



Supplemental Information
June 30, 2012

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 second 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 second quarter earnings press release.

Summary

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

	Three Months Ended				
	06/30/12	03/31/12	12/31/11	09/30/11	06/30/11
Shares and units:					
Common Shares outstanding at end of period	75,619	73,609	72,648	72,579	72,399
Common Units outstanding at end of period	3,711	3,728	3,730	3,751	3,775
Weighted average Common Shares outstanding - basic	74,662	72,836	72,592	72,492	72,211
Weighted average Common Shares outstanding - diluted	78,521	76,696	76,427	76,402	76,197
Share price:					
At end of period	\$ 33.65	\$ 33.32	\$ 29.67	\$ 28.26	\$ 33.13
High during period	35.78	33.90	32.27	35.15	37.51
Low during period	31.14	29.34	25.64	26.43	31.71
Financial information:					
Lease termination income 1/	\$ 628	\$ 879	\$ 817	\$ 690	\$ 26
Straight line rental income 1/	4,794	5,922	4,313	2,816	2,788
Capitalized interest	226	101	76	169	137
Property acquisition costs	(125)	-	(113)	(4,260)	(37)
Losses on debt extinguishment	(973)	-	-	-	(24)
Land sale gains	-	-	302	262	200
Gains/(losses) on for-sale residential condominiums	110	65	6	(476)	116
Gains on disposition of depreciable properties	1,385	5,134	-	2,573	-
Gains on disposition of investment in unconsolidated affiliates	-	-	-	2,282	-
Impairment of depreciable properties 2/	-	(1,002)	-	(2,429)	-
Excess of Preferred Stock redemption/repurchase cost over carrying value	-	-	-	-	(1,895)
Funds from operations per share - diluted 3/	\$ 0.69	\$ 0.70	\$ 0.70	\$ 0.59	\$ 0.60
Funds from operations per share - diluted, excluding certain items 4/	\$ 0.70	\$ 0.70	\$ 0.70	\$ 0.65	\$ 0.63
Wholly - owned property information:					
In-Service rentable square feet:					
Office	22,841	22,617	22,612	22,554	20,642
Industrial	5,826	5,827	5,827	5,827	5,827
Retail	853	853	853	853	853
Total	29,520	29,297	29,292	29,234	27,322
In-Service occupancy:					
Office	90.0%	89.6%	89.2%	88.7%	89.6%
Industrial	92.6%	91.8%	91.6%	90.0%	90.4%
Retail	97.7%	97.6%	98.7%	98.5%	93.3%
Total	90.7%	90.2%	90.0%	89.3%	89.9%

1/ Straight line rent write-offs related to lease terminations are reflected as a reduction of lease termination income.

2/ March 31, 2012 amount is the Company's share of impairment of depreciable properties recorded by an unconsolidated joint venture.

3/ Funds from operations per diluted share as defined excludes gains on disposition of depreciable properties and impairment of depreciable properties.

4/ Represents funds from operations per diluted share excluding gains/(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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David J. Hartzell, Ph.D.
Sherry A. Kellett
Mark F. Mulhern
L. Glenn Orr Jr.

Corporate Officers

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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 Esleeck

Treasurer

Theodore J. Klinck

Vice President, Chief Investment Officer

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, Chief Strategy and
Administration Officer

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

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James V. Bacchetta, Vice President

Kansas City, MO

Glenn E. Stephenson, Vice President

Memphis, TN

Steven L. Guinn, Vice President

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W. Brian Reames, Senior Vice President

Orlando, FL

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Andrew J. Wisniewski, Vice President

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

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 Stanley

Chris Caton - 415-576-2637

RBC Capital Markets

Rich Moore - 440-715-2646

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Wells Fargo Securities, LLC

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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 June 30, 2012, the Company owned or had an interest in 338 in-service office, industrial and retail properties encompassing approximately 34.6 million square feet. Highwoods also wholly-owned 581 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 1/

Amounts in thousands, except per share amounts

	<i>Six Months Ended</i>		<i>Three Months Ended</i>				
	<u>06/30/12</u>	<u>06/30/11</u>	<u>06/30/12</u>	<u>03/31/12</u>	<u>12/31/11</u>	<u>09/30/11</u>	<u>06/30/11</u>
Rental and other revenues	\$ 258,768	\$ 226,981	\$ 130,735	\$ 128,033	\$ 126,424	\$ 119,716	\$ 114,651
Operating expenses:							
Rental property and other expenses	92,288	79,838	47,089	45,199	46,650	44,832	39,931
Depreciation and amortization	78,105	65,621	40,276	37,829	38,840	35,582	32,684
Impairment of depreciable properties	-	-	-	-	-	2,429	-
General and administrative	18,573	15,771	8,900	9,673	7,744	12,212	7,978
Total operating expenses	188,966	161,230	96,265	92,701	93,234	95,055	80,593
Interest expense:							
Contractual	47,591	45,371	23,643	23,948	23,111	23,356	22,940
Amortization of deferred financing costs	1,802	1,642	900	902	864	806	821
Financing obligations	(96)	437	(48)	(48)	184	228	146
	49,297	47,450	24,495	24,802	24,159	24,390	23,907
Other income:							
Interest and other income	3,967	3,772	1,737	2,230	2,110	1,505	1,899
Losses on debt extinguishment	(973)	(24)	(973)	-	-	-	(24)
	2,994	3,748	764	2,230	2,110	1,505	1,875
Income from continuing operations before disposition of property, condominiums and investment in unconsolidated affiliates and equity in earnings/(losses) of unconsolidated affiliates	23,499	22,049	10,739	12,760	11,141	1,776	12,026
Gains on disposition of property	-	200	-	-	302	262	200
Gains/(losses) on for-sale residential condominiums	175	154	110	65	6	(476)	116
Gains on disposition of investment in unconsolidated affiliates	-	-	-	-	-	2,282	-
Equity in earnings/(losses) of unconsolidated affiliates	1,346	2,820	1,508	(162)	945	1,113	1,353
Income from continuing operations	25,020	25,223	12,357	12,663	12,394	4,957	13,695
Discontinued operations:							
Income from discontinued operations	1,291	1,654	756	535	456	714	739
Net gains on disposition of discontinued operations	6,519	-	1,385	5,134	-	2,573	-
	7,810	1,654	2,141	5,669	456	3,287	739
Net income	32,830	26,877	14,498	18,332	12,850	8,244	14,434
Net (income) attributable to noncontrolling interests in the Operating Partnership	(1,513)	(1,130)	(686)	(827)	(595)	(366)	(623)
Net (income) attributable to noncontrolling interests in consolidated affiliates	(407)	(305)	(223)	(184)	(201)	(249)	(182)
Dividends on Preferred Stock	(1,254)	(3,299)	(627)	(627)	(627)	(627)	(1,622)
Excess of Preferred Stock redemption/repurchase cost over carrying value	-	(1,895)	-	-	-	-	(1,895)
Net income available for common stockholders	\$ 29,656	\$ 20,248	\$ 12,962	\$ 16,694	\$ 11,427	\$ 7,002	\$ 10,112
Earnings per Common Share – basic:							
Income from continuing operations available for common stockholders	\$ 0.30	\$ 0.26	\$ 0.15	\$ 0.16	\$ 0.15	\$ 0.06	\$ 0.13
Income from discontinued operations available for common stockholders	0.10	0.02	0.02	0.07	0.01	0.04	0.01
Net income available for common stockholders	\$ 0.40	\$ 0.28	\$ 0.17	\$ 0.23	\$ 0.16	\$ 0.10	\$ 0.14
Weighted average Common Shares outstanding - basic	73,749	72,015	74,662	72,836	72,592	72,492	72,211
Earnings per Common Share - diluted:							
Income from continuing operations available for common stockholders	\$ 0.30	\$ 0.26	\$ 0.15	\$ 0.16	\$ 0.15	\$ 0.06	\$ 0.13
Income from discontinued operations available for common stockholders	0.10	0.02	0.02	0.07	0.01	0.04	0.01
Net income available for common stockholders	\$ 0.40	\$ 0.28	\$ 0.17	\$ 0.23	\$ 0.16	\$ 0.10	\$ 0.14
Weighted average Common Shares outstanding - diluted	77,601	75,987	78,521	76,696	76,427	76,402	76,197
Dividends declared per Common Share	\$ 0.850	\$ 0.850	\$ 0.425	\$ 0.425	\$ 0.425	\$ 0.425	\$ 0.425
Net income available for common stockholders:							
Income from continuing operations available for common stockholders	\$ 22,226	\$ 18,677	\$ 10,923	\$ 11,303	\$ 10,993	\$ 3,878	\$ 9,410
Income from discontinued operations available for common stockholders	7,430	1,571	2,039	5,391	434	3,124	702
Net income available for common stockholders	\$ 29,656	\$ 20,248	\$ 12,962	\$ 16,694	\$ 11,427	\$ 7,002	\$ 10,112

1/ Our Consolidated Statements of Income were revised from previously reported amounts to reflect in discontinued operations the operations for those properties that qualified for discontinued operations.

**Funds from Operations
and Additional Information**

Amounts in thousands, except per share amounts

	Six Months Ended		Three Months Ended				
	06/30/12	06/30/11	06/30/12	03/31/12	12/31/11	09/30/11	06/30/11
Funds from operations:							
Net income	\$ 32,830	\$ 26,877	\$ 14,498	\$ 18,332	\$ 12,850	\$ 8,244	\$ 14,434
Net (income) attributable to noncontrolling interests in consolidated affiliates	(407)	(305)	(223)	(184)	(201)	(249)	(182)
Depreciation and amortization of real estate assets	77,141	64,728	39,854	37,287	38,285	35,065	32,225
Impairment of depreciable properties	-	-	-	-	-	2,429	-
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	3,773	4,126	1,675	2,098	2,196	2,066	2,033
Impairment of depreciable properties	1,002	-	-	1,002	-	-	-
Discontinued operations:							
Depreciation and amortization of real estate assets	1,008	1,653	322	686	712	738	778
(Gains) on disposition of depreciable properties	(6,519)	-	(1,385)	(5,134)	-	(2,573)	-
Funds from operations	108,828	97,079	54,741	54,087	53,842	45,720	49,288
Dividends on Preferred Stock	(1,254)	(3,299)	(627)	(627)	(627)	(627)	(1,622)
Excess of Preferred Stock redemption/repurchase cost over carrying value	-	(1,895)	-	-	-	-	(1,895)
Funds from operations available for common stockholders	\$ 107,574	\$ 91,885	\$ 54,114	\$ 53,460	\$ 53,215	\$ 45,093	\$ 45,771
Funds from operations available for common stockholders per share	\$ 1.39	\$ 1.21	\$ 0.69	\$ 0.70	\$ 0.70	\$ 0.59	\$ 0.60
Weighted average shares outstanding	77,601	75,987	78,521	76,696	76,427	76,402	76,197
Additional information: 1/							
Funds from operations per share, excluding certain items 2/	\$ 1.40	\$ 1.24	\$ 0.70	\$ 0.70	\$ 0.70	\$ 0.65	\$ 0.63
Funds from operations available for common stockholders, excluding certain items 2/	\$ 108,672	\$ 93,878	\$ 55,212	\$ 53,460	\$ 53,328	\$ 49,353	\$ 47,727
Straight line rental income	\$ (10,716)	\$ (6,280)	\$ (4,794)	\$ (5,922)	\$ (4,313)	\$ (2,816)	\$ (2,788)
Amortization of lease incentives	683	641	340	343	362	368	303
Depreciation of non-real estate assets	795	592	404	391	398	363	306
Ground lease straight line rent expense	46	56	23	23	22	28	26
Share-based compensation expense	4,459	3,453	2,037	2,422	1,323	1,318	1,427
Amortization of deferred financing costs	1,802	1,642	900	902	864	806	821
Amortization of accumulated other comprehensive loss	1,459	(58)	782	677	(30)	(30)	(29)
Amortization of Harborview financing obligation	(819)	(673)	(413)	(406)	(389)	(368)	(345)
Amortization of above/(below) market leases	(503)	327	(229)	(274)	(263)	11	166
Non-incremental revenue generating capital expenditures incurred: 3/							
Building improvements	(5,261)	(2,564)	(3,502)	(1,759)	(7,838)	(1,997)	(1,137)
2nd generation tenant improvements	(22,255)	(15,923)	(10,294)	(11,961)	(16,054)	(9,517)	(7,408)
2nd generation lease commissions	(8,890)	(6,936)	(5,853)	(3,037)	(5,101)	(4,983)	(3,066)
Common dividends and unit distributions paid	(65,945)	(64,284)	(33,400)	(32,545)	(32,440)	(32,434)	(32,263)

1/ Increase or (decrease) to cash flows.

2/ Excludes gains/(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 and capital expenditures incurred 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:	<u>06/30/12</u>	<u>12/31/11</u>
Real estate assets, at cost:		
Land	\$ 366,925	\$ 364,022
Buildings and tenant improvements	3,117,730	3,078,308
Development in process	6,094	-
Land held for development	102,482	105,206
	<u>3,593,231</u>	<u>3,547,536</u>
Less-accumulated depreciation	(913,016)	(877,383)
Net real estate assets	2,680,215	2,670,153
For-sale residential condominiums	2,434	4,751
Real estate and other assets, net, held for sale	36,751	50,335
Cash and cash equivalents	6,527	11,188
Restricted cash	20,757	26,666
Accounts receivable, net of allowance of \$3,262 and \$3,548, respectively	21,882	30,093
Mortgages and notes receivable, net of allowance of \$118 and \$61, respectively	17,056	18,600
Accrued straight-line rents receivable, net of allowance of \$866 and \$1,294, respectively	113,695	104,284
Investment in and advances to unconsolidated affiliates	77,089	100,367
Deferred financing and leasing costs, net of accumulated amortization of \$70,572 and \$62,319, respectively	126,680	127,774
Prepaid expenses and other assets	41,907	36,781
Total Assets	<u>\$ 3,144,993</u>	<u>\$ 3,180,992</u>
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable	\$ 1,823,128	\$ 1,903,213
Accounts payable, accrued expenses and other liabilities	137,108	148,821
Financing obligations	30,822	31,444
Total Liabilities	<u>1,991,058</u>	<u>2,083,478</u>
Commitments and contingencies		
Noncontrolling interests in the Operating Partnership	124,880	110,655
Equity:		
Preferred Stock, \$.01 par value, 50,000,000 authorized shares; 8.625% Series A Cumulative Redeemable Preferred Shares (liquidation preference \$1,000 per share), 29,077 shares issued and outstanding	29,077	29,077
Common Stock, \$.01 par value, 200,000,000 authorized shares; 75,619,288 and 72,647,697 shares issued and outstanding, respectively	756	726
Additional paid-in capital	1,884,392	1,803,997
Distributions in excess of net income available for common stockholders	(878,984)	(845,853)
Accumulated other comprehensive loss	(10,779)	(5,734)
Total Stockholders' Equity	<u>1,024,462</u>	<u>982,213</u>
Noncontrolling interests in consolidated affiliates	4,593	4,646
Total Equity	<u>1,029,055</u>	<u>986,859</u>
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	<u>\$ 3,144,993</u>	<u>\$ 3,180,992</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 (current year being February 7, 2012), 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
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Other income

Development, leasing and management fees	\$	4,173
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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 (at December 31, 2011) 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>Six Months Ended</i>		<i>Three Months Ended</i>				
	<u>06/30/12</u>	<u>06/30/11</u>	<u>06/30/12</u>	<u>03/31/12</u>	<u>12/31/11</u>	<u>09/30/11</u>	<u>06/30/11</u>
Rental and other revenues	\$ 4,383	\$ 6,169	\$ 2,044	\$ 2,339	\$ 2,306	\$ 2,850	\$ 2,907
Operating expenses:							
Rental property and other expenses	2,084	2,862	966	1,118	1,138	1,398	1,390
Depreciation and amortization	1,008	1,653	322	686	712	738	778
Total operating expenses	3,092	4,515	1,288	1,804	1,850	2,136	2,168
Income from discontinued operations	1,291	1,654	756	535	456	714	739
Net gains on disposition of discontinued operations	6,519	-	1,385	5,134	-	2,573	-
Total discontinued operations	\$ 7,810	\$ 1,654	\$ 2,141	\$ 5,669	\$ 456	\$ 3,287	\$ 739

Capitalization

Dollars, shares, and units in thousands

	<u>06/30/12</u>	<u>03/31/12</u>	<u>12/31/11</u>	<u>09/30/11</u>	<u>06/30/11</u>
Mortgages and Notes Payable (see pages 7 & 8):	\$ 1,823,128	\$ 1,903,978	\$ 1,903,213	\$ 1,893,981	\$ 1,615,068
Financing Obligations:	\$ 30,822	\$ 31,110	\$ 31,444	\$ 32,775	\$ 32,869
Preferred Stock (at liquidation value):					
Series A 8 5/8% Cumulative Redeemable	\$ 29,077	\$ 29,077	\$ 29,077	\$ 29,077	\$ 29,087
Common Shares and Units Outstanding:					
Common stock outstanding	75,619	73,609	72,648	72,579	72,399
Noncontrolling interest partnership units	3,711	3,728	3,730	3,751	3,775
Total Common Shares and Units outstanding	79,330	77,337	76,378	76,330	76,174
Stock price at period end	\$ 33.65	\$ 33.32	\$ 29.67	\$ 28.26	\$ 33.13
Market value of common equity	\$ 2,669,455	\$ 2,576,869	\$ 2,266,135	\$ 2,157,086	\$ 2,523,645
Total market capitalization with debt and obligations	\$ 4,552,482	\$ 4,541,034	\$ 4,229,869	\$ 4,112,919	\$ 4,200,669

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

Mortgages and Notes Payable Summary

Dollars in thousands

	<u>6/30/12</u>	<u>3/31/12</u>	<u>12/31/11</u>	<u>9/30/11</u>	<u>6/30/11</u>
Balances Outstanding:					
Secured:					
Conventional fixed rate 1/	\$ 691,383	\$ 694,675	\$ 697,940	\$ 885,737	\$ 696,454
Variable rate debt	52,109	52,109	52,109	52,109	52,109
Secured total	<u>743,492</u>	<u>746,784</u>	<u>750,049</u>	<u>937,846</u>	<u>748,563</u>
Unsecured:					
Fixed rate bonds and notes	579,136	591,194	591,164	591,135	591,105
Bank term loan - 2016	200,000	200,000	200,000	200,000	200,000
Bank term loan - 2019	225,000 2/	225,000 2/	-	-	-
Credit facility	75,500	141,000	362,000	165,000	75,400
Unsecured total	<u>1,079,636</u>	<u>1,157,194</u>	<u>1,153,164</u>	<u>956,135</u>	<u>866,505</u>
Total	<u>\$ 1,823,128</u>	<u>\$ 1,903,978</u>	<u>\$ 1,903,213</u>	<u>\$ 1,893,981</u>	<u>\$ 1,615,068</u>
End of Period Weighted Average Interest Rates:					
Secured:					
Conventional fixed rate	5.84%	5.84%	5.84%	6.09%	6.52%
Variable rate debt	1.10%	1.10%	1.14%	1.09%	1.04%
Secured total	<u>5.50%</u>	<u>5.51%</u>	<u>5.51%</u>	<u>5.81%</u>	<u>6.14%</u>
Unsecured:					
Fixed rate bonds	6.42%	6.41%	6.41%	6.41%	6.41%
Bank term loan - 2016	2.45%	2.45%	2.49%	2.44%	2.40%
Bank term loan - 2019	3.58% 2/	3.58% 2/	-	-	-
Credit facility	1.78%	1.74%	1.78%	1.73%	3.21%
Unsecured total	<u>4.77%</u>	<u>4.61%</u>	<u>4.28%</u>	<u>4.77%</u>	<u>5.20%</u>
Weighted Average	<u>5.07%</u>	<u>4.96%</u>	<u>4.76%</u>	<u>5.29%</u>	<u>5.64%</u>

Maturity Schedule:

Year	Secured Debt 3/	Unsecured Debt	Total Debt 3/	Average Interest Rate
2012	\$ 72,921	\$ -	\$ 72,921	2.52%
2013	242,602	-	242,602	5.89%
2014	101,281	-	101,281	5.34%
2015	39,909	75,500 4/	115,409	3.39%
2016	164,516	200,000	364,516	4.54%
2017	122,263	379,136	501,399	5.45%
2018	-	200,000	200,000	7.50%
2019	-	225,000	225,000	3.58%
2020	-	-	-	-
2021	-	-	-	-
Total maturities	<u>\$ 743,492</u>	<u>\$ 1,079,636</u>	<u>\$ 1,823,128</u>	<u>5.07%</u>

Weighted average maturity = 3.9 years

1/ Includes a \$20.8 million loan related to a consolidated 20% owned joint venture (Harborview) and \$33.6 million in loans at June 30, 2012 related to a consolidated 50% joint venture (Markel).

2/ This loan maturing January 2019 is swapped to an effective fixed rate of 3.58% for the full term of the loan.

3/ All periods exclude annual principal amortization.

4/ Maturity does not reflect one-year extension option related to \$75.5 million of unsecured debt (Credit Facility).

Mortgages and Notes Payable Detail

Dollars in thousands

<u>Secured Loans</u>			Loan Balance 6/30/12	Undepreciated Book Value of Real Estate Assets Secured
<u>Lender</u>	<u>Rate</u>	<u>Maturity Date</u>		
Northwestern Mutual	6.03%	Mar-13	\$ 123,790	\$ 189,221
Wells Fargo Bank, N.A. 1/ 2/	4.22%	Nov-17	122,263	213,700
New York Life Insurance Company	6.88%	Jan-16	111,385	218,665
Massachusetts Mutual Life Ins. Co. 3/	5.68%	Dec-13	108,838	214,075
Metropolitan Life Ins. Co. 4/ 2/	5.12%	Jan-14	67,707	109,314
PNC/Regions/Union Bank/U.S. Bank 5/	1.10%	Dec-12	52,109	54,343
Western-Southern Life Assurance Company	7.50%	Aug-16	45,926	72,758
Bank of America 6/ 2/	6.43%	Nov-15	39,909	52,600
Metropolitan Life Ins. Co. 7/	6.06%	Oct-12	20,812	39,585
Principal Life Insurance Company 8/	5.79%	Jan-14	10,292	13,134
Principal Life Insurance Company 8/	5.79%	Jan-14	10,292	18,872
Massachusetts Mutual Life Ins. Co. 3/	6.48%	Dec-13	9,804	
Principal Life Insurance Company 8/	5.74%	Jan-14	8,110	14,663
State Farm Life Insurance	7.65%	Feb-16	7,205	15,251
Principal Life Insurance Company 8/	5.89%	Jan-14	4,880	7,514
American United Life	9.00%	Jun-13	170	4,054
	<u>5.50%</u>		<u>743,492</u>	<u>\$ 1,237,749</u>
<u>Unsecured Bonds</u>				
Bonds	5.85%	Mar-17	379,136	
Bonds	7.50%	Apr-18	200,000	
	<u>6.42%</u>		<u>579,136</u>	
<u>Unsecured Loans</u>				
Credit facility 5/ 9/	1.78%	Jul-15	75,500	
Bank term loan 5/	2.45%	Feb-16	200,000	
Bank term loan 10/	3.58%	Jan-19	225,000	
	<u>2.86%</u>		<u>500,500</u>	
<u>Total Debt</u>	<u>5.07%</u>		<u>\$ 1,823,128</u>	

Revolving Credit Facility

<u>Name of Lender</u>	<u>Total Commitment</u>	<u>Amount Outstanding 6/30/12</u>	<u>Unfunded Commitment 6/30/12</u>
Bank of America, N.A.	\$ 75,000	\$ 11,921	\$ 63,079
PNC Bank, N.A.	75,000	11,921	63,079
Wells Fargo Bank, N.A.	55,000	8,743	46,257
Branch Banking and Trust Co.	50,000	7,947	42,053
US Bank	36,000	5,722	30,278
Regions Bank	32,000	5,086	26,914
Union Bank, N.A.	32,000	5,086	26,914
Capital One	25,000	3,974	21,026
Comerica Bank	25,000	3,974	21,026
Morgan Stanley	25,000	3,974	21,026
Fifth Third Bank	15,000	2,384	12,616
First Tennessee Bank	15,000	2,384	12,616
Royal Bank of Canada	15,000	2,384	12,616
	<u>\$ 475,000</u>	<u>\$ 75,500</u>	<u>\$ 399,500</u>

1/ This loan's stated interest rate is 5.19% related to outstanding principal of \$117.2 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 \$41.4 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.

10/ This loan maturing January 2019 is swapped to an effective fixed rate of 3.58% for the full term of the loan.

Portfolio Summary - Wholly-Owned Properties Only 1/

(Rentable Square Feet)

	<u>6/30/12</u>	<u>3/31/12</u>	<u>12/31/11</u>	<u>9/30/11</u>	<u>6/30/11</u>
Office Industrial & Retail In-Service:					
Office	22,841,000	22,617,000	22,612,000	22,554,000	20,642,000
Industrial	5,826,000	5,827,000	5,827,000	5,827,000	5,827,000
Retail 2/	853,000	853,000	853,000	853,000	853,000
Total	<u>29,520,000</u>	<u>29,297,000</u>	<u>29,292,000</u> 3/	<u>29,234,000</u> 3/	<u>27,322,000</u> 3/
Development Completed - Not Stabilized:					
Office	-	117,000	117,000	117,000	117,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>-</u>	<u>117,000</u>	<u>117,000</u>	<u>117,000</u>	<u>117,000</u>
Development - In Process:					
Office	246,000	228,000	228,000	60,000	60,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>246,000</u>	<u>228,000</u>	<u>228,000</u>	<u>60,000</u>	<u>60,000</u>
Total:					
Office	23,087,000	22,962,000	22,957,000	22,731,000	20,819,000
Industrial	5,826,000	5,827,000	5,827,000	5,827,000	5,827,000
Retail 2/	853,000	853,000	853,000	853,000	853,000
Total 3/	<u>29,766,000</u>	<u>29,642,000</u>	<u>29,637,000</u>	<u>29,411,000</u>	<u>27,499,000</u>
Same Property					
Office	19,701,000	19,701,000	19,701,000	19,701,000	19,701,000
Industrial	5,826,000	5,826,000	5,826,000	5,826,000	5,826,000
Retail	853,000	853,000	853,000	853,000	853,000
Total	<u>26,380,000</u>	<u>26,380,000</u>	<u>26,380,000</u>	<u>26,380,000</u>	<u>26,380,000</u>
Percent Occupied:					
In-Service:					
Office	90.0%	89.6%	89.2%	88.7%	89.6%
Industrial	92.6%	91.8%	91.6%	90.0%	90.4%
Retail	97.7%	97.6%	98.7%	98.5%	93.3%
Total	<u>90.7%</u>	<u>90.2%</u>	<u>90.0%</u>	<u>89.3%</u>	<u>89.9%</u>
Same Property					
Office	90.9%	90.5%	90.2%	89.9%	90.2%
Industrial	92.6%	91.8%	91.6%	90.0%	90.4%
Retail	97.7%	97.6%	98.7%	98.6%	93.2%
Total	<u>91.5%</u>	<u>91.0%</u>	<u>90.8%</u>	<u>90.2%</u>	<u>90.3%</u>
Percent Leased/Pre-Leased:					
Development Completed - Not Stabilized:					
Office	-	100.0%	100.0%	100.0%	100.0%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>-</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Development - In Process:					
Office	89.9%	89.0%	88.9%	100.0%	100.0%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>89.9%</u>	<u>89.0%</u>	<u>88.9%</u>	<u>100.0%</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/ 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 June 30, 2012

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/	4,424,000	90.4%	16.4%	-	-	16.4%
Atlanta	6,378,000	91.8%	11.0%	3.2%	-	14.2%
Nashville	3,094,000	94.6%	13.2%	-	-	13.2%
Tampa	2,912,000	91.0%	12.6%	-	-	12.6%
Kansas City	1,527,000 4/	89.6%	2.7%	-	6.5%	9.2%
Richmond	2,229,000	93.5%	8.1%	-	-	8.1%
Memphis	2,070,000	85.5%	8.1%	-	-	8.1%
Piedmont Triad 5/	4,033,000	91.0%	4.2%	2.6%	-	6.8%
Pittsburgh	1,540,000	83.6%	6.7%	-	-	6.7%
Greenville	897,000	87.1%	2.9%	-	-	2.9%
Orlando	416,000	92.4%	1.8%	-	-	1.8%
Total	29,520,000	90.7%	87.7%	5.8%	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	90.9%	15.9%	-	-	15.9%
Atlanta	7,217,000	89.9%	11.3%	3.0%	-	14.3%
Nashville	3,094,000	94.6%	12.3%	-	-	12.3%
Tampa	3,118,000	88.5%	11.9%	-	-	11.9%
Kansas City	2,245,000 4/	87.0%	3.8%	-	6.0%	9.8%
Richmond	2,641,000	94.2%	8.2%	-	-	8.2%
Memphis	2,070,000	85.5%	7.6%	-	-	7.6%
Piedmont Triad	4,290,000	90.2%	4.1%	2.5%	-	6.6%
Pittsburgh	1,540,000	83.6%	6.2%	-	-	6.2%
Orlando	2,272,000	84.8%	4.4%	-	-	4.4%
Greenville	897,000	87.1%	2.7%	-	-	2.7%
Charlotte	148,000	100.0%	0.1%	-	-	0.1%
Total	34,591,000	89.6%	88.5%	5.5%	6.0%	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 June, 2012 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 June 30, 2012

<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	4,424,000	90.4%	18.7%	-	-	-
Nashville	3,094,000	94.6%	15.0%	-	-	-
Tampa	2,912,000	91.0%	14.4%	-	-	-
Atlanta	3,096,000	91.5%	12.6%	3,282,000	92.1%	54.8%
Memphis	2,070,000	85.5%	9.3%	-	-	-
Richmond	2,229,000	93.5%	9.2%	-	-	-
Pittsburgh	1,540,000	83.6%	7.6%	-	-	-
Piedmont Triad	1,489,000	87.1%	4.8%	2,544,000	93.3%	45.2%
Greenville	897,000	87.1%	3.3%	-	-	-
Kansas City	674,000	79.4%	3.1%	-	-	-
Orlando	416,000	92.4%	2.0%	-	-	-
	<u>22,841,000</u>	<u>90.0%</u>	<u>100.0%</u>	<u>5,826,000</u>	<u>92.6%</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	97.7%	100.0%
	<u>853,000</u>	<u>97.7%</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 June, 2012 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>6/30/12</u>	<u>3/31/12</u>	<u>12/31/11</u>	<u>9/30/11</u>	<u>6/30/11</u>
Atlanta	Rentable Square Feet	6,378,000	6,382,000	6,378,000	6,318,000	5,815,000
	Occupancy	91.8%	91.2%	90.1%	89.9%	90.2%
	Current Properties 2/	92.1%	91.3%	90.3%	90.2%	90.2%
Greenville	Rentable Square Feet	897,000	897,000	897,000	897,000	898,000
	Occupancy	87.1%	88.5%	89.6%	90.2%	88.1%
	Current Properties 2/	87.1%	88.5%	89.6%	90.2%	88.2%
Kansas City 3/	Rentable Square Feet	1,527,000	1,504,000	1,504,000	1,504,000	1,504,000
	Occupancy	89.6%	89.5%	90.5%	90.2%	86.9%
	Current Properties 2/	89.6%	89.5%	90.5%	90.3%	86.9%
Memphis	Rentable Square Feet	2,070,000	2,072,000	2,072,000	2,072,000	2,068,000
	Occupancy	85.5%	85.3%	85.6%	84.5%	85.5%
	Current Properties 2/	85.5%	85.4%	85.7%	84.6%	85.4%
Nashville	Rentable Square Feet	3,094,000	3,094,000	3,094,000	3,094,000	3,094,000
	Occupancy	94.6%	94.6%	94.1%	92.4%	90.3%
	Current Properties 2/	94.6%	94.6%	94.1%	92.4%	90.3%
Orlando	Rentable Square Feet	416,000	416,000	416,000	416,000	416,000
	Occupancy	92.4%	91.7%	90.6%	91.4%	84.4%
	Current Properties 2/	92.4%	91.7%	90.6%	91.4%	84.4%
Piedmont Triad	Rentable Square Feet	4,033,000	4,038,000	4,038,000	4,038,000	4,173,000
	Occupancy	91.0%	90.1%	91.1%	89.2%	90.2%
	Current Properties 2/	91.0%	90.3%	91.2%	89.3%	90.0%
Pittsburgh	Rentable Square Feet	1,540,000	1,540,000	1,540,000	1,540,000	
	Occupancy	83.6%	83.3%	82.7%	81.6%	
	Current Properties 2/	-	-	-	-	
Raleigh	Rentable Square Feet	4,424,000	4,246,000	4,245,000	4,245,000	4,244,000
	Occupancy	90.4%	88.9%	90.1%	89.3%	91.6%
	Current Properties 2/	90.0%	88.9%	90.2%	89.3%	91.6%
Richmond	Rentable Square Feet	2,229,000	2,229,000	2,229,000	2,231,000	2,231,000
	Occupancy	93.5%	93.2%	90.0%	91.4%	93.6%
	Current Properties 2/	93.5%	93.2%	90.0%	91.4%	93.7%
Tampa	Rentable Square Feet	2,912,000	2,879,000	2,879,000	2,879,000	2,879,000
	Occupancy	91.0%	91.2%	90.2%	89.3%	89.0%
	Current Properties 2/	90.7%	91.0%	90.3%	89.4%	89.1%
Total	Rentable Square Feet	29,520,000	29,297,000	29,292,000	29,234,000	27,322,000
	Occupancy	90.7%	90.2%	90.0%	89.3%	89.9%
	Current Properties 2/	91.1%	90.6%	90.4%	89.8%	89.9%

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

2/ 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
	6/30/12 2/	3/31/12 3/	12/31/11 4/	9/30/11 5/	6/30/11 6/	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	132	126	120	120	135	127
Rentable square footage leased	648,111	990,549	1,134,998	1,111,209	807,380	938,449
Square footage of Renewal Deals	482,439	646,532	772,462	740,079	666,420	661,586
Renewed square footage (% of total)	74.4%	65.3%	68.1%	66.6%	82.5%	70.5%
New Leases square footage (% of total)	25.6%	34.7%	31.9%	33.4%	17.5%	29.5%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 22.19	\$ 21.90	\$ 22.57	\$ 18.88	\$ 20.44	\$ 21.20
Tenant improvements	(1.90)	(1.63)	(1.70)	(1.83)	(1.14)	(1.64)
Leasing commissions 7/	(0.51)	(0.61)	(0.63)	(0.62)	(0.45)	(0.56)
Rent concessions	(0.48)	(0.58)	(0.61)	(0.60)	(0.54)	(0.56)
Effective rent	19.30	19.08	19.63	15.83	18.31	18.44
Expense stop	(7.17)	(7.41)	(8.06)	(5.76)	(5.80)	(6.84)
Equivalent effective net rent	\$ 12.13	\$ 11.67	\$ 11.57	\$ 10.07	\$ 12.51	\$ 11.60
Weighted average term in years	4.4	5.3	6.8	5.4	4.6	5.3
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 6,670,910	\$ 9,009,300	\$ 12,999,631	\$ 14,788,764	\$ 5,056,895	\$ 9,705,100
Rentable square feet	648,111	990,549	1,134,998	1,111,209	807,380	938,449
Per rentable square foot	\$ 10.29	\$ 9.10	\$ 11.45	\$ 13.31	\$ 6.26	\$ 10.34
Leasing Commissions:						
Total dollars committed under signed leases 7/	\$ 1,717,258	\$ 3,165,115	\$ 5,200,750	\$ 3,807,939	\$ 1,670,904	\$ 3,112,393
Rentable square feet	648,111	990,549	1,134,998	1,111,209	807,380	938,449
Per rentable square foot	\$ 2.65	\$ 3.20	\$ 4.58	\$ 3.43	\$ 2.07	\$ 3.32
Total:						
Total dollars committed under signed leases	\$ 8,388,168	\$ 12,174,415	\$ 18,200,381	\$ 18,596,703	\$ 6,727,799	\$ 12,817,493
Rentable square feet	648,111	990,549	1,134,998	1,111,209	807,380	938,449
Per rentable square foot	\$ 12.94	\$ 12.29	\$ 16.04	\$ 16.74	\$ 8.33	\$ 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 132K square feet of leases that start in 2014 or later.

3/ Includes 165K square feet of leases that start in 2014 or later.

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

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

6/ Includes 75K 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>6/30/12</u> ^{1/}	<u>3/31/12</u>	<u>12/31/11</u>	<u>9/30/11</u> ^{2/}	<u>6/30/11</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	13	21	7	18	14	15
Rentable square footage leased	333,548	480,671	53,352	376,616	216,769	292,191
Square footage of Renewal Deals	248,248	276,917	34,287	232,708	60,017	170,435
Renewed square footage (% of total)	74.4%	57.6%	64.3%	61.8%	27.7%	58.3%
New Leases square footage (% of total)	25.6%	42.4%	35.7%	38.2%	72.3%	41.7%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 4.55	\$ 5.16	\$ 4.88	\$ 4.37	\$ 4.46	\$ 4.68
Tenant improvements	(0.21)	(0.78)	(0.21)	(0.39)	(0.36)	(0.39)
Leasing commissions ^{3/}	(0.12)	(0.20)	(0.12)	(0.17)	(0.08)	(0.14)
Rent concessions	(0.15)	(0.45)	(0.13)	(0.18)	(0.27)	(0.24)
Effective rent	4.07	3.73	4.42	3.63	3.75	3.91
Expense stop	(0.13)	(0.50)	(0.53)	(0.12)	(0.31)	(0.32)
Equivalent effective net rent	\$ 3.94	\$ 3.23	\$ 3.89	\$ 3.51	\$ 3.44	\$ 3.59
Weighted average term in years	4.6	7.1	3.3	3.3	5.1	4.7
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 411,586	\$ 2,782,209	\$ 51,642	\$ 622,789	\$ 373,651	\$ 848,375
Rentable square feet	333,548	480,671	53,352	376,616	216,769	292,191
Per rentable square foot	\$ 1.23	\$ 5.79	\$ 0.97	\$ 1.65	\$ 1.72	\$ 2.90
Leasing Commissions:						
Total dollars committed under signed leases ^{3/}	\$ 202,403	\$ 730,594	\$ 31,624	\$ 241,706	\$ 82,342	\$ 257,734
Rentable square feet	333,548	480,671	53,352	376,616	216,769	292,191
Per rentable square foot	\$ 0.61	\$ 1.52	\$ 0.59	\$ 0.64	\$ 0.38	\$ 0.88
Total:						
Total dollars committed under signed leases	\$ 613,989	\$ 3,512,803	\$ 83,266	\$ 864,495	\$ 455,993	\$ 1,106,109
Rentable square feet	333,548	480,671	53,352	376,616	216,769	292,191
Per rentable square foot	\$ 1.84	\$ 7.31	\$ 1.56	\$ 2.30	\$ 2.10	\$ 3.79

^{1/} Includes 49K square feet of leases that start in 2013 or later.

^{2/} Includes 58K square feet of leases that start in 2013 or later.

^{3/} Excludes internal leasing costs.

Leasing Statistics
Retail Portfolio

	Three Months Ended					Five Quarter
	6/30/12	3/31/12	12/31/11 1/	9/30/11	6/30/11	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	3	6	7	8	4	6
Rentable square footage leased	14,412	10,336	26,573	19,321	35,878	21,304
Square footage of Renewal Deals	138	3,054	22,818	10,943	1,564	7,703
Renewed square footage (% of total)	1.0%	29.5%	85.9%	56.6%	4.4%	36.2%
New Leases square footage (% of total)	99.0%	70.5%	14.1%	43.4%	95.6%	63.8%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 34.94	\$ 47.27	\$ 37.47	\$ 48.95	\$ 32.35	\$ 40.20
Tenant improvements	(6.85)	(2.15)	(2.47)	(2.87)	(6.88)	(4.24)
Leasing commissions 2/	(0.40)	(2.02)	(0.43)	(1.53)	(0.77)	(1.03)
Rent concessions	0.00	(0.11)	(0.57)	(0.04)	0.00	(0.14)
Effective rent	27.69	42.99	34.00	44.51	24.70	34.79
Expense stop	0.00	0.00	0.00	0.00	0.00	0.00
Equivalent effective net rent	\$ 27.69	\$ 42.99	\$ 34.00	\$ 44.51	\$ 24.70	\$ 34.79
Weighted average term in years	14.3	7.2	5.2	8.1	9.6	8.9
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 1,453,701	\$ 215,977	\$ 377,171	\$ 560,779	\$ 2,468,181	\$ 1,015,162
Rentable square feet	14,412	10,336	26,573	19,321	35,878	21,304
Per rentable square foot	\$ 100.87	\$ 20.90	\$ 14.19	\$ 29.02	\$ 68.79	\$ 47.65
Leasing Commissions:						
Total dollars committed under signed leases 2/	\$ 79,420	\$ 215,066	\$ 114,223	\$ 294,810	\$ 278,544	\$ 196,413
Rentable square feet	14,412	10,336	26,573	19,321	35,878	21,304
Per rentable square foot	\$ 5.51	\$ 20.81	\$ 4.30	\$ 15.26	\$ 7.76	\$ 9.22
Total:						
Total dollars committed under signed leases	\$ 1,533,121	\$ 431,043	\$ 491,394	\$ 855,589	\$ 2,746,725	\$ 1,211,574
Rentable square feet	14,412	10,336	26,573	19,321	35,878	21,304
Per rentable square foot	\$ 106.38	\$ 41.70	\$ 18.49	\$ 44.28	\$ 76.56	\$ 56.87

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 June 30, 2012

Office Portfolio 1/	Rentable Square Feet	Average	GAAP Rental	TI's	Lease Commissions
<u>Market</u>	<u>Leased</u>	<u>Term</u>	<u>Rate</u>	<u>Per SF</u>	<u>Per SF 2/ 3/</u>
Raleigh	147,999	5.6	\$ 23.02	\$ 10.45	\$ 3.48
Nashville	117,834	3.9	22.43	7.66	1.53
Memphis	86,420	4.8	23.66	13.78	2.89
Atlanta	86,328	2.8	17.66	6.26	1.77
Richmond	72,019	3.5	18.68	6.13	1.63
Tampa	62,548	5.4	23.36	16.73	3.34
Piedmont Triad	31,496	4.0	17.13	4.60	2.50
Kansas City	23,519	3.6	24.37	11.20	3.09
Pittsburgh	17,425	5.3	27.60	32.83	7.89
Orlando	2,523	3.2	20.11	9.00	1.27
	648,111	4.4	\$ 21.71	\$ 10.29	\$ 2.65

Industrial Portfolio	Rentable Square Feet	Average	GAAP Rental	TI's	Lease Commissions
<u>Market</u>	<u>Leased</u>	<u>Term</u>	<u>Rate</u>	<u>Per SF</u>	<u>Per SF 2/ 3/</u>
Piedmont Triad	197,583	3.8	\$ 4.12	\$ 0.83	\$ 0.22
Atlanta	135,965	5.8	4.79	1.83	1.18
	333,548	4.6	\$ 4.40	\$ 1.23	\$ 0.61

Retail Portfolio	Rentable Square Feet	Average	GAAP Rental	TI's	Lease Commissions
<u>Market</u>	<u>Leased</u>	<u>Term</u>	<u>Rate</u>	<u>Per SF</u>	<u>Per SF 2/ 3/</u>
Kansas City	14,412	14.3	\$ 34.94	\$ 100.87	\$ 5.51
	14,412	14.3	\$ 34.94	\$ 100.87	\$ 5.51

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 \$655K.

Rental Rate Comparisons by Market

For the Three Months Ended June 30, 2012

Office Portfolio 1/		Rentable Square Feet	Current Rent	Previous Rent	Percentage Change	
<u>Market</u>	<u>Leased</u>		<u>Rent</u>	<u>Rent</u>	<u>Rent</u>	
Raleigh	147,999	\$	23.02	\$	21.73	5.9%
Nashville	117,834		22.43		20.84	7.6%
Memphis	86,420		23.66		22.56	4.9%
Atlanta	86,328		17.66		17.82	-0.9%
Richmond	72,019		18.68		18.38	1.6%
Tampa	62,548		23.36		25.89	-9.8%
Piedmont Triad	31,496		17.13		18.26	-6.2%
Kansas City	23,519		24.37		23.45	3.9%
Pittsburgh	17,425		27.60		27.60	0.0%
Orlando	2,523		20.11		25.00	-19.6%
GAAP Rent Growth	648,111	\$	21.71	\$	21.16	2.6%
Cash Rent Growth	648,111	\$	15.84	\$	16.91	-6.3%

Industrial Portfolio		Rentable Square Feet	Current Rent	Previous Rent	Percentage Change	
<u>Market</u>	<u>Leased</u>		<u>Rent</u>	<u>Rent</u>	<u>Rent</u>	
Piedmont Triad	197,583	\$	4.12	\$	4.90	-15.9%
Atlanta	135,965		4.79		4.89	-2.0%
GAAP Rent Growth	333,548	\$	4.40	\$	4.89	-10.0%
Cash Rent Growth	333,548	\$	4.61	\$	5.56	-17.1%

Retail Portfolio		Rentable Square Feet	Current Rent	Previous Rent 2/	Percentage Change	
<u>Market</u>	<u>Leased</u>		<u>Rent</u>	<u>Rent</u>	<u>Rent</u>	
Kansas City	14,412	\$	34.94	\$	15.34	127.8%
GAAP Rent Growth	14,412	\$	34.94	\$	15.34	127.8%
Cash Rent Growth	14,412	\$	25.70	\$	15.09	70.3%

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

<u>Type</u>	<u>6/30/12</u>	<u>6/30/11</u>	<u>6/30/10</u>	<u>6/30/09</u>	<u>6/30/08</u>
Office	\$ 20.51	\$ 20.27	\$ 20.52	\$ 20.79	\$ 19.80
Industrial	5.21	5.36	5.53	5.21	5.30
Retail 2/	37.21	36.04	33.32	37.19	31.33
Weighted average rate	\$ 17.94	\$ 17.59	\$ 17.65	\$ 17.79	\$ 16.87
Annual % growth rate	2.0%	-0.4%	-0.8%	5.5%	

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 June, 2012 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Lease Expirations

June 30, 2012

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/	1,101,582	5.4%	\$ 21,447	\$ 19.47	5.1%
2013	2,676,442	13.1%	58,828	21.98	14.0%
2014	2,646,570	12.9%	58,889	22.25	14.0%
2015	2,632,548	12.8%	54,636	20.75	13.0%
2016	2,301,873	11.2%	45,224	19.65	10.7%
2017	2,427,170	11.8%	48,224	19.87	11.4%
2018	1,483,524	7.2%	32,382	21.83	7.7%
2019	1,070,758	5.2%	21,440	20.02	5.1%
2020	702,103	3.4%	13,009	18.53	3.1%
2021	1,256,701	6.1%	25,381	20.20	6.0%
2022 and thereafter	2,247,305	10.9%	41,882	18.64	9.9%
	<u>20,546,576</u>	<u>100.0%</u>	<u>\$ 421,342</u>	<u>\$ 20.51</u>	<u>100.0%</u>
Industrial:					
2012 4/	413,360	7.7%	\$ 2,138	\$ 5.17	7.6%
2013	422,813	7.8%	2,606	6.16	9.3%
2014	1,063,734	19.7%	5,762	5.42	20.5%
2015	496,187	9.2%	2,766	5.57	9.8%
2016	778,954	14.4%	3,926	5.04	14.0%
2017	549,015	10.2%	2,599	4.73	9.2%
2018	88,467	1.6%	433	4.89	1.5%
2019	194,435	3.6%	1,057	5.44	3.8%
2020	109,878	2.0%	554	5.04	2.0%
2021	117,805	2.2%	299	2.54	1.1%
2022 and thereafter	1,160,608	21.6%	5,965	5.14	21.2%
	<u>5,395,256</u>	<u>100.0%</u>	<u>\$ 28,105</u>	<u>\$ 5.21</u>	<u>100.0%</u>

1/ Annualized Cash Revenue is June, 2012 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 47,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

4/ Includes 233,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

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

Lease Expirations

June 30, 2012

(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/	38,541	4.6%	\$ 1,139	\$ 29.55	3.7%
2013	86,911	10.4%	1,991	22.91	6.4%
2014	41,703	5.0%	2,032	48.73	6.6%
2015	55,175	6.6%	2,877	52.14	9.3%
2016	61,665	7.4%	3,145	51.00	10.1%
2017	93,570	11.2%	2,557	27.33	8.2%
2018	82,592	9.9%	4,073	49.31	13.1%
2019	86,585	10.4%	2,859	33.02	9.2%
2020	67,675	8.1%	2,126	31.41	6.9%
2021	83,786	10.1%	3,583	42.76	11.6%
2022 and thereafter	134,840	16.3%	4,612	34.20	14.9%
	<u>833,043</u>	<u>100.0%</u>	<u>\$ 30,994</u>	<u>\$ 37.21</u>	<u>100.0%</u>
Total:					
2012 3/ 4/	1,553,483	5.8%	\$ 24,724	\$ 15.92	5.1%
2013	3,186,166	11.9%	63,425	19.91	13.2%
2014	3,752,007	14.1%	66,683	17.77	13.9%
2015	3,183,910	11.9%	60,279	18.93	12.5%
2016	3,142,492	11.7%	52,295	16.64	10.9%
2017	3,069,755	11.5%	53,380	17.39	11.1%
2018	1,654,583	6.2%	36,888	22.29	7.7%
2019	1,351,778	5.0%	25,356	18.76	5.3%
2020	879,656	3.3%	15,689	17.84	3.3%
2021	1,458,292	5.4%	29,263	20.07	6.1%
2022 and thereafter	3,542,753	13.2%	52,459	14.81	10.9%
	<u>26,774,875</u>	<u>100.0%</u>	<u>\$ 480,441</u>	<u>\$ 17.94</u>	<u>100.0%</u>

1/ Annualized Cash Revenue is June, 2012 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

2/ Includes 9,000 square feet of leases that are on a month to month basis or 0.0% of total annualized revenue.

3/ Includes 289,000 square feet of leases that are on a month to month basis or 0.4% 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

		Three Months Ended					
		9/30/12 2/	12/31/12	3/31/13	6/30/13	Total	
Atlanta	RSF	251,723	44,216	32,675	39,363	367,977	
	% of Total Office RSF	1.2%	0.2%	0.2%	0.2%	1.8%	
	Annualized Cash Revenue 3/	\$ 4,810	\$ 948	\$ 767	\$ 882	\$ 7,407	
	% of Total Office Annl Cash Rev	1.1%	0.2%	0.2%	0.2%	1.8%	
Greenville	RSF	94,929	69,820	26,305	21,867	212,921	
	% of Total Office RSF	0.5%	0.3%	0.1%	0.1%	1.0%	
	Annualized Cash Revenue 3/	\$ 1,740	\$ 1,244	\$ 507	\$ 406	\$ 3,897	
	% of Total Office Annl Cash Rev	0.4%	0.3%	0.1%	0.1%	0.9%	
Kansas City	RSF	42,136	2,016	4,130	7,008	55,290	
	% of Total Office RSF	0.2%	0.0%	0.0%	0.0%	0.3%	
	Annualized Cash Revenue 3/	\$ 1,012	\$ 46	\$ 92	\$ 190	\$ 1,340	
	% of Total Office Annl Cash Rev	0.2%	0.0%	0.0%	0.0%	0.3%	
Memphis	RSF	31,042	23,405	86,640	57,621	198,708	
	% of Total Office RSF	0.2%	0.1%	0.4%	0.3%	1.0%	
	Annualized Cash Revenue 3/	\$ 590	\$ 559	\$ 2,046	\$ 1,387	\$ 4,582	
	% of Total Office Annl Cash Rev	0.1%	0.1%	0.5%	0.3%	1.1%	
Nashville	RSF	49,486	54,535	144,236	72,718	320,975	
	% of Total Office RSF	0.2%	0.3%	0.7%	0.4%	1.6%	
	Annualized Cash Revenue 3/	\$ 1,015	\$ 1,315	\$ 3,339	\$ 1,498	\$ 7,167	
	% of Total Office Annl Cash Rev	0.2%	0.3%	0.8%	0.4%	1.7%	
Orlando	RSF	12,141	3,441	2,389	25,533	43,504	
	% of Total Office RSF	0.1%	0.0%	0.0%	0.1%	0.2%	
	Annualized Cash Revenue 3/	\$ 246	\$ 100	\$ 44	\$ 696	\$ 1,086	
	% of Total Office Annl Cash Rev	0.1%	0.0%	0.0%	0.2%	0.3%	
Piedmont Triad	RSF	14,380	79,253	88,348	48,927	230,908	
	% of Total Office RSF	0.1%	0.4%	0.4%	0.2%	1.1%	
	Annualized Cash Revenue 3/	\$ 268	\$ 1,713	\$ 1,453	\$ 714	\$ 4,148	
	% of Total Office Annl Cash Rev	0.1%	0.4%	0.3%	0.2%	1.0%	
Pittsburgh	RSF	14,575	0	20,334	0	34,909	
	% of Total Office RSF	0.1%	0.0%	0.1%	0.0%	0.2%	
	Annualized Cash Revenue 3/	\$ 126	\$ -	\$ 570	\$ -	\$ 696	
	% of Total Office Annl Cash Rev	0.0%	0.0%	0.1%	0.0%	0.2%	
Raleigh	RSF	143,681	53,614	103,104	7,866	308,265	
	% of Total Office RSF	0.7%	0.3%	0.5%	0.0%	1.5%	
	Annualized Cash Revenue 3/	\$ 2,073	\$ 1,133	\$ 2,217	\$ 174	\$ 5,597	
	% of Total Office Annl Cash Rev	0.5%	0.3%	0.5%	0.0%	1.3%	
Richmond	RSF	25,233	22,747	93,755	14,898	156,633	
	% of Total Office RSF	0.1%	0.1%	0.5%	0.1%	0.8%	
	Annualized Cash Revenue 3/	\$ 402	\$ 432	\$ 1,719	\$ 300	\$ 2,853	
	% of Total Office Annl Cash Rev	0.1%	0.1%	0.4%	0.1%	0.7%	
Tampa	RSF	58,138	11,071	210,645	364,906	644,760	
	% of Total Office RSF	0.3%	0.1%	1.0%	1.8%	3.1%	
	Annualized Cash Revenue 3/	\$ 1,341	\$ 336	\$ 5,330	\$ 10,555	\$ 17,562	
	% of Total Office Annl Cash Rev	0.3%	0.1%	1.3%	2.5%	4.2%	
Total	RSF	737,464	364,118	812,561	660,707	2,574,850	
	% of Total Office RSF	3.6%	1.8%	4.0%	3.2%	12.5%	
	Annualized Cash Revenue 3/	\$ 13,623	\$ 7,826	\$ 18,084	\$ 16,802	\$ 56,335	
	% of Total Office Annl Cash Rev	3.2%	1.9%	4.3%	4.0%	13.4%	

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

2/ Includes 47,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

3/ Annualized Cash Revenue is June, 2012 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

		Three Months Ended				
		<u>9/30/12</u>	<u>12/31/12</u>	<u>3/31/13</u>	<u>6/30/13</u>	<u>Total</u>
Atlanta	RSF	190,713	8,400	49,064	16,000	264,177
	% of Total Industrial RSF	3.5%	0.2%	0.9%	0.3%	4.9%
	Annualized Cash Revenue 2/	\$ 1,001	\$ 92	\$ 216	\$ 122	\$ 1,431
	% of Total Industrial Annl Cash Rev	3.6%	0.3%	0.8%	0.4%	5.1%
Piedmont Triad	RSF	154,463	59,784	113,167	47,222	374,636
	% of Total Industrial RSF	2.9%	1.1%	2.1%	0.9%	6.9%
	Annualized Cash Revenue 2/	\$ 689	\$ 355	\$ 603	\$ 570	\$ 2,217
	% of Total Industrial Annl Cash Rev	2.5%	1.3%	2.1%	2.0%	7.9%
Total	RSF	345,176	68,184	162,231	63,222	638,813
	% of Total Industrial RSF	6.4%	1.3%	3.0%	1.2%	11.8%
	Annualized Cash Revenue 2/	\$ 1,690	\$ 447	\$ 819	\$ 692	\$ 3,648
	% of Total Industrial Annl Cash Rev	6.0%	1.6%	2.9%	2.5%	13.0%

1/ Includes 233,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

2/ Annualized Cash Revenue is June, 2012 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

		<u>2012 2/</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Thereafter</u>
Atlanta	RSF	295,939	431,448	233,670	200,341	1,670,699
	% of Total Office RSF	1.4%	2.1%	1.1%	1.0%	8.1%
	Annualized Cash Revenue 3/	\$ 5,758	\$ 8,497	\$ 4,804	\$ 3,714	\$ 30,189
	% of Total Office Annl Cash Rev	1.4%	2.0%	1.1%	0.9%	7.2%
Greenville	RSF	164,749	153,873	188,980	26,614	247,220
	% of Total Office RSF	0.8%	0.7%	0.9%	0.1%	1.2%
	Annualized Cash Revenue 3/	\$ 2,983	\$ 2,849	\$ 3,725	\$ 455	\$ 4,039
	% of Total Office Annl Cash Rev	0.7%	0.7%	0.9%	0.1%	1.0%
Kansas City	RSF	44,152	28,112	30,140	80,328	352,569
	% of Total Office RSF	0.2%	0.1%	0.1%	0.4%	1.7%
	Annualized Cash Revenue 3/	\$ 1,058	\$ 671	\$ 760	\$ 2,295	\$ 8,424
	% of Total Office Annl Cash Rev	0.3%	0.2%	0.2%	0.5%	2.0%
Memphis	RSF	54,447	198,613	208,800	235,068	1,072,926
	% of Total Office RSF	0.3%	1.0%	1.0%	1.1%	5.2%
	Annualized Cash Revenue 3/	\$ 1,148	\$ 4,703	\$ 4,715	\$ 4,923	\$ 23,657
	% of Total Office Annl Cash Rev	0.3%	1.1%	1.1%	1.2%	5.6%
Nashville	RSF	104,021	371,068	426,450	613,055	1,411,134
	% of Total Office RSF	0.5%	1.8%	2.1%	3.0%	6.9%
	Annualized Cash Revenue 3/	\$ 2,330	\$ 7,957	\$ 9,717	\$ 13,634	\$ 29,429
	% of Total Office Annl Cash Rev	0.6%	1.9%	2.3%	3.2%	7.0%
Orlando	RSF	15,582	30,368	11,608	93,609	233,546
	% of Total Office RSF	0.1%	0.1%	0.1%	0.5%	1.1%
	Annualized Cash Revenue 3/	\$ 346	\$ 792	\$ 310	\$ 2,438	\$ 4,715
	% of Total Office Annl Cash Rev	0.1%	0.2%	0.1%	0.6%	1.1%
Piedmont Triad	RSF	93,633	191,056	110,810	332,467	568,297
	% of Total Office RSF	0.5%	0.9%	0.5%	1.6%	2.8%
	Annualized Cash Revenue 3/	\$ 1,982	\$ 3,159	\$ 1,994	\$ 5,129	\$ 8,138
	% of Total Office Annl Cash Rev	0.5%	0.7%	0.5%	1.2%	1.9%
Pittsburgh	RSF	14,575	25,782	132,727	205,374	909,184
	% of Total Office RSF	0.1%	0.1%	0.6%	1.0%	4.4%
	Annualized Cash Revenue 3/	\$ 126	\$ 723	\$ 3,634	\$ 4,847	\$ 22,771
	% of Total Office Annl Cash Rev	0.0%	0.2%	0.9%	1.2%	5.4%
Raleigh	RSF	197,295	290,168	466,277	460,094	2,584,392
	% of Total Office RSF	1.0%	1.4%	2.3%	2.2%	12.6%
	Annualized Cash Revenue 3/	\$ 3,206	\$ 5,869	\$ 10,024	\$ 9,654	\$ 49,715
	% of Total Office Annl Cash Rev	0.8%	1.4%	2.4%	2.3%	11.8%
Richmond	RSF	47,980	364,421	278,440	140,457	1,252,468
	% of Total Office RSF	0.2%	1.8%	1.4%	0.7%	6.1%
	Annualized Cash Revenue 3/	\$ 834	\$ 7,218	\$ 5,555	\$ 2,484	\$ 22,610
	% of Total Office Annl Cash Rev	0.2%	1.7%	1.3%	0.6%	5.4%
Tampa	RSF	69,209	591,533	558,668	245,141	1,186,999
	% of Total Office RSF	0.3%	2.9%	2.7%	1.2%	5.8%
	Annualized Cash Revenue 3/	\$ 1,676	\$ 16,391	\$ 13,652	\$ 5,062	\$ 23,853
	% of Total Office Annl Cash Rev	0.4%	3.9%	3.2%	1.2%	5.7%
Total	RSF	1,101,582	2,676,442	2,646,570	2,632,548	11,489,434
	% of Total Office RSF	5.4%	13.0%	12.9%	12.8%	55.9%
	Annualized Cash Revenue 3/	\$ 21,447	\$ 58,829	\$ 58,890	\$ 54,635	\$ 227,540
	% of Total Office Annl Cash Rev	5.1%	14.0%	14.0%	13.0%	54.0%

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

2/ Includes 47,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

3/ Annualized Cash Revenue is June, 2012 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</u> ^{1/}	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Thereafter</u>
Atlanta	RSF	199,113	136,343	640,941	134,535	1,911,149
	% of Total Industrial RSF	3.7%	2.5%	11.9%	2.5%	35.4%
	Annualized Cash Revenue ^{2/}	\$ 1,093	\$ 656	\$ 3,584	\$ 675	\$ 9,405
	% of Total Industrial Annl Cash Rev	3.9%	2.3%	12.8%	2.4%	33.5%
Piedmont Triad	RSF	214,247	286,470	422,793	361,652	1,088,013
	% of Total Industrial RSF	4.0%	5.3%	7.8%	6.7%	20.2%
	Annualized Cash Revenue ^{2/}	\$ 1,045	\$ 1,950	\$ 2,178	\$ 2,091	\$ 5,428
	% of Total Industrial Annl Cash Rev	3.7%	6.9%	7.7%	7.4%	19.3%
Total	RSF	413,360	422,813	1,063,734	496,187	2,999,162
	% of Total Industrial RSF	7.7%	7.8%	19.7%	9.2%	55.6%
	Annualized Cash Revenue ^{2/}	\$ 2,138	\$ 2,606	\$ 5,762	\$ 2,766	\$ 14,833
	% of Total Industrial Annl Cash Rev	7.6%	9.3%	20.5%	9.8%	52.8%

^{1/} Includes 233,000 square feet of leases that are on a month to month basis or 0.2% of total annualized revenue.

^{2/} Annualized Cash Revenue is June, 2012 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Customer Diversification 1/

June 30, 2012

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	2,036,562	\$ 43,149	8.91%	6.7
AT&T	731,380	14,335	2.96%	1.4
PricewaterhouseCoopers	318,647	9,137	1.89%	0.8
PPG Industries	341,013	8,768	1.81%	9.0
State of Georgia	428,587	7,814	1.61%	5.9
Healthways	290,689	6,728	1.39%	9.8
Metropolitan Life Insurance	297,189	6,064	1.25%	5.8
HCA Corporation	252,696	5,913	1.22%	3.3
T-Mobile USA	210,971	5,457	1.13%	2.1
Lockton Companies	170,743	4,611	0.95%	17.7
PNC Bank	169,840	4,267	0.88%	14.0
Vanderbilt University	197,000	4,242	0.88%	3.3
Syniverse Technologies	198,750	4,196	0.87%	4.3
BB&T	256,379	4,179	0.86%	3.1
Aon 3/	174,045	4,147	0.86%	7.5
Volvo	311,273	3,900	0.81%	2.3
SCI Services 4/	162,784	3,845	0.79%	5.1
Jacobs Engineering Group	210,126	3,838	0.79%	2.9
Deloitte & Touche	120,934	3,307	0.68%	1.8
Lifepoint Corporate Services	147,489	3,260	0.67%	2.6
	<u>7,027,097</u>	<u>\$ 151,157</u>	<u>31.21%</u>	<u>5.6</u>

By Industry

<u>Category</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Professional, Scientific, and Technical Services	22.7%
Finance/Banking	11.9%
Government/Public Administration	11.0%
Health Care and Social Assistance	7.8%
Manufacturing	7.2%
Insurance	5.9%
Retail Trade	5.6%
Administrative and Support Services	4.8%
Information	4.1%
Telecommunication	4.0%
Real Estate Rental and Leasing	3.2%
Accommodation and Food Services	3.0%
Wholesale Trade	3.0%
Educational Services	2.3%
Transportation and Warehousing	2.0%
Other Services (except Public Administration)	1.5%
	<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 June, 2012 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

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

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

Same Property Performance

Dollars and Square Feet in thousands

	Three months ended June 30,		Dollar Change (B/W)	Percentage Change (B/W)
	2012	2011		
Rental revenues 1/	\$ 109,835	\$ 107,027	\$ 2,808	2.6%
Operating expenses	(38,804)	(37,233)	(1,571)	-4.2%
Cash NOI without Term Fees	71,031	69,794	1,237	1.8%
Lease termination fees 2/	628	27	601	2225.9%
Cash NOI	71,659	69,821	1,838	2.6%
Straight line rent 2/	2,907	2,824	83	2.9%
GAAP NOI	\$ 74,566	\$ 72,645	\$ 1,921	2.6%
Average occupancy	91.4%	89.9%		1.7%
Rentable square feet	26,380	26,380		

	Six months ended June 30,		Dollar Change (B/W)	Percentage Change (B/W)
	2012	2011		
Rental revenues 1/	\$ 217,510	\$ 211,911	\$ 5,599	2.6%
Operating expenses	(75,491)	(74,781)	(710)	-0.9%
Cash NOI without Term Fees	142,019	137,130	4,889	3.6%
Lease termination fees 2/	1,506	292	1,214	415.8%
Cash NOI	143,525	137,422	6,103	4.4%
Straight line rent 2/	5,952	6,072	(120)	-2.0%
GAAP NOI	\$ 149,477	\$ 143,494	\$ 5,983	4.2%
Average occupancy	91.1%	90.1%		1.1%
Rentable square feet	26,380	26,380		

Market	Second Quarter: 2012 vs 2011		Six Months: 2012 vs 2011	
	GAAP NOI Percentage Change	Occupancy Percentage Change	GAAP NOI Percentage Change	Occupancy Percentage Change
	Atlanta	2.3%	1.9%	6.1%
Greenville	0.7%	0.1%	1.9%	1.2%
Kansas City	9.5%	1.9%	7.6%	0.9%
Memphis	2.2%	-2.1%	2.1%	-2.1%
Nashville	6.7%	6.0%	9.4%	6.3%
Orlando	11.9%	7.3%	11.9%	7.9%
Piedmont Triad	0.8%	3.7%	-1.7%	2.3%
Raleigh	-1.3%	-1.4%	1.3%	-1.5%
Richmond	1.0%	0.0%	-0.2%	-0.3%
Tampa	1.9%	2.1%	4.9%	1.7%
	<u>2.6%</u>	<u>1.7%</u>	<u>4.2%</u>	<u>1.1%</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

<u>Name</u>	<u>Market</u>	<u>Type</u>	<u>Date Acquired</u>	<u>Square Footage</u>	<u>Total Cost</u>
First quarter 2012:					
None					
Second quarter 2012:					
11000 Weston	Raleigh	O	04/27/12	178,000	\$ 20,300 1/

1/ We purchased our partners' 77.19% interest in this property.

Disposition Activity

Dollars in thousands

<u>Name</u>	<u>Market</u>	<u>Type 1/</u>	<u>Date Sold</u>	<u>Square Footage</u>	<u>Occupancy</u>	<u>Gross Sales Price</u>
<u>First quarter 2012:</u>						
Neptune Apartments	Kansas City	M	3/12/12	96 Units	0.0%	\$ 11,000
<u>Second quarter 2012:</u>						
Feather Sound	Tampa	O	4/25/12	80,000	98.8%	\$ 9,525
2012 totals				<u>80,000</u>		<u>\$ 20,525</u>

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

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 6/30/12 6/</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	\$ 5,683	100%	4Q 13	4Q 13
LifePoint 1/	Nashville	O	25,000	\$ 6,287	\$ 726	0%	4Q 13	1Q 15
Darden Restaurants 1/	Memphis	O	18,177	\$ 7,720	\$ 108	100%	4Q 13	4Q 13
In - Process Total			<u>246,177</u>	<u>\$ 56,120</u>	<u>\$ 6,517</u>	<u>90%</u>		

<u>Placed in Service in 2Q</u>								
<u>Property</u>	<u>Market</u>	<u>Type</u>	<u>Rentable Square Feet</u>	<u>Anticipated Total Investment</u>	<u>Investment As of 6/30/2012 6/</u>	<u>Pre Leased %</u>	<u>Occ %</u>	<u>In-Service Date</u>
Independence Park 2/	Tampa	O	117,000	\$ 12,700	\$ 12,755	100%	98%	5/1/2012
Totals			<u>117,000</u>	<u>\$ 12,700</u>	<u>\$ 12,755</u>	<u>100%</u>	<u>98%</u>	

For Sale Residential Condominiums

		<u>Units For Sale</u>	<u>Units Sold</u>	<u>Gross Sale Proceeds</u>	<u>Net Gain 5/</u>
PNC Condominiums 3/ 4/	Raleigh	9	130	\$ 52,696	\$ 6,217

1/ Office amenity space.

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

3/ Units Sold, Gross Sale Proceeds and Net Gain are as of 7/12/12.

4/ As of 6/30/12, 130 units were sold, Gross Sale Proceeds were \$52.7 million and Net Gain was \$6.2 Million. 2Q12 Net Gain to the Company was \$109K.

5/ Gains include any forfeited deposits.

6/ Includes tenants improvement costs which are not classified as development in process on our Balance Sheet.

Development Land
6/30/12

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
Orlando	16	12,576
Nashville	11	6,780
Memphis	10	2,320
Baltimore	7	1,800
Kansas City	1	2,100
Total 1/	581	\$ 131,960

1/ Developable square footage on core land holdings, which constitute 518 of the total 581 acres, is approximately 5.6 million of office space and 2.7 million of industrial space.

Unconsolidated Joint Ventures Assets, Debt and Liabilities

June 30, 2012

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%	\$ 7,559	\$ -	\$ 265
Kessinger/Hunter, LLC	-	26.5%	6,292	-	1,369
4600 Madison Associates, LP	O	12.5%	12,991	9,564	10,325
Highwoods DLF 98/29, LP 3/	O	22.8%	98,337	40,676	44,293
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	93,173	50,000	52,925
Concourse Center Associates, LLC	O	50.0%	12,459	8,175	8,413
Plaza Colonnade, LLC	O/R	50.0%	66,278	60,635	62,147
Highwoods KC Glenridge Office, LP	O	40.0%	22,792	15,449	16,458
Highwoods KC Glenridge Land, LP	O	40.0%	766	-	152
Highwoods KC Orlando, LLC	O	40.0%	192,477	129,434	137,127
Highwoods DLF Forum, LLC	O	25.0%	101,796	67,500	70,466
Lofts at Weston SPE, LLC	M	50.0%	7,248	-	793
Total			\$ 622,168	\$ 381,433	\$ 404,733

<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%	\$ 3,704	\$ -	\$ 130
Kessinger/Hunter, LLC	-	26.5%	1,667	-	363
4600 Madison Associates, LP	O	12.5%	1,624	1,196	1,291
Highwoods DLF 98/29, LP 4/	O	22.8%	22,430	6,307	10,103
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	40,002	21,466	22,722
Concourse Center Associates, LLC	O	50.0%	6,230	4,088	4,207
Plaza Colonnade, LLC	O/R	50.0%	33,139	30,318	31,074
Highwoods KC Glenridge Office, LP	O	40.0%	9,115	6,179	6,582
Highwoods KC Glenridge Land, LP	O	40.0%	306	-	61
Highwoods KC Orlando, LLC	O	40.0%	76,989	51,773	54,850
Highwoods DLF Forum, LLC	O	25.0%	25,447	16,874	17,615
Lofts at Weston SPE, LLC	M	50.0%	3,624	-	397
Total 2/			\$ 224,277	\$ 138,201	\$ 149,395

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, which are not reflected in the joint ventures' stand-alone financial statements.

3/ Debt includes a \$13.0 million mortgage loan provided to the venture by Highwoods.

4/ Debt excludes our portion of a \$13.0 million mortgage loan provided to the venture by Highwoods.

Unconsolidated Joint Ventures Income

For the Three Months Ended June 30, 2012

Dollars in thousands

<u>Joint Venture</u>	<u>Venture's Books</u>						<u>Net Income/ (Loss)</u>
	<u>Own %</u>	<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Gain on Sale</u>	
Board of Trade Investment Co.	49.0%	\$ 599	\$ 332	\$ -	\$ 143	\$ -	\$ 124
Kessinger/Hunter, LLC	26.5%	3,737	3,159	-	143	-	435
4600 Madison Associates, LP	12.5%	992	590	164	312	-	(74)
Highwoods DLF 98/29, LP 4/	22.8%	3,595	1,568	744	877	6,275	6,681
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	3,010	1,258	631	937	-	184
Concourse Center Associates, LLC	50.0%	211	127	64	100	-	(80)
Plaza Colonnade, LLC	50.0%	2,802	929	882	611	-	380
Highwoods KC Glenridge Office, LP	40.0%	735	402	196	209	-	(72)
Highwoods KC Glenridge Land, LP	40.0%	-	2	-	-	-	(2)
Highwoods KC Orlando, LLC	40.0%	6,863	3,122	1,708	1,723	-	310
Highwoods DLF Forum, LLC	25.0%	3,613	1,177	878	1,268	-	290
Lofts at Weston SPE, LLC 3/	50.0%	-	-	-	-	-	-
Total		\$ 26,157	\$ 12,666	\$ 5,267	\$ 6,323	\$ 6,275	\$ 8,176

<u>Joint Venture</u>	<u>Highwoods' Share of Joint Venture</u>						<u>Net Income/ (Loss)</u>
	<u>Own %</u>	<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Gain on Sale</u>	
Board of Trade Investment Co.	49.0%	\$ 294	\$ 163	\$ -	\$ 70	\$ -	\$ 61
Kessinger/Hunter, LLC	26.5%	990	837	-	38	-	115
4600 Madison Associates, LP	12.5%	124	74	20	39	-	(9)
Highwoods DLF 98/29, LP	22.8%	820	357	99	200	-	164
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	1,292	540	271	403	-	78
Concourse Center Associates, LLC	50.0%	106	63	32	50	-	(39)
Plaza Colonnade, LLC	50.0%	1,401	465	441	306	-	189
Highwoods KC Glenridge Office, LP	40.0%	294	160	78	83	-	(27)
Highwoods KC Glenridge Land, LP	40.0%	-	1	-	-	-	(1)
Highwoods KC Orlando, LLC	40.0%	2,745	1,248	683	689	-	125
Highwoods DLF Forum, LLC	25.0%	903	294	219	317	-	73
Lofts at Weston SPE, LLC 3/	50.0%	-	-	-	-	-	-
Total 1/ 2/		\$ 8,969	\$ 4,202	\$ 1,843	\$ 2,195	\$ -	\$ 729

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/(loss) 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/ The project related to this joint venture is currently under development.

4/ The gain on sale relates to an office property purchased by Highwoods.

Unconsolidated Joint Ventures Income

For the Six Months Ended June 30, 2012

Dollars in thousands

Venture's Books								
Joint Venture	Own %	Revenue	Operating Exp	Interest	Depr/Amort	Impairment	Gain on Sale	Net Income/ (Loss)
Board of Trade Investment Co.	49.0%	\$ 1,193	\$ 704	\$ -	\$ 286	\$ -	\$ -	\$ 203
Kessinger/Hunter, LLC	26.5%	5,926	5,321	-	286	-	-	319
4600 Madison Associates, LP	12.5%	2,015	1,205	331	623	-	-	(144)
Highwoods DLF 98/29, LP 4/	22.8%	7,624	3,022	1,747	1,943	7,180	6,275	7
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	5,730	2,425	1,537	1,902	-	-	(134)
Concourse Center Associates, LLC	50.0%	449	248	130	198	-	-	(127)
Plaza Colonnade, LLC	50.0%	5,738	1,833	1,776	1,223	-	-	906
Highwoods KC Glenridge Office, LP	40.0%	1,475	801	393	416	-	-	(135)
Highwoods KC Glenridge Land, LP	40.0%	-	20	-	-	-	-	(20)
Highwoods KC Orlando, LLC	40.0%	13,624	6,186	3,427	3,530	-	-	481
Highwoods DLF Forum, LLC	25.0%	7,150	2,317	1,756	2,549	-	-	528
Lofts at Weston SPE, LLC 3/	50.0%	-	-	-	-	-	-	-
Total		\$ 50,924	\$ 24,082	\$ 11,097	\$ 12,956	\$ 7,180	\$ 6,275	\$ 1,884

Highwoods' Share of Joint Venture								
Joint Venture	Own %	Revenue	Operating Exp	Interest	Depr/Amort	Impairment	Gain on Sale	Net Income/ (Loss)
Board of Trade Investment Co.	49.0%	\$ 585	\$ 345	\$ -	\$ 140	\$ -	\$ -	\$ 100
Kessinger/Hunter, LLC	26.5%	1,570	1,410	-	76	-	-	84
4600 Madison Associates, LP	12.5%	252	151	41	78	-	-	(18)
Highwoods DLF 98/29, LP	22.8%	1,739	689	202	443	1,002	-	(597)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	2,460	1,041	660	817	-	-	(58)
Concourse Center Associates, LLC	50.0%	225	124	65	99	-	-	(63)
Plaza Colonnade, LLC	50.0%	2,869	917	888	612	-	-	452
Highwoods KC Glenridge Office, LP	40.0%	590	320	157	166	-	-	(53)
Highwoods KC Glenridge Land, LP	40.0%	-	8	-	-	-	-	(8)
Highwoods KC Orlando, LLC	40.0%	5,449	2,474	1,371	1,412	-	-	192
Highwoods DLF Forum, LLC	25.0%	1,787	579	439	637	-	-	132
Lofts at Weston SPE, LLC 3/	50.0%	-	-	-	-	-	-	-
Total 1/ 2/		\$ 17,526	\$ 8,058	\$ 3,823	\$ 4,480	\$ 1,002	\$ -	\$ 163

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/(loss) 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/ The project related to this joint venture is currently under development.

4/ The gain on sale relates to an office property purchased by Highwoods.

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 6/30/12</u>
Plaza Colonnade, LLC	50.0%	Met Life	5.72%	Jan-17	\$ 45,130
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	3,160
			5.77%		60,635
Highwoods KC Orlando, LLC	40.0%	Met Life	5.21%	Jul-14	129,434
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%	Jackson National Life Insurance Company	3.45%	Apr-15	50,000
Highwoods DLF 98/29, LP	22.8%	Highwoods Properties, Inc.	5.24%	Sep-12	13,026
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	15,449
4600 Madison Associates, LLC	12.5%	State Farm	6.85%	Apr-18	9,564
Concourse Center Associates, LLC	50.0%	Wells Fargo	2.75%	Jul-13	8,175
			4.97%		320,798
			<u>5.09%</u>		<u>\$ 381,433</u>
Highwoods' share of the above					<u>\$ 138,201</u>

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

Joint Ventures Portfolio Summary 1/

As of June 30, 2012

Summary by Location:

<u>Market</u>	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Annualized Cash Revenue 2/ 3/</u>
Orlando	1,855,000	83.2%	41.2%
Kansas City	719,000	81.3%	18.2%
Atlanta	840,000	75.6%	15.2%
Raleigh	635,000	94.1%	10.5%
Richmond	411,000	98.5%	10.0%
Piedmont Triad	258,000	77.8%	1.9%
Tampa	205,000	52.5%	1.7%
Charlotte	148,000	100.0%	1.3%
Total 4/	<u>5,071,000</u>	<u>83.2%</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is June, 2012 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

June 30, 2012

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	113,362	2.7%	\$ 1,755	\$ 15.48	1.9%
2013	511,010	12.1%	10,506	20.56	11.2%
2014	597,061	14.1%	15,416	25.82	16.5%
2015	747,453	17.8%	15,489	20.72	16.6%
2016	395,606	9.4%	8,612	21.77	9.2%
2017	760,861	18.1%	18,934	24.88	20.1%
2018	225,591	5.3%	3,840	17.02	4.1%
2019	284,035	6.7%	5,378	18.93	5.8%
2020	213,127	5.0%	6,792	31.87	7.3%
2021	185,339	4.4%	4,128	22.27	4.4%
2022 and thereafter	187,614	4.4%	2,676	14.26	2.9%
	<u>4,221,059</u>	<u>100.0%</u>	<u>\$ 93,526</u>	<u>\$ 22.16</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is June, 2012 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

<u>Name</u>	<u>Own %</u>	<u>Market</u>	<u>Type</u>	<u>Date Acquired</u>	<u>Square Footage</u>	<u>Total Cost</u>
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First quarter 2012:

None

Second quarter 2012:

None

Dispositions

<u>Name</u>	<u>Own %</u>	<u>Market</u>	<u>Type</u>	<u>Date Sold</u>	<u>Square Footage</u>	<u>Occupancy</u>	<u>Gross Sales Price</u>
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First quarter 2012:

None

Second quarter 2012:

None

Joint Venture Development Activity

Dollars in thousands

<u>In Progress</u>								
<u>Property</u>	<u>%</u>	<u>Market</u>	<u>Rentable</u> <u>Square</u> <u>Feet</u>	<u>Anticipated</u> <u>Total</u> <u>Investment</u>	<u>Investment</u> <u>As Of</u> <u>06/30/12</u>	<u>Pre-</u> <u>Leasing</u>	<u>Estimated</u> <u>Completion</u> <u>Date</u>	<u>Estimated</u> <u>Stabilization</u> <u>Date</u>
Weston Lofts 1/	50%	Raleigh	215 units	\$ 25,852	7,248	0%	4Q 13	1Q 14
In Progress Total				<u>\$ 25,852</u>	<u>\$ 7,248</u>			
Highwoods' Share of above				<u>\$ 12,926</u>	<u>\$ 3,624</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%