



Supplemental Information
June 30, 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 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				
	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>	<u>09/30/10</u>	<u>06/30/10</u>
Shares and units:					
Common shares outstanding at end of period	72,399	72,130	71,690	71,656	71,615
Common units outstanding at end of period	3,775	3,788	3,794	3,797	3,797
Weighted average common shares outstanding - basic	72,211	71,817	71,661	71,631	71,601
Weighted average common shares outstanding - diluted	76,197	75,792	75,724	75,638	75,607
Share price:					
At end of period	\$ 33.13	\$ 35.01	\$ 31.85	\$ 32.47	\$ 27.76
High close during period	36.92	35.01	35.16	33.07	33.43
Low close during period	32.15	31.63	29.55	26.54	27.76
Financial information:					
Lease termination income	\$ 26	\$ 266	\$ 375	\$ 362	\$ 1,688
Straight line rental income	2,788	3,492	3,433	2,975	3,519
Capitalized interest	137	207	305	392	370
Acquisition costs	(37)	(37)	(149)	(249)	(92)
Loss on debt extinguishment	(24)	-	(620)	(85)	-
Land sale gains	200	-	-	-	-
Gains/(losses) on disposition of for-sale residential condominiums, net of partner's interest 1/	116	38	(140)	493	140
Gains on disposition of depreciable properties	-	-	19	19	17
Gains on disposition of investment in unconsolidated affiliates	-	-	-	-	25,330
Impairments on depreciable properties	-	-	-	-	(260)
Excess of preferred stock redemption/repurchase cost over carrying value	(1,895)	-	-	-	-
Funds from operations per share - diluted	\$ 0.60	\$ 0.61	\$ 0.62	\$ 0.57	\$ 0.64
Funds from operations per share - diluted, excluding certain items 2/	\$ 0.63	\$ 0.61	\$ 0.63	\$ 0.58	\$ 0.65
Wholly - owned property information:					
In-Service rentable square feet:					
Office	20,642	20,446	20,502	20,423	20,072
Industrial	5,827	5,827	5,827	5,827	5,827
Retail	853	854	853	853	864
Total	27,322	27,127	27,182	27,103	26,763
In-Service occupancy:					
Office	89.6%	89.9%	89.9%	88.2%	88.6%
Industrial	90.4%	89.8%	90.4%	90.5%	90.8%
Retail	93.3%	94.9%	97.8%	95.1%	95.8%
Total	89.9%	90.1%	90.3%	88.9%	89.3%

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

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

Corporate Information

Board of Directors

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

Corporate Officers

Edward J. Fritsch
President, Chief Executive Officer and Director

Michael E. Harris
Executive Vice President, Chief Operating Officer

Terry L. Stevens
Senior Vice President, Chief Financial Officer

Daniel L. Clemmens
Vice President, Chief Accounting Officer

S. Hugh Esleeck
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

Michael D. Starchville
Vice President, Asset Management

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

Divisional Officers

Atlanta, GA
James V. Bacchetta, Vice President

Kansas City, MO
Glenn E. Stephenson, Vice President

Memphis, TN
Steven L. Guinn, Vice President

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

Orlando, FL
Steven J. Garrity, Vice President

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E. F. "Rick" Dehnert, 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
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Citigroup Global Markets
Michael Bilerman - 212-816-1383

Cowen and Company
James Sullivan - 646-562-1380
Michael Gorman - 646-562-1381

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Andrew Rosivach - 415-249-7942

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Green Street Advisors
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Brendan Maiorana - 443-263-6516

Corporate Headquarters

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Stock Exchange

NYSE Trading Symbol: HIW

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Information Request

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

The Company

Highwoods Properties, Inc., a member of the S&P MidCap 400 Index, is a fully integrated, self-administered and self-managed equity real estate investment trust ("REIT") that provides leasing, management, development, construction and other customer-related services for its properties and for third parties. As of June 30, 2011, the Company owned or had an interest in 332 in-service office, industrial and retail properties encompassing approximately 32.7 million square feet. Highwoods also wholly-owned 603 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, 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

	Six Months Ended		Three Months Ended				
	06/30/11	06/30/10	06/30/11	03/31/11	12/31/10	09/30/10	06/30/10
Rental and other revenues	\$ 232,036	\$ 228,268	\$ 117,057	\$ 114,979	\$ 117,330	\$ 115,528	\$ 113,765
Operating expenses:							
Rental property and other expenses	82,341	79,647	41,143	41,198	40,652	43,339	38,143
Depreciation and amortization	67,147	65,898	33,430	33,717	35,333	34,183	33,260
General and administrative	15,771	15,487	7,978	7,793	8,579	8,882	6,980
Total operating expenses	<u>165,259</u>	<u>161,032</u>	<u>82,551</u>	<u>82,708</u>	<u>84,564</u>	<u>86,404</u>	<u>78,383</u>
Interest expense:							
Contractual	45,371	43,507	22,940	22,431	22,199	22,020	21,705
Amortization of deferred financing costs	1,642	1,670	821	821	857	858	835
Financing obligations	437	870	146	291	931	460	394
	<u>47,450</u>	<u>46,047</u>	<u>23,907</u>	<u>23,543</u>	<u>23,987</u>	<u>23,338</u>	<u>22,934</u>
Other income:							
Interest and other income	3,772	2,665	1,899	1,873	1,986	1,709	965
Loss on debt extinguishment	(24)	-	(24)	-	(620)	(85)	-
	<u>3,748</u>	<u>2,665</u>	<u>1,875</u>	<u>1,873</u>	<u>1,366</u>	<u>1,624</u>	<u>965</u>
Income from continuing operations before disposition of property, condominiums and investment in unconsolidated affiliates and equity in earnings of unconsolidated affiliates	23,075	23,854	12,474	10,601	10,145	7,410	13,413
Gains on disposition of property	200	36	200	-	19	19	17
Gains/(losses) on disposition of for-sale residential condominiums	154	353	116	38	(131)	54	163
Gains on disposition of investment in unconsolidated affiliates	-	25,330	-	-	-	-	25,330
Equity in earnings of unconsolidated affiliates	2,820	1,683	1,353	1,467	1,120	1,018	888
Income from continuing operations	26,249	51,256	14,143	12,106	11,153	8,501	39,811
Discontinued operations:							
Income from discontinued operations	628	961	291	337	246	272	498
Net losses on disposition of discontinued operations	-	(86)	-	-	-	-	(260)
	<u>628</u>	<u>875</u>	<u>291</u>	<u>337</u>	<u>246</u>	<u>272</u>	<u>238</u>
Net income	26,877	52,131	14,434	12,443	11,399	8,773	40,049
Net (income) attributable to noncontrolling interests in the Operating Partnership	(1,130)	(2,453)	(623)	(507)	(501)	(366)	(1,933)
Net (income) attributable to noncontrolling interests in consolidated affiliates	(305)	(429)	(182)	(123)	(204)	148	(215)
Dividends on preferred stock	(3,299)	(3,354)	(1,622)	(1,677)	(1,677)	(1,677)	(1,677)
Excess of preferred stock redemption/repurchase cost over carrying value	(1,895)	-	(1,895)	-	-	-	-
Net income available for common stockholders	\$ 20,248	\$ 45,895	\$ 10,112	\$ 10,136	\$ 9,017	\$ 6,878	\$ 36,224
Earnings per common share - diluted:							
Income from continuing operations available for common stockholders	\$ 0.27	\$ 0.63	\$ 0.14	\$ 0.14	\$ 0.13	\$ 0.10	\$ 0.50
Income from discontinued operations available for common stockholders	0.01	0.01	-	-	-	-	-
Net income available for common stockholders	<u>\$ 0.28</u>	<u>\$ 0.64</u>	<u>\$ 0.14</u>	<u>\$ 0.14</u>	<u>\$ 0.13</u>	<u>\$ 0.10</u>	<u>\$ 0.50</u>
Weighted average common shares outstanding - diluted	<u>75,987</u>	<u>75,504</u>	<u>76,197</u>	<u>75,792</u>	<u>75,724</u>	<u>75,638</u>	<u>75,607</u>
Dividends declared and paid per common share	<u>\$ 0.850</u>	<u>\$ 0.850</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>
Net income available for common stockholders:							
Income from continuing operations available for common stockholders	\$ 19,652	\$ 45,064	\$ 9,836	\$ 9,816	\$ 8,783	\$ 6,620	\$ 35,998
Income from discontinued operations available for common stockholders	596	831	276	320	234	258	226
Net income available for common stockholders	<u>\$ 20,248</u>	<u>\$ 45,895</u>	<u>\$ 10,112</u>	<u>\$ 10,136</u>	<u>\$ 9,017</u>	<u>\$ 6,878</u>	<u>\$ 36,224</u>

Funds from Operations and Additional Information

Amounts in thousands, except per share amounts

	Six Months Ended		Three Months Ended				
	06/30/11	06/30/10	06/30/11	03/31/11	12/31/10	09/30/10	06/30/10
Funds from operations:							
Net income	\$ 26,877	\$ 52,131	\$ 14,434	\$ 12,443	\$ 11,399	\$ 8,773	\$ 40,049
Net (income) attributable to noncontrolling interests in the Operating Partnership	(1,130)	(2,453)	(623)	(507)	(501)	(366)	(1,933)
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(305)	(429)	(182)	(123)	(204)	148	(215)
Dividends on preferred stock	(3,299)	(3,354)	(1,622)	(1,677)	(1,677)	(1,677)	(1,677)
Excess of preferred stock redemption/repurchase cost over carrying value	(1,895)	-	(1,895)	-	-	-	-
Net income available for common stockholders	<u>20,248</u>	<u>45,895</u>	<u>10,112</u>	<u>10,136</u>	<u>9,017</u>	<u>6,878</u>	<u>36,224</u>
Add/(deduct):							
Depreciation and amortization of real estate assets	66,254	65,051	32,971	33,283	34,889	33,739	32,833
(Gains) on disposition of depreciable properties	-	(36)	-	-	(19)	(19)	(17)
(Gains) on disposition of investment in unconsolidated affiliates	-	(25,330)	-	-	-	-	(25,330)
Net income attributable to noncontrolling interests from the Operating Partnership	1,130	2,453	623	507	501	366	1,933
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	4,126	6,078	2,033	2,093	2,278	2,115	2,737
Discontinued operations:							
Depreciation and amortization of real estate assets	127	549	32	95	97	98	275
(Gains) on disposition of depreciable properties	-	(174)	-	-	-	-	-
Funds from operations	<u>\$ 91,885</u>	<u>\$ 94,486</u>	<u>\$ 45,771</u>	<u>\$ 46,114</u>	<u>\$ 46,763</u>	<u>\$ 43,177</u>	<u>\$ 48,655</u>
Funds from operations per share - diluted:							
Net income available for common stockholders	\$ 0.28	\$ 0.64	\$ 0.14	\$ 0.14	\$ 0.13	\$ 0.10	\$ 0.50
Add/(deduct):							
Depreciation and amortization of real estate assets	0.87	0.85	0.43	0.44	0.46	0.44	0.44
(Gains) on disposition of depreciable properties	-	-	-	-	-	-	-
(Gains) on disposition of investment in unconsolidated affiliates	-	(0.33)	-	-	-	-	(0.34)
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	0.06	0.08	0.03	0.03	0.03	0.03	0.04
Discontinued operations:							
Depreciation and amortization of real estate assets	-	0.01	-	-	-	-	-
(Gains) on disposition of depreciable properties	-	-	-	-	-	-	-
Funds from operations per share - diluted	<u>\$ 1.21</u>	<u>\$ 1.25</u>	<u>\$ 0.60</u>	<u>\$ 0.61</u>	<u>\$ 0.62</u>	<u>\$ 0.57</u>	<u>\$ 0.64</u>
Weighted average shares outstanding - diluted	<u>75,987</u>	<u>75,504</u>	<u>76,197</u>	<u>75,792</u>	<u>75,724</u>	<u>75,638</u>	<u>75,607</u>
Additional information: 1/							
Funds from operations per share, excluding certain items 2/	\$ 1.24	\$ 1.26	\$ 0.63	\$ 0.61	\$ 0.63	\$ 0.58	\$ 0.65
Funds from operations, excluding certain items 2/	<u>\$ 93,878</u>	<u>\$ 94,873</u>	<u>\$ 47,727</u>	<u>\$ 46,151</u>	<u>\$ 47,532</u>	<u>\$ 43,511</u>	<u>\$ 49,007</u>
Straight line rental income	\$ (6,280)	\$ (4,847)	\$ (2,788)	\$ (3,492)	\$ (3,433)	\$ (2,975)	\$ (3,519)
Amortization of lease incentives	641	537	303	338	432	270	276
Depreciation of non-real estate assets	592	550	306	286	292	294	280
Ground lease straight line rent expense	56	68	26	30	30	33	34
Share-based compensation expense	3,453	3,497	1,427	2,026	1,512	1,563	1,442
Amortization of deferred financing costs	1,642	1,670	821	821	857	858	835
Amortization of accumulated other comprehensive loss	(58)	(50)	(29)	(29)	(26)	(25)	(26)
Amortization of Harborview FMV	(673)	(459)	(345)	(328)	(270)	(252)	(236)
Amortization of FAS 141 market leases	327	76	166	161	186	173	36
Non-incremental revenue generating capital expenditures paid: 3/							
Building improvements	(2,564)	(10,129)	(1,137)	(1,427)	(2,731)	(3,061)	(5,590)
2nd generation tenant improvements	(15,923)	(11,682)	(7,408)	(8,515)	(12,824)	(6,348)	(6,429)
2nd generation lease commissions	(6,936)	(7,808)	(3,066)	(3,870)	(3,777)	(5,345)	(4,991)
Common dividends and unit distributions paid	<u>(64,284)</u>	<u>(63,996)</u>	<u>(32,263)</u>	<u>(32,021)</u>	<u>(32,058)</u>	<u>(32,058)</u>	<u>(32,059)</u>

1/ Increase or (decrease) to cash flows.

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

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

Consolidated Balance Sheets

Dollars in thousands

Assets:	06/30/11	12/31/10
Real estate assets, at cost:		
Land	\$ 345,791	\$ 345,088
Buildings and tenant improvements	2,886,871	2,883,092
Development in process	13,317	4,524
Land held for development	106,871	107,101
	<u>3,352,850</u>	<u>3,339,805</u>
Less-accumulated depreciation	<u>(863,730)</u>	<u>(830,153)</u>
Net real estate assets	2,489,120	2,509,652
For-sale residential condominiums	5,840	8,225
Real estate and other assets, net, held for sale	11,609	13,607
Cash and cash equivalents	9,239	14,206
Restricted cash	7,619	4,399
Accounts receivable, net of allowance of \$3,470 and \$3,595, respectively	22,952	20,716
Mortgages and notes receivable, net of allowance of \$617 and \$868, respectively	18,809	19,044
Accrued straight-line rents receivable, net of allowance of \$1,360 and \$2,209, respectively	99,466	93,178
Investment in and advances to unconsolidated affiliates	103,025	63,607
Deferred financing and leasing costs, net of accumulated amortization of \$62,542 and \$59,360, respectively	85,168	85,001
Prepaid expenses and other assets	36,633	40,200
Total Assets	<u>\$ 2,889,480</u>	<u>\$ 2,871,835</u>
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable	\$ 1,615,068	\$ 1,522,945
Accounts payable, accrued expenses and other liabilities	106,105	106,716
Financing obligations	32,869	33,114
Total Liabilities	<u>1,754,042</u>	<u>1,662,775</u>
Noncontrolling interests in the Operating Partnership	125,075	120,838
Equity:		
Preferred stock	29,087	81,592
Common stock	724	717
Additional paid-in capital	1,782,889	1,766,886
Distributions in excess of net income available for common stockholders	(802,606)	(761,785)
Accumulated other comprehensive loss	(4,177)	(3,648)
Total Stockholders' Equity	<u>1,005,917</u>	<u>1,083,762</u>
Noncontrolling interests in consolidated affiliates	4,446	4,460
Total Equity	<u>1,010,363</u>	<u>1,088,222</u>
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	<u>\$ 2,889,480</u>	<u>\$ 2,871,835</u>

Components of Net Asset Value

Dollars in thousands

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

Consolidated properties projected net operating income (NOI) 1/

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

Highwoods' share of unconsolidated joint ventures, projected NOI

Office	\$ 16,580
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Other income

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

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

Liabilities:

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

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

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

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

Components of Discontinued Operations

Dollars in thousands

	<i>Six Months Ended</i>		<i>Three Months Ended</i>				
	<u>06/30/11</u>	<u>06/30/10</u>	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>	<u>09/30/10</u>	<u>06/30/10</u>
Rental and other revenues	\$ 1,113	\$ 2,557	\$ 500	\$ 613	\$ 535	\$ 535	\$ 1,227
Operating expenses:							
Rental property and other expenses	359	1,048	178	181	192	166	455
Depreciation and amortization	127	549	32	95	97	98	275
Total operating expenses	<u>486</u>	<u>1,597</u>	<u>210</u>	<u>276</u>	<u>289</u>	<u>264</u>	<u>730</u>
Other income	1	1	1	-	-	1	1
Income from discontinued operations	628	961	291	337	246	272	498
Net losses on disposition of discontinued operations	-	(86)	-	-	-	-	(260)
Total discontinued operations	<u>\$ 628</u>	<u>\$ 875</u>	<u>\$ 291</u>	<u>\$ 337</u>	<u>\$ 246</u>	<u>\$ 272</u>	<u>\$ 238</u>

Capitalization

Dollars, shares, and units in thousands

	<u>06/30/11</u>	<u>03/31/11</u>	<u>12/31/10</u>	<u>09/30/10</u>	<u>06/30/10</u>
Long-Term Debt (see pages 7 & 8):	\$ 1,615,068	\$ 1,552,577	\$ 1,522,945	\$ 1,501,624	\$ 1,463,727
Financing Obligations:	\$ 32,869	\$ 33,040	\$ 33,114	\$ 33,625	\$ 33,603
Preferred Stock (at liquidation value):					
Series A 8 5/8% Cumulative Redeemable	\$ 29,087	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092
Series B 8% Cumulative Redeemable	-	52,500	52,500	52,500	52,500
Total preferred stock	\$ 29,087	\$ 81,592	\$ 81,592	\$ 81,592	\$ 81,592
Common Shares and Units Outstanding:					
Common stock outstanding	72,399	72,130	71,690	71,656	71,615
Noncontrolling interest partnership units	3,775	3,788	3,794	3,797	3,797
Total common shares and units outstanding	76,174	75,918	75,484	75,453	75,412
Stock price at period end	\$ 33.13	\$ 35.01	\$ 31.85	\$ 32.47	\$ 27.76
Market value of common equity	\$ 2,523,645	\$ 2,657,889	\$ 2,404,165	\$ 2,449,959	\$ 2,093,437
Total market capitalization with debt and obligations	\$ 4,200,669	\$ 4,325,098	\$ 4,041,816	\$ 4,066,800	\$ 3,672,359

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

Long-Term Debt Summary

Dollars in thousands

	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>	<u>9/30/10</u>	<u>6/30/10</u>
Balances Outstanding:					
Secured:					
Conventional fixed rate 1/	\$ 696,454	\$ 699,392	\$ 702,290	\$ 710,998	\$ 673,499
Variable rate debt	<u>52,109</u>	<u>52,109</u>	<u>52,109</u>	<u>52,109</u>	<u>41,741</u>
Secured total	<u>748,563</u>	<u>751,501</u>	<u>754,399</u>	<u>763,107</u>	<u>715,240</u>
Unsecured:					
Fixed rate bonds and notes	591,105	591,076	591,046	591,017	590,987
Bank term loans	200,000	210,000	147,500	147,500	157,500
Credit facility	<u>75,400</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>
Unsecured total	<u>866,505</u>	<u>801,076</u>	<u>768,546</u>	<u>738,517</u>	<u>748,487</u>
Total	<u>\$ 1,615,068</u>	<u>\$ 1,552,577</u>	<u>\$ 1,522,945</u>	<u>\$ 1,501,624</u>	<u>\$ 1,463,727</u>

End of Period Weighted Average Interest Rates:

Secured:					
Conventional fixed rate	6.52%	6.52%	6.52%	6.52%	6.52%
Variable rate debt	<u>1.04%</u>	<u>1.11%</u>	<u>1.12%</u>	<u>1.11%</u>	<u>1.17%</u>
Secured total	<u>6.14%</u>	<u>6.14%</u>	<u>6.14%</u>	<u>6.15%</u>	<u>6.21%</u>
Unsecured:					
Fixed rate bonds	6.41%	6.41%	6.41%	6.41%	6.41%
Bank term loans	2.40%	2.52%	1.53%	1.53%	1.76%
Credit facility	<u>3.21%</u>	<u>3.14%</u> 2/	<u>3.16%</u>	<u>3.16%</u> 2/	<u>3.25%</u> 2/
Unsecured total	<u>5.20%</u>	<u>5.39%</u>	<u>5.35%</u>	<u>5.43%</u>	<u>5.43%</u>
Weighted Average	<u>5.64%</u>	<u>5.75%</u>	<u>5.74%</u>	<u>5.80%</u>	<u>5.81%</u>

Maturity Schedule:

Year	<i>Future Maturities of Debt</i>			Average Interest Rate
	<u>Secured Debt 3/</u>	<u>Unsecured Debt</u>	<u>Total Debt 3/</u>	
2011	\$ 52,109 4/	\$ -	\$ 52,109	1.04%
2012	206,236	-	206,236	6.95%
2013	248,841	75,400	324,241	5.27%
2014	34,511	-	34,511	5.79%
2015	40,156	-	40,156	6.43%
2016	166,710	200,000	366,710	4.53%
2017	-	391,105	391,105	5.85%
2018	-	200,000	200,000	7.50%
2019	-	-	-	-
2020	-	-	-	-
Total maturities	<u>\$ 748,563</u>	<u>\$ 866,505</u>	<u>\$ 1,615,068</u>	<u>5.64%</u>

Weighted average maturity = 3.9 years

1/ Includes a \$21.3 million loan related to a consolidated 20% owned joint venture (Harborview) and \$34.5 million in loans at June 30, 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 option.

Long-Term Debt Detail

Dollars in thousands

Secured Loans

<u>Lender</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Loan Balance 6/30/11</u>	<u>Undepreciated Book Value of Assets Secured</u>
Northwestern Mutual	7.05%	Jan-12	\$ 184,957	\$ 303,082
Northwestern Mutual	6.03%	Mar-13	126,685	178,746
Massachusetts Mutual Life Ins. Co. 1/	5.68%	Dec-13	112,742	213,134
New York Life Insurance Company	6.88%	Jan-16	111,807	217,736
PNC/Regions/Union Bank/U.S. Bank 2/ 3/	1.04%	Dec-11	52,109	54,748
Western-Southern Life Assurance Company	7.50%	Aug-16	46,426	71,923
Bank of America 4/	6.43%	Nov-15	40,157	52,600
Metropolitan Life Ins. Co. 5/	6.06%	Oct-12	21,279	38,944
Principal Life Insurance Company 6/	5.79%	Jan-14	10,579	13,136
Principal Life Insurance Company 6/	5.79%	Jan-14	10,579	18,872
Massachusetts Mutual Life Ins. Co. 1/	6.48%	Dec-13	10,024	
Principal Life Insurance Company 6/	5.74%	Jan-14	8,338	14,559
State Farm Life Insurance	7.65%	Feb-16	7,542	15,340
Principal Life Insurance Company 6/	5.89%	Jan-14	5,014	7,514
American United Life	9.00%	Jun-13	325	3,306
	<u>6.14%</u>		<u>748,563</u>	<u>\$ 1,203,640</u>

Unsecured Bonds

Bonds	5.85%	Mar-17	391,105
Bonds	7.50%	Apr-18	200,000
	<u>6.41%</u>		<u>591,105</u>

Unsecured Loans

Credit facility 2/	3.21%	Feb-13	75,400
Bank term loan 2/	2.40%	Feb-16	200,000
	<u>2.62%</u>		<u>275,400</u>

Total Debt

	<u>5.64%</u>		<u>\$ 1,615,068</u>
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Revolving Credit Facility

<u>Name of Lender</u>	<u>Total Commitment</u>	<u>Amount Outstanding at 6/30/11</u>	<u>Unfunded Commitment at 6/30/11</u>
Bank of America, N.A.	\$ 55,000	\$ 10,367	\$ 44,633
Wells Fargo Bank, N.A.	55,000	10,367	44,633
Branch Banking and Trust Co.	45,000	8,482	36,518
PNC Bank, N.A.	45,000	8,482	36,518
US Bank	32,500	6,125	26,375
Regions Bank	27,500	5,184	22,316
Capital One	25,000	4,713	20,287
Comerica Bank	25,000	4,713	20,287
Morgan Stanley	25,000	4,713	20,287
RBC Bank	25,000	4,713	20,287
Union Bank, N.A.	25,000	4,713	20,287
First Tennessee Bank	15,000	2,828	12,172
	<u>\$ 400,000</u>	<u>\$ 75,400</u>	<u>\$ 324,600</u>

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

2/ Floating rate loans based on one month libor.

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

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

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

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

Portfolio Summary - Wholly-Owned Properties Only 1/

(Rentable Square Feet)

Office Industrial & Retail	<u>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>	<u>9/30/10</u>	<u>6/30/10</u>
In-Service:					
Office	20,642,000	20,446,000	20,502,000	20,423,000	20,072,000
Industrial	5,827,000	5,827,000	5,827,000	5,827,000	5,827,000
Retail 2/	853,000	854,000	853,000	853,000	864,000
Total 3/	<u>27,322,000</u>	<u>27,127,000</u>	<u>27,182,000</u>	<u>27,103,000</u>	<u>26,763,000</u>
Development Completed - Not Stabilized:					
Office	117,000	265,000	265,000	148,000	148,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>117,000</u>	<u>265,000</u>	<u>265,000</u>	<u>148,000</u>	<u>148,000</u>
Development - In Process:					
Office	60,000	60,000	-	60,000	60,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>	<u>60,000</u>
Total:					
Office	20,819,000	20,771,000	20,767,000	20,631,000	20,280,000
Industrial	5,827,000	5,827,000	5,827,000	5,827,000	5,827,000
Retail 2/	853,000	854,000	853,000	853,000	864,000
Total 3/	<u>27,499,000</u>	<u>27,452,000</u>	<u>27,447,000</u>	<u>27,311,000</u>	<u>26,971,000</u>
Same Property					
Office	19,757,000	19,757,000	19,757,000	19,757,000	19,757,000
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>26,237,000</u>	<u>26,237,000</u>	<u>26,237,000</u>	<u>26,237,000</u>	<u>26,237,000</u>
Percent Leased/Pre-Leased:					
In-Service:					
Office	89.6%	89.9%	89.9%	88.2%	88.6%
Industrial	90.4%	89.8%	90.4%	90.5%	90.8%
Retail	93.3%	94.9%	97.8%	95.1%	95.8%
Total	<u>89.9%</u>	<u>90.1%</u>	<u>90.3%</u>	<u>88.9%</u>	<u>89.3%</u>
Development Completed - Not Stabilized:					
Office	100.0%	23.5%	13.4%	24.3%	24.3%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>100.0%</u>	<u>23.5%</u>	<u>13.4%</u>	<u>24.3%</u>	<u>24.3%</u>
Development - In Process:					
Office	100.0%	100.0%	-	100.0%	100.0%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>100.0%</u>	<u>100.0%</u>	<u>-</u>	<u>100.0%</u>	<u>100.0%</u>
Same Property					
Office	90.1%	90.0%	90.2%	88.5%	88.8%
Industrial	91.2%	90.6%	91.2%	92.0%	92.2%
Retail	93.3%	95.1%	97.9%	95.1%	97.2%
Total	<u>90.4%</u>	<u>90.3%</u>	<u>90.7%</u>	<u>89.4%</u>	<u>89.8%</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, 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/	4,244,000	91.6%	16.5%	-	-	16.5%
Atlanta	5,815,000	90.2%	11.0%	3.8%	-	14.8%
Tampa	2,879,000	89.0%	14.4%	-	-	14.4%
Nashville	3,094,000	90.3%	13.2%	-	-	13.2%
Kansas City	1,504,000 4/	86.9%	3.1%	-	6.6%	9.7%
Memphis	2,068,000	85.5%	9.3%	-	-	9.3%
Richmond	2,231,000	93.6%	8.8%	-	-	8.8%
Piedmont Triad 5/	4,173,000	90.2%	5.1%	2.8%	-	7.9%
Greenville	898,000	88.1%	3.3%	-	-	3.3%
Orlando	416,000	84.4%	2.1%	-	-	2.1%
Total	27,322,000	89.9%	86.8%	6.6%	6.6%	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	5,058,000	91.9%	16.3%	-	-	16.3%
Atlanta	6,650,000	88.3%	11.0%	3.5%	-	14.5%
Tampa	3,084,000	88.4%	13.5%	-	-	13.5%
Nashville	3,094,000	90.3%	12.3%	-	-	12.3%
Kansas City	2,222,000 4/	86.2%	4.2%	-	6.2%	10.4%
Richmond	2,644,000	94.6%	8.8%	-	-	8.8%
Memphis	2,068,000	85.5%	8.6%	-	-	8.6%
Piedmont Triad	4,431,000	87.6%	4.9%	2.6%	-	7.5%
Orlando	2,270,000	81.5%	4.8%	-	-	4.8%
Greenville	898,000	88.1%	3.1%	-	-	3.1%
Charlotte	320,000	100.0%	0.2%	-	-	0.2%
Total	32,739,000	88.8%	87.7%	6.1%	6.2%	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, 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 June 30, 2011

<u>Market</u>	<u>Office Properties 1/</u>			<u>Industrial</u>		
	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Office Annualized Cash Revenue 2/</u>	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Industrial Annualized Cash Revenue 2/</u>
Raleigh	4,244,000	91.6%	19.2%	-	-	-
Tampa	2,879,000	89.0%	16.5%	-	-	-
Nashville	3,094,000	90.3%	15.2%	-	-	-
Atlanta	2,533,000	91.7%	12.6%	3,282,000	89.0%	57.8%
Memphis	2,068,000	85.5%	10.7%	-	-	-
Richmond	2,231,000	93.6%	10.1%	-	-	-
Piedmont Triad	1,628,000	87.1%	5.9%	2,545,000	92.2%	42.2%
Greenville	898,000	88.1%	3.8%	-	-	-
Kansas City	651,000	78.6%	3.6%	-	-	-
Orlando	416,000	84.4%	2.4%	-	-	-
	<u>20,642,000</u>	<u>89.6%</u>	<u>100.0%</u>	<u>5,827,000</u>	<u>90.4%</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	93.3%	100.0%
	<u>853,000</u>	<u>93.3%</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, 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>6/30/11</u>	<u>3/31/11</u>	<u>12/31/10</u>	<u>9/30/10</u>	<u>6/30/10</u>
Atlanta	Rentable Square Feet	5,815,000	5,815,000	5,869,000	5,853,000	5,853,000
	Occupancy	90.2%	90.3%	90.1%	89.8%	90.5%
	Current Properties 2/	90.2%	90.3%	90.4%	90.1%	90.8%
Greenville	Rentable Square Feet	898,000	898,000	898,000	898,000	897,000
	Occupancy	88.1%	86.6%	88.0%	88.0%	86.5%
	Current Properties 2/	88.1%	86.6%	88.0%	88.0%	86.4%
Kansas City 3/	Rentable Square Feet	1,504,000	1,505,000	1,504,000	1,504,000	1,503,000
	Occupancy	86.9%	89.4%	91.3%	89.3%	91.3%
	Current Properties 2/	86.9%	89.5%	91.3%	89.4%	91.3%
Memphis	Rentable Square Feet	2,068,000	1,920,000	1,920,000	1,920,000	1,582,000
	Occupancy	85.5%	89.9%	91.0%	89.2%	88.6%
	Current Properties 2/	90.2%	90.1%	91.5%	89.3%	88.6%
Nashville	Rentable Square Feet	3,094,000	3,094,000	3,096,000	3,096,000	3,096,000
	Occupancy	90.3%	89.5%	89.8%	89.0%	90.6%
	Current Properties 2/	90.3%	89.5%	89.9%	89.1%	90.6%
Orlando	Rentable Square Feet	416,000	416,000	416,000	416,000	416,000
	Occupancy	84.4%	84.8%	85.6%	84.8%	92.2%
	Current Properties 2/	84.4%	84.8%	85.6%	84.8%	92.2%
Piedmont Triad	Rentable Square Feet	4,173,000	4,173,000	4,173,000	4,173,000	4,173,000
	Occupancy	90.2%	90.0%	89.4%	88.5%	88.6%
	Current Properties 2/	90.2%	90.0%	89.4%	88.5%	88.6%
Raleigh	Rentable Square Feet	4,244,000	4,196,000	4,196,000	4,134,000	4,134,000
	Occupancy	91.6%	90.5%	90.6%	86.3%	86.0%
	Current Properties 2/	91.4%	90.3%	90.4%	86.3%	86.0%
Richmond	Rentable Square Feet	2,231,000	2,231,000	2,231,000	2,231,000	2,231,000
	Occupancy	93.6%	93.6%	93.4%	92.3%	89.3%
	Current Properties 2/	93.6%	93.6%	93.4%	92.3%	89.3%
Tampa	Rentable Square Feet	2,879,000	2,879,000	2,879,000	2,878,000	2,878,000
	Occupancy	89.0%	89.4%	90.0%	89.5%	90.8%
	Current Properties 2/	89.0%	89.4%	90.0%	89.4%	90.8%
Total	Rentable Square Feet	27,322,000	27,127,000	27,182,000	27,103,000	26,763,000
	Occupancy	89.9%	90.1%	90.3%	88.9%	89.3%
	Current Properties 2/	90.2%	90.1%	90.4%	89.0%	89.3%

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
	6/30/11 2/	3/31/11 3/	12/31/10 4/	9/30/10 5/	6/30/10 6/	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	135	118	109	126	149	127
Rentable square footage leased	807,380	866,360	614,392	1,054,688	808,156	830,195
Square footage of Renewal Deals	666,420	612,388	463,478	803,096	580,139	625,104
Renewed square footage (% of total)	82.5%	70.7%	75.4%	76.1%	71.8%	75.3%
New Leases square footage (% of total)	17.5%	29.3%	24.6%	23.9%	28.2%	24.7%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 20.44	\$ 20.42	\$ 19.98	\$ 19.92	\$ 19.44	\$ 20.04
Tenant improvements	(1.14)	(1.63)	(1.96)	(1.96)	(1.54)	(1.65)
Leasing commissions 7/	(0.45)	(0.53)	(0.62)	(0.60)	(0.56)	(0.55)
Rent concessions	(0.54)	(0.55)	(0.48)	(0.59)	(0.92)	(0.62)
Effective rent	18.31	17.71	16.92	16.77	16.42	17.22
Expense stop	(5.80)	(5.51)	(6.29)	(6.67)	(6.62)	(6.18)
Equivalent effective net rent	\$ 12.51	\$ 12.20	\$ 10.63	\$ 10.10	\$ 9.80	\$ 11.04
Weighted average term in years	4.6	5.1	4.2	5.9	4.8	4.9
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 5,056,895	\$ 8,663,114	\$ 5,478,825	\$ 13,417,000	\$ 7,812,890	\$ 8,085,745
Rentable square feet	807,380	866,360	614,392	1,054,688	808,156	830,195
Per rentable square foot	\$ 6.26	\$ 10.00	\$ 8.92	\$ 12.72	\$ 9.67	\$ 9.74
Leasing Commissions:						
Total dollars committed under signed leases 7/	\$ 1,670,904	\$ 2,212,959	\$ 1,590,222	\$ 4,146,494	\$ 2,327,641	\$ 2,389,644
Rentable square feet	807,380	866,360	614,392	1,054,688	808,156	830,195
Per rentable square foot	\$ 2.07	\$ 2.55	\$ 2.59	\$ 3.93	\$ 2.88	\$ 2.88
Total:						
Total dollars committed under signed leases	\$ 6,727,799	\$ 10,876,073	\$ 7,069,047	\$ 17,563,494	\$ 10,140,531	\$ 10,475,389
Rentable square feet	807,380	866,360	614,392	1,054,688	808,156	830,195
Per rentable square foot	\$ 8.33	\$ 12.55	\$ 11.51	\$ 16.65	\$ 12.55	\$ 12.62

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

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

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

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

6/ Includes 119K square feet of leases that start in 2012 or later.

7/ Excludes internal leasing costs.

Leasing Statistics

Industrial Portfolio

	Three Months Ended					Five Quarter
	6/30/11	3/31/11 1/	12/31/10 2/	9/30/10 3/	6/30/10 4/	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	14	13	17	18	16	16
Rentable square footage leased	216,769	265,875	394,301	287,985	511,426	335,271
Square footage of Renewal Deals	60,017	156,305	357,651	163,940	328,096	213,202
Renewed square footage (% of total)	27.7%	58.8%	90.7%	56.9%	64.2%	63.6%
New Leases square footage (% of total)	72.3%	41.2%	9.3%	43.1%	35.8%	36.4%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 4.46	\$ 4.07	\$ 4.04	\$ 4.89	\$ 3.73	\$ 4.24
Tenant improvements	(0.36)	(0.63)	(0.44)	(0.43)	(0.37)	(0.45)
Leasing commissions 5/	(0.08)	(0.12)	(0.11)	(0.14)	(0.09)	(0.11)
Rent concessions	(0.27)	(0.14)	(0.07)	(0.18)	(0.24)	(0.18)
Effective rent	3.75	3.18	3.42	4.14	3.03	3.50
Expense stop	(0.31)	(0.10)	(0.17)	(0.20)	(0.21)	(0.20)
Equivalent effective net rent	\$ 3.44	\$ 3.08	\$ 3.25	\$ 3.94	\$ 2.82	\$ 3.30
Weighted average term in years	5.1	4.6	6.3	5.4	4.4	5.2
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 373,651	\$ 1,058,037	\$ 1,363,845	\$ 674,763	\$ 1,068,076	\$ 907,674
Rentable square feet	216,769	265,875	394,301	287,985	511,426	335,271
Per rentable square foot	\$ 1.72	\$ 3.98	\$ 3.46	\$ 2.34	\$ 2.09	\$ 2.71
Leasing Commissions:						
Total dollars committed under signed leases 5/	\$ 82,342	\$ 206,138	\$ 226,065	\$ 192,048	\$ 215,500	\$ 184,419
Rentable square feet	216,769	265,875	394,301	287,985	511,426	335,271
Per rentable square foot	\$ 0.38	\$ 0.78	\$ 0.57	\$ 0.67	\$ 0.42	\$ 0.55
Total:						
Total dollars committed under signed leases	\$ 455,993	\$ 1,264,175	\$ 1,589,910	\$ 866,811	\$ 1,283,576	\$ 1,092,093
Rentable square feet	216,769	265,875	394,301	287,985	511,426	335,271
Per rentable square foot	\$ 2.10	\$ 4.75	\$ 4.03	\$ 3.01	\$ 2.51	\$ 3.26

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

2/ Includes 229K square feet of leases that start in 2013 or later.

3/ Includes 35K square feet of leases that start in 2012 or later.

4/ Includes 44K square feet of leases that start in 2012 or later. Also includes a 188K square foot lease in a building that was sold on June 24, 2010.

5/ Excludes internal leasing costs.

Leasing Statistics

Retail Portfolio

	Three Months Ended					Five Quarter
	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10 1/	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	4	10	4	5	13	7
Rentable square footage leased	35,878	73,804	11,955	11,751	53,242	37,326
Square footage of Renewal Deals	1,564	68,123	10,155	11,751	45,560	27,431
Renewed square footage (% of total)	4.4%	92.3%	84.9%	100.0%	85.6%	73.5%
New Leases square footage (% of total)	95.6%	7.7%	15.1%	0.0%	14.4%	26.5%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 32.35	\$ 19.83	\$ 47.58	\$ 28.15	\$ 30.00	\$ 31.58
Tenant improvements	(6.88)	(1.12)	(1.43)	(1.66)	(0.46)	(2.31)
Leasing commissions 2/	(0.77)	(0.37)	(0.80)	(0.32)	(0.19)	(0.49)
Rent concessions	0.00	(0.01)	(0.70)	0.00	(0.04)	(0.15)
Effective rent	24.70	18.33	44.65	26.17	29.31	28.63
Expense stop	0.00	0.00	0.00	0.00	0.00	0.00
Equivalent effective net rent	\$ 24.70	\$ 18.33	\$ 44.65	\$ 26.17	\$ 29.31	\$ 28.63
Weighted average term in years	9.6	4.1	5.2	1.8	5.2	5.2
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 2,468,181	\$ 813,393	\$ 180,000	\$ 58,560	\$ 212,080	\$ 746,443
Rentable square feet	35,878	73,804	11,955	11,751	53,242	37,326
Per rentable square foot	\$ 68.79	\$ 11.02	\$ 15.06	\$ 4.98	\$ 3.98	\$ 20.00
Leasing Commissions:						
Total dollars committed under signed leases 2/	\$ 278,544	\$ 262,962	\$ 64,019	\$ 12,244	\$ 86,142	\$ 140,782
Rentable square feet	35,878	73,804	11,955	11,751	53,242	37,326
Per rentable square foot	\$ 7.76	\$ 3.56	\$ 5.35	\$ 1.04	\$ 1.62	\$ 3.77
Total:						
Total dollars committed under signed leases	\$ 2,746,725	\$ 1,076,355	\$ 244,019	\$ 70,804	\$ 298,222	\$ 887,225
Rentable square feet	35,878	73,804	11,955	11,751	53,242	37,326
Per rentable square foot	\$ 76.56	\$ 14.58	\$ 20.41	\$ 6.03	\$ 5.60	\$ 23.77

1/ Includes 31K square feet of leases that start in 2012 or later.

2/ Excludes internal leasing costs.

Leasing Statistics by Market

For the Three Months Ended June 30, 2011

Office Portfolio 1/ <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Atlanta	196,235	3.9	\$ 20.64	\$ 1.09	\$ 0.11
Richmond	138,973	5.2	16.10	4.86	2.13
Nashville	108,520	4.3	20.65	6.53	2.13
Memphis	98,238	5.8	24.55	9.99	3.32
Piedmont Triad	84,804	4.9	15.64	5.16	1.87
Raleigh	66,749	5.8	19.78	11.57	3.84
Tampa	50,490	4.6	21.30	15.05	2.99
Kansas City	25,818	3.7	22.19	6.73	3.87
Greenville	25,328	1.9	17.35	0.00	1.44
Orlando	12,225	3.5	32.33	27.33	3.66
	807,380	4.6	\$ 19.90	\$ 6.26	\$ 2.07

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	191,772	5.2	\$ 4.19	\$ 1.60	0.31
Atlanta	24,997	4.7	4.28	2.66	0.87
	216,769	5.1	\$ 4.19	\$ 1.72	\$ 0.38

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	35,878	9.6	\$ 32.35	\$ 68.79	\$ 7.76
	35,878	9.6	\$ 32.35	\$ 68.79	\$ 7.76

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 \$612K.

Rental Rate Comparisons by Market

For the Three Months Ended June 30, 2011

Office Portfolio 1/ <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current <u>Rent</u>	Previous <u>Rent</u>	Percentage Change <u>Rent</u>
Atlanta	196,235	\$ 20.64	\$ 18.20	13.4%
Richmond	138,973	16.10	16.19	-0.6%
Nashville	108,520	20.65	20.52	0.6%
Memphis	98,238	24.55	21.78	12.7%
Piedmont Triad	84,804	15.64	16.20	-3.4%
Raleigh	66,749	19.78	19.13	3.4%
Tampa	50,490	21.30	20.62	3.3%
Kansas City	25,818	22.19	22.27	-0.4%
Greenville	25,328	17.35	16.73	3.7%
Orlando	12,225	32.33	29.38	10.0%
GAAP Rent Growth	807,380	\$ 19.90	\$ 18.86	5.5%
Cash Rent Growth	807,380	\$ 19.95	\$ 20.99	-5.0%

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current <u>Rent</u>	Previous <u>Rent</u>	Percentage Change <u>Rent</u>
Piedmont Triad	191,772	\$ 4.19	\$ 4.56	-8.0%
Atlanta	24,997	4.28	5.37	-20.2%
GAAP Rent Growth	216,769	\$ 4.19	\$ 4.64	-9.6%
Cash Rent Growth	216,769	\$ 4.28	\$ 5.25	-18.5%

Retail Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current <u>Rent</u>	Previous <u>Rent 2/</u>	Percentage Change <u>Rent</u>
Kansas City	35,878	\$ 32.35	\$ 32.46	-0.3%
GAAP Rent Growth	35,878	\$ 32.35	\$ 32.46	-0.3%
Cash Rent Growth	35,878	\$ 29.74	\$ 34.91	-14.8%

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

<u>Type</u>	<u>6/30/11</u>	<u>6/30/10</u>	<u>6/30/09</u>	<u>6/30/08</u>	<u>6/30/07</u>
Office	\$ 20.27	\$ 20.52	\$ 20.79	\$ 19.80	\$ 19.26
Industrial	5.36	5.53	5.21	5.30	5.19
Retail 2/	36.04	33.32	37.19	31.33	30.94
Weighted average rate	\$ 17.59	\$ 17.65	\$ 17.79	\$ 16.87	\$ 16.40
Annual % growth rate	-0.4%	-0.8%	5.5%	2.9%	

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

2/ Excludes percentage rent.

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

Lease Expirations

June 30, 2011

Dollars in thousands

<u>Year</u>	<u>Rentable Square Feet Expiring</u>	<u>Percent of Rentable Square Feet</u>	<u>Annualized Cash Revenue 1/</u>	<u>Average Rental Rate</u>	<u>Percent of Annualized Cash Revenue 1/</u>
Office: 2/					
2011 /3	1,165,519	6.3%	\$ 24,377	\$ 20.92	6.5%
2012	2,435,949	13.2%	48,888	20.07	13.0%
2013	2,590,931	14.0%	56,735	21.90	15.2%
2014	2,371,250	12.8%	51,009	21.51	13.6%
2015	2,224,756	12.0%	45,750	20.56	12.2%
2016	2,139,636	11.6%	34,663	16.20	9.2%
2017	1,574,092	8.5%	32,277	20.51	8.6%
2018	981,418	5.3%	20,964	21.36	5.6%
2019	733,973	4.0%	14,926	20.34	4.0%
2020	424,680	2.3%	10,335	24.34	2.8%
2021 and thereafter	1,852,671	10.0%	35,022	18.90	9.3%
	<u>18,494,875</u>	<u>100.0%</u>	<u>\$ 374,946</u>	<u>\$ 20.27</u>	<u>100.0%</u>
Industrial:					
2011 /4	494,846	9.4%	\$ 2,795	\$ 5.65	9.9%
2012	548,077	10.4%	3,257	5.94	11.5%
2013	646,142	12.3%	3,840	5.94	13.6%
2014	911,032	17.4%	5,099	5.60	18.1%
2015	449,194	8.5%	2,231	4.97	7.9%
2016	639,594	12.1%	2,713	4.24	9.6%
2017	376,099	7.1%	1,285	3.42	4.6%
2018	88,467	1.7%	362	4.09	1.3%
2019	176,024	3.3%	815	4.63	2.9%
2020	86,908	1.7%	375	4.31	1.3%
2021 and thereafter	850,322	16.1%	5,463	6.42	19.3%
	<u>5,266,705</u>	<u>100.0%</u>	<u>\$ 28,235</u>	<u>\$ 5.36</u>	<u>100.0%</u>

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

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

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

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

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

Lease Expirations

June 30, 2011

(Continued)

Dollars in thousands

<u>Year</u>	<u>Rentable Square Feet Expiring</u>	<u>Percent of Rentable Square Feet</u>	<u>Annualized Cash Revenue 1/</u>	<u>Average Rental Rate</u>	<u>Percent of Annualized Cash Revenue 1/</u>
Retail:					
2011 2/	10,699	1.3%	\$ 279	\$ 26.08	1.0%
2012	64,703	8.1%	2,494	38.55	8.7%
2013	73,207	9.2%	1,896	25.90	6.6%
2014	37,899	4.8%	1,914	50.50	6.7%
2015	63,726	8.0%	3,221	50.54	11.2%
2016	63,397	8.0%	3,078	48.55	10.7%
2017	93,570	11.8%	2,280	24.37	8.0%
2018	73,702	9.3%	3,313	44.95	11.6%
2019	96,624	12.2%	2,959	30.62	10.3%
2020	67,675	8.5%	2,171	32.08	7.6%
2021 and thereafter	150,010	18.8%	5,051	33.67	17.6%
	<u>795,212</u>	<u>100.0%</u>	<u>\$ 28,656</u>	<u>\$ 36.04</u>	<u>100.0%</u>
Total:					
2011 3/ 4/	1,671,064	6.8%	\$ 27,451	\$ 16.43	6.4%
2012	3,048,729	12.4%	54,639	17.92	12.7%
2013	3,310,280	13.5%	62,471	18.87	14.4%
2014	3,320,181	13.5%	58,022	17.48	13.4%
2015	2,737,676	11.1%	51,202	18.70	11.9%
2016	2,842,627	11.6%	40,454	14.23	9.4%
2017	2,043,761	8.3%	35,842	17.54	8.3%
2018	1,143,587	4.7%	24,639	21.55	5.7%
2019	1,006,621	4.1%	18,700	18.58	4.3%
2020	579,263	2.4%	12,881	22.24	3.0%
2021 and thereafter	2,853,003	11.6%	45,536	15.96	10.5%
	<u>24,556,792</u>	<u>100.0%</u>	<u>\$ 431,837</u>	<u>\$ 17.59</u>	<u>100.0%</u>

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

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

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

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

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

Office Lease Expirations by Market by Quarter 1/

Dollars in thousands

		Three Months Ended				Total
		9/30/11 2/	12/31/11	3/31/12	6/30/12	
Atlanta	RSF	110,185	5,050	259,937	19,820	394,992
	% of Total Office RSF	0.6%	0.0%	1.4%	0.1%	2.1%
	Annualized Cash Revenue 3/	\$ 1,965	\$ 71	\$ 5,113	\$ 389	\$ 7,538
	% of Total Office Annl Cash Rev	0.5%	0.0%	1.4%	0.1%	2.0%
Greenville	RSF	13,850	84,667	95,212	16,038	209,767
	% of Total Office RSF	0.1%	0.5%	0.5%	0.1%	1.1%
	Annualized Cash Revenue 3/	\$ 255	\$ 1,581	\$ 1,750	\$ 267	\$ 3,853
	% of Total Office Annl Cash Rev	0.1%	0.4%	0.5%	0.1%	1.0%
Kansas City	RSF	6,424	9,985	5,440	8,685	30,534
	% of Total Office RSF	0.0%	0.1%	0.0%	0.0%	0.2%
	Annualized Cash Revenue 3/	\$ 154	\$ 236	\$ 116	\$ 229	\$ 735
	% of Total Office Annl Cash Rev	0.0%	0.1%	0.0%	0.1%	0.2%
Memphis	RSF	63,919	52,148	56,638	22,264	194,969
	% of Total Office RSF	0.3%	0.3%	0.3%	0.1%	1.1%
	Annualized Cash Revenue 3/	\$ 1,358	\$ 1,265	\$ 1,206	\$ 506	\$ 4,335
	% of Total Office Annl Cash Rev	0.4%	0.3%	0.3%	0.1%	1.2%
Nashville	RSF	61,203	29,421	57,887	58,039	206,550
	% of Total Office RSF	0.3%	0.2%	0.3%	0.3%	1.1%
	Annualized Cash Revenue 3/	\$ 1,668	\$ 678	\$ 1,315	\$ 1,313	\$ 4,974
	% of Total Office Annl Cash Rev	0.4%	0.2%	0.4%	0.4%	1.3%
Orlando	RSF	108,410	3,834	2,389	3,812	118,445
	% of Total Office RSF	0.6%	0.0%	0.0%	0.0%	0.6%
	Annualized Cash Revenue 3/	\$ 2,465	\$ 100	\$ 42	\$ 95	\$ 2,702
	% of Total Office Annl Cash Rev	0.7%	0.0%	0.0%	0.0%	0.7%
Piedmont Triad	RSF	36,097	23,462	197,362	80,166	337,087
	% of Total Office RSF	0.2%	0.1%	1.1%	0.4%	1.8%
	Annualized Cash Revenue 3/	\$ 603	\$ 427	\$ 3,589	\$ 1,103	\$ 5,722
	% of Total Office Annl Cash Rev	0.2%	0.1%	1.0%	0.3%	1.5%
Raleigh	RSF	182,006	85,139	219,862	30,136	517,143
	% of Total Office RSF	1.0%	0.5%	1.2%	0.2%	2.8%
	Annualized Cash Revenue 3/	\$ 4,140	\$ 1,765	\$ 4,181	\$ 611	\$ 10,697
	% of Total Office Annl Cash Rev	1.1%	0.5%	1.1%	0.2%	2.9%
Richmond	RSF	130,318	123,937	93,198	25,604	373,057
	% of Total Office RSF	0.7%	0.7%	0.5%	0.1%	2.0%
	Annualized Cash Revenue 3/	\$ 2,329	\$ 2,375	\$ 1,431	\$ 461	\$ 6,596
	% of Total Office Annl Cash Rev	0.6%	0.6%	0.4%	0.1%	1.8%
Tampa	RSF	13,798	21,666	14,153	44,686	94,303
	% of Total Office RSF	0.1%	0.1%	0.1%	0.2%	0.5%
	Annualized Cash Revenue 3/	\$ 380	\$ 563	\$ 355	\$ 1,176	\$ 2,474
	% of Total Office Annl Cash Rev	0.1%	0.2%	0.1%	0.3%	0.7%
Total	RSF	726,210	439,309	1,002,078	309,250	2,476,847
	% of Total Office RSF	3.9%	2.4%	5.4%	1.7%	13.4%
	Annualized Cash Revenue 3/	\$ 15,317	\$ 9,061	\$ 19,098	\$ 6,150	\$ 49,626
	% of Total Office Annl Cash Rev	4.1%	2.4%	5.1%	1.6%	13.2%

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

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

3/ Annualized Cash Revenue is June, 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>9/30/11</u>	<u>12/31/11</u>	<u>3/31/12</u>	<u>6/30/12</u>	<u>Total</u>
Atlanta	RSF	351,497	25,200	16,839	46,552	440,088
	% of Total Industrial RSF	6.7%	0.5%	0.3%	0.9%	8.4%
	Annualized Cash Revenue 2/	\$ 2,185	\$ 131	\$ 96	\$ 257	\$ 2,669
	% of Total Industrial Annl Cash Rev	7.7%	0.5%	0.3%	0.9%	9.5%
Piedmont Triad	RSF	71,250	46,899	60,816	194,998	373,963
	% of Total Industrial RSF	1.4%	0.9%	1.2%	3.7%	7.1%
	Annualized Cash Revenue 2/	\$ 239	\$ 241	\$ 367	\$ 955	\$ 1,802
	% of Total Industrial Annl Cash Rev	0.8%	0.9%	1.3%	3.4%	6.4%
Total	RSF	422,747	72,099	77,655	241,550	814,051
	% of Total Industrial RSF	8.0%	1.4%	1.5%	4.6%	15.5%
	Annualized Cash Revenue 2/	\$ 2,424	\$ 372	\$ 463	\$ 1,212	\$ 4,471
	% of Total Industrial Annl Cash Rev	8.6%	1.3%	1.6%	4.3%	15.8%

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

2/ Annualized Cash Revenue is June, 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

		<u>2011 2/</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Thereafter</u>
Atlanta	RSF	115,235	405,027	353,385	247,919	1,200,706
	% of Total Office RSF	0.6%	2.2%	1.9%	1.3%	6.5%
	Annualized Cash Revenue 3/	\$ 2,036	\$ 7,779	\$ 6,790	\$ 4,528	\$ 26,178
	% of Total Office Annl Cash Rev	0.5%	2.1%	1.8%	1.2%	7.0%
Greenville	RSF	98,517	250,165	132,006	122,756	187,199
	% of Total Office RSF	0.5%	1.4%	0.7%	0.7%	1.0%
	Annualized Cash Revenue 3/	\$ 1,836	\$ 4,211	\$ 2,436	\$ 2,693	\$ 3,168
	% of Total Office Annl Cash Rev	0.5%	1.1%	0.6%	0.7%	0.8%
Kansas City	RSF	16,409	76,186	30,178	44,619	344,091
	% of Total Office RSF	0.1%	0.4%	0.2%	0.2%	1.9%
	Annualized Cash Revenue 3/	\$ 390	\$ 1,827	\$ 704	\$ 1,127	\$ 9,237
	% of Total Office Annl Cash Rev	0.1%	0.5%	0.2%	0.3%	2.5%
Memphis	RSF	116,067	136,336	214,027	215,860	1,085,428
	% of Total Office RSF	0.6%	0.7%	1.2%	1.2%	5.9%
	Annualized Cash Revenue 3/	\$ 2,623	\$ 3,030	\$ 5,104	\$ 4,644	\$ 24,476
	% of Total Office Annl Cash Rev	0.7%	0.8%	1.4%	1.2%	6.5%
Nashville	RSF	90,624	240,600	415,783	434,466	1,613,045
	% of Total Office RSF	0.5%	1.3%	2.2%	2.3%	8.7%
	Annualized Cash Revenue 3/	\$ 2,346	\$ 5,387	\$ 8,610	\$ 9,831	\$ 31,416
	% of Total Office Annl Cash Rev	0.6%	1.4%	2.3%	2.6%	8.4%
Orlando	RSF	112,244	10,261	27,521	11,608	189,745
	% of Total Office RSF	0.6%	0.1%	0.1%	0.1%	1.0%
	Annualized Cash Revenue 3/	\$ 2,565	\$ 287	\$ 721	\$ 302	\$ 5,035
	% of Total Office Annl Cash Rev	0.7%	0.1%	0.2%	0.1%	1.3%
Piedmont Triad	RSF	59,559	365,986	185,055	129,238	678,819
	% of Total Office RSF	0.3%	2.0%	1.0%	0.7%	3.7%
	Annualized Cash Revenue 3/	\$ 1,030	\$ 6,598	\$ 3,014	\$ 2,155	\$ 9,282
	% of Total Office Annl Cash Rev	0.3%	1.8%	0.8%	0.6%	2.5%
Raleigh	RSF	267,145	464,430	334,483	491,412	2,330,139
	% of Total Office RSF	1.4%	2.5%	1.8%	2.7%	12.6%
	Annualized Cash Revenue 3/	\$ 5,905	\$ 9,289	\$ 6,671	\$ 10,563	\$ 39,018
	% of Total Office Annl Cash Rev	1.6%	2.5%	1.8%	2.8%	10.4%
Richmond	RSF	254,255	219,452	252,496	188,705	1,173,109
	% of Total Office RSF	1.4%	1.2%	1.4%	1.0%	6.3%
	Annualized Cash Revenue 3/	\$ 4,704	\$ 3,816	\$ 5,080	\$ 3,721	\$ 20,896
	% of Total Office Annl Cash Rev	1.3%	1.0%	1.4%	1.0%	5.6%
Tampa	RSF	35,464	267,506	645,997	484,667	1,128,945
	% of Total Office RSF	0.2%	1.4%	3.5%	2.6%	6.1%
	Annualized Cash Revenue 3/	\$ 943	\$ 6,665	\$ 17,604	\$ 11,444	\$ 25,228
	% of Total Office Annl Cash Rev	0.3%	1.8%	4.7%	3.1%	6.7%
Total	RSF	1,165,519	2,435,949	2,590,931	2,371,250	9,931,226
	% of Total Office RSF	6.3%	13.2%	14.0%	12.8%	53.7%
	Annualized Cash Revenue 3/	\$ 24,378	\$ 48,889	\$ 56,734	\$ 51,008	\$ 193,934
	% of Total Office Annl Cash Rev	6.5%	13.0%	15.1%	13.6%	51.7%

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

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

Industrial Lease Expirations by Market by Year

Dollars in thousands

		<u>2011 1/</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Thereafter</u>
Atlanta	RSF	376,697	227,203	308,239	546,406	1,463,217
	% of Total Industrial RSF	7.2%	4.3%	5.9%	10.4%	27.8%
	Annualized Cash Revenue 2/	\$ 2,316	\$ 1,331	\$ 1,592	\$ 3,250	\$ 7,825
	% of Total Industrial Annl Cash Rev	8.2%	4.7%	5.6%	11.5%	27.7%
Piedmont Triad	RSF	118,149	320,874	337,903	364,626	1,203,391
	% of Total Industrial RSF	2.2%	6.1%	6.4%	6.9%	22.8%
	Annualized Cash Revenue 2/	\$ 480	\$ 1,925	\$ 2,248	\$ 1,849	\$ 5,419
	% of Total Industrial Annl Cash Rev	1.7%	6.8%	8.0%	6.5%	19.2%
Total	RSF	494,846	548,077	646,142	911,032	2,666,608
	% of Total Industrial RSF	9.4%	10.4%	12.3%	17.3%	50.6%
	Annualized Cash Revenue 2/	\$ 2,796	\$ 3,256	\$ 3,840	\$ 5,099	\$ 13,244
	% of Total Industrial Annl Cash Rev	9.9%	11.5%	13.6%	18.1%	46.9%

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

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

Customer Diversification 1/

June 30, 2011

Dollars in thousands

Top 20 Customers

<u>Customer</u>	<u>RSF</u>	<u>Annualized Cash Revenue 2/</u>	<u>Percent of Annualized Cash Revenue 2/</u>	<u>Average Remaining Lease Term in Years</u>
Federal Government	1,972,525	\$ 42,141	9.78%	7.4
AT&T	800,779	15,376	3.57%	2.0
PricewaterhouseCoopers	318,647	8,799	2.04%	1.8
State of Georgia	415,744	7,421	1.72%	6.5
Healthways	290,689	6,691	1.55%	10.9
Metropolitan Life Insurance	296,595	6,088	1.41%	6.7
T-Mobile USA	210,971	5,463	1.27%	2.6
HCA Corporation	231,176	5,345	1.24%	3.7
Lockton Companies	170,743	5,002	1.16%	3.7
Syniverse Technologies	198,750	4,055	0.94%	5.3
RBC Bank	164,271	3,914	0.91%	15.4
BB&T	365,778	3,768	0.87%	2.5
SCI Services 3/	162,784	3,734	0.87%	6.1
Volvo	302,509	3,673	0.85%	3.3
Vanderbilt University	169,557	3,563	0.83%	4.3
Fluor Enterprises	190,038	3,529	0.82%	0.6
Lifepoint Corporate Services	147,489	3,101	0.72%	3.6
Jacobs Engineering Group	196,861	3,046	0.71%	4.2
Talecris Biotherapeutics	168,842	2,848	0.66%	10.9
Wells Fargo	110,008	2,583	0.60%	5.1
	<u>6,884,756</u>	<u>\$ 140,140</u>	<u>32.52%</u>	<u>5.6</u>

By Industry

<u>Category</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Professional, Scientific, and Technical Services	20.2%
Government/Public Administration	12.0%
Finance/Banking	11.0%
Health Care and Social Assistance	8.3%
Insurance	7.4%
Manufacturing	5.6%
Wholesale Trade	5.4%
Retail Trade	5.3%
Telecommunication	5.1%
Information	4.4%
Administrative and Support Services	3.7%
Real Estate Rental and Leasing	3.2%
Accommodation and Food Services	2.7%
Educational Services	2.1%
Transportation and Warehousing	2.0%
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 June, 2011 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

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

Same Property Performance

Dollars and Square Feet in thousands

	Three months ended		Dollar Change	Percentage Change
	June 30,			
	<u>2011</u>	<u>2010</u>		
Rental revenues 1/	\$ 106,372	\$ 103,998	\$ 2,374	2.3%
Operating expenses	(37,074)	(35,708)	(1,366)	-3.8%
	<u>69,298</u>	<u>68,290</u>	<u>1,008</u>	<u>1.5%</u>
Straight line rent	2,630	2,988	(358)	-12.0%
	<u>71,928</u>	<u>71,278</u>	<u>650</u>	<u>0.9%</u>
Lease termination fees	27	1,688	(1,661)	-98.4%
Net operating income	\$ 71,955	\$ 72,966	\$ (1,011)	-1.4%
Average occupancy	<u>90.0%</u>	<u>89.8%</u>		<u>0.2%</u>
Rentable square feet	<u>26,237</u>	<u>26,237</u>		

	Six months ended		Dollar Change	Percentage Change
	June 30,			
	<u>2011</u>	<u>2010</u>		
Rental revenues 1/	\$ 210,517	\$ 211,627	\$ (1,110)	-0.5%
Operating expenses	(74,597)	(73,811)	(786)	-1.1%
	<u>135,920</u>	<u>137,816</u>	<u>(1,896)</u>	<u>-1.4%</u>
Straight line rent	5,725	3,781	1,944	51.4%
	<u>141,645</u>	<u>141,597</u>	<u>48</u>	<u>0.0%</u>
Lease termination fees	292	2,255	(1,963)	-87.1%
Net operating income	\$ 141,937	\$ 143,852	\$ (1,915)	-1.3%
Average occupancy	<u>90.1%</u>	<u>89.7%</u>		<u>0.4%</u>
Rentable square feet	<u>26,237</u>	<u>26,237</u>		

Market	Second Quarter: 2011 vs 2010		Six Months: 2011 vs 2010	
	NOI 2/ Percentage Change	Occupancy Percentage Change	NOI 2/ Percentage Change	Occupancy Percentage Change
	Atlanta	7.0%	-0.4%	2.0%
Greenville	-5.3%	0.8%	-0.5%	0.4%
Kansas City	1.7%	-5.1%	6.1%	-3.6%
Memphis	9.1%	1.9%	-3.6%	1.2%
Nashville	2.0%	-0.3%	-0.2%	-0.8%
Orlando	-20.2%	-8.4%	-23.5%	-9.8%
Piedmont Triad	-9.9%	-3.0%	-1.9%	-2.1%
Raleigh	4.1%	6.8%	3.1%	7.0%
Richmond	-2.2%	3.9%	-1.0%	2.9%
Tampa	0.2%	-2.1%	-1.7%	-1.7%
	<u>0.9%</u>	<u>0.2%</u>	<u>0.0%</u>	<u>0.4%</u>

1/ Excludes straight line rents and lease termination fees.

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

Disposition Activity

Dollars in thousands

<u>Name</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 2011:

None

Second quarter 2011:

None

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 06/30/11</u>	<u>Pre Leased %</u>	<u>Estimated Completion Date</u>	<u>Estimated Stabilization Date</u>
<u>In - Process</u>								
Atlanta GSA 1/	Atlanta	O	60,000	\$ 11,518	\$ 6,243	100%	4Q 11	4Q 11
In - Process Total			60,000	\$ 11,518	\$ 6,243	100%		
<u>Completed Not Stabilized 2/</u>								
Independence Park 3/	Tampa	O	117,000	\$ 12,700	\$ 7,381	100%	n/a	2Q 12
Completed Not Stabilized Total			117,000	\$ 12,700	\$ 7,381	100%		
Grand Total or Weighted Average			177,000	\$ 24,218	\$ 13,624	100%		
					\$ Weighted %	100%		

<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 06/30/11</u>	<u>Pre Leased %</u>	<u>Occ %</u>	<u>In-Service Date</u>
Triad Centre III	Memphis	O	148,000	\$ 33,825	\$ 29,789	50%	28%	06/30/11
Placed in Service Total or Weighted Average			148,000	\$ 33,825	\$ 29,789	50%	28%	

For Sale Residential Condominiums

		<u>Units For Sale</u>	<u>Units Sold</u>	<u>Gross Sale Proceeds</u>	<u>Net Gain 6/</u>
RBC Plaza Condominiums 4/ 5/	Raleigh	18	121	\$ 49,807	\$ 6,545

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

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

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

4/ Units Sold, Gross Sale Proceeds and Net Gain are as of 7/26/11.

5/ As of 6/30/11, 120 units were sold, Gross Sale Proceeds were \$49.4 million and Net Gain was \$6.5 Million. 2Q11 Net Gain to the Company was 116K.

6/ Gains include any forfeited deposits.

Development Land
6/30/11

Dollars in thousands

<u>Market</u>	<u>Usable Acres</u>	<u>Total Estimated Market Value</u>
Atlanta	233	\$ 32,654
Raleigh	186	39,552
Tampa	53	19,317
Greensboro	47	9,087
Richmond	31	8,233
Nashville	16	11,099
Orlando	16	12,576
Memphis	10	2,320
Baltimore	7	1,800
Winston-Salem	3	1,250
Kansas City	1	2,100
Total 1/2	603	\$ 139,988

1/ Developable square footage on core land holdings, which constitute 523 of the total 603 acres, is approximately 5.7 million of office space and 2.7 million of industrial space.

2/ Includes 3.0 acres (\$2.5 million based on expected gross proceeds) included in property held for sale at June 30, 2011.

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	\$ 9,010 2/
2011 totals				<u>48,000</u>	<u>\$ 9,010</u>

1/ The letter "O" represents Office.

2/ The \$9.01 million total cost includes \$184 thousand of planned near-term building improvements and \$76K in expensed acquisition costs.

Unconsolidated Joint Ventures Assets, Debt and Liabilities

June 30, 2011

Dollars in thousands

<u>Joint Venture</u>	<u>Type 1/</u>	<u>Own %</u>	<u>Venture's Books</u>		
			<u>Total Assets</u>	<u>Debt</u>	<u>Total Liabilities</u>
Board of Trade Investment Co.	O	49.0%	\$ 7,359	\$ -	\$ 300
Kessinger/Hunter, LLC	-	26.5%	5,679	-	283
4600 Madison Associates, LP	O	12.5%	14,081	10,273	10,905
Highwoods DLF 98/29, LP	O	22.8%	128,008	65,973	71,612
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	90,362	47,623	50,831
Concourse Center Associates, LLC	O	50.0%	12,812	8,175	8,390
Plaza Colonnade, LLC	O/R	50.0%	69,803	62,146	63,846
Highwoods KC Glenridge Office, LP	O	40.0%	23,444	15,725	16,630
Highwoods KC Glenridge Land, LP	O	40.0%	784	-	144
Highwoods KC Orlando, LLC	O	40.0%	195,579	132,481	140,327
Highwoods DLF Forum, LLC	O	25.0%	106,012	67,500	70,796
Highwoods Development B, LLC	O	10.0%	44,476	16,608	20,101
Total			\$ 698,399	\$ 426,504	\$ 454,165

<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%	\$ 3,606	\$ -	\$ 147
Kessinger/Hunter, LLC	-	26.5%	1,505	-	75
4600 Madison Associates, LP	O	12.5%	1,760	1,284	1,363
Highwoods DLF 98/29, LP	O	22.8%	29,199	15,048	16,335
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	38,792	20,445	21,822
Concourse Center Associates, LLC	O	50.0%	6,406	4,088	4,195
Plaza Colonnade, LLC	O/R	50.0%	34,902	31,073	31,923
Highwoods KC Glenridge Office, LP	O	40.0%	9,378	6,290	6,652
Highwoods KC Glenridge Land, LP	O	40.0%	314	-	58
Highwoods KC Orlando, LLC	O	40.0%	78,232	52,992	56,131
Highwoods DLF Forum, LLC	O	25.0%	26,499	16,872	17,696
Highwoods Development B, LLC	O	10.0%	4,448	1,661	2,010
Total 2/			\$ 235,041	\$ 149,753	\$ 158,407

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

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

Unconsolidated Joint Ventures Income

For the Three Months Ended June 30, 2011

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>					<u>Gain on</u>	
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Sale</u>	<u>Net Income</u>	
Board of Trade Investment Co.	49.0%	\$ 563	\$ 332	\$ -	\$ 144	\$ -	\$ 87	
Kessinger/Hunter, LLC	26.5%	1,474	1,214	-	143	-	117	
4600 Madison Associates, LP	12.5%	1,023	619	175	253	-	(24)	
Highwoods DLF 98/29, LP	22.8%	3,795	1,514	969	998	-	314	
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	2,657	1,187	924	914	-	(368)	
Concourse Center Associates, LLC	50.0%	300	124	64	106	-	6	
Plaza Colonnade, LLC	50.0%	3,682	964	904	614	-	1,200	
Highwoods KC Glenridge Office, LP	40.0%	773	417	199	214	-	(57)	
Highwoods KC Glenridge Land, LP	40.0%	-	5	-	-	-	(5)	
Highwoods KC Orlando, LLC	40.0%	7,007	3,220	1,745	1,666	-	376	
Highwoods DLF Forum, LLC	25.0%	3,522	1,178	878	1,293	-	173	
Highwoods Development B, LLC	10.0%	-	-	-	-	-	-	
Total		\$ 24,796	\$ 10,774	\$ 5,858	\$ 6,345	\$ -	\$ 1,819	

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>					<u>Gain on</u>	
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Sale</u>	<u>Net Income</u>	
Board of Trade Investment Co.	49.0%	\$ 276	\$ 162	\$ -	\$ 70	\$ -	\$ 44	
Kessinger/Hunter, LLC	26.5%	391	322	-	38	-	31	
4600 Madison Associates, LP	12.5%	128	78	22	32	-	(4)	
Highwoods DLF 98/29, LP	22.8%	866	345	134	228	-	159	
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	1,141	510	396	392	-	(157)	
Concourse Center Associates, LLC	50.0%	150	62	32	53	-	3	
Plaza Colonnade, LLC	50.0%	1,841	482	452	307	-	600	
Highwoods KC Glenridge Office, LP	40.0%	310	167	80	86	-	(23)	
Highwoods KC Glenridge Land, LP	40.0%	-	2	-	-	-	(2)	
Highwoods KC Orlando, LLC	40.0%	2,802	1,288	698	667	-	149	
Highwoods DLF Forum, LLC	25.0%	881	295	219	323	-	44	
Highwoods Development B, LLC	10.0%	-	-	-	-	-	-	
Total 1/ 2/		\$ 8,786	\$ 3,713	\$ 2,033	\$ 2,196	\$ -	\$ 844	

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.

Unconsolidated Joint Ventures Income

For the Year Ended June 30, 2011

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>				<u>Gain on</u>	
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Sale</u>	<u>Net Income</u>
Board of Trade Investment Co.	49.0%	\$ 1,124	\$ 672	\$ -	\$ 286	\$ -	\$ 166
Kessinger/Hunter, LLC	26.5%	4,064	3,750	-	286	-	28
4600 Madison Associates, LP	12.5%	2,038	1,245	357	623	-	(187)
Highwoods DLF 98/29, LP	22.8%	7,487	2,933	2,055	1,964	-	535
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	5,622	2,532	1,853	2,024	-	(787)
Concourse Center Associates, LLC	50.0%	459	244	128	207	-	(120)
Plaza Colonnade, LLC	50.0%	6,567	1,902	1,817	1,227	-	1,621
Highwoods KC Glenridge Office, LP	40.0%	1,544	824	397	424	-	(101)
Highwoods KC Glenridge Land, LP	40.0%	-	8	-	-	-	(8)
Highwoods KC Orlando, LLC	40.0%	14,216	6,346	3,502	3,384	-	984
Highwoods DLF Forum, LLC	25.0%	6,886	2,315	1,756	2,615	-	200
Highwoods Development B, LLC	10.0%	-	-	-	-	-	-
Total		\$ 50,007	\$ 22,771	\$ 11,865	\$ 13,040	\$ -	\$ 2,331

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>				<u>Gain on</u>	
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Sale</u>	<u>Net Income</u>
Board of Trade Investment Co.	49.0%	\$ 551	\$ 329	\$ -	\$ 140	\$ -	\$ 82
Kessinger/Hunter, LLC	26.5%	1,077	994	-	76	-	7
4600 Madison Associates, LP	12.5%	255	156	45	78	-	(24)
Highwoods DLF 98/29, LP	22.8%	1,708	669	382	448	-	209
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	2,414	1,087	795	869	-	(337)
Concourse Center Associates, LLC	50.0%	230	122	64	104	-	(60)
Plaza Colonnade, LLC	50.0%	3,284	951	909	614	-	810
Highwoods KC Glenridge Office, LP	40.0%	618	330	159	170	-	(41)
Highwoods KC Glenridge Land, LP	40.0%	-	3	-	-	-	(3)
Highwoods KC Orlando, LLC	40.0%	5,686	2,538	1,401	1,354	-	393
Highwoods DLF Forum, LLC	25.0%	1,722	579	439	654	-	50
Highwoods Development B, LLC	10.0%	-	-	-	-	-	-
Total 1/2/		\$ 17,545	\$ 7,758	\$ 4,194	\$ 4,507	\$ -	\$ 1,086

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.

Unconsolidated Joint Ventures Long-Term Debt Detail 1/

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Lender</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Loan Balance 6/30/11</u>
Plaza Colonnade, LLC	50.0%	Met Life	5.72%	Jan-17	\$ 46,011
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%		62,146
Highwoods KC Orlando, LLC	40.0%	Met Life	5.21%	Jul-14	132,481
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	47,623
Highwoods DLF 98/29, LP	22.8%	Highwoods Properties, Inc.	5.19%	Mar-12	38,323
Highwoods DLF 98/29, LP	22.8%	Goldman Sachs	6.11%	Jul-17	27,650
Highwoods KC Glenridge Office	40.0%	Wachovia	4.84%	May-14	15,725
4600 Madison Associates, LLC	12.5%	State Farm	6.85%	Apr-18	10,273
Concourse Center Associates, LLC	50.0%	Wells Fargo	2.70%	Jul-13	8,175
Highwoods Development B, LLC	10.0%	PNC	2.94%	Feb-13	16,608
			5.45%		364,358
			<u>5.50%</u>		<u>\$ 426,504</u>
Highwoods' share of the above					<u>\$ 149,753</u>

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

Joint Ventures Portfolio Summary 1/

As of June 30, 2011

Summary by Location:

<u>Market</u>	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Office Annualized Cash Revenue 2/ 3/</u>
Orlando	1,853,000	80.9%	40.5%
Kansas City	719,000	84.6%	18.7%
Raleigh	814,000	93.2%	12.9%
Atlanta	835,000	74.9%	11.4%
Richmond	413,000	100.0%	8.6%
Charlotte	320,000	100.0%	3.2%
Tampa	205,000	79.8%	2.9%
Piedmont Triad	258,000	45.7%	1.8%
Total 4/	<u>5,417,000</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, 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

June 30, 2011

Dollars in thousands

<u>Year</u>	<u>Rentable Square Feet Expiring 1/</u>	<u>Percent of Rentable Square Feet 1/</u>	<u>Annualized Cash Revenue 2/</u>	<u>Average Rental Rate</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Total					
2011	139,269	3.1%	\$ 3,135	\$ 22.51	3.0%
2012	403,902	9.0%	10,244	25.36	10.9%
2013	626,987	13.9%	14,428	23.01	15.4%
2014	602,369	13.4%	15,404	25.57	16.3%
2015	775,465	17.2%	14,908	19.22	15.9%
2016	300,582	6.7%	4,296	14.29	4.6%
2017	582,402	12.9%	14,912	25.60	15.9%
2018	324,796	7.2%	4,857	14.95	5.2%
2019	101,123	2.2%	1,682	16.63	1.8%
2020	213,127	4.7%	6,687	31.38	7.1%
2021 and thereafter	439,145	9.7%	10,022	22.82	3.9%
	<u>4,509,167</u>	<u>100.0%</u>	<u>\$ 100,575</u>	<u>\$ 22.30</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is June, 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

<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 2011:

None

Second quarter 2011:

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 2011:

None

Second quarter 2011:

None

Joint Venture Development Activity

Dollars in thousands

<u>Placed in Service in 2Q</u>						
<u>Property</u>	<u>%</u>	<u>Market</u>	<u>Rentable</u> <u>Square</u> <u>Feet</u>	<u>Total</u> <u>Investment</u>	<u>Occ %</u>	<u>In-Service</u> <u>Date</u>
Charlotte GSA	10%	Charlotte	171,000	\$ 42,500	100%	06/17/11
Highwoods' Share of the above				<u>\$ 4,250</u>		