In-Service occupancy:					
Office	88.7%	89.6%	89.9%	89.9%	88.2%
Industrial	90.0%	90.4%	89.8%	90.4%	90.5%
Retail	98.5%	93.3%	94.9%	97.8%	95.1%
Total	89.3%	89.9%	90.1%	90.3%	88.9%

1/ Acquired partner's noncontrolling interest on December 30, 2010.

2/ Excludes impairments on depreciable assets, losses on debt extinguishment, acquisition costs and excess of preferred stock redemption/repurchase cost over carrying value.

Corporate Information

Board of Directors

O. Temple Sloan Jr., Chairman
Thomas W. Adler
Gene H. Anderson
Edward J. Fritsch
David J. Hartzell, Ph.D.
Sherry A. Kellett
L. Glenn Orr Jr.

Corporate Officers

Edward J. Fritsch
President, Chief Executive Officer and Director

Michael E. Harris
Executive Vice President, Chief Operating Officer

Terry L. Stevens
Senior Vice President, Chief Financial Officer

Daniel L. Clemmens
Vice President, Chief Accounting Officer

S. Hugh Esleek
Treasurer

Carman J. Liuzzo
Vice President, Investments

Art H. McCann
Chief Information Officer

Jeffrey D. Miller
Vice President, General Counsel and
Secretary

Kevin E. Penn
Vice President, Strategy

L. Randy Roberson
Vice President, Development

Michael D. Starchville
Vice President, Asset Management

Tabitha N. Zane
Vice President, Investor Relations and
Corporate Communications

Divisional Officers

Atlanta, GA
James V. Bacchetta, Vice President

Kansas City, MO
Glenn E. Stephenson, Vice President

Memphis, TN
Steven L. Guinn, Vice President

Nashville, TN; Greenville, SC
W. Brian Reames, Senior Vice President

Orlando, FL
Steven J. Garrity, Vice President

Piedmont Triad, NC
E. F. "Rick" Dehnert, Vice President

Pittsburg, PA
*Michael E. Harris, Executive Vice President and
Chief Operating Officer*

Raleigh, NC
Thomas "Skip" Hill, Vice President

Richmond, VA
Paul W. Kreckman, Vice President

Tampa, FL
Daniel E. Woodward, Vice President

Corporate Information

Research Coverage

Bank of America/Merrill Lynch

Jamie Feldman - 212-449-6339

Citigroup Global Markets

Michael Bilerman - 212-816-1383

Cowen and Company

James Sullivan - 646-562-1380

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Andrew Rosivach - 415-249-7942

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Green Street Advisors

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Robert Stevenson - 212-231-8068

Morgan Keegan

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RBC Capital Markets

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John Guinee - 443-224-1307

Erin Aslakson - 443-224-1350

Wells Fargo Securities, LLC

Brendan Maiorana - 443-263-6516

Corporate Headquarters

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Stock Exchange

NYSE Trading Symbol: HIW

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Information Request

To request a Supplemental Package or Annual Report or to be added to our e-mail distribution list, please contact Tabitha Zane at the contact information listed above.

The Company

Highwoods Properties, Inc., a member of the S&P MidCap 400 Index, is a fully integrated, self-administered and self-managed equity real estate investment trust ("REIT") that provides leasing, management, development, construction and other customer-related services for its properties and for third parties. As of September 30, 2011, the Company owned or had an interest in 337 in-service office, industrial and retail properties encompassing approximately 34.5 million square feet. Highwoods also wholly-owned 601 acres of development land. Highwoods is based in Raleigh, North Carolina, and its properties and development land are located in Florida, Georgia, Maryland, Mississippi, Missouri, North Carolina, Pennsylvania, South Carolina, Tennessee, and Virginia. For more information about Highwoods Properties, please visit our website at www.highwoods.com.



Consolidated Statements of Income

Amounts in thousands, except per share amounts

	<i>Nine Months Ended</i>		<i>Three Months Ended</i>				
	<u>09/30/11</u>	<u>09/30/10</u>	<u>09/30/11</u>	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>	<u>09/30/10</u>
Rental and other revenues	\$ 354,122	\$ 343,796	\$ 122,086	\$ 117,057	\$ 114,979	\$ 117,330	\$ 115,528
Operating expenses:							
Rental property and other expenses	128,360	122,986	46,019	41,143	41,198	40,652	43,339
Depreciation and amortization	103,467	100,081	36,320	33,430	33,717	35,333	34,183
Impairment of assets held for use	2,429	-	2,429	-	-	-	-
General and administrative	27,983	24,369	12,212	7,978	7,793	8,579	8,882
Total operating expenses	<u>262,239</u>	<u>247,436</u>	<u>96,980</u>	<u>82,551</u>	<u>82,708</u>	<u>84,564</u>	<u>86,404</u>
Interest expense:							
Contractual	68,727	65,527	23,356	22,940	22,431	22,199	22,020
Amortization of deferred financing costs	2,448	2,528	806	821	821	857	858
Financing obligations	665	1,330	228	146	291	931	460
	<u>71,840</u>	<u>69,385</u>	<u>24,390</u>	<u>23,907</u>	<u>23,543</u>	<u>23,987</u>	<u>23,338</u>
Other income:							
Interest and other income	5,277	4,374	1,505	1,899	1,873	1,986	1,709
Loss on debt extinguishment	(24)	(85)	-	(24)	-	(620)	(85)
	<u>5,253</u>	<u>4,289</u>	<u>1,505</u>	<u>1,875</u>	<u>1,873</u>	<u>1,366</u>	<u>1,624</u>
Income from continuing operations before disposition of property, condominiums and investment in unconsolidated affiliates and equity in earnings of unconsolidated affiliates	25,296	31,264	2,221	12,474	10,601	10,145	7,410
Gains on disposition of property	462	55	262	200	-	19	19
Gains/(losses) on for-sale residential condominiums	(322)	407	(476)	116	38	(131)	54
Gains on disposition of investment in unconsolidated affiliates	2,282	25,330	2,282	-	-	-	-
Equity in earnings of unconsolidated affiliates	3,933	2,701	1,113	1,353	1,467	1,120	1,018
Income from continuing operations	31,651	59,757	5,402	14,143	12,106	11,153	8,501
Discontinued operations:							
Income from discontinued operations	897	1,233	269	291	337	246	272
Net gains/(losses) on disposition of discontinued operations	2,573	(86)	2,573	-	-	-	-
	<u>3,470</u>	<u>1,147</u>	<u>2,842</u>	<u>291</u>	<u>337</u>	<u>246</u>	<u>272</u>
Net income	35,121	60,904	8,244	14,434	12,443	11,399	8,773
Net (income) attributable to noncontrolling interests in the Operating Partnership	(1,496)	(2,819)	(366)	(623)	(507)	(501)	(366)
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(554)	(281)	(249)	(182)	(123)	(204)	148
Dividends on preferred stock	(3,926)	(5,031)	(627)	(1,622)	(1,677)	(1,677)	(1,677)
Excess of preferred stock redemption/repurchase cost over carrying value	(1,895)	-	-	(1,895)	-	-	-
Net income available for common stockholders	\$ 27,250	\$ 52,773	\$ 7,002	\$ 10,112	\$ 10,136	\$ 9,017	\$ 6,878
Earnings per common share - diluted:							
Income from continuing operations available for common stockholders	\$ 0.33	\$ 0.72	\$ 0.06	\$ 0.14	\$ 0.14	\$ 0.13	\$ 0.10
Income from discontinued operations available for common stockholders	0.05	0.02	0.04	-	-	-	-
Net income available for common stockholders	<u>\$ 0.38</u>	<u>\$ 0.74</u>	<u>\$ 0.10</u>	<u>\$ 0.14</u>	<u>\$ 0.14</u>	<u>\$ 0.13</u>	<u>\$ 0.10</u>
Weighted average common shares outstanding - diluted	<u>76,127</u>	<u>75,537</u>	<u>76,402</u>	<u>76,197</u>	<u>75,792</u>	<u>75,724</u>	<u>75,638</u>
Dividends declared and paid per common share	<u>\$ 1.275</u>	<u>\$ 1.275</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>
Net income available for common stockholders:							
Income from continuing operations available for common stockholders	\$ 23,953	\$ 51,684	\$ 4,301	\$ 9,836	\$ 9,816	\$ 8,783	\$ 6,620
Income from discontinued operations available for common stockholders	3,297	1,089	2,701	276	320	234	258
Net income available for common stockholders	<u>\$ 27,250</u>	<u>\$ 52,773</u>	<u>\$ 7,002</u>	<u>\$ 10,112</u>	<u>\$ 10,136</u>	<u>\$ 9,017</u>	<u>\$ 6,878</u>

Funds from Operations and Additional Information

Amounts in thousands, except per share amounts

	Nine Months Ended		Three Months Ended				
	09/30/11	09/30/10	09/30/11	06/30/11	03/31/11	12/31/10	09/30/10
Funds from operations:							
Net income	\$ 35,121	\$ 60,904	\$ 8,244	\$ 14,434	\$ 12,443	\$ 11,399	\$ 8,773
Net (income) attributable to noncontrolling interests in the Operating Partnership	(1,496)	(2,819)	(366)	(623)	(507)	(501)	(366)
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(554)	(281)	(249)	(182)	(123)	(204)	148
Dividends on preferred stock	(3,926)	(5,031)	(627)	(1,622)	(1,677)	(1,677)	(1,677)
Excess of preferred stock redemption/repurchase cost over carrying value	(1,895)	-	-	(1,895)	-	-	-
Net income available for common stockholders	<u>27,250</u>	<u>52,773</u>	<u>7,002</u>	<u>10,112</u>	<u>10,136</u>	<u>9,017</u>	<u>6,878</u>
Add/(deduct):							
Depreciation and amortization of real estate assets	102,057	98,790	35,803	32,971	33,283	34,889	33,739
(Gains) on disposition of depreciable properties	-	(55)	-	-	-	(19)	(19)
(Gains) on disposition of investment in unconsolidated affiliates	-	(25,330)	-	-	-	-	-
Net income attributable to noncontrolling interests from the Operating Partnership	1,496	2,819	366	623	507	501	366
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	6,192	8,193	2,066	2,033	2,093	2,278	2,115
Discontinued operations:							
Depreciation and amortization of real estate assets	127	647	-	32	95	97	98
(Gains) on disposition of depreciable properties	(2,573)	(174)	(2,573)	-	-	-	-
Funds from operations	<u>\$ 134,549</u>	<u>\$ 137,663</u>	<u>\$ 42,664</u>	<u>\$ 45,771</u>	<u>\$ 46,114</u>	<u>\$ 46,763</u>	<u>\$ 43,177</u>
Funds from operations per share - diluted:							
Net income available for common stockholders	\$ 0.38	\$ 0.74	\$ 0.10	\$ 0.14	\$ 0.14	\$ 0.13	\$ 0.10
Add/(deduct):							
Depreciation and amortization of real estate assets	1.34	1.30	0.46	0.43	0.44	0.46	0.44
(Gains) on disposition of depreciable properties	-	-	-	-	-	-	-
(Gains) on disposition of investment in unconsolidated affiliates	-	(0.34)	-	-	-	-	-
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	0.08	0.11	0.03	0.03	0.03	0.03	0.03
Discontinued operations:							
Depreciation and amortization of real estate assets	-	0.01	-	-	-	-	-
(Gains) on disposition of depreciable properties	(0.03)	-	(0.03)	-	-	-	-
Funds from operations per share - diluted	<u>\$ 1.77</u>	<u>\$ 1.82</u>	<u>\$ 0.56</u>	<u>\$ 0.60</u>	<u>\$ 0.61</u>	<u>\$ 0.62</u>	<u>\$ 0.57</u>
Weighted average shares outstanding - diluted	<u>76,127</u>	<u>75,537</u>	<u>76,402</u>	<u>76,197</u>	<u>75,792</u>	<u>75,724</u>	<u>75,638</u>
Additional information: 1/							
Funds from operations per share, excluding certain items 2/	\$ 1.88	\$ 1.83	\$ 0.65	\$ 0.63	\$ 0.61	\$ 0.63	\$ 0.58
Funds from operations, excluding certain items 2/	<u>\$ 143,231</u>	<u>\$ 138,384</u>	<u>\$ 49,353</u>	<u>\$ 47,727</u>	<u>\$ 46,151</u>	<u>\$ 47,532</u>	<u>\$ 43,511</u>
Straight line rental income	\$ (9,096)	\$ (7,822)	\$ (2,816)	\$ (2,788)	\$ (3,492)	\$ (3,433)	\$ (2,975)
Amortization of lease incentives	1,009	807	368	303	338	432	270
Depreciation of non-real estate assets	955	844	363	306	286	292	294
Ground lease straight line rent expense	84	101	28	26	30	30	33
Share-based compensation expense	4,771	5,060	1,318	1,427	2,026	1,512	1,563
Amortization of deferred financing costs	2,448	2,528	806	821	821	857	858
Amortization of accumulated other comprehensive loss	(87)	(75)	(30)	(29)	(29)	(26)	(25)
Amortization of Harborview FMV	(1,041)	(711)	(368)	(345)	(328)	(270)	(252)
Amortization of FAS 141 market leases	338	249	11	166	161	186	173
Non-incremental revenue generating capital expenditures paid: 3/							
Building improvements	(4,561)	(13,190)	(1,997)	(1,137)	(1,427)	(2,731)	(3,061)
2nd generation tenant improvements	(25,440)	(18,030)	(9,517)	(7,408)	(8,515)	(12,824)	(6,348)
2nd generation lease commissions	(11,919)	(13,153)	(4,983)	(3,066)	(3,870)	(3,777)	(5,345)
Common dividends and unit distributions paid	<u>(96,718)</u>	<u>(96,054)</u>	<u>(32,434)</u>	<u>(32,263)</u>	<u>(32,021)</u>	<u>(32,058)</u>	<u>(32,058)</u>

1/ Increase or (decrease) to cash flows.

2/ Excludes impairments on depreciable assets, losses on debt extinguishment, acquisition costs and excess of preferred stock redemption/repurchase cost over carrying value.

3/ Excludes capital expenditures paid for buildings sold prior to September 30, 2011 and capital expenditures paid within 12 months of planned dispositions when such expenditures are expected to be fully recovered from the sales proceeds.

Consolidated Balance Sheets

Dollars in thousands

Assets:	09/30/11	12/31/10
Real estate assets, at cost:		
Atlanta	\$ 368,948	\$ 345,088
Buildings and tenant improvements	3,115,149	2,883,092
Development in process	7,576	4,524
Land held for development	106,975	107,101
	<u>3,598,648</u>	<u>3,339,805</u>
Less-accumulated depreciation	<u>(878,702)</u>	<u>(830,153)</u>
Net real estate assets	2,719,946	2,509,652
For-sale residential condominiums	4,995	8,225
Real estate and other assets, net, held for sale	-	13,607
Cash and cash equivalents	11,088	14,206
Restricted cash	23,230	4,399
Accounts receivable, net of allowance of \$3,581 and \$3,595, respectively	23,443	20,716
Mortgages and notes receivable, net of allowance of \$545 and \$868, respectively	18,706	19,044
Accrued straight-line rents receivable, net of allowance of \$1,366 and \$2,209, respectively	102,338	93,178
Investment in and advances to unconsolidated affiliates	99,910	63,607
Deferred financing and leasing costs, net of accumulated amortization of \$60,950 and \$59,360, respectively	129,311	85,001
Prepaid expenses and other assets	38,940	40,200
Total Assets	<u>\$ 3,171,907</u>	<u>\$ 2,871,835</u>
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable	\$ 1,893,981	\$ 1,522,945
Accounts payable, accrued expenses and other liabilities	127,664	106,716
Financing obligations	32,775	33,114
Total Liabilities	<u>2,054,420</u>	<u>1,662,775</u>
Noncontrolling interests in the Operating Partnership	105,995	120,838
Equity:		
Preferred stock	29,077	81,592
Common stock	726	717
Additional paid-in capital	1,807,107	1,766,886
Distributions in excess of net income available for common stockholders	(826,435)	(761,785)
Accumulated other comprehensive loss	(3,606)	(3,648)
Total Stockholders' Equity	<u>1,006,869</u>	<u>1,083,762</u>
Noncontrolling interests in consolidated affiliates	4,623	4,460
Total Equity	<u>1,011,492</u>	<u>1,088,222</u>
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	<u>\$ 3,171,907</u>	<u>\$ 2,871,835</u>

Components of Net Asset Value

Dollars in thousands

Note: The purpose of providing the following information at the beginning of each year is to enable readers to derive their own estimate of net asset value. The Company updates this information annually based on management's assumptions regarding projected current year net operating income as of the date of initial publication (current year being February 9, 2011), and it will not be updated to reflect any facts, circumstances or changes in financial or operating assumptions that may occur during the year. This information is not intended to be an asset-by-asset or enterprise valuation.

Consolidated properties projected net operating income (NOI) 1/

Office	\$ 240,513
Retail	18,766
Industrial/Other	19,480
Deduct partner's share of consolidated JV's (Office)	(4,799)
Total Net Operating Income	\$ 273,960

Highwoods' share of unconsolidated joint ventures, projected NOI

Office	\$ 16,580
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Other income

Development, leasing and management fees	\$ 4,755
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Add other assets:

Completed, not stabilized development and condos at cost 1/	\$ 48,307
In-service assets not fairly valued by capitalized NOI valuation method 1/	122,374
Land held for development at market value 2/	147,500
Cash and cash equivalents	14,206
Restricted cash	4,399
Accounts receivable, net	20,716
Notes receivable and prepaid expenses	59,255
Highwoods' share of unconsolidated JV's other assets	13,653
Deduct partner's share of consolidated JV's other assets	(3,094)
Total other assets	\$ 427,316

Liabilities:

Accounts payable, accrued expenses and other liabilities	\$ 106,716
Mortgages and notes payable	1,522,945
Deduct partner's share of Consolidated JV's liabilities and mortgages	(35,696)
Market value of debt adjustment 3/	57,945
Preferred stock, at liquidation value	81,592
Highwoods' share of unconsolidated joint ventures liabilities	158,364
Market value of debt adjustment for JV debt 3/	638
Total deductions	\$ 1,892,504

Estimated diluted common shares and common units for 2011 (000's)	75,900
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1/ Projected 2011 NOI excludes straight line income, lease termination fee income, fee income, NOI related to completed not stabilized developments, and NOI related to assets undervalued by capitalized NOI method. For the assets in the last two categories, a NOI capitalization approach is not appropriate and accordingly an alternative valuation methodology has been applied.

2/ Includes Highwoods' share of JV land held for development totaling \$4.9 million.

3/ In accordance with prior practice, we included an adjustment to mark our debt including our pro rata share of unconsolidated joint ventures to estimated fair value as of December 31, 2010.

Components of Discontinued Operations

Dollars in thousands

	<i>Nine Months Ended</i>		<i>Three Months Ended</i>				
	<u>09/30/11</u>	<u>09/30/10</u>	<u>09/30/11</u>	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>	<u>09/30/10</u>
Rental and other revenues	\$ 1,593	\$ 3,092	\$ 480	\$ 500	\$ 613	\$ 535	\$ 535
Operating expenses:							
Rental property and other expenses	570	1,214	211	178	181	192	166
Depreciation and amortization	127	647	-	32	95	97	98
Total operating expenses	<u>697</u>	<u>1,861</u>	<u>211</u>	<u>210</u>	<u>276</u>	<u>289</u>	<u>264</u>
Other income	1	2	-	1	-	-	1
Income from discontinued operations	897	1,233	269	291	337	246	272
Net gains/(losses) on disposition of discontinued operations	2,573	(86)	2,573	-	-	-	-
Total discontinued operations	<u>\$ 3,470</u>	<u>\$ 1,147</u>	<u>\$ 2,842</u>	<u>\$ 291</u>	<u>\$ 337</u>	<u>\$ 246</u>	<u>\$ 272</u>

Capitalization

Dollars, shares, and units in thousands

	<u>09/30/11</u>	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>	<u>09/30/10</u>
Long-Term Debt (see pages 7 & 8):	\$ 1,893,981	\$ 1,615,068	\$ 1,552,577	\$ 1,522,945	\$ 1,501,624
Financing Obligations:	\$ 32,775	\$ 32,869	\$ 33,040	\$ 33,114	\$ 33,625
Preferred Stock (at liquidation value):					
Series A 8 5/8% Cumulative Redeemable	\$ 29,077	\$ 29,087	\$ 29,092	\$ 29,092	\$ 29,092
Series B 8% Cumulative Redeemable	-	-	52,500	52,500	52,500
Total preferred stock	\$ 29,077	\$ 29,087	\$ 81,592	\$ 81,592	\$ 81,592
Common Shares and Units Outstanding:					
Common stock outstanding	72,579	72,399	72,130	71,690	71,656
Noncontrolling interest partnership units	3,751	3,775	3,788	3,794	3,797
Total common shares and units outstanding	76,330	76,174	75,918	75,484	75,453
Stock price at period end	\$ 28.26	\$ 33.13	\$ 35.01	\$ 31.85	\$ 32.47
Market value of common equity	\$ 2,157,086	\$ 2,523,645	\$ 2,657,889	\$ 2,404,165	\$ 2,449,959
Total market capitalization with debt and obligations	\$ 4,112,919	\$ 4,200,669	\$ 4,325,098	\$ 4,041,816	\$ 4,066,800

See pages 30 to 36 for information regarding Highwoods' Joint Ventures.

Long-Term Debt Summary

Dollars in thousands

	<u>9/30/11</u>	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>	<u>9/30/10</u>
Balances Outstanding:					
Secured:					
Conventional fixed rate 1/	\$ 885,737	\$ 696,454	\$ 699,392	\$ 702,290	\$ 710,998
Variable rate debt	<u>52,109</u>	<u>52,109</u>	<u>52,109</u>	<u>52,109</u>	<u>52,109</u>
Secured total	<u>937,846</u>	<u>748,563</u>	<u>751,501</u>	<u>754,399</u>	<u>763,107</u>
Unsecured:					
Fixed rate bonds and notes	591,135	591,105	591,076	591,046	591,017
Bank term loans	200,000	200,000	210,000	147,500	147,500
Credit facility	<u>165,000</u>	<u>75,400</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
Unsecured total	<u>956,135</u>	<u>866,505</u>	<u>801,076</u>	<u>768,546</u>	<u>738,517</u>
Total	<u>\$ 1,893,981</u>	<u>\$ 1,615,068</u>	<u>\$ 1,552,577</u>	<u>\$ 1,522,945</u>	<u>\$ 1,501,624</u>

End of Period Weighted Average Interest Rates:

Secured:					
Conventional fixed rate	6.09%	6.52%	6.52%	6.52%	6.52%
Variable rate debt	<u>1.09%</u>	<u>1.04%</u>	<u>1.11%</u>	<u>1.12%</u>	<u>1.11%</u>
Secured total	<u>5.81%</u>	<u>6.14%</u>	<u>6.14%</u>	<u>6.14%</u>	<u>6.15%</u>
Unsecured:					
Fixed rate bonds	6.41%	6.41%	6.41%	6.41%	6.41%
Bank term loans	2.44%	2.40%	2.52%	1.53%	1.53%
Credit facility	<u>1.73%</u>	<u>3.21%</u>	<u>3.14%</u> 2/	<u>3.16%</u>	<u>3.16%</u> 2/
Unsecured total	<u>4.77%</u>	<u>5.20%</u>	<u>5.39%</u>	<u>5.35%</u>	<u>5.43%</u>
Weighted Average	<u>5.29%</u>	<u>5.64%</u>	<u>5.75%</u>	<u>5.74%</u>	<u>5.80%</u>

Maturity Schedule: 3/

Year	<i>Future Maturities of Debt</i>			Average Interest Rate
	<u>Secured Debt 4/</u>	<u>Unsecured Debt</u>	<u>Total Debt 4/</u>	
2011	\$ 52,109 5/	\$ -	\$ 52,109	1.09%
2012	21,165	-	21,165	6.06%
2013	247,327	-	247,327	5.89%
2014	102,143	-	102,143	5.35%
2015	40,115	349,402 5/	389,517	2.21%
2016	166,174	200,000	366,174	4.55%
2017	124,411	391,135	515,546	5.46%
2018	-	200,000	200,000	7.50%
2019	-	-	-	-
2020	-	-	-	-
Total maturities	<u>\$ 753,444</u>	<u>\$ 1,140,537</u>	<u>\$ 1,893,981</u>	<u>4.77%</u>

Weighted average maturity = 4.2 years

1/ Includes a \$21.2 million loan related to a consolidated 20% owned joint venture (Harborview) and \$34.3 million in loans at September 30, 2011 related to a consolidated 50% joint venture (Markel).

2/ No balances were outstanding at period end.

3/ Reflects early payoff of the \$184.4 million secured loan on our Country Club Plaza property on 10/3/2011 with proceeds from our unsecured revolving credit facility.

4/ All periods exclude annual principal amortization.

5/ Maturity does not reflect one-year extension options on \$52,109 of secured debt and \$165,000 of unsecured debt.

Long-Term Debt Detail

Dollars in thousands

Secured Loans

<u>Lender</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Loan</u>	<u>Undepreciated</u>
			<u>Balance 9/30/11</u>	<u>Book Value of Assets Secured</u>
Northwestern Mutual 1/	7.05%	Jan-12	\$ 184,402	\$ 304,979
Northwestern Mutual	6.03%	Mar-13	125,989	178,525
Wells Fargo Bank, N.A. 2/	4.22%	Nov-17	124,411	214,100
Massachusetts Mutual Life Ins. Co. 3/	5.68%	Dec-13	112,411	213,143
New York Life Insurance Company	6.88%	Jan-16	111,081	217,617
Metropolitan Life Ins. Co. 4/	5.12%	Jan-14	67,861	86,300
PNC/Regions/Union Bank/U.S. Bank 5/ 6/	1.09%	Dec-11	52,109	55,688
Western-Southern Life Assurance Company	7.50%	Aug-16	46,304	71,948
Bank of America 7/	6.43%	Nov-15	40,115	52,600
Metropolitan Life Ins. Co. 8/	6.06%	Oct-12	21,165	39,041
Principal Life Insurance Company 9/	5.79%	Jan-14	10,509	13,134
Principal Life Insurance Company 9/	5.79%	Jan-14	10,509	18,872
Massachusetts Mutual Life Ins. Co. 3/	6.48%	Dec-13	9,970	
Principal Life Insurance Company 9/	5.74%	Jan-14	8,282	14,567
State Farm Life Insurance	7.65%	Feb-16	7,460	15,345
Principal Life Insurance Company 9/	5.89%	Jan-14	4,981	7,514
American United Life	9.00%	Jun-13	287	3,289
	<u>5.81%</u>		<u>937,846</u>	<u>\$ 1,506,662</u>

Unsecured Bonds

Bonds	5.85%	Mar-17	391,135
Bonds	7.50%	Apr-18	200,000
	<u>6.41%</u>		<u>591,135</u>

Unsecured Loans

Credit facility 5/ 6/	1.73%	Jul-15	165,000
Bank term loan 5/	2.44%	Feb-16	200,000
	<u>2.12%</u>		<u>365,000</u>

Total Debt

	<u>5.29%</u>		<u>\$ 1,893,981</u>
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Revolving Credit Facility

<u>Name of Lender</u>	<u>Total Commitment</u>	<u>Amount Outstanding</u>	<u>Unfunded Commitment</u>
		<u>at 9/30/11</u>	<u>at 9/30/11</u>
Bank of America, N.A.	\$ 75,000	\$ 26,053	\$ 48,947
Wells Fargo Bank, N.A.	55,000	19,105	35,895
Branch Banking and Trust Co.	50,000	17,368	32,632
PNC Bank, N.A.	50,000	17,368	32,632
US Bank	36,000	12,505	23,495
Regions Bank	32,000	11,116	20,884
Union Bank, N.A.	32,000	11,116	20,884
Capital One	25,000	8,684	16,316
Comerica Bank	25,000	8,684	16,316
Morgan Stanley	25,000	8,684	16,316
RBC Bank	25,000	8,684	16,316
Fifth Third Bank	15,000	5,211	9,789
First Tennessee Bank	15,000	5,211	9,789
Royal Bank of Canada	15,000	5,211	9,789
	<u>\$ 475,000</u>	<u>\$ 165,000</u>	<u>\$ 310,000</u>

1/ This secured loan on our Country Club Plaza property was paid off early on 10/3/2011 with proceeds from our unsecured revolving credit facility.

2/ This loan's stated interest rate is 5.19% related to outstanding principal of \$118.6 million. Also, the undepreciated book value of assets securing this loan includes planned near-term building improvements.

3/ These two loans are secured by the same assets.

4/ This loan's stated interest rate is 5.45% related to outstanding principal of \$67.4 million. Also, the undepreciated book value of assets securing this loan includes planned near-term building improvements.

5/ Floating rate loans based on one month LIBOR.

6/ Maturity date does not reflect one-year extension option.

7/ This loan's stated interest rate is 5.17% related to outstanding principal of \$42.3 million. Also, the undepreciated book value of assets securing this loan includes planned near-term building improvements.

8/ Loan relates to a consolidated 20% owned joint venture (Harborview).

9/ Loans relate to a consolidated 50% owned joint venture (Markel).

Portfolio Summary - Wholly-Owned Properties Only 1/

(Rentable Square Feet)

	<u>9/30/11</u>	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>	<u>9/30/10</u>
Office Industrial & Retail					
In-Service:					
Office	22,554,000	20,642,000	20,446,000	20,502,000	20,423,000
Industrial	5,827,000	5,827,000	5,827,000	5,827,000	5,827,000
Retail 2/	853,000	853,000	854,000	853,000	853,000
Total 3/	<u>29,234,000</u>	<u>27,322,000</u>	<u>27,127,000</u>	<u>27,182,000</u>	<u>27,103,000</u>
Development Completed - Not Stabilized:					
Office	117,000	117,000	265,000	265,000	148,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>117,000</u>	<u>117,000</u>	<u>265,000</u>	<u>265,000</u>	<u>148,000</u>
Development - In Process:					
Office	60,000	60,000	60,000	-	60,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Total:					
Office	22,731,000	20,819,000	20,771,000	20,767,000	20,631,000
Industrial	5,827,000	5,827,000	5,827,000	5,827,000	5,827,000
Retail 2/	853,000	853,000	854,000	853,000	853,000
Total 3/	<u>29,411,000</u>	<u>27,499,000</u>	<u>27,452,000</u>	<u>27,447,000</u>	<u>27,311,000</u>
Same Property					
Office	19,761,000	19,761,000	19,761,000	19,761,000	19,761,000
Industrial	5,627,000	5,627,000	5,627,000	5,627,000	5,627,000
Retail	853,000	853,000	853,000	853,000	853,000
Total	<u>26,241,000</u>	<u>26,241,000</u>	<u>26,241,000</u>	<u>26,241,000</u>	<u>26,241,000</u>
Percent Leased/Pre-Leased:					
In-Service:					
Office	88.7%	89.6%	89.9%	89.9%	88.2%
Industrial	90.0%	90.4%	89.8%	90.4%	90.5%
Retail	98.5%	93.3%	94.9%	97.8%	95.1%
Total	<u>89.3%</u>	<u>89.9%</u>	<u>90.1%</u>	<u>90.3%</u>	<u>88.9%</u>
Development Completed - Not Stabilized:					
Office	100.0%	100.0%	23.5%	13.4%	24.3%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>100.0%</u>	<u>100.0%</u>	<u>23.5%</u>	<u>13.4%</u>	<u>24.3%</u>
Development - In Process:					
Office	100.0%	100.0%	100.0%	-	100.0%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>-</u>	<u>100.0%</u>
Same Property					
Office	89.7%	90.1%	90.0%	90.2%	88.5%
Industrial	90.7%	91.2%	90.6%	91.2%	92.0%
Retail	98.5%	93.2%	95.0%	97.8%	95.0%
Total	<u>90.2%</u>	<u>90.4%</u>	<u>90.3%</u>	<u>90.7%</u>	<u>89.4%</u>

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Excludes 211,000 square feet of basement space in the Country Club Plaza.

3/ Excludes minor "for rent" apartment building.

Portfolio Summary

(Continued)

As of September 30, 2011

Summary by Location, Wholly-Owned Properties Only 1/:

<u>Market</u>	<u>Rentable</u>		<u>Percentage of Annualized Cash Revenue 2/</u>			
	<u>Square Feet</u>	<u>Occupancy</u>	<u>Office</u>	<u>Industrial</u>	<u>Retail</u>	<u>Total</u>
Atlanta	6,318,000	89.9%	12.3%	3.4%	-	15.7%
Raleigh 3/	4,245,000	89.3%	15.2%	-	-	15.2%
Tampa	2,879,000	89.3%	13.3%	-	-	13.3%
Nashville	3,094,000	92.4%	12.5%	-	-	12.5%
Kansas City	1,504,000 4/	90.2%	3.0%	-	6.2%	9.2%
Memphis	2,072,000	84.5%	8.1%	-	-	8.1%
Richmond	2,231,000	91.4%	7.8%	-	-	7.8%
Pittsburgh	1,540,000	81.6%	6.9%	-	-	6.9%
Piedmont Triad 5/	4,038,000	89.2%	4.1%	2.4%	-	6.5%
Greenville	897,000	90.2%	3.1%	-	-	3.1%
Orlando	416,000	91.4%	1.7%	-	-	1.7%
Total	29,234,000	89.3%	88.0%	5.8%	6.2%	100.0%

Summary by Location, Including Joint Venture Properties:

<u>Market</u>	<u>Rentable</u>		<u>Percentage of Annualized Cash Revenue 2/ 6/</u>			
	<u>Square Feet</u>	<u>Occupancy</u>	<u>Office</u>	<u>Industrial</u>	<u>Retail</u>	<u>Total</u>
Atlanta	7,153,000	88.2%	12.2%	3.2%	-	15.4%
Raleigh	5,059,000	90.0%	15.1%	-	-	15.1%
Tampa	3,084,000	88.8%	12.6%	-	-	12.6%
Nashville	3,094,000	92.4%	11.7%	-	-	11.7%
Kansas City	2,223,000 4/	87.5%	4.0%	-	5.7%	9.7%
Richmond	2,644,000	92.7%	7.9%	-	-	7.9%
Memphis	2,072,000	84.5%	7.5%	-	-	7.5%
Pittsburgh	1,540,000	81.6%	6.5%	-	-	6.5%
Piedmont Triad	4,295,000	86.5%	4.0%	2.3%	-	6.3%
Orlando	2,270,000	84.1%	4.3%	-	-	4.3%
Greenville	897,000	90.2%	2.9%	-	-	2.9%
Charlotte	148,000	100.0%	0.1%	-	-	0.1%
Total	34,479,000	88.3%	88.8%	5.5%	5.7%	100.0%

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

3/ Raleigh Market encompasses Raleigh, Durham, Cary, and Research Triangle metropolitan area.

4/ Excludes 211,000 square feet of basement space in the Country Club Plaza.

5/ Piedmont Triad Market encompasses Greensboro, Winston-Salem metropolitan area.

6/ Includes Highwoods' share of Joint Venture Annualized Cash Revenue, see page 34.

Portfolio Summary - Wholly-Owned Properties Only

(Continued)

As of September 30, 2011

<u>Market</u>	<u>Office Properties 1/</u>			<u>Industrial</u>		
	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Office Annualized Cash Revenue 2/</u>	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Industrial Annualized Cash Revenue 2/</u>
Raleigh	4,245,000	89.3%	17.3%	-	-	-
Tampa	2,879,000	89.3%	15.1%	-	-	-
Nashville	3,094,000	92.4%	14.2%	-	-	-
Atlanta	3,036,000	91.5%	13.9%	3,282,000	88.4%	58.2%
Memphis	2,072,000	84.5%	9.2%	-	-	-
Richmond	2,231,000	91.4%	8.9%	-	-	-
Pittsburgh	1,540,000	81.6%	7.9%	-	-	-
Piedmont Triad	1,493,000	84.4%	4.7%	2,545,000	91.9%	41.8%
Greenville	897,000	90.2%	3.5%	-	-	-
Kansas City	651,000	79.3%	3.4%	-	-	-
Orlando	416,000	91.4%	1.9%	-	-	-
	<u>22,554,000</u>	<u>88.7%</u>	<u>100.0%</u>	<u>5,827,000</u>	<u>90.0%</u>	<u>100.0%</u>

<u>Market</u>	<u>Retail</u>		
	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Retail Annualized Cash Revenue 2/</u>
Kansas City 3/	853,000	98.5%	100.0%
	<u>853,000</u>	<u>98.5%</u>	<u>100.0%</u>

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

3/ Excludes 211,000 square feet of basement space in the Country Club Plaza.

Occupancy Trends - Office, Industrial and Retail Properties 1/

<u>Market</u>	<u>Measurement</u>	<u>9/30/11</u>	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>	<u>9/30/10</u>
Atlanta	Rentable Square Feet	6,318,000	5,815,000	5,815,000	5,869,000	5,853,000
	Occupancy	89.9%	90.2%	90.3%	90.1%	89.8%
	Current Properties 2/	90.2%	90.2%	90.3%	90.4%	90.1%
Greenville	Rentable Square Feet	897,000	898,000	898,000	898,000	898,000
	Occupancy	90.2%	88.1%	86.6%	88.0%	88.0%
	Current Properties 2/	90.2%	88.2%	86.6%	88.1%	88.1%
Kansas City 3/	Rentable Square Feet	1,504,000	1,504,000	1,505,000	1,504,000	1,504,000
	Occupancy	90.2%	86.9%	89.4%	91.3%	89.3%
	Current Properties 2/	90.2%	86.9%	89.4%	91.3%	89.3%
Memphis	Rentable Square Feet	2,072,000	2,068,000	1,920,000	1,920,000	1,920,000
	Occupancy	84.5%	85.5%	89.9%	91.0%	89.2%
	Current Properties 2/	87.8%	89.8%	89.7%	90.8%	89.1%
Nashville	Rentable Square Feet	3,094,000	3,094,000	3,094,000	3,096,000	3,096,000
	Occupancy	92.4%	90.3%	89.5%	89.8%	89.0%
	Current Properties 2/	92.4%	90.3%	89.5%	89.9%	89.1%
Orlando	Rentable Square Feet	416,000	416,000	416,000	416,000	416,000
	Occupancy	91.4%	84.4%	84.8%	85.6%	84.8%
	Current Properties 2/	91.4%	84.4%	84.8%	85.6%	84.8%
Piedmont Triad	Rentable Square Feet	4,038,000	4,173,000	4,173,000	4,173,000	4,173,000
	Occupancy	89.2%	90.2%	90.0%	89.4%	88.5%
	Current Properties 2/	89.2%	89.9%	89.7%	89.7%	88.7%
Pittsburgh	Rentable Square Feet	1,540,000				
	Occupancy	81.6%				
	Current Properties 2/	N/A				
Raleigh	Rentable Square Feet	4,245,000	4,244,000	4,196,000	4,196,000	4,134,000
	Occupancy	89.3%	91.6%	90.5%	90.6%	86.3%
	Current Properties 2/	89.1%	91.4%	90.3%	90.4%	86.2%
Richmond	Rentable Square Feet	2,231,000	2,231,000	2,231,000	2,231,000	2,231,000
	Occupancy	91.4%	93.6%	93.6%	93.4%	92.3%
	Current Properties 2/	91.4%	93.6%	93.6%	93.3%	92.3%
Tampa	Rentable Square Feet	2,879,000	2,879,000	2,879,000	2,879,000	2,878,000
	Occupancy	89.3%	89.0%	89.4%	90.0%	89.5%
	Current Properties 2/	89.3%	89.0%	89.4%	90.0%	89.4%
Total	Rentable Square Feet	29,234,000	27,322,000	27,127,000	27,182,000	27,103,000
	Occupancy	89.3%	89.9%	90.1%	90.3%	88.9%
	Current Properties 2/	90.0%	90.1%	90.0%	90.4%	89.0%

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Only includes properties that were owned and in-service for all periods shown.

3/ Excludes 211,000 square feet of basement space in the Country Club Plaza.

Leasing Statistics

Office Portfolio 1/

	Three Months Ended					Five Quarter
	9/30/11 2/	6/30/11 3/	3/31/11 4/	12/31/10 5/	9/30/10 6/	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	120	135	118	109	126	122
Rentable square footage leased	1,111,209	807,380	866,360	614,392	1,054,688	890,806
Square footage of Renewal Deals	740,079	666,420	612,388	463,478	803,096	657,092
Renewed square footage (% of total)	66.6%	82.5%	70.7%	75.4%	76.1%	73.8%
New Leases square footage (% of total)	33.4%	17.5%	29.3%	24.6%	23.9%	26.2%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 18.88	\$ 20.44	\$ 20.42	\$ 19.98	\$ 19.92	\$ 19.93
Tenant improvements	(1.83)	(1.14)	(1.63)	(1.96)	(1.96)	(1.70)
Leasing commissions 7/	(0.62)	(0.45)	(0.53)	(0.62)	(0.60)	(0.56)
Rent concessions	(0.60)	(0.54)	(0.55)	(0.48)	(0.59)	(0.55)
Effective rent	15.83	18.31	17.71	16.92	16.77	17.12
Expense stop	(5.76)	(5.80)	(5.51)	(6.29)	(6.67)	(6.01)
Equivalent effective net rent	\$ 10.07	\$ 12.51	\$ 12.20	\$ 10.63	\$ 10.10	\$ 11.11
Weighted average term in years	5.4	4.6	5.1	4.2	5.9	5.0
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 14,788,764	\$ 5,056,895	\$ 8,663,114	\$ 5,478,825	\$ 13,417,000	\$ 9,480,920
Rentable square feet	1,111,209	807,380	866,360	614,392	1,054,688	890,806
Per rentable square foot	\$ 13.31	\$ 6.26	\$ 10.00	\$ 8.92	\$ 12.72	\$ 10.64
Leasing Commissions:						
Total dollars committed under signed leases 7/	\$ 3,807,939	\$ 1,670,904	\$ 2,212,959	\$ 1,590,222	\$ 4,146,494	\$ 2,685,704
Rentable square feet	1,111,209	807,380	866,360	614,392	1,054,688	890,806
Per rentable square foot	\$ 3.43	\$ 2.07	\$ 2.55	\$ 2.59	\$ 3.93	\$ 3.01
Total:						
Total dollars committed under signed leases	\$ 18,596,703	\$ 6,727,799	\$ 10,876,073	\$ 7,069,047	\$ 17,563,494	\$ 12,166,623
Rentable square feet	1,111,209	807,380	866,360	614,392	1,054,688	890,806
Per rentable square foot	\$ 16.74	\$ 8.33	\$ 12.55	\$ 11.51	\$ 16.65	\$ 13.66

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Includes 97K square feet of leases that start in 2013 or later.

3/ Includes 75K square feet of leases that start in 2013 or later.

4/ Includes 37K square feet of leases that start in 2013 or later.

5/ Includes 82K square feet of leases that start in 2013 or later.

6/ Includes 223K square feet of leases that start in 2012 or later.

7/ Excludes internal leasing costs.

Leasing Statistics

Industrial Portfolio

	Three Months Ended					Five Quarter
	9/30/11 ^{1/}	6/30/11	3/31/11 ^{2/}	12/31/10 ^{3/}	9/30/10 ^{4/}	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	18	14	13	17	18	16
Rentable square footage leased	376,616	216,769	265,875	394,301	287,985	308,309
Square footage of Renewal Deals	232,708	60,017	156,305	357,651	163,940	194,124
Renewed square footage (% of total)	61.8%	27.7%	58.8%	90.7%	56.9%	63.0%
New Leases square footage (% of total)	38.2%	72.3%	41.2%	9.3%	43.1%	37.0%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 4.37	\$ 4.46	\$ 4.07	\$ 4.04	\$ 4.89	\$ 4.37
Tenant improvements	(0.39)	(0.36)	(0.63)	(0.44)	(0.43)	(0.45)
Leasing commissions ^{5/}	(0.17)	(0.08)	(0.12)	(0.11)	(0.14)	(0.12)
Rent concessions	(0.18)	(0.27)	(0.14)	(0.07)	(0.18)	(0.17)
Effective rent	3.63	3.75	3.18	3.42	4.14	3.63
Expense stop	(0.12)	(0.31)	(0.10)	(0.17)	(0.20)	(0.18)
Equivalent effective net rent	\$ 3.51	\$ 3.44	\$ 3.08	\$ 3.25	\$ 3.94	\$ 3.45
Weighted average term in years	3.3	5.1	4.6	6.3	5.4	4.9
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 622,789	\$ 373,651	\$ 1,058,037	\$ 1,363,845	\$ 674,763	\$ 818,617
Rentable square feet	376,616	216,769	265,875	394,301	287,985	308,309
Per rentable square foot	\$ 1.65	\$ 1.72	\$ 3.98	\$ 3.46	\$ 2.34	\$ 2.66
Leasing Commissions:						
Total dollars committed under signed leases ^{5/}	\$ 241,706	\$ 82,342	\$ 206,138	\$ 226,065	\$ 192,048	\$ 189,660
Rentable square feet	376,616	216,769	265,875	394,301	287,985	308,309
Per rentable square foot	\$ 0.64	\$ 0.38	\$ 0.78	\$ 0.57	\$ 0.67	\$ 0.62
Total:						
Total dollars committed under signed leases	\$ 864,495	\$ 455,993	\$ 1,264,175	\$ 1,589,910	\$ 866,811	\$ 1,008,277
Rentable square feet	376,616	216,769	265,875	394,301	287,985	308,309
Per rentable square foot	\$ 2.30	\$ 2.10	\$ 4.75	\$ 4.03	\$ 3.01	\$ 3.27

^{1/} Includes 58K square feet of leases that start in 2013 or later.

^{2/} Includes 5K square feet of leases that start in 2013 or later.

^{3/} Includes 229K square feet of leases that start in 2013 or later.

^{4/} Includes 35K square feet of leases that start in 2012 or later.

^{5/} Excludes internal leasing costs.

Leasing Statistics

Retail Portfolio

	Three Months Ended					Five Quarter
	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	8	4	10	4	5	6
Rentable square footage leased	19,321	35,878	73,804	11,955	11,751	30,542
Square footage of Renewal Deals	10,943	1,564	68,123	10,155	11,751	20,507
Renewed square footage (% of total)	56.6%	4.4%	92.3%	84.9%	100.0%	67.1%
New Leases square footage (% of total)	43.4%	95.6%	7.7%	15.1%	0.0%	32.9%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 48.95	\$ 32.35	\$ 19.83	\$ 47.58	\$ 28.15	\$ 35.37
Tenant improvements	(2.87)	(6.88)	(1.12)	(1.43)	(1.66)	(2.79)
Leasing commissions 1/	(1.53)	(0.77)	(0.37)	(0.80)	(0.32)	(0.76)
Rent concessions	(0.04)	0.00	(0.01)	(0.70)	0.00	(0.15)
Effective rent	44.51	24.70	18.33	44.65	26.17	31.67
Expense stop	0.00	0.00	0.00	0.00	0.00	0.00
Equivalent effective net rent	\$ 44.51	\$ 24.70	\$ 18.33	\$ 44.65	\$ 26.17	\$ 31.67
Weighted average term in years	8.1	9.6	4.1	5.2	1.8	5.8
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 560,779	\$ 2,468,181	\$ 813,393	\$ 180,000	\$ 58,560	\$ 816,183
Rentable square feet	19,321	35,878	73,804	11,955	11,751	30,542
Per rentable square foot	\$ 29.02	\$ 68.79	\$ 11.02	\$ 15.06	\$ 4.98	\$ 26.72
Leasing Commissions:						
Total dollars committed under signed leases 1/	\$ 294,810	\$ 278,544	\$ 262,962	\$ 64,019	\$ 12,244	\$ 182,516
Rentable square feet	19,321	35,878	73,804	11,955	11,751	30,542
Per rentable square foot	\$ 15.26	\$ 7.76	\$ 3.56	\$ 5.35	\$ 1.04	\$ 5.98
Total:						
Total dollars committed under signed leases	\$ 855,589	\$ 2,746,725	\$ 1,076,355	\$ 244,019	\$ 70,804	\$ 998,698
Rentable square feet	19,321	35,878	73,804	11,955	11,751	30,542
Per rentable square foot	\$ 44.28	\$ 76.56	\$ 14.58	\$ 20.41	\$ 6.03	\$ 32.70

1/ Excludes internal leasing costs.

Leasing Statistics by Market

For the Three Months Ended September 30, 2011

Office Portfolio 1/ <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Raleigh	246,718	7.6	\$ 19.75	\$ 14.93	\$ 3.53
Nashville	151,903	5.4	20.43	4.88	3.09
Richmond	147,896	2.9	17.95	4.05	1.35
Orlando	137,881	9.8	16.47	45.61	7.76
Tampa	129,061	2.5	14.80	4.65	1.49
Atlanta	111,245	4.8	19.31	15.58	4.77
Greenville	108,566	2.6	16.66	0.00	1.83
Memphis	35,440	5.8	19.65	17.84	3.24
Kansas City	22,148	3.8	24.79	6.81	4.86
Piedmont Triad	20,351	4.7	14.62	17.63	2.68
	<u>1,111,209</u>	<u>5.4</u>	<u>\$ 18.28</u>	<u>\$ 13.31</u>	<u>\$ 3.43</u>

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Atlanta	277,240	3.6	\$ 4.51	\$ 1.73	0.76
Piedmont Triad	99,376	2.5	3.30	1.45	0.32
	<u>376,616</u>	<u>3.3</u>	<u>\$ 4.19</u>	<u>\$ 1.65</u>	<u>\$ 0.64</u>

Retail Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Kansas City	19,321	8.1	\$ 48.91	\$ 29.02	\$ 15.26
	<u>19,321</u>	<u>8.1</u>	<u>\$ 48.91</u>	<u>\$ 29.02</u>	<u>\$ 15.26</u>

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Lease commissions by market per square foot excludes capitalized internal leasing costs.

3/ The amount of capitalized internal leasing cost not allocated to individual deals or product types was \$747K.

Rental Rate Comparisons by Market

For the Three Months Ended September 30, 2011

Office Portfolio 1/ <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent	Percentage Change Rent
Raleigh	246,718	\$ 19.75	\$ 18.89	4.6%
Nashville	151,903	20.43	20.68	-1.2%
Richmond	147,896	17.95	16.59	8.2%
Orlando	137,881	16.47	15.71	4.8%
Tampa	129,061	14.80	15.78	-6.2%
Atlanta	111,245	19.31	19.16	0.8%
Greenville	108,566	16.66	17.63	-5.5%
Memphis	35,440	19.65	19.21	2.3%
Kansas City	22,148	24.79	24.62	0.7%
Piedmont Triad	20,351	14.62	16.07	-9.0%
GAAP Rent Growth	1,111,209	\$ 18.28	\$ 18.02	1.4%
Cash Rent Growth	1,111,209	\$ 18.03	\$ 20.58	-12.4%

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent	Percentage Change Rent
Atlanta	277,240	\$ 4.51	\$ 4.70	-4.0%
Piedmont Triad	99,376	3.30	3.11	6.1%
GAAP Rent Growth	376,616	\$ 4.19	\$ 4.29	-2.3%
Cash Rent Growth	376,616	\$ 4.27	\$ 4.68	-8.8%

Retail Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent 2/	Percentage Change Rent
Kansas City	19,321	\$ 48.91	\$ 33.39	46.5%
GAAP Rent Growth	19,321	\$ 48.91	\$ 33.39	46.5%
Cash Rent Growth	19,321	\$ 41.06	\$ 32.54	26.2%

Average Cash Rental Rates for All In Place Leases as of: 1/ 3/

<u>Type</u>	<u>9/30/11</u>	<u>9/30/10</u>	<u>9/30/09</u>	<u>9/30/08</u>	<u>9/30/07</u>
Office	\$ 20.85	\$ 20.33	\$ 20.64	\$ 20.05	\$ 19.32
Industrial	5.29	5.45	5.25	5.27	5.20
Retail 2/	34.79	33.12	36.66	31.22	30.97
Weighted average rate	\$ 18.18	\$ 17.51	\$ 17.69	\$ 17.06	\$ 16.56
Annual % growth rate	3.9%	-1.0%	3.7%	3.0%	

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Excludes percentage rent.

3/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Lease Expirations

September 30, 2011

Dollars in thousands

<u>Year</u>	<u>Rentable Square Feet Expiring</u>	<u>Percent of Rentable Square Feet</u>	<u>Annualized Cash Revenue 1/</u>	<u>Average Rental Rate</u>	<u>Percent of Annualized Cash Revenue 1/</u>
Office: 2/					
2011 /3	529,609	2.6%	\$ 10,121	\$ 19.11	2.4%
2012	2,250,606	11.2%	48,028	21.34	11.5%
2013	2,737,707	13.6%	61,279	22.38	14.6%
2014	2,651,075	13.2%	58,072	21.91	13.9%
2015	2,663,685	13.3%	57,972	21.76	13.8%
2016	2,223,557	11.1%	40,094	18.03	9.6%
2017	1,772,552	8.8%	35,371	19.95	8.4%
2018	1,078,019	5.4%	22,909	21.25	5.5%
2019	801,066	4.0%	17,444	21.78	4.2%
2020	581,458	2.9%	14,076	24.21	3.4%
2021 and thereafter	2,785,971	13.9%	53,299	19.13	12.7%
	<u>20,075,305</u>	<u>100.0%</u>	<u>\$ 418,665</u>	<u>\$ 20.85</u>	<u>100.0%</u>
Industrial:					
2011 /4	131,083	2.5%	\$ 687	\$ 5.24	2.5%
2012	577,339	11.0%	3,799	6.58	13.7%
2013	691,383	13.2%	3,933	5.69	14.2%
2014	994,162	19.0%	5,327	5.36	19.2%
2015	468,016	8.9%	2,187	4.67	7.9%
2016	650,116	12.4%	2,895	4.45	10.4%
2017	455,572	8.7%	1,632	3.58	5.9%
2018	88,467	1.7%	431	4.87	1.6%
2019	132,270	2.5%	665	5.03	2.4%
2020	86,908	1.7%	375	4.31	1.4%
2021 and thereafter	965,773	18.4%	5,809	6.01	20.8%
	<u>5,241,089</u>	<u>100.0%</u>	<u>\$ 27,740</u>	<u>\$ 5.29</u>	<u>100.0%</u>

1/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

2/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

3/ Includes 148,000 square feet of leases that are on a month to month basis or 0.7% of total annualized revenue.

4/ Includes 244,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

Note: 2011 and beyond expirations that have been renewed are reflected above based on the renewal expiration date.

Lease Expirations

September 30, 2011

(Continued)

Dollars in thousands

<u>Year</u>	<u>Rentable Square Feet Expiring</u>	<u>Percent of Rentable Square Feet</u>	<u>Annualized Cash Revenue 1/</u>	<u>Average Rental Rate</u>	<u>Percent of Annualized Cash Revenue 1/</u>
Retail:					
2011 2/	6,989	0.8%	\$ 229	\$ 32.77	0.8%
2012	74,139	8.8%	2,281	30.77	7.8%
2013	75,319	9.0%	1,897	25.19	6.5%
2014	40,120	4.8%	1,993	49.68	6.8%
2015	63,726	7.6%	3,223	50.58	11.0%
2016	63,397	7.5%	3,127	49.32	10.7%
2017	93,570	11.1%	2,281	24.38	7.8%
2018	73,702	8.8%	3,543	48.07	12.1%
2019	96,624	11.5%	2,946	30.49	10.1%
2020	67,675	8.0%	2,171	32.08	7.4%
2021 and thereafter	185,612	22.1%	5,565	29.98	19.0%
	840,873	100.0%	\$ 29,256	\$ 34.79	100.0%
Total:					
2011 3/ 4/	667,681	2.6%	\$ 11,037	\$ 16.53	2.3%
2012	2,902,084	11.1%	54,108	18.64	11.4%
2013	3,504,409	13.4%	67,109	19.15	14.1%
2014	3,685,357	14.1%	65,392	17.74	13.7%
2015	3,195,427	12.2%	63,382	19.84	13.3%
2016	2,937,070	11.2%	46,116	15.70	9.7%
2017	2,321,694	8.9%	39,284	16.92	8.3%
2018	1,240,188	4.7%	26,883	21.68	5.7%
2019	1,029,960	3.9%	21,055	20.44	4.4%
2020	736,041	2.8%	16,622	22.58	3.5%
2021 and thereafter	3,937,356	15.1%	64,673	16.43	13.6%
	26,157,267	100.0%	\$ 475,661	\$ 18.18	100.0%

1/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

2/ Includes 3,000 square feet of leases that are on a month to month basis or 0.0% of total annualized revenue.

3/ Includes 395,000 square feet of leases that are on a month to month basis or 0.9% of total annualized revenue.

4/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

Note: 2011 and beyond expirations that have been renewed are reflected above based on the renewal expiration date.

Office Lease Expirations by Market by Quarter 1/

Dollars in thousands

		<i>Three Months Ended</i>				Total
		<u>12/31/11</u>	<u>2/3/12</u>	<u>6/30/12</u>	<u>9/30/12</u>	
Atlanta	RSF	113,824	272,057	29,282	159,690	574,853
	% of Total Office RSF	0.6%	1.4%	0.1%	0.8%	2.9%
	Annualized Cash Revenue	3/ \$ 1,715	\$ 5,411	\$ 596	\$ 3,416	\$ 11,138
	% of Total Office Annl Cash Rev	0.4%	1.3%	0.1%	0.8%	2.7%
Greenville	RSF	16,423	96,481	16,038	88,425	217,367
	% of Total Office RSF	0.1%	0.5%	0.1%	0.4%	1.1%
	Annualized Cash Revenue	3/ \$ 289	\$ 1,781	\$ 267	\$ 1,606	\$ 3,943
	% of Total Office Annl Cash Rev	0.1%	0.4%	0.1%	0.4%	0.9%
Kansas City	RSF	10,260	5,440	8,685	55,370	79,755
	% of Total Office RSF	0.1%	0.0%	0.0%	0.3%	0.4%
	Annualized Cash Revenue	3/ \$ 262	\$ 116	\$ 229	\$ 1,331	\$ 1,938
	% of Total Office Annl Cash Rev	0.1%	0.0%	0.1%	0.3%	0.5%
Memphis	RSF	55,979	71,469	22,264	36,652	186,364
	% of Total Office RSF	0.3%	0.4%	0.1%	0.2%	0.9%
	Annualized Cash Revenue	3/ \$ 1,253	\$ 1,512	\$ 506	\$ 786	\$ 4,057
	% of Total Office Annl Cash Rev	0.3%	0.4%	0.1%	0.2%	1.0%
Nashville	RSF	20,961	60,344	37,551	60,829	179,685
	% of Total Office RSF	0.1%	0.3%	0.2%	0.3%	0.9%
	Annualized Cash Revenue	3/ \$ 469	\$ 1,358	\$ 813	\$ 1,301	\$ 3,941
	% of Total Office Annl Cash Rev	0.1%	0.3%	0.2%	0.3%	0.9%
Orlando	RSF	3,834	2,389	3,812	3,613	13,648
	% of Total Office RSF	0.0%	0.0%	0.0%	0.0%	0.1%
	Annualized Cash Revenue	3/ \$ 100	\$ 42	\$ 95	\$ 81	\$ 318
	% of Total Office Annl Cash Rev	0.0%	0.0%	0.0%	0.0%	0.1%
Piedmont Triad	RSF	23,912	87,495	76,678	8,436	196,521
	% of Total Office RSF	0.1%	0.4%	0.4%	0.0%	1.0%
	Annualized Cash Revenue	3/ \$ 443	\$ 1,733	\$ 1,048	\$ 156	\$ 3,380
	% of Total Office Annl Cash Rev	0.1%	0.4%	0.3%	0.0%	0.8%
Pittsburgh	RSF	24,205	5,364	1,625	0	31,194
	% of Total Office RSF	0.1%	0.0%	0.0%	0.0%	0.2%
	Annualized Cash Revenue	3/ \$ 649	\$ 1,713	\$ 28	\$ -	\$ 2,390
	% of Total Office Annl Cash Rev	0.2%	0.4%	0.0%	0.0%	0.6%
Raleigh	RSF	95,598	178,039	30,136	76,383	380,156
	% of Total Office RSF	0.5%	0.9%	0.2%	0.4%	1.9%
	Annualized Cash Revenue	3/ \$ 2,017	\$ 3,478	\$ 611	\$ 1,480	\$ 7,586
	% of Total Office Annl Cash Rev	0.5%	0.8%	0.1%	0.4%	1.8%
Richmond	RSF	136,858	23,927	25,604	62,688	249,077
	% of Total Office RSF	0.7%	0.1%	0.1%	0.3%	1.2%
	Annualized Cash Revenue	3/ \$ 2,166	\$ 473	\$ 461	\$ 1,109	\$ 4,209
	% of Total Office Annl Cash Rev	0.5%	0.1%	0.1%	0.3%	1.0%
Tampa	RSF	27,755	14,153	48,241	76,366	166,515
	% of Total Office RSF	0.1%	0.1%	0.2%	0.4%	0.8%
	Annualized Cash Revenue	3/ \$ 759	\$ 355	\$ 1,267	\$ 1,813	\$ 4,194
	% of Total Office Annl Cash Rev	0.2%	0.1%	0.3%	0.4%	1.0%
Total	RSF	529,609	817,158	299,916	628,452	2,275,135
	% of Total Office RSF	2.6%	4.1%	1.5%	3.1%	11.3%
	Annualized Cash Revenue	3/ \$ 10,122	\$ 17,972	\$ 5,921	\$ 13,079	\$ 47,094
	% of Total Office Annl Cash Rev	2.4%	4.3%	1.4%	3.1%	11.2%

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Includes 148,000 square feet of leases that are on a month to month basis or 0.7% of total annualized revenue.

3/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Industrial Lease Expirations by Market by Quarter

Dollars in thousands

		<i>Three Months Ended</i>				
		<u>12/31/11</u>	<u>3/31/12</u>	<u>6/30/12</u>	<u>9/30/12</u>	<u>Total</u>
Atlanta	RSF	71,600	42,339	39,252	190,094	343,285
	% of Total Industrial RSF	1.4%	0.8%	0.7%	3.6%	6.5%
	Annualized Cash Revenue 2/ \$	409 \$	577 \$	218 \$	1,083 \$	2,287
	% of Total Industrial Annl Cash Rev	1.5%	2.1%	0.8%	3.9%	8.2%
Piedmont Triad	RSF	59,483	60,816	157,458	22,044	299,801
	% of Total Industrial RSF	1.1%	1.2%	3.0%	0.4%	5.7%
	Annualized Cash Revenue 2/ \$	277 \$	367 \$	795 \$	330 \$	1,769
	% of Total Industrial Annl Cash Rev	1.0%	1.3%	2.9%	1.2%	6.4%
Total	RSF	131,083	103,155	196,710	212,138	643,086
	% of Total Industrial RSF	2.5%	2.0%	3.8%	4.0%	12.3%
	Annualized Cash Revenue 2/ \$	686 \$	944 \$	1,013 \$	1,413 \$	4,056
	% of Total Industrial Annl Cash Rev	2.5%	3.4%	3.7%	5.1%	14.6%

1/ Includes 244,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

2/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Office Lease Expirations by Market by Year 1/

Dollars in thousands

		2011 2/	2012	2013	2014	Thereafter
Atlanta	RSF	113,824	508,032	384,365	233,905	1,538,712
	% of Total Office RSF	0.6%	2.5%	1.9%	1.2%	7.7%
	Annualized Cash Revenue 3/	\$ 1,715	\$ 10,455	\$ 7,599	\$ 4,758	\$ 33,853
	% of Total Office Annl Cash Rev	0.4%	2.5%	1.8%	1.1%	8.1%
Greenville	RSF	16,423	264,699	132,006	188,980	207,101
	% of Total Office RSF	0.1%	1.3%	0.7%	0.9%	1.0%
	Annualized Cash Revenue 3/	\$ 289	\$ 4,693	\$ 2,357	\$ 3,927	\$ 3,550
	% of Total Office Annl Cash Rev	0.1%	1.1%	0.6%	0.9%	0.8%
Kansas City	RSF	10,260	71,511	31,243	38,661	364,708
	% of Total Office RSF	0.1%	0.4%	0.2%	0.2%	1.8%
	Annualized Cash Revenue 3/	\$ 262	\$ 1,722	\$ 720	\$ 901	\$ 10,436
	% of Total Office Annl Cash Rev	0.1%	0.4%	0.2%	0.2%	2.5%
Memphis	RSF	55,979	153,042	209,237	221,729	1,110,389
	% of Total Office RSF	0.3%	0.8%	1.0%	1.1%	5.5%
	Annualized Cash Revenue 3/	\$ 1,253	\$ 3,389	\$ 5,101	\$ 4,791	\$ 23,870
	% of Total Office Annl Cash Rev	0.3%	0.8%	1.2%	1.1%	5.7%
Nashville	RSF	20,961	227,992	418,342	439,569	1,753,544
	% of Total Office RSF	0.1%	1.1%	2.1%	2.2%	8.7%
	Annualized Cash Revenue 3/	\$ 469	\$ 5,054	\$ 9,028	\$ 9,837	\$ 34,985
	% of Total Office Annl Cash Rev	0.1%	1.2%	2.2%	2.3%	8.4%
Orlando	RSF	3,834	13,255	27,521	11,608	324,632
	% of Total Office RSF	0.0%	0.1%	0.1%	0.1%	1.6%
	Annualized Cash Revenue 3/	\$ 100	\$ 355	\$ 732	\$ 309	\$ 6,501
	% of Total Office Annl Cash Rev	0.0%	0.1%	0.2%	0.1%	1.6%
Piedmont Triad	RSF	23,912	250,304	185,951	125,956	674,090
	% of Total Office RSF	0.1%	1.2%	0.9%	0.6%	3.4%
	Annualized Cash Revenue 3/	\$ 443	\$ 4,638	\$ 3,048	\$ 2,213	\$ 9,370
	% of Total Office Annl Cash Rev	0.1%	1.1%	0.7%	0.5%	2.2%
Pittsburgh	RSF	24,205	6,989	80,559	133,941	1,010,174
	% of Total Office RSF	0.1%	0.0%	0.4%	0.7%	5.0%
	Annualized Cash Revenue 3/	\$ 649	\$ 1,742	\$ 2,242	\$ 3,721	\$ 24,605
	% of Total Office Annl Cash Rev	0.2%	0.4%	0.5%	0.9%	5.9%
Raleigh	RSF	95,598	427,031	302,907	496,604	2,467,083
	% of Total Office RSF	0.5%	2.1%	1.5%	2.5%	12.3%
	Annualized Cash Revenue 3/	\$ 2,017	\$ 8,722	\$ 6,394	\$ 10,387	\$ 45,012
	% of Total Office Annl Cash Rev	0.5%	2.1%	1.5%	2.5%	10.8%
Richmond	RSF	136,858	160,040	319,579	195,572	1,226,357
	% of Total Office RSF	0.7%	0.8%	1.6%	1.0%	6.1%
	Annualized Cash Revenue 3/	\$ 2,166	\$ 3,015	\$ 6,019	\$ 3,717	\$ 22,248
	% of Total Office Annl Cash Rev	0.5%	0.7%	1.4%	0.9%	5.3%
Tampa	RSF	27,755	167,711	645,997	564,550	1,229,518
	% of Total Office RSF	0.1%	0.8%	3.2%	2.8%	6.1%
	Annualized Cash Revenue 3/	\$ 759	\$ 4,243	\$ 18,039	\$ 13,510	\$ 26,732
	% of Total Office Annl Cash Rev	0.2%	1.0%	4.3%	3.2%	6.4%
Total	RSF	529,609	2,250,606	2,737,707	2,651,075	11,906,308
	% of Total Office RSF	2.6%	11.2%	13.6%	13.2%	59.3%
	Annualized Cash Revenue 3/	\$ 10,122	\$ 48,028	\$ 61,279	\$ 58,071	\$ 241,162
	% of Total Office Annl Cash Rev	2.4%	11.5%	14.6%	13.9%	57.6%

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Includes 148,000 square feet of leases that are on a month to month basis or 0.7% of total annualized revenue.

3/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Industrial Lease Expirations by Market by Year

Dollars in thousands

		<u>2011 1/</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Thereafter</u>
Atlanta	RSF	71,600	294,005	302,626	584,519	1,648,852
	% of Total Industrial RSF	1.4%	5.6%	5.8%	11.2%	31.5%
	Annualized Cash Revenue 2/	\$ 409	\$ 2,028	\$ 1,571	\$ 3,432	\$ 8,716
	% of Total Industrial Annl Cash Rev	1.5%	7.3%	5.7%	12.4%	31.4%
Piedmont Triad	RSF	59,483	283,334	388,757	409,643	1,198,270
	% of Total Industrial RSF	1.1%	5.4%	7.4%	7.8%	22.9%
	Annualized Cash Revenue 2/	\$ 277	\$ 1,771	\$ 2,361	\$ 1,895	\$ 5,278
	% of Total Industrial Annl Cash Rev	1.0%	6.4%	8.5%	6.8%	19.0%
Total	RSF	131,083	577,339	691,383	994,162	2,847,122
	% of Total Industrial RSF	2.5%	11.0%	13.2%	19.0%	54.3%
	Annualized Cash Revenue 2/	\$ 686	\$ 3,799	\$ 3,932	\$ 5,327	\$ 13,994
	% of Total Industrial Annl Cash Rev	2.5%	13.7%	14.2%	19.2%	50.4%

1/ Includes 244,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

2/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Customer Diversification 1/

September 30, 2011

Dollars in thousands

Top 20 Customers

<u>Customer</u>	<u>RSF</u>	<u>Annualized Cash Revenue 2/</u>	<u>Percent of Annualized Cash Revenue 2/</u>	<u>Average Remaining Lease Term in Years</u>
Federal Government	2,002,454	\$ 42,329	8.90%	7.2
AT&T	800,779	15,476	3.25%	1.8
PPG Industries	340,428	8,836	1.86%	9.7
PricewaterhouseCoopers	318,647	8,799	1.85%	1.6
State of Georgia	417,535	7,479	1.57%	6.4
Healthways	290,689	6,702	1.41%	10.6
Metropolitan Life Insurance	296,595	6,128	1.29%	6.4
T-Mobile USA	210,971	5,555	1.17%	2.8
HCA Corporation	231,176	5,345	1.12%	3.4
Lockton Companies	170,743	5,002	1.05%	3.4
BB&T	256,379	4,076	0.86%	3.9
Syniverse Technologies	198,750	4,055	0.85%	5.1
RBC Bank	164,271	3,916	0.82%	15.2
SCI Services 3/	162,784	3,785	0.80%	5.8
Volvo	302,509	3,673	0.77%	3.0
Fluor Enterprises	195,930	3,635	0.76%	1.7
Aon	149,114	3,583	0.75%	8.3
Vanderbilt University	169,557	3,563	0.75%	4.0
Jacobs Engineering Group	210,126	3,491	0.73%	3.6
Deloitte & Touche	120,934	3,363	0.71%	2.6
	<u>7,010,371</u>	<u>\$ 148,791</u>	<u>31.27%</u>	<u>5.7</u>

By Industry

<u>Category</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Professional, Scientific, and Technical Services	22.9%
Finance/Banking	11.6%
Government/Public Administration	11.0%
Health Care and Social Assistance	8.1%
Manufacturing	7.4%
Insurance	6.7%
Retail Trade	4.9%
Telecommunication	4.8%
Information	4.2%
Administrative and Support Services	3.8%
Real Estate Rental and Leasing	3.3%
Wholesale Trade	3.0%
Accommodation and Food Services	2.7%
Educational Services	2.2%
Transportation and Warehousing	1.8%
Other Services (except Public Administration)	1.6%
	<u>100.0%</u>

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP.

2/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

3/ SCI Services is a wholly owned subsidiary of Morgan Stanley.

Same Property Performance

Dollars and Square Feet in thousands

	Three months ended		Dollar Change	Percentage Change
	September 30,			
	2011	2010		
Rental revenues 1/	\$ 107,886	\$ 104,781	\$ 3,105	3.0%
Operating expenses	(39,659)	(38,986)	(673)	-1.7%
	68,227	65,795	2,432	3.7%
Straight line rent	1,963	2,808	(845)	-30.1%
	70,190	68,603	1,587	2.3%
Lease termination fees	306	362	(56)	-15.5%
Net operating income	\$ 70,496	\$ 68,965	\$ 1,531	2.2%
Average occupancy	90.2%	89.5%		0.8%
Rentable square feet	26,241	26,241		

	Nine months ended		Dollar Change	Percentage Change
	September 30,			
	2011	2010		
Rental revenues 1/	\$ 318,403	\$ 316,409	\$ 1,994	0.6%
Operating expenses	(114,256)	(112,797)	(1,459)	-1.3%
	204,147	203,612	535	0.3%
Straight line rent	7,688	6,589	1,099	16.7%
	211,835	210,201	1,634	0.8%
Lease termination fees	598	2,617	(2,019)	-77.1%
Net operating income	\$ 212,433	\$ 212,818	\$ (385)	-0.2%
Average occupancy	90.2%	89.6%		0.7%
Rentable square feet	26,241	26,241		

	Third Quarter: 2011 vs 2010		Nine Months: 2011 vs 2010	
	NOI 2/ Percentage Change	Occupancy Percentage Change	NOI 2/ Percentage Change	Occupancy Percentage Change
Market				
Atlanta	2.1%	-2.1%	2.1%	-0.5%
Greenville	12.9%	2.7%	3.6%	1.2%
Kansas City	5.1%	-1.8%	5.7%	-3.0%
Memphis	1.9%	-2.1%	-1.9%	0.1%
Nashville	7.9%	2.8%	2.4%	0.4%
Orlando	-10.3%	2.0%	-19.3%	-6.1%
Piedmont Triad	-12.5%	1.6%	-5.5%	-0.9%
Raleigh	5.8%	4.9%	4.0%	6.3%
Richmond	0.7%	1.6%	-0.4%	2.5%
Tampa	1.4%	-0.5%	-0.7%	-1.3%
	2.3%	0.8%	0.8%	0.7%

1/ Excludes straight line rents and lease termination fees.

2/ Includes straight line rents and excludes lease termination fees.

Acquisition Activity

Dollars in thousands

Name	Market	Type 1/	Date Acquired	Square Footage	Total Cost
First quarter 2011:					
None					
Second quarter 2011:					
Lake Boone Medical	Raleigh	O	04/06/11	48,000	\$ 8,934 2/
Third quarter 2011:					
PPG Place	Pittsburgh	O	09/16/11	1,540,000	\$ 213,700 3/
Riverwood 100	Atlanta	O	09/16/11	503,000	86,300 4/
				2,043,000	\$ 300,000
2011 totals				2,091,000	\$ 308,934

1/ The letter "O" represents Office.

2/ The \$8.9 million total cost includes \$184 thousand of planned near-term building improvements.

3/ The \$213.7 million total cost includes \$17.1 million of planned near-term building improvements and \$8.1 million of future tenant improvements committed under existing leases.

4/ The \$86.3 million total cost includes \$5.6 million of planned near-term building improvements and \$2.4 million of future tenant improvements committed under existing leases.

Disposition Activity

Dollars in thousands

Name	Market	Type	Date Sold	Square Footage	Occupancy	Gross Sales Price
<u>First quarter 2011:</u>						
None						
<u>Second quarter 2011:</u>						
None						
<u>Third quarter 2011:</u>						
150 Stratford	Triad	O	9/28/11	136,000	100.0%	\$ 13,700 1/

1/ Excludes three acres of adjacent non-core land in Winston Salem sold in same transaction for \$1.3 million.

Development Activity

Dollars in thousands

<u>Property</u>	<u>Market</u>	<u>Type</u>	<u>Rentable Square Feet</u>	<u>Anticipated Total Investment</u>	<u>Investment As Of 09/30/11</u>	<u>Pre Leased %</u>	<u>Estimated Completion Date</u>	<u>Estimated Stabilization Date</u>
<u>In - Process</u>								
Atlanta GSA 1/	Atlanta	O	60,000	\$ 11,518	\$ 10,190	100%	4Q 11	4Q 11
In - Process Total			<u>60,000</u>	<u>\$ 11,518</u>	<u>\$ 10,190</u>	<u>100%</u>		
<u>Completed Not Stabilized 2/</u>								
Independence Park 3/	Tampa	O	117,000	\$ 12,700	\$ 8,171	100%	n/a	2Q 12
Completed Not Stabilized Total			<u>117,000</u>	<u>\$ 12,700</u>	<u>\$ 8,171</u>	<u>100%</u>		
Grand Total or Weighted Average			<u>177,000</u>	<u>\$ 24,218</u>	<u>\$ 18,361</u>	<u>100%</u>		
				\$ Weighted %		100%		

For Sale Residential Condominiums

		<u>Units For Sale</u>	<u>Units Sold</u>	<u>Gross Sale Proceeds</u>	<u>Net Gain 6/</u>
RBC Plaza Condominiums 4/ 5/	Raleigh	18	121	\$ 49,807	\$ 6,037

1/ Redevelopment property, the investment amounts shown include original Land and Building basis, net of accumulated depreciation, in addition to the incremental redevelopment costs.

The \$10.2 million includes \$2.1M of TI's included in completed 'Buildings and tenant improvements' and \$500K of LC's included in 'Tangible assets.'

2/ "Completed Not Stabilized" properties are recorded in the Consolidated Balance Sheet in the Land and Building accounts, not Development-in-Process.

3/ Property acquired 12/29/10. Building classified as development during stabilization period.

4/ Units Sold, Gross Sale Proceeds and Net Gain are as of 10/27/11.

5/ As of 9/30/11, 121 units were sold, Gross Sale Proceeds were \$49.8 million and Net Gain was \$6.0 Million. 3Q11 Net Gain to the Company was <476K>.

6/ Gains include any forfeited deposits.

Development Land
9/30/11

Dollars in thousands

<u>Market</u>	<u>Usable Acres</u>	<u>Total Estimated Market Value</u>
Atlanta	234	\$ 32,654
Raleigh	186	39,552
Tampa	53	19,317
Greensboro	47	9,087
Richmond	31	8,233
Nashville	16	11,099
Orlando	16	12,576
Memphis	10	2,320
Baltimore	7	1,800
Kansas City	1	2,100
Total 1/	601	\$ 138,738

1/ Developable square footage on core land holdings, which constitute 523 of the total 601 acres, is approximately 5.7 million of office space and 2.7 million of industrial space.

Unconsolidated Joint Ventures Assets, Debt and Liabilities

September 30, 2011

Dollars in thousands

<u>Joint Venture</u>	<u>Type 1/</u>	<u>Own %</u>	<u>Venture's Books</u>		
			<u>Total Assets</u>	<u>Debt</u>	<u>Total Liabilities</u>
Board of Trade Investment Co.	O	49.0%	\$ 7,386	\$ -	\$ 330
Kessinger/Hunter, LLC	-	26.5%	6,022	-	321
4600 Madison Associates, LP	O	12.5%	13,984	10,048	10,925
Highwoods DLF 98/29, LP	O	22.8%	127,536	65,973	71,603
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	88,955	47,340	49,698
Concourse Center Associates, LLC	O	50.0%	12,783	8,175	8,394
Plaza Colonnade, LLC	O/R	50.0%	69,329	62,054	63,600
Highwoods KC Glenridge Office, LP	O	40.0%	23,324	15,658	16,673
Highwoods KC Glenridge Land, LP	O	40.0%	783	-	146
Highwoods KC Orlando, LLC	O	40.0%	194,723	131,734	139,522
Highwoods DLF Forum, LLC	O	25.0%	105,014	67,500	70,527
Highwoods Development B, LLC 3/	O	0.0%	-	-	-
Total			\$ 649,839	\$ 408,482	\$ 431,739

<u>Joint Venture</u>	<u>Type 1/</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>		
			<u>Total Assets</u>	<u>Debt</u>	<u>Total Liabilities</u>
Board of Trade Investment Co.	O	49.0%	\$ 3,619	\$ -	\$ 162
Kessinger/Hunter, LLC	-	26.5%	1,596	-	85
4600 Madison Associates, LP	O	12.5%	1,748	1,256	1,366
Highwoods DLF 98/29, LP	O	22.8%	29,091	15,048	16,333
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	38,188	20,323	21,335
Concourse Center Associates, LLC	O	50.0%	6,392	4,088	4,197
Plaza Colonnade, LLC	O/R	50.0%	34,665	31,027	31,800
Highwoods KC Glenridge Office, LP	O	40.0%	9,330	6,263	6,669
Highwoods KC Glenridge Land, LP	O	40.0%	313	-	58
Highwoods KC Orlando, LLC	O	40.0%	77,889	52,694	55,809
Highwoods DLF Forum, LLC	O	25.0%	26,249	16,872	17,629
Highwoods Development B, LLC 3/	O	0.0%	-	-	-
Total 2/			\$ 229,080	\$ 147,571	\$ 155,443

1/ The letters "O" and "R" represent Office and Retail, respectively.

2/ Highwoods' share of equity from these tables will not equal Investments in Unconsolidated Affiliates on the Consolidated Balance Sheet due to various purchase accounting and related adjustments.

3/ Joint venture interest in Highwoods Development B, LLC was sold September 30, 2011.

Unconsolidated Joint Ventures Income

For the Three Months Ended September 30, 2011

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>				
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Net Income</u>
Board of Trade Investment Co.	49.0%	\$ 592	\$ 437	\$ -	\$ 143	\$ 12
Kessinger/Hunter, LLC	26.5%	1,091	644	-	143	304
4600 Madison Associates, LP	12.5%	1,005	566	174	311	(46)
Highwoods DLF 98/29, LP	22.8%	4,040	1,737	971	1,048	284
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	2,982	1,352	919	929	(218)
Concourse Center Associates, LLC	50.0%	266	130	64	105	(33)
Plaza Colonnade, LLC	50.0%	2,917	1,051	905	613	348
Highwoods KC Glenridge Office, LP	40.0%	791	439	200	215	(63)
Highwoods KC Glenridge Land, LP	40.0%	-	3	-	-	(3)
Highwoods KC Orlando, LLC	40.0%	6,906	3,168	1,732	1,660	346
Highwoods DLF Forum, LLC	25.0%	3,518	1,198	878	1,311	131
Highwoods Development B, LLC 3/	10.0%	1,501	80	133	345	943
Total		\$ 25,609	\$ 10,805	\$ 5,976	\$ 6,823	\$ 2,005

Highwoods' Share of Joint Venture

<u>Joint Venture</u>	<u>Own %</u>	<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Net Income</u>
Board of Trade Investment Co.	49.0%	\$ 290	\$ 214	\$ -	\$ 70	\$ 6
Kessinger/Hunter, LLC	26.5%	289	170	-	38	81
4600 Madison Associates, LP	12.5%	125	70	21	39	(5)
Highwoods DLF 98/29, LP	22.8%	921	396	59	239	227
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	1,280	580	395	399	(94)
Concourse Center Associates, LLC	50.0%	133	65	32	52	(16)
Plaza Colonnade, LLC	50.0%	1,458	526	452	306	174
Highwoods KC Glenridge Office, LP	40.0%	316	175	80	86	(25)
Highwoods KC Glenridge Land, LP	40.0%	-	1	-	-	(1)
Highwoods KC Orlando, LLC	40.0%	2,763	1,268	693	664	138
Highwoods DLF Forum, LLC	25.0%	879	299	220	328	32
Highwoods Development B, LLC 3/	10.0%	150	8	13	35	94
Total 1/ 2/		\$ 8,604	\$ 3,772	\$ 1,965	\$ 2,256	\$ 611

1/ Highwoods' share of Depreciation and Amortization from these tables will not equal Depreciation and Amortization of Real Estate Assets for Unconsolidated Affiliates on the Statement of Funds from Operations due to various purchase accounting and related adjustments, which are not reflected in the Joint Ventures' stand-alone financial statements.

2/ Highwoods' share of Net Income from these tables will not equal Equity in Earnings of Unconsolidated Affiliates on the Consolidated Income Statement due to various purchase accounting and related adjustments, which are not reflected in the Joint Ventures' stand-alone financial statements.

3/ Joint venture interest in Highwoods Development B, LLC was sold September 30, 2011.

Unconsolidated Joint Ventures Income

For the Nine Months Ended September 30, 2011

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>				
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Net Income</u>
Board of Trade Investment Co.	49.0%	\$ 1,716	\$ 1,109	\$ -	\$ 429	\$ 178
Kessinger/Hunter, LLC	26.5%	5,155	4,394	-	429	332
4600 Madison Associates, LP	12.5%	3,043	1,811	531	934	(233)
Highwoods DLF 98/29, LP	22.8%	11,527	4,670	3,026	3,012	819
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	8,604	3,884	2,772	2,953	(1,005)
Concourse Center Associates, LLC	50.0%	725	374	192	312	(153)
Plaza Colonnade, LLC	50.0%	9,484	2,953	2,722	1,840	1,969
Highwoods KC Glenridge Office, LP	40.0%	2,335	1,263	597	639	(164)
Highwoods KC Glenridge Land, LP	40.0%	-	11	-	-	(11)
Highwoods KC Orlando, LLC	40.0%	21,122	9,514	5,234	5,044	1,330
Highwoods DLF Forum, LLC	25.0%	10,404	3,513	2,634	3,926	331
Highwoods Development B, LLC 3/	10.0%	1,501	80	133	345	943
Total		\$ 75,616	\$ 33,576	\$ 17,841	\$ 19,863	\$ 4,336

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>				
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Net Income</u>
Board of Trade Investment Co.	49.0%	\$ 841	\$ 543	\$ -	\$ 210	\$ 88
Kessinger/Hunter, LLC	26.5%	1,366	1,164	-	114	88
4600 Madison Associates, LP	12.5%	380	226	66	117	(29)
Highwoods DLF 98/29, LP	22.8%	2,629	1,065	441	687	436
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	3,694	1,667	1,190	1,268	(431)
Concourse Center Associates, LLC	50.0%	363	187	96	156	(76)
Plaza Colonnade, LLC	50.0%	4,742	1,477	1,361	920	984
Highwoods KC Glenridge Office, LP	40.0%	934	505	239	256	(66)
Highwoods KC Glenridge Land, LP	40.0%	-	4	-	-	(4)
Highwoods KC Orlando, LLC	40.0%	8,449	3,806	2,094	2,018	531
Highwoods DLF Forum, LLC	25.0%	2,601	878	659	982	82
Highwoods Development B, LLC 3/	10.0%	150	8	13	35	94
Total 1/ 2/		\$ 26,149	\$ 11,530	\$ 6,159	\$ 6,763	\$ 1,697

1/ Highwoods' share of Depreciation and Amortization from these tables will not equal Depreciation and Amortization of Real Estate Assets for Unconsolidated Affiliates on the Statement of Funds from Operations due to various purchase accounting and related adjustments, which are not reflected in the Joint Ventures' stand-alone financial statements.

2/ Highwoods' share of Net Income from these tables will not equal Equity in Earnings of Unconsolidated Affiliates on the Consolidated Income Statement due to various purchase accounting and related adjustments, which are not reflected in the Joint Ventures' stand-alone financial statements.

3/ Joint venture interest in Highwoods Development B, LLC was sold September 30, 2011.

Unconsolidated Joint Ventures Long-Term Debt Detail 1/

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Lender</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Loan Balance 9/30/11</u>
Plaza Colonnade, LLC	50.0%	Met Life	5.72%	Jan-17	\$ 45,795
Plaza Colonnade, LLC	50.0%	Tax Incremental Financing	5.90%	Mar-24	12,345
Plaza Colonnade, LLC	50.0%	Tax Incremental Financing	6.00%	Mar-16	3,790
			5.77%		61,930
Highwoods KC Orlando, LLC	40.0%	Met Life	5.21%	Jul-14	131,734
Highwoods DLF Forum, LLC	25.0%	Jackson National Life Insurance Company	5.13%	Nov-13	67,500
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	Massachusetts Mutual Life Ins. Co.	7.66%	May-12	47,340
Highwoods DLF 98/29, LP	22.8%	Highwoods Properties, Inc.	5.22%	Mar-12	38,323
Highwoods DLF 98/29, LP	22.8%	Goldman Sachs	6.11%	Jul-17	27,650
Highwoods KC Glenridge Office	40.0%	Wachovia	4.84%	May-14	15,658
4600 Madison Associates, LLC	12.5%	State Farm	6.85%	Apr-18	10,048
Concourse Center Associates, LLC	50.0%	Wells Fargo	2.70%	Jul-13	8,175
			5.57%		346,428
			<u>5.60%</u>		<u>\$ 408,358</u>
Highwoods' share of the above					<u>\$ 147,571</u>

1/ Excludes loans related to two "consolidated" joint ventures.

Joint Ventures Portfolio Summary 1/

As of September 30, 2011

Summary by Location:

<u>Market</u>	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Office Annualized Cash Revenue 2/ 3/</u>
Orlando	1,853,000	82.5%	42.2%
Kansas City	719,000	83.9%	18.6%
Raleigh	814,000	93.8%	12.8%
Atlanta	835,000	75.4%	11.6%
Richmond	413,000	100.0%	8.7%
Tampa	205,000	81.9%	3.0%
Piedmont Triad	258,000	45.7%	1.8%
Charlotte	148,000	100.0%	1.3%
Total 4/	<u>5,245,000</u>	<u>83.4%</u>	<u>100.0%</u>

1/ Highwoods' joint venture portfolio consists of office properties exclusively.

2/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

3/ Annualized Cash Revenue is based on Highwoods' share only.

4/ Includes 618,000 square feet of properties in joint ventures that are consolidated.

Joint Ventures Lease Expirations

September 30, 2011

Dollars in thousands

<u>Year</u>	<u>Rentable Square Feet Expiring 1/</u>	<u>Percent of Rentable Square Feet 1/</u>	<u>Annualized Cash Revenue 2/</u>	<u>Average Rental Rate</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Total					
2011	90,051	2.1%	\$ 1,970	\$ 21.88	2.1%
2012	398,848	9.1%	9,979	25.02	10.5%
2013	523,147	12.0%	11,999	22.94	12.6%
2014	609,451	13.9%	15,536	25.49	16.2%
2015	777,956	17.9%	14,959	19.23	15.7%
2016	309,860	7.1%	5,822	18.79	6.1%
2017	617,863	14.1%	15,597	25.24	16.3%
2018	343,021	7.8%	5,508	16.06	5.8%
2019	219,623	5.0%	3,765	17.14	3.9%
2020	213,127	4.9%	6,697	31.42	7.0%
2021 and thereafter	267,685	6.1%	3,640	13.60	3.8%
	<u>4,370,632</u>	<u>100.0%</u>	<u>\$ 95,472</u>	<u>\$ 21.84</u>	<u>100.0%</u>

1/ Includes square feet expiring in properties in joint ventures that are consolidated.

2/ Annualized Cash Revenue is September, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Joint Venture Acquisition and Disposition Activity

Dollars in thousands

Acquisitions

Name	Own %	Market	Type	Date Acquired	Square Footage	Total Cost
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First quarter 2011:

None

Second quarter 2011:

None

Third quarter 2011:

None

Dispositions

Name	Own %	Market	Type	Date Sold	Square Footage	Occupancy	Gross Sales Price
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First quarter 2011:

None

Second quarter 2011:

None

Third quarter 2011:

Charlotte GSA	10%	Charlotte	O	09/30/11	171,000	100%	\$ 6,500
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