



Supplemental Information
December 31, 2011

Supplemental Information
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The information within refers to all Highwoods Properties' wholly-owned entities, except pages 30 to 37, 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 fourth 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 fourth quarter earnings press release.

Summary

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

	Three Months Ended				
	<u>12/31/11</u>	<u>09/30/11</u>	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>
Shares and units:					
Common Shares outstanding at end of period	72,648	72,579	72,399	72,130	71,690
Common Units outstanding at end of period	3,730	3,751	3,775	3,788	3,794
Weighted average Common Shares outstanding - basic	72,592	72,492	72,211	71,817	71,661
Weighted average Common Shares outstanding - diluted	76,427	76,402	76,197	75,792	75,724
Share price:					
At end of period	\$ 29.67	\$ 28.26	\$ 33.13	\$ 35.01	\$ 31.85
High during period	32.27	35.15	37.51	35.15	35.38
Low during period	25.64	26.43	31.71	31.25	29.39
Financial information:					
Lease termination income 1/	\$ 817	\$ 690	\$ 26	\$ 266	\$ (615)
Straight line rental income 1/	4,313	2,816	2,788	3,492	3,726
Capitalized interest	76	169	137	207	305
Property acquisition costs	(113)	(4,260)	(37)	(37)	(149)
Loss on debt extinguishment	-	-	(24)	-	(620)
Land sale gains	302	262	200	-	-
Gains/(losses) on for-sale residential condominiums, net of partner's interest 2/	6	(476)	116	38	(140)
Gains on disposition of depreciable properties	-	2,573	-	-	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	\$ 0.70	\$ 0.59	\$ 0.60	\$ 0.61	\$ 0.62
Funds from operations per share - diluted, excluding certain items 3/	\$ 0.70	\$ 0.65	\$ 0.63	\$ 0.61	\$ 0.63
Wholly - owned property information:					
In-Service rentable square feet:					
Office	22,612	22,554	20,642	20,446	20,502
Industrial	5,827	5,827	5,827	5,827	5,827
Retail	853	853	853	854	853
Total	29,292	29,234	27,322	27,127	27,182
In-Service occupancy:					
Office	89.2%	88.7%	89.6%	89.9%	89.9%
Industrial	91.6%	90.0%	90.4%	89.8%	90.4%
Retail	98.7%	98.5%	93.3%	94.9%	97.8%
Total	90.0%	89.3%	89.9%	90.1%	90.3%

1/ Straight line rent write-offs related to lease terminations are reflected as a reduction of lease termination income. 2010 lease termination income amounts are net of minority interest related to fourth quarter lease termination income recorded by a consolidated affiliate.

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

3/ Excludes losses on debt extinguishment, acquisition costs and excess of Preferred Stock redemption/repurchase cost over carrying value.

Corporate Information

Board of Directors

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Thomas W. Adler
Gene H. Anderson
Edward J. Fritsch
David J. Hartzell, Ph.D.
Sherry A. Kellett
Mark F. Mulhern
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 Esleack

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

Division 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

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E. F. "Rick" Dehnert, Vice President

Pittsburgh, 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

Michael Gorman - 646-562-1381

Credit Suisse - North America

Andrew Rosivach - 415-249-7942

Deutsche Bank

John Perry - 212-250-4912

Green Street Advisors

Michael Knott - 949-640-8780

Jefferies & Company, Inc.

Tayo Okusanya - 212-336-7076

Macquarie Research

Robert Stevenson - 212-231-8068

Morgan Keegan

Stephen Swett - 212-508-7585

RBC Capital Markets

Dave Rodgers - 440-715-2647

RW Baird

Chris Lucas - 703-821-5780

Stifel Nicolaus

John Guinee - 443-224-1307

Erin Aslakson - 443-224-1350

Wells Fargo Securities, LLC

Brendan Maiorana - 443-263-6516

Corporate Headquarters

Highwoods Properties, Inc.
3100 Smoketree Court, Suite 600
Raleigh, NC 27604
919-872-4924

Stock Exchange

NYSE Trading Symbol: HIW

Investor Relations Contact

Tabitha Zane
Vice President, Investor Relations and Corporate Communications
Phone: 919-431-1529
Fax: 919-431-1439
E-mail: tabitha.zane@highwoods.com

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 December 31, 2011, the Company owned or had an interest in 338 in-service office, industrial and retail properties encompassing approximately 34.5 million square feet. Highwoods also wholly-owned 586 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

	Year Ended		Three Months Ended				
	12/31/11	12/31/10	12/31/11	09/30/11	06/30/11	03/31/11	12/31/10
Rental and other revenues	\$ 482,852	\$ 461,126	\$ 128,730	\$ 122,086	\$ 117,057	\$ 114,979	\$ 117,330
Operating expenses:							
Rental property and other expenses	176,148	163,638	47,788	46,019	41,143	41,198	40,652
Depreciation and amortization	143,019	135,414	39,552	36,320	33,430	33,717	35,333
Impairment of assets held for use	2,429	-	-	2,429	-	-	-
General and administrative	35,727	32,948	7,744	12,212	7,978	7,793	8,579
Total operating expenses	357,323	332,000	95,084	96,980	82,551	82,708	84,564
Interest expense:							
Contractual	91,838	87,726	23,111	23,356	22,940	22,431	22,199
Amortization of deferred financing costs	3,312	3,385	864	806	821	821	857
Financing obligations	849	2,261	184	228	146	291	931
	95,999	93,372	24,159	24,390	23,907	23,543	23,987
Other income:							
Interest and other income	7,387	6,360	2,110	1,505	1,899	1,873	1,986
Loss on debt extinguishment	(24)	(705)	-	-	(24)	-	(620)
	7,363	5,655	2,110	1,505	1,875	1,873	1,366
Income from continuing operations before disposition of property, condominiums and investment in unconsolidated affiliates and equity in earnings of unconsolidated affiliates	36,893	41,409	11,597	2,221	12,474	10,601	10,145
Gains on disposition of property	764	74	302	262	200	-	19
Gains/(losses) on for-sale residential condominiums	(316)	276	6	(476)	116	38	(131)
Gains on disposition of investment in unconsolidated affiliates	2,282	25,330	-	2,282	-	-	-
Equity in earnings of unconsolidated affiliates	4,878	3,821	945	1,113	1,353	1,467	1,120
Income from continuing operations	44,501	70,910	12,850	5,402	14,143	12,106	11,153
Discontinued operations:							
Income from discontinued operations	897	1,479	-	269	291	337	246
Net gains/(losses) on disposition of discontinued operations	2,573	(86)	-	2,573	-	-	-
	3,470	1,393	-	2,842	291	337	246
Net income	47,971	72,303	12,850	8,244	14,434	12,443	11,399
Net (income) attributable to noncontrolling interests in the Operating Partnership	(2,091)	(3,320)	(595)	(366)	(623)	(507)	(501)
Net (income) attributable to noncontrolling interests in consolidated affiliates	(755)	(485)	(201)	(249)	(182)	(123)	(204)
Dividends on Preferred Stock	(4,553)	(6,708)	(627)	(627)	(1,622)	(1,677)	(1,677)
Excess of Preferred Stock redemption/repurchase cost over carrying value	(1,895)	-	-	-	(1,895)	-	-
Net income available for common stockholders	\$ 38,677	\$ 61,790	\$ 11,427	\$ 7,002	\$ 10,112	\$ 10,136	\$ 9,017
Earnings per common share - diluted:							
Income from continuing operations available for common stockholders	\$ 0.49	\$ 0.84	\$ 0.16	\$ 0.06	\$ 0.14	\$ 0.14	\$ 0.13
Income from discontinued operations available for common stockholders	0.05	0.02	-	0.04	-	-	-
Net income available for common stockholders	\$ 0.54	\$ 0.86	\$ 0.16	\$ 0.10	\$ 0.14	\$ 0.14	\$ 0.13
Weighted average Common Shares outstanding - diluted	76,189	75,578	76,427	76,402	76,197	75,792	75,724
Dividends declared and paid per common share	\$ 1.70	\$ 1.70	\$ 0.425	\$ 0.425	\$ 0.425	\$ 0.425	\$ 0.425
Net income available for common stockholders:							
Income from continuing operations available for common stockholders	\$ 35,380	\$ 60,467	\$ 11,427	\$ 4,301	\$ 9,836	\$ 9,816	\$ 8,783
Income from discontinued operations available for common stockholders	3,297	1,323	-	2,701	276	320	234
Net income available for common stockholders	\$ 38,677	\$ 61,790	\$ 11,427	\$ 7,002	\$ 10,112	\$ 10,136	\$ 9,017

Funds from Operations and Additional Information

Amounts in thousands, except per share amounts

	Year Ended		Three Months Ended				
	12/31/11	12/31/10	12/31/11	09/30/11	06/30/11	03/31/11	12/31/10
Funds from operations:							
Net income	\$ 47,971	\$ 72,303	\$ 12,850	\$ 8,244	\$ 14,434	\$ 12,443	\$ 11,399
Net (income) attributable to noncontrolling interests in the Operating Partnership	(2,091)	(3,320)	(595)	(366)	(623)	(507)	(501)
Net (income) attributable to noncontrolling interests in consolidated affiliates	(755)	(485)	(201)	(249)	(182)	(123)	(204)
Dividends on Preferred Stock	(4,553)	(6,708)	(627)	(627)	(1,622)	(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>38,677</u>	<u>61,790</u>	<u>11,427</u>	<u>7,002</u>	<u>10,112</u>	<u>10,136</u>	<u>9,017</u>
Add/(deduct):							
Depreciation and amortization of real estate assets	141,054	133,679	38,997	35,803	32,971	33,283	34,889
Impairment of real estate assets	2,429	-	-	2,429	-	-	-
(Gains) on disposition of depreciable properties	-	(74)	-	-	-	-	(19)
(Gains) on disposition of investment in unconsolidated affiliates	-	(25,330)	-	-	-	-	-
Net income attributable to noncontrolling interests from the Operating Partnership	2,091	3,320	595	366	623	507	501
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	8,388	10,471	2,196	2,066	2,033	2,093	2,278
Discontinued operations:							
Depreciation and amortization of real estate assets	127	744	-	-	32	95	97
Impairment of real estate assets	-	260	-	-	-	-	-
(Gains) on disposition of depreciable properties	(2,573)	(174)	-	(2,573)	-	-	-
Funds from operations	<u>\$ 190,193</u>	<u>\$ 184,686</u>	<u>\$ 53,215</u>	<u>\$ 45,093</u>	<u>\$ 45,771</u>	<u>\$ 46,114</u>	<u>\$ 46,763</u>
Funds from operations per share - diluted:							
Net income available for common stockholders	\$ 0.54	\$ 0.86	\$ 0.16	\$ 0.10	\$ 0.14	\$ 0.14	\$ 0.13
Add/(deduct):							
Depreciation and amortization of real estate assets	1.85	1.77	0.51	0.46	0.43	0.44	0.46
Impairment of real estate assets	0.03	-	-	0.03	-	-	-
(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	0.11	0.14	0.03	0.03	0.03	0.03	0.03
Discontinued operations:							
Depreciation and amortization of real estate assets	-	0.01	-	-	-	-	-
Impairment of real estate assets	-	-	-	-	-	-	-
(Gains) on disposition of depreciable properties	(0.03)	-	-	(0.03)	-	-	-
Funds from operations per share - diluted	<u>\$ 2.50</u>	<u>\$ 2.44</u>	<u>\$ 0.70</u>	<u>\$ 0.59</u>	<u>\$ 0.60</u>	<u>\$ 0.61</u>	<u>\$ 0.62</u>
Weighted average shares outstanding - diluted	<u>76,189</u>	<u>75,578</u>	<u>76,427</u>	<u>76,402</u>	<u>76,197</u>	<u>75,792</u>	<u>75,724</u>
Additional information: 1/							
Funds from operations per share, excluding certain items 2/	<u>\$ 2.58</u>	<u>\$ 2.46</u>	<u>\$ 0.70</u>	<u>\$ 0.65</u>	<u>\$ 0.63</u>	<u>\$ 0.61</u>	<u>\$ 0.63</u>
Funds from operations, excluding certain items 2/	<u>\$ 196,559</u>	<u>\$ 185,916</u>	<u>\$ 53,328</u>	<u>\$ 49,353</u>	<u>\$ 47,727</u>	<u>\$ 46,151</u>	<u>\$ 47,532</u>
Straight line rental income	\$ (13,409)	\$ (11,548)	\$ (4,313)	\$ (2,816)	\$ (2,788)	\$ (3,492)	\$ (3,726)
Amortization of lease incentives	1,371	1,239	362	368	303	338	432
Depreciation of non-real estate assets	1,353	1,136	398	363	306	286	292
Ground lease straight line rent expense	106	131	22	28	26	30	30
Share-based compensation expense	6,094	6,572	1,323	1,318	1,427	2,026	1,512
Amortization of deferred financing costs	3,312	3,385	864	806	821	821	857
Amortization of accumulated other comprehensive loss	(118)	(101)	(30)	(30)	(29)	(29)	(26)
Amortization of Harborview FMV	(1,430)	(981)	(389)	(368)	(345)	(328)	(270)
Amortization of FAS 141 market leases	75	435	(263)	11	166	161	186
Non-incremental revenue generating capital expenditures paid: 3/							
Building improvements	(12,399)	(15,921)	(7,838)	(1,997)	(1,137)	(1,427)	(2,731)
2nd generation tenant improvements	(41,494)	(30,854)	(16,054)	(9,517)	(7,408)	(8,515)	(12,824)
2nd generation lease commissions	(17,020)	(16,930)	(5,101)	(4,983)	(3,066)	(3,870)	(3,777)
Common dividends and unit distributions paid	<u>(129,158)</u>	<u>(128,112)</u>	<u>(32,440)</u>	<u>(32,434)</u>	<u>(32,263)</u>	<u>(32,021)</u>	<u>(32,058)</u>

1/ Increase or (decrease) to cash flows.

2/ Excludes 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 December 31, 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:	12/31/11	12/31/10
Real estate assets, at cost:		
Land	\$ 369,771	\$ 345,088
Buildings and tenant improvements	3,144,168	2,883,092
Development in process	-	4,524
Land held for development	105,206	105,332
	<u>3,619,145</u>	<u>3,338,036</u>
Less-accumulated depreciation	(901,300)	(830,153)
Net real estate assets	2,717,845	2,507,883
For-sale residential condominiums	4,751	8,225
Real estate and other assets, net, held for sale	-	15,376
Cash and cash equivalents	11,188	14,206
Restricted cash	26,666	4,399
Accounts receivable, net of allowance of \$3,548 and \$3,595, respectively	30,093	20,716
Mortgages and notes receivable, net of allowance of \$61 and \$868, respectively	18,600	19,044
Accrued straight-line rents receivable, net of allowance of \$1,294 and \$2,209, respectively	106,010	93,178
Investment in and advances to unconsolidated affiliates	100,367	63,607
Deferred financing and leasing costs, net of accumulated amortization of \$63,156 and \$59,360, respectively	128,585	85,001
Prepaid expenses and other assets	36,887	40,200
Total Assets	<u>\$ 3,180,992</u>	<u>\$ 2,871,835</u>
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable	\$ 1,903,213	\$ 1,522,945
Accounts payable, accrued expenses and other liabilities	148,821	106,716
Financing obligations	31,444	33,114
Total Liabilities	<u>2,083,478</u>	<u>1,662,775</u>
Noncontrolling interests in the Operating Partnership	110,655	120,838
Equity:		
Preferred Stock	29,077	81,592
Common Stock	726	717
Additional paid-in capital	1,803,997	1,766,886
Distributions in excess of net income available for common stockholders	(845,853)	(761,785)
Accumulated other comprehensive loss	(5,734)	(3,648)
Total Stockholders' Equity	<u>982,213</u>	<u>1,083,762</u>
Noncontrolling interests in consolidated affiliates	4,646	4,460
Total Equity	<u>986,859</u>	<u>1,088,222</u>
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	<u>\$ 3,180,992</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 for the existing property portfolio as of the date of initial publication, 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	\$ 265,510
Retail	21,540
Industrial/Other	19,424
Deduct partner's share of consolidated JV's (Office)	(3,326)
Total Net Operating Income	\$ 303,148
Highwoods' share of unconsolidated joint ventures, projected NOI	
Office	\$ 15,868
Other income	
Development, leasing and management fees	\$ 4,173
Add other assets:	
Completed, not stabilized development and condos at cost 1/	\$ 13,086
In-service assets not fairly valued by capitalized NOI valuation method 1/	
Consolidated assets	155,010
Highwoods' share of unconsolidated JV's assets	30,295
Land held for development at market value 2/	141,169
Cash and cash equivalents	11,188
Restricted cash	26,666
Accounts receivable, net	30,093
Notes receivable and prepaid expenses	55,487
Highwoods' share of unconsolidated JV's other assets 3/	51,272
Deduct partner's share of consolidated JV's other assets	(3,513)
Total other assets	\$ 510,753
Liabilities:	
Accounts payable, accrued expenses and other liabilities	\$ 148,821
Mortgages and notes payable	1,903,213
Deduct partner's share of Consolidated JV's liabilities and mortgages	(33,986)
Market value of debt adjustment 4/	87,891
Preferred stock, at liquidation value	29,077
Highwoods' share of unconsolidated joint ventures liabilities	154,039
Market value of debt adjustment for JV debt 4/	3,116
Total deductions	\$ 2,292,171

1/ Projected 2012 NOI for the existing property portfolio 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/ Includes \$38.3 million secured loan made in 2011 to an unconsolidated JV.

4/ 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, 2011.

Components of Discontinued Operations

Dollars in thousands

	<i>Year Ended</i>		<i>Three Months Ended</i>				
	<u>12/31/11</u>	<u>12/31/10</u>	<u>12/31/11</u>	<u>09/30/11</u>	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>
Rental and other revenues	\$ 1,593	\$ 3,627	\$ -	\$ 480	\$ 500	\$ 613	\$ 535
Operating expenses:							
Rental property and other expenses	570	1,406	-	211	178	181	192
Depreciation and amortization	127	744	-	-	32	95	97
Total operating expenses	697	2,150	-	211	210	276	289
Other income	1	2	-	-	1	-	-
Income from discontinued operations	897	1,479	-	269	291	337	246
Net gains/(losses) on disposition of discontinued operations	2,573	(86)	-	2,573	-	-	-
Total discontinued operations	\$ 3,470	\$ 1,393	\$ -	\$ 2,842	\$ 291	\$ 337	\$ 246

Capitalization

Dollars, shares, and units in thousands

	<u>12/31/11</u>	<u>09/30/11</u>	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>
Mortgages and Notes Payable (see pages 7 & 8):	\$ 1,903,213	\$ 1,893,981	\$ 1,615,068	\$ 1,552,577	\$ 1,522,945
Financing Obligations:	\$ 31,444	\$ 32,775	\$ 32,869	\$ 33,040	\$ 33,114
Preferred Stock (at liquidation value):					
Series A 8 5/8% Cumulative Redeemable	\$ 29,077	\$ 29,077	\$ 29,087	\$ 29,092	\$ 29,092
Series B 8% Cumulative Redeemable	-	-	-	52,500	52,500
Total Preferred Stock	\$ 29,077	\$ 29,077	\$ 29,087	\$ 81,592	\$ 81,592
Common Shares and Units Outstanding:					
Common stock outstanding	72,648	72,579	72,399	72,130	71,690
Noncontrolling interest partnership units	3,730	3,751	3,775	3,788	3,794
Total Common Shares and Units outstanding	76,378	76,330	76,174	75,918	75,484
Stock price at period end	\$ 29.67	\$ 28.26	\$ 33.13	\$ 35.01	\$ 31.85
Market value of common equity	\$ 2,266,135	\$ 2,157,086	\$ 2,523,645	\$ 2,657,889	\$ 2,404,165
Total market capitalization with debt and obligations	\$ 4,229,869	\$ 4,112,919	\$ 4,200,669	\$ 4,325,098	\$ 4,041,816

See pages 30 to 37 for information regarding Highwoods' Joint Ventures.

Mortgages and Notes Payable Summary

Dollars in thousands

	<u>12/31/11</u>	<u>9/30/11</u>	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>
Balances Outstanding:					
Secured:					
Conventional fixed rate 1/	\$ 697,940	\$ 885,737	\$ 696,454	\$ 699,392	\$ 702,290
Variable rate debt	52,109	52,109	52,109	52,109	52,109
Secured total	<u>750,049</u>	<u>937,846</u>	<u>748,563</u>	<u>751,501</u>	<u>754,399</u>
Unsecured:					
Fixed rate bonds and notes	591,164	591,135	591,105	591,076	591,046
Bank term loans	200,000	200,000	200,000	210,000	147,500
Credit facility	362,000	165,000	75,400	-	30,000
Unsecured total	<u>1,153,164</u>	<u>956,135</u>	<u>866,505</u>	<u>801,076</u>	<u>768,546</u>
Total	\$ 1,903,213	\$ 1,893,981	\$ 1,615,068	\$ 1,552,577	\$ 1,522,945

End of Period Weighted Average Interest Rates:

Secured:					
Conventional fixed rate	5.84%	6.09%	6.52%	6.52%	6.52%
Variable rate debt	1.14%	1.09%	1.04%	1.11%	1.12%
Secured total	<u>5.51%</u>	<u>5.81%</u>	<u>6.14%</u>	<u>6.14%</u>	<u>6.14%</u>
Unsecured:					
Fixed rate bonds	6.41%	6.41%	6.41%	6.41%	6.41%
Bank term loans	2.49%	2.44%	2.40%	2.52%	1.53%
Credit facility	1.78%	1.73%	3.21%	3.14% 2/	3.16%
Unsecured total	<u>4.28%</u>	<u>4.77%</u>	<u>5.20%</u>	<u>5.39%</u>	<u>5.35%</u>
Weighted Average	<u>4.76%</u>	<u>5.29%</u>	<u>5.64%</u>	<u>5.75%</u>	<u>5.74%</u>

Maturity Schedule:

Year	Secured Debt 3/	Unsecured Debt	Total Debt 3/	Average Interest Rate
2012	\$ 73,158	\$ -	\$ 73,158	2.56%
2013	245,773	-	245,773	5.89%
2014	101,858	-	101,858	5.34%
2015	40,015	362,000 4/	402,015	2.24%
2016	165,632	200,000	365,632	4.57%
2017	123,613	391,164	514,777	5.46%
2018	-	200,000	200,000	7.50%
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
Total maturities	<u>\$ 750,049</u>	<u>\$ 1,153,164</u>	<u>\$ 1,903,213</u>	<u>4.76%</u>

Weighted average maturity = 4.0 years

1/ Includes a \$21.0 million loan related to a consolidated 20% owned joint venture (Harborview) and \$34.0 million in loans at December 31, 2011 related to a consolidated 50% joint venture (Markel).

2/ No balances were outstanding at period end.

3/ All periods exclude annual principal amortization.

4/ Maturity does not reflect one-year extension options on \$362.0 million of unsecured debt.

Mortgages and Notes Payable Detail

Dollars in thousands

<u>Secured Loans</u>			Loan	Undepreciated
<u>Lender</u>	<u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Balance</u> <u>12/31/11</u>	<u>Book Value of</u> <u>Assets Secured</u>
Northwestern Mutual	6.03%	Mar-13	\$ 125,263	\$ 189,178
Wells Fargo Bank, N.A. 1/ 2/	4.22%	Nov-17	123,613	213,700
Massachusetts Mutual Life Ins. Co. 3/	6.88%	Dec-13	112,075	213,586
New York Life Insurance Company	5.68%	Jan-16	110,344	218,864
Metropolitan Life Ins. Co. 4/ 2/	5.12%	Jan-14	67,809	109,314
PNC/Regions/Union Bank/U.S. Bank 5/	1.14%	Dec-12	52,109	55,294
Western-Southern Life Assurance Company	7.50%	Aug-16	46,181	72,551
Bank of America 6/ 2/	6.43%	Nov-15	40,015	52,600
Metropolitan Life Ins. Co. 7/	6.06%	Oct-12	21,049	39,189
Principal Life Insurance Company 8/	5.79%	Jan-14	10,438	13,134
Principal Life Insurance Company 8/	5.79%	Jan-14	10,438	18,872
Massachusetts Mutual Life Ins. Co. 3/	6.48%	Dec-13	9,916	
Principal Life Insurance Company 8/	5.74%	Jan-14	8,226	14,614
State Farm Life Insurance	7.65%	Feb-16	7,376	15,305
Principal Life Insurance Company 8/	5.89%	Jan-14	4,948	7,514
American United Life	9.00%	Jun-13	249	3,559
	5.51%		750,049	\$ 1,237,274

<u>Unsecured Bonds</u>				
Bonds	5.85%	Mar-17	391,164	
Bonds	7.50%	Apr-18	200,000	
	6.41%		591,164	

<u>Unsecured Loans</u>				
Credit facility 5/ 9/	1.78%	Jul-15	362,000	
Bank term loan 5/	2.49%	Feb-16	200,000	
	2.03%		562,000	

Total Debt	4.76%		\$ 1,903,213	
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<u>Revolving Credit Facility</u>	<u>Name of Lender</u>	<u>Amount</u>		
		<u>Total</u>	<u>Outstanding</u>	<u>Unfunded</u>
		<u>Commitment</u>	<u>12/31/11</u>	<u>Commitment</u> <u>12/31/11</u>
	Bank of America, N.A.	\$ 75,000	\$ 57,157	\$ 17,843
	Wells Fargo Bank, N.A.	55,000	41,915	13,085
	Branch Banking and Trust Co.	50,000	38,105	11,895
	PNC Bank, N.A.	50,000	38,105	11,895
	US Bank	36,000	27,436	8,564
	Regions Bank	32,000	24,387	7,613
	Union Bank, N.A.	32,000	24,387	7,613
	Capital One	25,000	19,053	5,947
	Comerica Bank	25,000	19,053	5,947
	Morgan Stanley	25,000	19,053	5,947
	RBC Bank	25,000	19,053	5,947
	Fifth Third Bank	15,000	11,432	3,568
	First Tennessee Bank	15,000	11,432	3,568
	Royal Bank of Canada	15,000	11,432	3,568
		\$ 475,000	\$ 362,000	\$ 113,000

1/ This loan's stated interest rate is 5.19% related to outstanding principal of \$118.1 million.

2/ The undepreciated book value of assets securing this loan includes planned near-term building and leasing 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.

5/ Floating rate loans based on one month LIBOR.

6/ This loan's stated interest rate is 5.17% related to outstanding principal of \$41.7 million.

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

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

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

Portfolio Summary - Wholly-Owned Properties Only 1/

(Rentable Square Feet)

Office Industrial & Retail	<u>12/31/11</u>	<u>9/30/11</u>	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>
In-Service:					
Office	22,612,000	22,554,000	20,642,000	20,446,000	20,502,000
Industrial	5,827,000	5,827,000	5,827,000	5,827,000	5,827,000
Retail 2/	853,000	853,000	853,000	854,000	853,000
Total 3/	<u>29,292,000</u>	<u>29,234,000</u>	<u>27,322,000</u>	<u>27,127,000</u>	<u>27,182,000</u>
Development Completed - Not Stabilized:					
Office	117,000	117,000	117,000	265,000	265,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>117,000</u>	<u>117,000</u>	<u>117,000</u>	<u>265,000</u>	<u>265,000</u>
Development - In Process:					
Office	228,000	60,000	60,000	60,000	-
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>228,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Total:					
Office	22,957,000	22,731,000	20,819,000	20,771,000	20,767,000
Industrial	5,827,000	5,827,000	5,827,000	5,827,000	5,827,000
Retail 2/	853,000	853,000	853,000	854,000	853,000
Total 3/	<u>29,637,000</u>	<u>29,411,000</u>	<u>27,499,000</u>	<u>27,452,000</u>	<u>27,447,000</u>
Same Property					
Office	19,760,000	19,760,000	19,760,000	19,760,000	19,760,000
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>26,240,000</u>	<u>26,240,000</u>	<u>26,240,000</u>	<u>26,240,000</u>	<u>26,240,000</u>
Percent Occupied:					
In-Service:					
Office	89.2%	88.7%	89.6%	89.9%	89.9%
Industrial	91.6%	90.0%	90.4%	89.8%	90.4%
Retail	98.7%	98.5%	93.3%	94.9%	97.8%
Total	<u>90.0%</u>	<u>89.3%</u>	<u>89.9%</u>	<u>90.1%</u>	<u>90.3%</u>
Same Property					
Office	90.0%	89.7%	90.1%	90.0%	90.2%
Industrial	92.4%	90.7%	91.2%	90.6%	91.2%
Retail	98.7%	98.6%	93.2%	95.0%	97.8%
Total	<u>90.8%</u>	<u>90.2%</u>	<u>90.4%</u>	<u>90.3%</u>	<u>90.7%</u>
Percent Leased/Pre-Leased:					
Development Completed - Not Stabilized:					
Office	100.0%	100.0%	100.0%	23.5%	13.4%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>23.5%</u>	<u>13.4%</u>
Development - In Process:					
Office	88.9%	100.0%	100.0%	100.0%	-
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>88.9%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>-</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 December 31, 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>
Raleigh 3/	4,245,000	90.1%	15.6%	-	-	15.6%
Atlanta	6,378,000	90.1%	11.6%	3.5%	-	15.1%
Tampa	2,879,000	90.2%	13.4%	-	-	13.4%
Nashville	3,094,000	94.1%	12.6%	-	-	12.6%
Kansas City	1,504,000 4/	90.5%	2.9%	-	6.5%	9.4%
Memphis	2,072,000	85.6%	8.0%	-	-	8.0%
Richmond	2,229,000	90.0%	7.2%	-	-	7.2%
Pittsburgh	1,540,000	82.7%	7.0%	-	-	7.0%
Piedmont Triad 5/	4,038,000	91.1%	4.3%	2.5%	-	6.8%
Greenville	897,000	89.6%	3.1%	-	-	3.1%
Orlando	416,000	90.6%	1.8%	-	-	1.8%
Total	29,292,000	90.0%	87.5%	6.0%	6.5%	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>
Raleigh	5,059,000	90.7%	15.3%	-	-	15.3%
Atlanta	7,218,000	88.4%	11.6%	3.3%	-	14.9%
Tampa	3,084,000	89.7%	12.8%	-	-	12.8%
Nashville	3,094,000	94.1%	11.7%	-	-	11.7%
Kansas City	2,223,000 4/	88.3%	4.0%	-	6.1%	10.1%
Memphis	2,072,000	85.6%	7.5%	-	-	7.5%
Richmond	2,642,000	91.6%	7.3%	-	-	7.3%
Pittsburgh	1,540,000	82.7%	6.5%	-	-	6.5%
Piedmont Triad	4,295,000	88.2%	4.2%	2.3%	-	6.5%
Orlando	2,270,000	84.4%	4.4%	-	-	4.4%
Greenville	897,000	89.6%	2.9%	-	-	2.9%
Charlotte	148,000	100.0%	0.1%	-	-	0.1%
Total	34,542,000	88.9%	88.3%	5.6%	6.1%	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 December, 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 December 31, 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	90.1%	17.8%	-	-	-
Tampa	2,879,000	90.2%	15.3%	-	-	-
Nashville	3,094,000	94.1%	14.4%	-	-	-
Atlanta	3,096,000	90.4%	13.2%	3,282,000	89.9%	58.1%
Memphis	2,072,000	85.6%	9.2%	-	-	-
Richmond	2,229,000	90.0%	8.2%	-	-	-
Pittsburgh	1,540,000	82.7%	8.0%	-	-	-
Piedmont Triad	1,493,000	86.5%	5.0%	2,545,000	93.7%	41.9%
Greenville	897,000	89.6%	3.5%	-	-	-
Kansas City	651,000	79.7%	3.3%	-	-	-
Orlando	416,000	90.6%	2.1%	-	-	-
	<u>22,612,000</u>	<u>89.2%</u>	<u>100.0%</u>	<u>5,827,000</u>	<u>91.6%</u>	<u>100.0%</u>
	Retail					
<u>Market</u>	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Retail Annualized Cash Revenue 2/</u>			
Kansas City 3/	853,000	98.7%	100.0%			
	<u>853,000</u>	<u>98.7%</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 December, 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>12/31/11</u>	<u>9/30/11</u>	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>
Atlanta	Rentable Square Feet	6,378,000	6,318,000	5,815,000	5,815,000	5,869,000
	Occupancy	90.1%	89.9%	90.2%	90.3%	90.1%
	Current Properties 2/	90.3%	90.2%	90.2%	90.3%	90.4%
Greenville	Rentable Square Feet	897,000	897,000	898,000	898,000	898,000
	Occupancy	89.6%	90.2%	88.1%	86.6%	88.0%
	Current Properties 2/	89.6%	90.2%	88.2%	86.6%	88.1%
Kansas City 3/	Rentable Square Feet	1,504,000	1,504,000	1,504,000	1,505,000	1,504,000
	Occupancy	90.5%	90.2%	86.9%	89.4%	91.3%
	Current Properties 2/	90.5%	90.2%	86.9%	89.4%	91.3%
Memphis	Rentable Square Feet	2,072,000	2,072,000	2,068,000	1,920,000	1,920,000
	Occupancy	85.6%	84.5%	85.5%	89.9%	91.0%
	Current Properties 2/	88.4%	87.8%	89.8%	89.7%	90.8%
Nashville	Rentable Square Feet	3,094,000	3,094,000	3,094,000	3,094,000	3,096,000
	Occupancy	94.1%	92.4%	90.3%	89.5%	89.8%
	Current Properties 2/	94.1%	92.4%	90.3%	89.5%	89.9%
Orlando	Rentable Square Feet	416,000	416,000	416,000	416,000	416,000
	Occupancy	90.6%	91.4%	84.4%	84.8%	85.6%
	Current Properties 2/	90.6%	91.4%	84.4%	84.8%	85.6%
Piedmont Triad	Rentable Square Feet	4,038,000	4,038,000	4,173,000	4,173,000	4,173,000
	Occupancy	91.1%	89.2%	90.2%	90.0%	89.4%
	Current Properties 2/	91.1%	89.2%	89.9%	89.7%	89.7%
Pittsburgh	Rentable Square Feet	1,540,000	1,540,000			
	Occupancy	82.7%	81.6%			
	Current Properties 2/	-	-			
Raleigh	Rentable Square Feet	4,245,000	4,245,000	4,244,000	4,196,000	4,196,000
	Occupancy	90.1%	89.3%	91.6%	90.5%	90.6%
	Current Properties 2/	90.1%	89.2%	91.5%	90.4%	90.6%
Richmond	Rentable Square Feet	2,229,000	2,231,000	2,231,000	2,231,000	2,231,000
	Occupancy	90.0%	91.4%	93.6%	93.6%	93.4%
	Current Properties 2/	90.0%	91.4%	93.7%	93.7%	93.4%
Tampa	Rentable Square Feet	2,879,000	2,879,000	2,879,000	2,879,000	2,879,000
	Occupancy	90.2%	89.3%	89.0%	89.4%	90.0%
	Current Properties 2/	90.2%	89.3%	89.0%	89.4%	90.0%
Total	Rentable Square Feet	29,292,000	29,234,000	27,322,000	27,127,000	27,182,000
	Occupancy	90.0%	89.3%	89.9%	90.1%	90.3%
	Current Properties 2/	90.6%	90.0%	90.2%	90.0%	90.4%

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
	<u>12/31/11 2/</u>	<u>9/30/11 3/</u>	<u>6/30/11 4/</u>	<u>3/31/11 5/</u>	<u>12/31/10 6/</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	120	120	135	118	109	120
Rentable square footage leased	1,134,998	1,111,209	807,380	866,360	614,392	906,868
Square footage of Renewal Deals	772,462	740,079	666,420	612,388	463,478	650,965
Renewed square footage (% of total)	68.1%	66.6%	82.5%	70.7%	75.4%	71.8%
New Leases square footage (% of total)	31.9%	33.4%	17.5%	29.3%	24.6%	28.2%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 22.57	\$ 18.88	\$ 20.44	\$ 20.42	\$ 19.98	\$ 20.44
Tenant improvements	(1.70)	(1.83)	(1.14)	(1.63)	(1.96)	(1.65)
Leasing commissions 7/	(0.63)	(0.62)	(0.45)	(0.53)	(0.62)	(0.57)
Rent concessions	(0.61)	(0.60)	(0.54)	(0.55)	(0.48)	(0.56)
Effective rent	19.63	15.83	18.31	17.71	16.92	17.66
Expense stop	(8.06)	(5.76)	(5.80)	(5.51)	(6.29)	(6.28)
Equivalent effective net rent	\$ 11.57	\$ 10.07	\$ 12.51	\$ 12.20	\$ 10.63	\$ 11.38
Weighted average term in years	6.8	5.4	4.6	5.1	4.2	5.2
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 12,999,631	\$ 14,788,764	\$ 5,056,895	\$ 8,663,114	\$ 5,478,825	\$ 9,397,446
Rentable square feet	1,134,998	1,111,209	807,380	866,360	614,392	906,868
Per rentable square foot	\$ 11.45	\$ 13.31	\$ 6.26	\$ 10.00	\$ 8.92	\$ 10.36
Leasing Commissions:						
Total dollars committed under signed leases 7/	\$ 5,200,750	\$ 3,807,939	\$ 1,670,904	\$ 2,212,959	\$ 1,590,222	\$ 2,896,555
Rentable square feet	1,134,998	1,111,209	807,380	866,360	614,392	906,868
Per rentable square foot	\$ 4.58	\$ 3.43	\$ 2.07	\$ 2.55	\$ 2.59	\$ 3.19
Total:						
Total dollars committed under signed leases	\$ 18,200,381	\$ 18,596,703	\$ 6,727,799	\$ 10,876,073	\$ 7,069,047	\$ 12,294,001
Rentable square feet	1,134,998	1,111,209	807,380	866,360	614,392	906,868
Per rentable square foot	\$ 16.04	\$ 16.74	\$ 8.33	\$ 12.55	\$ 11.51	\$ 13.56

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 310K square feet of leases that start in 2014 or later.

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

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

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

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

7/ Excludes internal leasing costs.

Leasing Statistics

Industrial Portfolio

	Three Months Ended					Five Quarter
	<u>12/31/11</u>	<u>9/30/11 1/</u>	<u>6/30/11</u>	<u>3/31/11 2/</u>	<u>12/31/10 3/</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	7	18	14	13	17	14
Rentable square footage leased	53,352	376,616	216,769	265,875	394,301	261,383
Square footage of Renewal Deals	34,287	232,708	60,017	156,305	357,651	168,194
Renewed square footage (% of total)	64.3%	61.8%	27.7%	58.8%	90.7%	64.3%
New Leases square footage (% of total)	35.7%	38.2%	72.3%	41.2%	9.3%	35.7%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 4.88	\$ 4.37	\$ 4.46	\$ 4.07	\$ 4.04	\$ 4.36
Tenant improvements	(0.21)	(0.39)	(0.36)	(0.63)	(0.44)	(0.41)
Leasing commissions 4/	(0.12)	(0.17)	(0.08)	(0.12)	(0.11)	(0.12)
Rent concessions	(0.13)	(0.18)	(0.27)	(0.14)	(0.07)	(0.16)
Effective rent	4.42	3.63	3.75	3.18	3.42	3.67
Expense stop	(0.53)	(0.12)	(0.31)	(0.10)	(0.17)	(0.25)
Equivalent effective net rent	\$ 3.89	\$ 3.51	\$ 3.44	\$ 3.08	\$ 3.25	\$ 3.42
Weighted average term in years	3.3	3.3	5.1	4.6	6.3	4.5
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 51,642	\$ 622,789	\$ 373,651	\$ 1,058,037	\$ 1,363,845	\$ 693,993
Rentable square feet	53,352	376,616	216,769	265,875	394,301	261,383
Per rentable square foot	\$ 0.97	\$ 1.65	\$ 1.72	\$ 3.98	\$ 3.46	\$ 2.66
Leasing Commissions:						
Total dollars committed under signed leases 4/	\$ 31,624	\$ 241,706	\$ 82,342	\$ 206,138	\$ 226,065	\$ 157,575
Rentable square feet	53,352	376,616	216,769	265,875	394,301	261,383
Per rentable square foot	\$ 0.59	\$ 0.64	\$ 0.38	\$ 0.78	\$ 0.57	\$ 0.60
Total:						
Total dollars committed under signed leases	\$ 83,266	\$ 864,495	\$ 455,993	\$ 1,264,175	\$ 1,589,910	\$ 851,568
Rentable square feet	53,352	376,616	216,769	265,875	394,301	261,383
Per rentable square foot	\$ 1.56	\$ 2.30	\$ 2.10	\$ 4.75	\$ 4.03	\$ 3.26

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/ Excludes internal leasing costs.

Leasing Statistics

Retail Portfolio

	Three Months Ended					Five Quarter
	<u>12/31/11</u> ^{1/}	<u>9/30/11</u>	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	7	8	4	10	4	7
Rentable square footage leased	26,573	19,321	35,878	73,804	11,955	33,506
Square footage of Renewal Deals	22,818	10,943	1,564	68,123	10,155	22,721
Renewed square footage (% of total)	85.9%	56.6%	4.4%	92.3%	84.9%	67.8%
New Leases square footage (% of total)	14.1%	43.4%	95.6%	7.7%	15.1%	32.2%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 37.47	\$ 48.95	\$ 32.35	\$ 19.83	\$ 47.58	\$ 37.24
Tenant improvements	(2.47)	(2.87)	(6.88)	(1.12)	(1.43)	(2.95)
Leasing commissions ^{2/}	(0.43)	(1.53)	(0.77)	(0.37)	(0.80)	(0.78)
Rent concessions	(0.57)	(0.04)	0.00	(0.01)	(0.70)	(0.26)
Effective rent	34.00	44.51	24.70	18.33	44.65	33.25
Expense stop	0.00	0.00	0.00	0.00	0.00	0.00
Equivalent effective net rent	\$ 34.00	\$ 44.51	\$ 24.70	\$ 18.33	\$ 44.65	\$ 33.25
Weighted average term in years	5.2	8.1	9.6	4.1	5.2	6.4
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 377,171	\$ 560,779	\$ 2,468,181	\$ 813,393	\$ 180,000	\$ 879,905
Rentable square feet	26,573	19,321	35,878	73,804	11,955	33,506
Per rentable square foot	\$ 14.19	\$ 29.02	\$ 68.79	\$ 11.02	\$ 15.06	\$ 26.26
Leasing Commissions:						
Total dollars committed under signed leases ^{2/}	\$ 114,223	\$ 294,810	\$ 278,544	\$ 262,962	\$ 64,019	\$ 202,912
Rentable square feet	26,573	19,321	35,878	73,804	11,955	33,506
Per rentable square foot	\$ 4.30	\$ 15.26	\$ 7.76	\$ 3.56	\$ 5.35	\$ 6.06
Total:						
Total dollars committed under signed leases	\$ 491,394	\$ 855,589	\$ 2,746,725	\$ 1,076,355	\$ 244,019	\$ 1,082,816
Rentable square feet	26,573	19,321	35,878	73,804	11,955	33,506
Per rentable square foot	\$ 18.49	\$ 44.28	\$ 76.56	\$ 14.58	\$ 20.41	\$ 32.32

^{1/} Includes 10K square feet of leases that start in 2014 or later.

^{2/} Excludes internal leasing costs.

Leasing Statistics by Market

For the Three Months Ended December 31, 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>
Kansas City	198,521	14.1	\$ 29.09	\$ 19.29	\$ 7.88
Raleigh	165,976	4.4	20.65	8.68	1.61
Pittsburgh	132,848	8.9	24.83	8.01	9.10
Atlanta	117,192	6.6	21.37	20.91	7.45
Piedmont Triad	109,454	3.9	13.10	2.26	1.21
Memphis	106,284	5.2	23.99	9.98	1.39
Richmond	100,184	2.7	18.30	5.69	1.47
Nashville	71,731	3.8	20.11	6.30	2.06
Tampa	70,748	5.4	22.16	13.49	4.54
Greenville	62,060	5.9	17.66	14.99	6.29
	<u>1,134,998</u>	<u>6.8</u>	<u>\$ 21.96</u>	<u>\$ 11.45</u>	<u>\$ 4.58</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>
Piedmont Triad	34,287	2.1	\$ 5.81	\$ 1.27	0.37
Atlanta	19,065	5.4	2.83	0.43	0.99
	<u>53,352</u>	<u>3.3</u>	<u>\$ 4.75</u>	<u>\$ 0.97</u>	<u>\$ 0.59</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	26,573	5.2	\$ 36.90	\$ 14.19	\$ 4.30
	<u>26,573</u>	<u>5.2</u>	<u>\$ 36.90</u>	<u>\$ 14.19</u>	<u>\$ 4.30</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 \$653K.

Rental Rate Comparisons by Market

For the Three Months Ended December 31, 2011

Office Portfolio 1/ <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent	Percentage Change Rent
Kansas City	198,521	\$ 29.09	\$ 25.83	12.6%
Raleigh	165,976	20.65	20.77	-0.6%
Pittsburgh	132,848	24.83	23.31	6.5%
Atlanta	117,192	21.37	20.38	4.9%
Piedmont Triad	109,454	13.10	13.98	-6.3%
Memphis	106,284	23.99	23.51	2.0%
Richmond	100,184	18.30	18.82	-2.8%
Nashville	71,731	20.11	20.33	-1.1%
Tampa	70,748	22.16	25.30	-12.4%
Greenville	62,060	17.66	15.67	12.7%
GAAP Rent Growth	1,134,998	\$ 21.96	\$ 21.36	2.8%
Cash Rent Growth	1,134,998	\$ 18.97	\$ 20.63	-8.1%

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent	Percentage Change Rent
Piedmont Triad	34,287	\$ 5.81	\$ 5.89	-1.4%
Atlanta	19,065	2.83	2.83	0.0%
GAAP Rent Growth	53,352	\$ 4.75	\$ 4.82	-1.4%
Cash Rent Growth	53,352	\$ 3.36	\$ 3.54	-4.9%

Retail Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent 2/	Percentage Change Rent
Kansas City	26,573	\$ 36.90	\$ 27.90	32.3%
GAAP Rent Growth	26,573	\$ 36.90	\$ 27.90	32.3%
Cash Rent Growth	26,573	\$ 35.74	\$ 30.27	18.1%

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

<u>Type</u>	<u>12/31/11</u>	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>	<u>12/31/07</u>
Office	\$ 20.39	\$ 20.13	\$ 20.61	\$ 20.15	\$ 19.14
Industrial	5.30	5.26	5.19	5.22	5.07
Retail 2/	36.36	33.78	34.69	31.41	31.20
Weighted average rate	\$ 17.84	\$ 17.40	\$ 17.53	\$ 17.18	\$ 16.27
Annual % growth rate	2.5%	-0.7%	2.0%	5.6%	

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

2/ Excludes percentage rent.

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

Lease Expirations

December 31, 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/					
2012 /3	2,155,616	10.7%	\$ 44,142	\$ 20.48	10.7%
2013	2,741,177	13.6%	60,662	22.13	14.8%
2014	2,725,889	13.5%	58,460	21.45	14.3%
2015	2,506,128	12.4%	51,207	20.43	12.5%
2016	2,239,941	11.1%	41,260	18.42	10.0%
2017	2,035,928	10.1%	37,469	18.40	9.1%
2018	1,160,624	5.8%	25,221	21.73	6.1%
2019	914,305	4.5%	18,228	19.94	4.4%
2020	606,354	3.0%	10,398	17.15	2.5%
2021	1,197,566	5.9%	24,663	20.59	6.0%
2022 and thereafter	1,893,834	9.4%	39,657	20.94	9.6%
	<u>20,177,362</u>	<u>100.0%</u>	<u>\$ 411,367</u>	<u>\$ 20.39</u>	<u>100.0%</u>
Industrial:					
2012 /4	712,246	13.4%	\$ 4,309	\$ 6.05	15.3%
2013	693,523	13.0%	3,971	5.73	14.1%
2014	1,000,904	18.7%	5,522	5.52	19.4%
2015	468,016	8.8%	2,436	5.20	8.6%
2016	655,237	12.3%	3,038	4.64	10.8%
2017	474,637	8.9%	1,629	3.43	5.8%
2018	88,467	1.7%	431	4.87	1.5%
2019	146,324	2.7%	669	4.57	2.4%
2020	90,078	1.7%	376	4.17	1.3%
2021	175,805	3.3%	581	3.30	2.1%
2022 and thereafter	828,952	15.5%	5,287	6.38	18.7%
	<u>5,334,189</u>	<u>100.0%</u>	<u>\$ 28,249</u>	<u>\$ 5.30</u>	<u>100.0%</u>

1/ Annualized Cash Revenue is December, 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 126,000 square feet of leases that are on a month to month basis or 0.5% of total annualized revenue.

4/ Includes 133,000 square feet of leases that are on a month to month basis or 0.1% of total annualized revenue.

Note: 2012 and beyond expirations that have been renewed are reflected above based on the renewal expiration date.

Lease Expirations

December 31, 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:					
2012 2/	67,646	8.0%	\$ 1,803	\$ 26.65	5.9%
2013	81,518	9.7%	2,024	24.83	6.6%
2014	40,120	4.8%	1,993	49.68	6.5%
2015	55,037	6.5%	2,773	50.38	9.1%
2016	63,397	7.5%	3,162	49.88	10.3%
2017	93,570	11.1%	2,281	24.38	7.5%
2018	83,588	9.9%	4,109	49.16	13.4%
2019	96,624	11.5%	2,960	30.63	9.7%
2020	67,675	8.0%	2,083	30.78	6.8%
2021	103,973	12.5%	4,216	40.55	13.7%
2022 and thereafter	88,658	10.5%	3,205	36.15	10.5%
	841,806	100.0%	\$ 30,609	\$ 36.36	100.0%
Total:					
2012 3/ 4/	2,935,508	11.1%	\$ 50,254	\$ 17.12	10.7%
2013	3,516,218	13.3%	66,657	18.96	14.2%
2014	3,766,913	14.3%	65,975	17.51	14.1%
2015	3,029,181	11.5%	56,416	18.62	12.0%
2016	2,958,575	11.2%	47,460	16.04	10.1%
2017	2,604,135	9.9%	41,379	15.89	8.8%
2018	1,332,679	5.1%	29,761	22.33	6.3%
2019	1,157,253	4.4%	21,857	18.89	4.6%
2020	764,107	2.9%	12,857	16.83	2.7%
2021	1,477,344	5.6%	29,460	19.94	6.3%
2022 and thereafter	2,811,444	10.7%	48,149	17.13	10.2%
	26,353,357	100.0%	\$ 470,225	\$ 17.84	100.0%

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

2/ Includes 4,000 square feet of leases that are on a month to month basis or 0.0% of total annualized revenue.

3/ Includes 263,000 square feet of leases that are on a month to month basis or 0.6% 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: 2012 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>3/31/12</u>	<u>6/30/12</u>	<u>9/30/12</u>	<u>12/31/12</u>	
Atlanta	RSF	115,534	29,282	327,986	23,285	496,087
	% of Total Office RSF	0.6%	0.1%	1.6%	0.1%	2.5%
	Annualized Cash Revenue 3/	\$ 2,003	\$ 596	\$ 6,731	\$ 547	\$ 9,877
	% of Total Office Annl Cash Rev	0.5%	0.1%	1.6%	0.1%	2.4%
Greenville	RSF	87,319	16,038	88,425	63,755	255,537
	% of Total Office RSF	0.4%	0.1%	0.4%	0.3%	1.3%
	Annualized Cash Revenue 3/	\$ 1,612	\$ 267	\$ 1,625	\$ 1,080	\$ 4,584
	% of Total Office Annl Cash Rev	0.4%	0.1%	0.4%	0.3%	1.1%
Kansas City	RSF	3,673	5,178	76,822	2,016	87,689
	% of Total Office RSF	0.0%	0.0%	0.4%	0.0%	0.4%
	Annualized Cash Revenue 3/	\$ 90	\$ 133	\$ 1,867	\$ 46	\$ 2,136
	% of Total Office Annl Cash Rev	0.0%	0.0%	0.5%	0.0%	0.5%
Memphis	RSF	80,772	20,555	36,652	22,379	160,358
	% of Total Office RSF	0.4%	0.1%	0.2%	0.1%	0.8%
	Annualized Cash Revenue 3/	\$ 1,545	\$ 462	\$ 786	\$ 555	\$ 3,348
	% of Total Office Annl Cash Rev	0.4%	0.1%	0.2%	0.1%	0.8%
Nashville	RSF	49,638	32,135	60,829	71,524	214,126
	% of Total Office RSF	0.2%	0.2%	0.3%	0.4%	1.1%
	Annualized Cash Revenue 3/	\$ 1,125	\$ 677	\$ 1,301	\$ 1,640	\$ 4,743
	% of Total Office Annl Cash Rev	0.3%	0.2%	0.3%	0.4%	1.2%
Orlando	RSF	6,223	3,812	3,613	3,441	17,089
	% of Total Office RSF	0.0%	0.0%	0.0%	0.0%	0.1%
	Annualized Cash Revenue 3/	\$ 142	\$ 95	\$ 81	\$ 103	\$ 421
	% of Total Office Annl Cash Rev	0.0%	0.0%	0.0%	0.0%	0.1%
Piedmont Triad	RSF	98,614	15,893	8,436	79,253	202,196
	% of Total Office RSF	0.5%	0.1%	0.0%	0.4%	1.0%
	Annualized Cash Revenue 3/	\$ 1,833	\$ 298	\$ 156	\$ 1,751	\$ 4,038
	% of Total Office Annl Cash Rev	0.4%	0.1%	0.0%	0.4%	1.0%
Pittsburgh	RSF	9,571	0	0	0	9,571
	% of Total Office RSF	0.0%	0.0%	0.0%	0.0%	0.0%
	Annualized Cash Revenue 3/	\$ 277	\$ 1	\$ -	\$ -	\$ 278
	% of Total Office Annl Cash Rev	0.1%	0.0%	0.0%	0.0%	0.1%
Raleigh	RSF	179,161	26,327	76,383	92,758	374,629
	% of Total Office RSF	0.9%	0.1%	0.4%	0.5%	1.9%
	Annualized Cash Revenue 3/	\$ 3,084	\$ 531	\$ 1,480	\$ 2,063	\$ 7,158
	% of Total Office Annl Cash Rev	0.7%	0.1%	0.4%	0.5%	1.7%
Richmond	RSF	56,555	18,342	62,688	35,098	172,683
	% of Total Office RSF	0.3%	0.1%	0.3%	0.2%	0.9%
	Annualized Cash Revenue 3/	\$ 901	\$ 378	\$ 1,109	\$ 712	\$ 3,100
	% of Total Office Annl Cash Rev	0.2%	0.1%	0.3%	0.2%	0.8%
Tampa	RSF	15,399	48,241	76,366	25,645	165,651
	% of Total Office RSF	0.1%	0.2%	0.4%	0.1%	0.8%
	Annualized Cash Revenue 3/	\$ 629	\$ 1,267	\$ 1,839	\$ 724	\$ 4,459
	% of Total Office Annl Cash Rev	0.2%	0.3%	0.4%	0.2%	1.1%
Total	RSF	702,459	215,803	818,200	419,154	2,155,616
	% of Total Office RSF	3.5%	1.1%	4.1%	2.1%	10.7%
	Annualized Cash Revenue 3/	\$ 13,241	\$ 4,705	\$ 16,975	\$ 9,221	\$ 44,142
	% of Total Office Annl Cash Rev	3.2%	1.1%	4.1%	2.2%	10.7%

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 126,000 square feet of leases that are on a month to month basis or 0.5% of total annualized revenue.

3/ Annualized Cash Revenue is December, 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>3/31/12</u> ^{1/}	<u>6/30/12</u>	<u>9/30/12</u>	<u>12/31/12</u>	<u>Total</u>
Atlanta	RSF	142,419	39,252	190,094	8,400	380,165
	% of Total Industrial RSF	2.7%	0.7%	3.6%	0.2%	7.1%
	Annualized Cash Revenue ^{2/}	\$ 1,074	\$ 218	\$ 1,088	\$ 91	\$ 2,471
	% of Total Industrial Annl Cash Rev	3.8%	0.8%	3.9%	0.3%	8.7%
Piedmont Triad	RSF	91,133	157,458	22,044	61,446	332,081
	% of Total Industrial RSF	1.7%	3.0%	0.4%	1.2%	6.2%
	Annualized Cash Revenue ^{2/}	\$ 368	\$ 792	\$ 330	\$ 349	\$ 1,839
	% of Total Industrial Annl Cash Rev	1.3%	2.8%	1.2%	1.2%	6.5%
Total	RSF	233,552	196,710	212,138	69,846	712,246
	% of Total Industrial RSF	4.4%	3.7%	4.0%	1.3%	13.4%
	Annualized Cash Revenue ^{2/}	\$ 1,442	\$ 1,010	\$ 1,418	\$ 440	\$ 4,310
	% of Total Industrial Annl Cash Rev	5.1%	3.6%	5.0%	1.6%	15.3%

^{1/} Includes 133,000 square feet of leases that are on a month to month basis or 0.1% of total annualized revenue.

^{2/} Annualized Cash Revenue is December, 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

		2012 2/	2013	2014	2015	Thereafter
Atlanta	RSF	496,087	377,540	237,427	185,655	1,500,844
	% of Total Office RSF	2.5%	1.9%	1.2%	0.9%	7.4%
	Annualized Cash Revenue 3/	\$ 9,878	\$ 7,317	\$ 4,770	\$ 3,579	\$ 28,886
	% of Total Office Annl Cash Rev	2.4%	1.8%	1.2%	0.9%	7.0%
Greenville	RSF	255,537	132,006	188,980	26,614	200,586
	% of Total Office RSF	1.3%	0.7%	0.9%	0.1%	1.0%
	Annualized Cash Revenue 3/	\$ 4,584	\$ 2,450	\$ 3,631	\$ 496	\$ 3,422
	% of Total Office Annl Cash Rev	1.1%	0.6%	0.9%	0.1%	0.8%
Kansas City	RSF	87,689	31,243	38,661	78,642	282,297
	% of Total Office RSF	0.4%	0.2%	0.2%	0.4%	1.4%
	Annualized Cash Revenue 3/	\$ 2,137	\$ 721	\$ 948	\$ 2,161	\$ 7,722
	% of Total Office Annl Cash Rev	0.5%	0.2%	0.2%	0.5%	1.9%
Memphis	RSF	160,358	220,403	215,925	243,422	933,686
	% of Total Office RSF	0.8%	1.1%	1.1%	1.2%	4.6%
	Annualized Cash Revenue 3/	\$ 3,348	\$ 5,359	\$ 4,710	\$ 5,303	\$ 19,127
	% of Total Office Annl Cash Rev	0.8%	1.3%	1.1%	1.3%	4.6%
Nashville	RSF	214,126	426,192	448,958	554,495	1,266,440
	% of Total Office RSF	1.1%	2.1%	2.2%	2.7%	6.3%
	Annualized Cash Revenue 3/	\$ 4,742	\$ 9,260	\$ 10,060	\$ 12,207	\$ 22,895
	% of Total Office Annl Cash Rev	1.2%	2.3%	2.4%	3.0%	5.6%
Orlando	RSF	17,089	23,911	11,608	91,086	233,546
	% of Total Office RSF	0.1%	0.1%	0.1%	0.5%	1.2%
	Annualized Cash Revenue 3/	\$ 421	\$ 668	\$ 309	\$ 2,372	\$ 4,701
	% of Total Office Annl Cash Rev	0.1%	0.2%	0.1%	0.6%	1.1%
Piedmont Triad	RSF	202,196	182,731	123,213	323,890	459,421
	% of Total Office RSF	1.0%	0.9%	0.6%	1.6%	2.3%
	Annualized Cash Revenue 3/	\$ 4,038	\$ 2,979	\$ 2,172	\$ 4,432	\$ 6,745
	% of Total Office Annl Cash Rev	1.0%	0.7%	0.5%	1.1%	1.6%
Pittsburgh	RSF	9,571	80,559	135,566	212,008	836,202
	% of Total Office RSF	0.0%	0.4%	0.7%	1.1%	4.1%
	Annualized Cash Revenue 3/	\$ 278	\$ 2,242	\$ 3,754	\$ 4,955	\$ 21,643
	% of Total Office Annl Cash Rev	0.1%	0.5%	0.9%	1.2%	5.3%
Raleigh	RSF	374,629	308,200	492,444	445,398	2,206,110
	% of Total Office RSF	1.9%	1.5%	2.4%	2.2%	10.9%
	Annualized Cash Revenue 3/	\$ 7,158	\$ 6,411	\$ 10,542	\$ 8,513	\$ 40,384
	% of Total Office Annl Cash Rev	1.7%	1.6%	2.6%	2.1%	9.8%
Richmond	RSF	172,683	337,227	268,557	122,147	1,105,691
	% of Total Office RSF	0.9%	1.7%	1.3%	0.6%	5.5%
	Annualized Cash Revenue 3/	\$ 3,100	\$ 6,369	\$ 3,868	\$ 2,177	\$ 18,293
	% of Total Office Annl Cash Rev	0.8%	1.5%	0.9%	0.5%	4.4%
Tampa	RSF	165,651	621,165	564,550	222,771	1,023,729
	% of Total Office RSF	0.8%	3.1%	2.8%	1.1%	5.1%
	Annualized Cash Revenue 3/	\$ 4,459	\$ 16,885	\$ 13,696	\$ 5,012	\$ 23,077
	% of Total Office Annl Cash Rev	1.1%	4.1%	3.3%	1.2%	5.6%
Total	RSF	2,155,616	2,741,177	2,725,889	2,506,128	10,048,552
	% of Total Office RSF	10.7%	13.6%	13.5%	12.4%	49.8%
	Annualized Cash Revenue 3/	\$ 44,143	\$ 60,661	\$ 58,460	\$ 51,207	\$ 196,895
	% of Total Office Annl Cash Rev	10.7%	14.7%	14.2%	12.4%	47.9%

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 126,000 square feet of leases that are on a month to month basis or 0.5% of total annualized revenue.

3/ Annualized Cash Revenue is December, 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>2012 1/</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Thereafter</u>
Atlanta	RSF	380,165	302,626	584,519	149,922	1,532,049
	% of Total Industrial RSF	7.1%	5.7%	11.0%	2.8%	28.7%
	Annualized Cash Revenue 2/	\$ 2,470	\$ 1,575	\$ 3,493	\$ 779	\$ 8,100
	% of Total Industrial Annl Cash Rev	8.7%	5.6%	12.4%	2.8%	28.7%
Piedmont Triad	RSF	332,081	390,897	416,385	318,094	927,451
	% of Total Industrial RSF	6.2%	7.3%	7.8%	6.0%	17.4%
	Annualized Cash Revenue 2/	\$ 1,839	\$ 2,396	\$ 2,029	\$ 1,657	\$ 3,912
	% of Total Industrial Annl Cash Rev	6.5%	8.5%	7.2%	5.9%	13.8%
Total	RSF	712,246	693,523	1,000,904	468,016	2,459,500
	% of Total Industrial RSF	13.4%	13.0%	18.8%	8.8%	46.1%
	Annualized Cash Revenue 2/	\$ 4,309	\$ 3,971	\$ 5,522	\$ 2,436	\$ 12,012
	% of Total Industrial Annl Cash Rev	15.3%	14.1%	19.5%	8.6%	42.5%

1/ Includes 133,000 square feet of leases that are on a month to month basis or 0.1% of total annualized revenue.

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

Customer Diversification 1/

December 31, 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	2,069,494	\$ 43,516	9.19%	7.2
AT&T	755,667	14,637	3.09%	1.8
PPG Industries	340,428	8,836	1.87%	9.5
PricewaterhouseCoopers	318,647	8,799	1.86%	1.3
State of Georgia	417,535	7,479	1.58%	6.2
Healthways	290,689	6,702	1.42%	10.4
Metropolitan Life Insurance	296,595	5,956	1.26%	6.3
T-Mobile USA	210,971	5,649	1.19%	2.5
HCA Corporation	231,176	5,345	1.13%	3.2
Lockton Companies	170,743	5,003	1.06%	18.2
Syniverse Technologies	198,750	4,194	0.89%	4.8
BB&T	256,379	4,104	0.87%	3.6
Vanderbilt University	188,254	4,038	0.85%	3.8
RBC Bank	164,271	3,971	0.84%	14.9
SCI Services 3/	162,784	3,785	0.80%	5.6
Volvo	302,509	3,682	0.78%	2.8
Aon 4/	149,114	3,589	0.76%	8.0
Jacobs Engineering Group	210,126	3,532	0.75%	3.3
Fluor Enterprises	195,930	3,511	0.74%	1.4
Deloitte & Touche	120,934	3,363	0.71%	2.3
	<u>7,050,996</u>	<u>\$ 149,691</u>	<u>31.64%</u>	<u>6.0</u>

By Industry

<u>Category</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Professional, Scientific, and Technical Services	22.7%
Finance/Banking	11.6%
Government/Public Administration	11.3%
Health Care and Social Assistance	8.1%
Manufacturing	7.1%
Insurance	6.5%
Retail Trade	5.2%
Telecommunication	4.5%
Information	4.2%
Administrative and Support Services	3.9%
Real Estate Rental and Leasing	3.2%
Accommodation and Food Services	3.1%
Wholesale Trade	2.9%
Educational Services	2.3%
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 December, 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.

4/ Annualized Cash Revenue reflects addback of rent credit related to this customer's decision to convert unused Tenant Improvements to free rent.

Same Property Performance

Dollars and Square Feet in thousands

	Three months ended		Dollar Change	Percentage Change
	December 31,			
	2011	2010		
Rental revenues 1/	\$ 105,237	\$ 105,889	\$ (652)	-0.6%
Operating expenses	(38,492)	(37,002)	(1,490)	-4.0%
Cash NOI without Term Fees	66,745	68,887	(2,142)	-3.1%
Lease termination fees 2/	757	(802)	1,559	194.4%
Cash NOI	67,502	68,085	(583)	-0.9%
Straight line rent 2/	2,279	3,786	(1,507)	-39.8%
GAAP NOI	\$ 69,781	\$ 71,871	\$ (2,090)	-2.9%
Average occupancy	90.2%	90.1%		0.1%
Rentable square feet	26,240	26,240		

	Twelve months ended		Dollar Change	Percentage Change
	December 31,			
	2011	2010		
Rental revenues 1/	\$ 423,641	\$ 422,297	\$ 1,344	0.3%
Operating expenses	(152,748)	(149,799)	(2,949)	-2.0%
Cash NOI without Term Fees	270,893	272,498	(1,605)	-0.6%
Lease termination fees 2/	1,355	1,815	(460)	-25.3%
Cash NOI	272,248	274,313	(2,065)	-0.8%
Straight line rent 2/	9,967	10,374	(407)	-3.9%
GAAP NOI	\$ 282,215	\$ 284,687	\$ (2,472)	-0.9%
Average occupancy	90.2%	89.7%		0.6%
Rentable square feet	26,240	26,240		

Market	Fourth Quarter: 2011 vs 2010		Twelve Months: 2011 vs 2010	
	GAAP NOI	Occupancy	GAAP NOI	Occupancy
	Percentage Change	Percentage Change	Percentage Change	Percentage Change
Atlanta	6.0%	-1.1%	2.7%	-0.6%
Greenville	14.0%	1.9%	1.9%	1.4%
Kansas City	-4.1%	-0.6%	-1.3%	-2.4%
Memphis	-0.4%	-3.5%	-2.6%	-0.8%
Nashville	2.8%	3.6%	2.1%	1.2%
Orlando	-3.9%	6.4%	-16.0%	-3.1%
Piedmont Triad	-4.1%	1.1%	-5.8%	-0.4%
Raleigh	-8.1%	2.0%	1.1%	5.2%
Richmond	-9.1%	-5.4%	-2.6%	0.5%
Tampa	-8.1%	0.3%	-2.7%	-0.9%
	<u>-2.9%</u>	<u>0.1%</u>	<u>-0.9%</u>	<u>0.6%</u>

1/ Excludes straight line rents and lease termination fees.

2/ Straight-line rent write-offs related to lease terminations are reflected here as a reduction of 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
Fourth quarter 2011:					
None					
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 (Winston-Salem)	O	9/28/11	136,000	100.0%	\$ 13,700 1/
<u>Fourth quarter 2011:</u>						
None						

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 12/31/11</u>	<u>Pre Leased %</u>	<u>Estimated Completion Date</u>	<u>Estimated Stabilization Date</u>
<u>In - Process</u>								
Office:								
LifePoint	Nashville	O	203,000	\$ 42,113	\$ 2,858	100%	4Q 13	4Q 13
LifePoint 1/	Nashville	O	25,000	\$ 6,287	\$ 394	0%	4Q 13	1Q 15
In - Process Total			<u>228,000</u>	<u>\$ 48,400</u>	<u>\$ 3,252</u>	<u>89%</u>		
<u>Completed Not Stabilized 2/</u>								
Independence Park 3/	Tampa	O	117,000	\$ 12,700	\$ 8,335	100%	n/a	2Q 12
Completed Not Stabilized Total			<u>117,000</u>	<u>\$ 12,700</u>	<u>\$ 8,335</u>	<u>100%</u>		
Totals			<u>345,000</u>	<u>\$ 61,100</u>	<u>\$ 11,587</u>	<u>93%</u>		
						\$ Weighted %	<u>90%</u>	

Placed in Service in 4Q

<u>Property</u>	<u>Market</u>	<u>Type</u>	<u>Rentable Square Feet</u>	<u>Anticipated Total Investment</u>	<u>Investment As of 12/31/11</u>	<u>Pre Leased %</u>	<u>Occ %</u>	<u>In-Service Date</u>
HIW Center II at Tradeport - GSA 4/	Atlanta	O	60,000	\$ 10,377	\$ 10,323	100%	100%	4Q 11
Totals			<u>60,000</u>	<u>\$ 10,377</u>	<u>\$ 10,323</u>	<u>100%</u>	<u>100%</u>	

For Sale Residential Condominiums

		<u>Units For Sale</u>	<u>Units Sold</u>	<u>Gross Sale Proceeds</u>	<u>Net Gain 7/</u>
RBC Plaza Condominiums 5/ 6/	Raleigh	14	125	\$ 51,100	\$ 6,100

1/ Office amenity space.

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/ Redevelopment property, the investment amounts shown include original Land and Building basis, net of accumulated depreciation, in addition to the incremental redevelopment costs. The \$10.3 million includes \$1.9M of TI's included in completed 'Buildings and tenant improvements' and \$500K of LC's included in 'Tangible assets.'

5/ Units Sold, Gross Sale Proceeds and Net Gain are as of 1/31/12.

6/ As of 12/31/11, 122 units were sold, Gross Sale Proceeds were \$50.0 million and Net Gain was \$6.0 Million. 4Q11 Net Gain to the Company was 6K.

7/ Gains include any forfeited deposits.

Development Land
12/31/11

Dollars in thousands

<u>Market</u>	<u>Usable Acres</u>	<u>Total Estimated Market Value</u>
Atlanta	234	\$ 32,654
Raleigh	171	37,093
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/	586	\$ 136,279

1/ Developable square footage on core land holdings, which constitute 524 of the total 586 acres, is approximately 5.7 million of office space and 2.7 million of industrial space.

Unconsolidated Joint Ventures Assets, Debt and Liabilities

December 31, 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%	\$ 7,259	\$ -	\$ 131
Kessinger/Hunter, LLC	-	26.5%	7,626	-	1,573
4600 Madison Associates, LP	O	12.5%	13,536	9,898	10,585
Highwoods DLF 98/29, LP 5/	O	22.8%	126,581	65,973	70,792
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	88,422	47,052	49,485
Concourse Center Associates, LLC	O	50.0%	12,455	8,175	8,282
Plaza Colonnade, LLC	O/R	50.0%	67,387	61,711	62,687
Highwoods KC Glenridge Office, LP	O	40.0%	22,877	15,588	16,380
Highwoods KC Glenridge Land, LP	O	40.0%	779	-	144
Highwoods KC Orlando, LLC	O	40.0%	192,313	130,978	137,299
Highwoods DLF Forum, LLC	O	25.0%	105,056	67,500	71,325
Highwoods Development B, LLC 3/	O	0.0%	-	-	-
Lofts at Weston SPE, LLC 4/	M	50.0%	3,237	-	-
Total			\$ 647,528	\$ 406,875	\$ 428,683

<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%	\$ 3,557	\$ -	\$ 64
Kessinger/Hunter, LLC	-	26.5%	2,021	-	417
4600 Madison Associates, LP	O	12.5%	1,692	1,237	1,323
Highwoods DLF 98/29, LP 6/	O	22.8%	28,873	15,048	16,148
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	37,960	20,199	21,244
Concourse Center Associates, LLC	O	50.0%	6,228	4,088	4,141
Plaza Colonnade, LLC	O/R	50.0%	33,694	30,856	31,344
Highwoods KC Glenridge Office, LP	O	40.0%	9,151	6,235	6,552
Highwoods KC Glenridge Land, LP	O	40.0%	312	-	58
Highwoods KC Orlando, LLC	O	40.0%	76,925	52,391	54,920
Highwoods DLF Forum, LLC	O	25.0%	26,260	16,872	17,828
Highwoods Development B, LLC 3/	O	0.0%	-	-	-
Lofts at Weston SPE, LLC 4/	M	50.0%	1,619	-	-
Total 2/			\$ 228,292	\$ 146,926	\$ 154,039

1/ The letters "O", "R", and "M" represent Office, Retail, and Multi-Family, 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.

4/ Formed this joint venture on December 7, 2011 to develop a 215 unit residential complex.

5/ Debt includes a \$38.3 million mortgage loan provided to the venture by Highwoods.

6/ Debt includes our portion of a \$38.3 million mortgage loan provided to the venture by Highwoods.

Unconsolidated Joint Ventures Income

For the Three Months Ended December 31, 2011

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>				<u>Net Income/ (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	
Board of Trade Investment Co.	49.0%	\$ 603	\$ 367	\$ -	\$ 143	\$ 93
Kessinger/Hunter, LLC	26.5%	2,376	1,379	-	144	853
4600 Madison Associates, LP	12.5%	1,144	721	169	312	(58)
Highwoods DLF 98/29, LP	22.8%	4,084	1,564	1,065	1,023	432
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	2,985	1,223	914	1,114	(266)
Concourse Center Associates, LLC	50.0%	181	138	64	196	(217)
Plaza Colonnade, LLC	50.0%	2,873	886	904	612	471
Highwoods KC Glenridge Office, LP	40.0%	758	412	200	216	(70)
Highwoods KC Glenridge Land, LP	40.0%	-	2	-	-	(2)
Highwoods KC Orlando, LLC	40.0%	6,801	3,126	1,727	1,745	203
Highwoods DLF Forum, LLC	25.0%	3,521	1,190	878	1,322	131
Highwoods Development B, LLC 3/ Lofts at Weston SPE, LLC 4/	10.0%	-	-	-	-	-
	50.0%	-	-	-	-	-
Total		\$ 25,326	\$ 11,008	\$ 5,921	\$ 6,827	\$ 1,570

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>				<u>Net Income/ (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	
Board of Trade Investment Co.	49.0%	\$ 295	\$ 180	\$ -	\$ 70	\$ 45
Kessinger/Hunter, LLC	26.5%	630	366	-	38	226
4600 Madison Associates, LP	12.5%	143	91	22	39	(9)
Highwoods DLF 98/29, LP	22.8%	932	357	117	233	225
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	1,281	525	392	478	(114)
Concourse Center Associates, LLC	50.0%	90	69	32	98	(109)
Plaza Colonnade, LLC	50.0%	1,437	443	452	306	236
Highwoods KC Glenridge Office, LP	40.0%	303	165	80	86	(28)
Highwoods KC Glenridge Land, LP	40.0%	-	1	-	-	(1)
Highwoods KC Orlando, LLC	40.0%	2,720	1,250	690	698	82
Highwoods DLF Forum, LLC	25.0%	880	298	219	330	33
Highwoods Development B, LLC 3/ Lofts at Weston SPE, LLC 4/	10.0%	-	-	-	-	-
	50.0%	-	-	-	-	-
Total 1/ 2/		\$ 8,711	\$ 3,745	\$ 2,004	\$ 2,376	\$ 586

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.

4/ Formed this joint venture on December 7, 2011 to develop a 215 unit residential complex.

Unconsolidated Joint Ventures Income

For the Year Ended December 31, 2011

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>				<u>Net Income/ (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	
Board of Trade Investment Co.	49.0%	\$ 2,319	\$ 1,476	\$ -	\$ 572	\$ 271
Kessinger/Hunter, LLC	26.5%	7,531	5,773	-	573	1,185
4600 Madison Associates, LP	12.5%	4,187	2,532	700	1,246	(291)
Highwoods DLF 98/29, LP	22.8%	15,611	6,234	4,091	4,035	1,251
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	11,589	5,107	3,686	4,067	(1,271)
Concourse Center Associates, LLC	50.0%	906	512	256	508	(370)
Plaza Colonnade, LLC	50.0%	12,357	3,839	3,626	2,452	2,440
Highwoods KC Glenridge Office, LP	40.0%	3,093	1,675	797	855	(234)
Highwoods KC Glenridge Land, LP	40.0%	-	13	-	-	(13)
Highwoods KC Orlando, LLC	40.0%	27,923	12,640	6,961	6,789	1,533
Highwoods DLF Forum, LLC	25.0%	13,925	4,703	3,512	5,248	462
Highwoods Development B, LLC 3/	10.0%	1,501	80	133	345	943
Lofts at Weston SPE, LLC 4/	50.0%	-	-	-	-	-
Total		\$ 100,942	\$ 44,584	\$ 23,762	\$ 26,690	\$ 5,906

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>				<u>Net Income/ (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	
Board of Trade Investment Co.	49.0%	\$ 1,136	\$ 723	\$ -	\$ 280	\$ 133
Kessinger/Hunter, LLC	26.5%	1,996	1,530	-	152	314
4600 Madison Associates, LP	12.5%	523	317	88	156	(38)
Highwoods DLF 98/29, LP	22.8%	3,561	1,422	558	920	661
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	4,975	2,192	1,582	1,746	(545)
Concourse Center Associates, LLC	50.0%	453	256	128	254	(185)
Plaza Colonnade, LLC	50.0%	6,179	1,920	1,813	1,226	1,220
Highwoods KC Glenridge Office, LP	40.0%	1,237	670	319	342	(94)
Highwoods KC Glenridge Land, LP	40.0%	-	5	-	-	(5)
Highwoods KC Orlando, LLC	40.0%	11,169	5,056	2,784	2,716	613
Highwoods DLF Forum, LLC	25.0%	3,481	1,176	878	1,312	115
Highwoods Development B, LLC 3/	10.0%	150	8	13	35	94
Lofts at Weston SPE, LLC 4/	50.0%	-	-	-	-	-
Total 1/ 2/		\$ 34,860	\$ 15,275	\$ 8,163	\$ 9,139	\$ 2,283

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.

4/ Formed this joint venture on December 7, 2011 to develop a 215 unit residential complex.

Unconsolidated Joint Ventures Mortgage 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 12/31/11</u>
Plaza Colonnade, LLC	50.0%	Met Life	5.72%	Jan-17	\$ 45,576
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%		61,711
Highwoods KC Orlando, LLC	40.0%	Met Life	5.21%	Jul-14	130,978
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	47,052
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%	Wells Fargo	4.84%	May-14	15,588
4600 Madison Associates, LLC	12.5%	State Farm	6.85%	Apr-18	9,898
Concourse Center Associates, LLC	50.0%	Wells Fargo	2.78%	Jul-13	8,175
			5.57%		345,164
			<u>5.60%</u>		<u>\$ 406,875</u>
Highwoods' share of the above					<u>\$ 146,926</u>

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

Joint Ventures Portfolio Summary 1/

As of December 31, 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	83.0%	40.6%
Kansas City	719,000	83.9%	18.7%
Raleigh	814,000	93.5%	12.8%
Atlanta	840,000	75.7%	12.6%
Richmond	413,000	100.0%	8.6%
Tampa	205,000	81.9%	3.6%
Piedmont Triad	258,000	42.8%	1.8%
Charlotte	148,000	100.0%	1.3%
Total 4/	<u>5,250,000</u>	<u>83.4%</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is December, 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

December 31, 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					
2012	395,787	9.0%	\$ 12,097	\$ 30.56	12.5%
2013	555,200	12.7%	11,525	20.76	11.9%
2014	597,610	13.7%	15,071	25.22	15.6%
2015	780,967	17.8%	15,177	19.43	15.7%
2016	321,790	7.4%	6,390	19.86	6.6%
2017	651,565	14.9%	15,314	23.50	15.9%
2018	373,326	8.5%	6,831	18.30	7.1%
2019	219,623	5.0%	3,781	17.22	3.9%
2020	213,127	4.9%	6,726	31.56	7.0%
2021	185,339	4.2%	1,526	8.23	1.6%
2022 and thereafter	81,830	1.9%	2,115	25.85	2.2%
	<u>4,376,164</u>	<u>100.0%</u>	<u>\$ 96,553</u>	<u>\$ 22.06</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is December, 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

Fourth 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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Fourth quarter 2011:

None

Joint Venture Development Activity

Dollars in thousands

<u>In Progress</u>								
<u>Property</u>	<u>%</u>	<u>Market</u>	<u>Rentable Square Feet</u>	<u>Anticipated Total Investment</u>	<u>Investment As Of 12/31/11</u>	<u>Pre- Leasing</u>	<u>Estimated Completion Date</u>	<u>Estimated Stabilization Date</u>
Weston Lofts 1/	50%	Raleigh	215 units	\$ 25,852	3,237	0%	4Q 13	1Q 14
In Progress Total				<u>\$ 25,852</u>	<u>\$ 3,237</u>			
Highwoods' Share of above				<u>\$ 12,926</u>	<u>\$ 1,619</u>			

1/ Estimated completion date is the date the last unit is expected to be delivered. Estimated Stabilization date is when lease-up is expected to exceed 95%.