



Supplemental Information
June 30, 2010

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				
	06/30/10	03/31/10	12/31/09	09/30/09	06/30/09
Shares and units:					
Common shares outstanding at end of period	71,615	71,602	71,285	71,071	70,848
Common units outstanding at end of period	3,797	3,798	3,891	3,965	4,059
Weighted average common shares outstanding - basic	71,601	71,414	71,115	70,902	66,122
Weighted average common shares outstanding - diluted	75,607	75,397	75,263	75,072	70,234
Share price:					
At end of period	\$ 27.76	\$ 31.73	\$ 33.35	\$ 31.45	\$ 22.37
High close during period	33.43	32.52	34.84	32.84	26.13
Low close during period	27.76	27.53	27.23	20.12	20.34
Financial information:					
Lease termination income	\$ 1,688	\$ 567	\$ 380	\$ 124	\$ 171
Straight line rental income	3,519	1,328	1,250	535	718
Capitalized interest	370	353	580	1,154	1,317
Gain on debt extinguishment	-	-	-	657	630
Land sale gains	-	-	-	15	124
Gains on disposition of for-sale residential condominiums, net of partner's interest	140	169	393	160	295
Gains on disposition of depreciable properties 1/	17	193	846	19	21,794
Gains on disposition of investment in unconsolidated affiliates	25,330	-	-	-	-
(Impairments) on depreciable properties 2/	(260)	-	(13,518)	(576)	-
Gain on settlement of legal claim	-	-	-	1,050	-
Funds from operations per share - diluted	\$ 0.64	\$ 0.61	\$ 0.42	\$ 0.62	\$ 0.70
Funds from operations per share - diluted, excluding certain items 3/	\$ 0.65	\$ 0.61	\$ 0.60	\$ 0.62	\$ 0.69
Wholly - owned property information:					
In-Service rentable square feet:					
Office	20,072	20,603	20,445	20,319	19,988
Industrial	5,827	6,463	6,463	6,463	6,463
Retail	864	869	869	909	909
Total	<u>26,763</u>	<u>27,935</u>	<u>27,777</u>	<u>27,691</u>	<u>27,360</u>
In-Service occupancy:					
Office	88.6%	87.7%	88.8%	88.6%	89.0%
Industrial	90.8%	87.2%	87.4%	84.6%	84.5%
Retail	95.8%	94.5%	98.0%	92.9%	90.7%
Total	<u>89.3%</u>	<u>87.8%</u>	<u>88.8%</u>	<u>87.8%</u>	<u>88.0%</u>

1/ June 30, 2009 amount includes \$781 representing the Company's share of a gain recorded by an unconsolidated joint venture.

2/ September 30, 2009 amount includes \$199 representing the Company's share of an impairment recorded by an unconsolidated joint venture.

3/ Excludes impairments on depreciable assets and gains on debt extinguishments.

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 and Chief Operating Officer

Terry L. Stevens
Senior Vice President, Chief Financial Officer

Daniel L. Clemmens
Vice President, Chief Accounting Officer

S. Hugh Esleeck
Treasurer

Peter T. Jardine
Vice President, Corporate Marketing

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

Research Coverage

Bank of America/Merrill Lynch
Jamie Feldman - 212-449-6339

Citigroup Global Markets
Michael Bilerman - 212-816-1383

Cowen and Company
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Michael Gorman - (646) 562-1381

Credit Suisse - North America
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Deutsche Bank
John Perry - 212-250-4912

Green Street Advisors
John Stewart - 949-640-8780

Macquarie Research
Robert Stevenson - 212-231-8068

RBC Capital Markets
Dave Rodgers - 440-715-2647

RW Baird
Chris Lucas - 703-821-5780

Stifel Nicolaus
John Guinee - 443-224-1307
Erin Aslakson - 443-224-1350

Wells Fargo Securities, LLC
Brendan Maiorana - 443-263-6516

Corporate Information

Divisional Officers

Atlanta, GA

James V. Bacchetta, Vice President

Kansas City, MO

Glenn E. Stephenson, Vice President

Memphis, TN

Steven L. Guinn, Vice President

Nashville, TN; Greenville, SC

W. Brian Reames - Senior Vice President

Orlando, FL

Steven J. Garrity, Vice President

Piedmont Triad, NC

E. F. "Rick" Dehnert, Vice President

Raleigh, NC

Thomas "Skip" Hill, Vice President

Richmond, VA

Paul W. Kreckman, Vice President

Tampa, FL

Daniel E. Woodward, Vice President

Corporate Headquarters

Highwoods Properties, Inc.
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Raleigh, NC 27604
919-872-4924

Stock Exchange

NYSE Trading Symbol: HIW

Investor Relations Contact

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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, 2010, the Company owned or had an interest in 330 in-service office, industrial and retail properties encompassing approximately 32.0 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, South Carolina, Tennessee, and Virginia. For more information about Highwoods Properties, please visit our website at www.highwoods.com.



Consolidated Statements of Income/(Loss)

Amounts in thousands, except per share amounts

	Six Months Ended		Three Months Ended				
	06/30/10	06/30/09	06/30/10	03/31/10	12/31/09	09/30/09	06/30/09
Rental and other revenues	\$ 229,393	\$ 224,275	\$ 114,339	\$ 115,054	\$ 112,709	\$ 113,170	\$ 111,914
Operating expenses:							
Rental property and other expenses	80,039	79,179	38,324	41,715	41,069	42,564	38,901
Depreciation and amortization	66,082	65,223	33,353	32,729	32,438	32,367	32,514
Impairment of assets held for use	-	-	-	-	2,554	-	-
General and administrative	15,487	17,801	6,980	8,507	9,396	9,485	9,486
Total operating expenses	<u>161,608</u>	<u>162,203</u>	<u>78,657</u>	<u>82,951</u>	<u>85,457</u>	<u>84,416</u>	<u>80,901</u>
Interest expense:							
Contractual	43,507	40,524	21,705	21,802	21,457	20,001	19,945
Amortization of deferred financing costs	1,670	1,351	835	835	782	627	689
Financing obligations	870	1,445	394	476	(88)	706	710
	<u>46,047</u>	<u>43,320</u>	<u>22,934</u>	<u>23,113</u>	<u>22,151</u>	<u>21,334</u>	<u>21,344</u>
Other income:							
Interest and other income	2,666	3,291	966	1,700	1,647	3,324	2,284
Gain on debt extinguishment	-	630	-	-	-	657	630
	<u>2,666</u>	<u>3,921</u>	<u>966</u>	<u>1,700</u>	<u>1,647</u>	<u>3,981</u>	<u>2,914</u>
Income from continuing operations before disposition of property, condominiums and investment in unconsolidated affiliates and equity in earnings of unconsolidated affiliates	24,404	22,673	13,714	10,690	6,748	11,401	12,583
Gains on disposition of property	36	213	17	19	19	34	194
Gains on disposition of for-sale residential condominiums 1/	353	636	163	190	99	187	289
Gains on disposition of investment in unconsolidated affiliates	25,330	-	25,330	-	-	-	-
Equity in earnings of unconsolidated affiliates	1,683	3,162	888	795	1,577	682	1,862
Income/(loss) from continuing operations	51,806	26,684	40,112	11,694	8,443	12,304	14,928
Discontinued operations:							
Income/(loss) from discontinued operations	411	2,574	197	214	(10,423)	646	1,203
Net gains/(losses) on disposition of discontinued operations	(86)	21,016	(260)	174	827	(377)	20,943
	<u>325</u>	<u>23,590</u>	<u>(63)</u>	<u>388</u>	<u>(9,596)</u>	<u>269</u>	<u>22,146</u>
Net income/(loss)	52,131	50,274	40,049	12,082	(1,153)	12,573	37,074
Net (income)/loss attributable to noncontrolling interests in the Operating Partnership	(2,453)	(2,748)	(1,933)	(520)	142	(591)	(2,054)
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(429)	(134)	(215)	(214)	147	(24)	(116)
Dividends on preferred stock	(3,354)	(3,354)	(1,677)	(1,677)	(1,677)	(1,677)	(1,677)
Net income/(loss) available for common stockholders	\$ 45,895	\$ 44,038	\$ 36,224	\$ 9,671	\$ (2,541)	\$ 10,281	\$ 33,227
Earnings per common share - diluted:							
Income from continuing operations available for common stockholders	\$ 0.64	\$ 0.34	\$ 0.50	\$ 0.13	\$ 0.10	\$ 0.14	\$ 0.19
Income/(loss) from discontinued operations available for common stockholders	-	0.34	-	0.01	(0.14)	-	0.31
Net income/(loss) available for common stockholders	<u>\$ 0.64</u>	<u>\$ 0.68</u>	<u>\$ 0.50</u>	<u>\$ 0.14</u>	<u>\$ (0.04)</u>	<u>\$ 0.14</u>	<u>\$ 0.50</u>
Weighted average common shares outstanding - diluted	<u>75,504</u>	<u>68,978</u>	<u>75,607</u>	<u>75,397</u>	<u>71,115</u>	<u>75,072</u>	<u>70,234</u>
Dividends declared and paid per common share	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>
Net income/(loss) available for common stockholders:							
Income from continuing operations available for common stockholders	\$ 45,587	\$ 21,824	\$ 36,284	\$ 9,303	\$ 6,549	\$ 10,027	\$ 12,370
Income/(loss) from discontinued operations available for common stockholders	308	22,214	(60)	368	(9,090)	254	20,857
Net income/(loss) available for common stockholders	<u>\$ 45,895</u>	<u>\$ 44,038</u>	<u>\$ 36,224</u>	<u>\$ 9,671</u>	<u>\$ (2,541)</u>	<u>\$ 10,281</u>	<u>\$ 33,227</u>

1/ After adjusting for our partner's share, which is reflected in "Net income attributable to noncontrolling interest in consolidated affiliates", net gains to the Company were \$140 and \$309 for the three and six months ended June 30, 2010, respectively.

Funds from Operations and Additional Information

Amounts in thousands, except per share amounts

	Six Months Ended		Three Months Ended				
	06/30/10	06/30/09	06/30/10	03/31/10	12/31/09	09/30/09	06/30/09
Funds from operations:							
Net income/(loss)	\$ 52,131	\$ 50,274	\$ 40,049	\$ 12,082	\$ (1,153)	\$ 12,573	\$ 37,074
Net (income)/loss attributable to noncontrolling interests in the Operating Partnership	(2,453)	(2,748)	(1,933)	(520)	142	(591)	(2,054)
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(429)	(134)	(215)	(214)	147	(24)	(116)
Dividends on preferred stock	(3,354)	(3,354)	(1,677)	(1,677)	(1,677)	(1,677)	(1,677)
Net income/(loss) available for common stockholders	<u>45,895</u>	<u>44,038</u>	<u>36,224</u>	<u>9,671</u>	<u>(2,541)</u>	<u>10,281</u>	<u>33,227</u>
Add/(deduct):							
Depreciation and amortization of real estate assets	65,235	64,289	32,926	32,309	31,980	31,861	32,023
(Gains) on disposition of depreciable properties	(36)	(89)	(17)	(19)	(19)	(19)	(70)
(Gains) on disposition of investment in unconsolidated affiliates	(25,330)	-	(25,330)	-	-	-	-
Net (income)/loss attribution of depreciable interests from the Operating Partnership	2,453	2,748	1,933	520	(142)	591	2,054
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	6,078	6,473	2,737	3,341	3,014	3,352	3,223
(Gains) on disposition of depreciable properties	-	(781)	-	-	-	-	(781)
Discontinued operations:							
Depreciation and amortization of real estate assets	365	1,287	182	183	246	322	572
(Gains) on disposition of depreciable properties	(174)	(21,016)	-	(174)	(827)	-	(20,943)
Funds from operations	<u>\$ 94,486</u>	<u>\$ 96,949</u>	<u>\$ 48,655</u>	<u>\$ 45,831</u>	<u>\$ 31,711</u>	<u>\$ 46,388</u>	<u>\$ 49,305</u>
Funds from operations per share - diluted							
Net income/(loss) available for common stockholders	\$ 0.64	\$ 0.68	\$ 0.50	\$ 0.14	\$ (0.04)	\$ 0.14	\$ 0.50
Add/(deduct):							
Depreciation and amortization of real estate assets	0.86	0.93	0.44	0.43	0.43	0.43	0.45
(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	0.08	0.09	0.04	0.04	0.04	0.05	0.05
(Gains) on disposition of depreciable properties	-	(0.01)	-	-	-	-	(0.01)
Discontinued operations:							
Depreciation and amortization of real estate assets	-	0.02	-	-	-	-	0.01
(Gains) on disposition of depreciable properties	-	(0.30)	-	-	(0.01)	-	(0.30)
Funds from operations per share - diluted	<u>\$ 1.25</u>	<u>\$ 1.41</u>	<u>\$ 0.64</u>	<u>\$ 0.61</u>	<u>\$ 0.42</u>	<u>\$ 0.62</u>	<u>\$ 0.70</u>
Weighted average shares outstanding - diluted	<u>75,504</u>	<u>68,978</u>	<u>75,607</u>	<u>75,397</u>	<u>75,263</u>	<u>75,072</u>	<u>70,234</u>
Additional information: 1/							
Funds from operations per share, excluding certain items 2/	<u>\$ 1.25</u>	<u>\$ 1.40</u>	<u>\$ 0.65</u>	<u>\$ 0.61</u>	<u>\$ 0.60</u>	<u>\$ 0.62</u>	<u>\$ 0.69</u>
Funds from operations, excluding certain items 2/	<u>\$ 94,746</u>	<u>\$ 96,319</u>	<u>\$ 48,915</u>	<u>\$ 45,831</u>	<u>\$ 45,229</u>	<u>\$ 46,307</u>	<u>\$ 48,675</u>
Straight line rental income	\$ (4,847)	\$ (2,252)	\$ (3,519)	\$ (1,328)	\$ (1,250)	\$ (535)	\$ (718)
Amortization of lease incentives	537	548	276	261	244	318	250
Depreciation of non-real estate assets	550	608	280	270	291	318	327
Ground lease straight line rent expense	68	173	34	34	52	66	48
Stock-based compensation expense	3,497	3,573	1,442	2,055	1,363	1,631	1,731
Amortization of deferred financing costs	1,670	1,351	835	835	782	627	689
Amortization of accumulated other comprehensive loss	(50)	(141)	(26)	(24)	(20)	(88)	(71)
Amortization of Harborview FMV	(459)	(94)	(236)	(223)	(824)	(47)	(47)
Non-incremental revenue generating capital expenditures paid: 3/							
Building improvements	(10,129)	(3,446)	(5,590)	(4,539)	(8,028)	(5,072)	(2,524)
2nd generation tenant improvements	(11,682)	(10,098)	(6,429)	(5,253)	(8,083)	(4,452)	(4,716)
2nd generation lease commissions	(7,808)	(4,026)	(4,991)	(2,817)	(3,705)	(1,123)	(1,746)
Common dividends and unit distributions paid	<u>(63,996)</u>	<u>(57,526)</u>	<u>(32,059)</u>	<u>(31,937)</u>	<u>(31,872)</u>	<u>(31,863)</u>	<u>(28,844)</u>

1/ Increase or (decrease) to cash flows.

2/ Excludes impairments on depreciable assets, gains on debt extinguishments, and preferred stock redemption/repurchase charges.

3/ Excludes capital expenditures paid for buildings sold prior to June 30, 2010.

Consolidated Balance Sheets

Dollars in thousands

Assets:	06/30/10	12/31/09
Real estate assets, at cost:		
Land	\$ 337,656	\$ 350,537
Buildings and tenant improvements	2,856,415	2,880,632
Land held for development	104,148	104,148
	<u>3,298,219</u>	<u>3,335,317</u>
Less-accumulated depreciation	(798,814)	(781,073)
Net real estate assets	2,499,405	2,554,244
For-sale residential condominiums	10,126	12,933
Real estate and other assets, net, held for sale	1,229	5,031
Cash and cash equivalents	35,843	23,699
Restricted cash	6,241	6,841
Accounts receivable, net of allowance of \$3,326 and \$2,810, respectively	20,440	21,069
Mortgages and notes receivable, net of allowance of \$771 and \$698, respectively	20,144	3,143
Accrued straight-line rents receivable, net of allowance of \$2,405 and \$2,443, respectively	87,027	82,600
Investment in unconsolidated affiliates	62,633	66,077
Deferred financing and leasing costs, net of accumulated amortization of \$53,539 and \$52,129, respectively	72,350	73,517
Prepaid expenses and other assets	39,674	37,947
Total Assets	<u>\$ 2,855,112</u>	<u>\$ 2,887,101</u>
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable	\$ 1,463,727	\$ 1,469,155
Accounts payable, accrued expenses and other liabilities	105,318	117,328
Financing obligations	33,603	37,706
Total Liabilities	<u>1,602,648</u>	<u>1,624,189</u>
Noncontrolling interests in the Operating Partnership	105,409	129,769
Equity:		
Preferred stock	81,592	81,592
Common stock	716	713
Additional paid-in capital	1,779,524	1,751,398
Distributions in excess of net income available for common stockholders	(716,790)	(701,932)
Accumulated other comprehensive loss	(3,275)	(3,811)
Total Stockholders' Equity	<u>1,141,767</u>	<u>1,127,960</u>
Noncontrolling interests in consolidated affiliates	5,288	5,183
Total Equity	<u>1,147,055</u>	<u>1,133,143</u>
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	<u>\$ 2,855,112</u>	<u>\$ 2,887,101</u>

Components of Net Asset Value As Released on February 10, 2010 -- See Note Below

Dollars in thousands

Note: The purpose of providing the following information at the beginning of each year is to enable readers to derive their own estimate of net asset value. The Company updates this information annually based on management's assumptions regarding projected current year net operating income as of the date of initial publication (current year being February 10, 2010), 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	\$ 237,230
Retail	19,209
Industrial/Other	19,047
Deduct partner's share of consolidated JV's (Office)	(5,040)
Total Net Operating Income	\$ 270,446

Highwoods' share of unconsolidated joint ventures, projected NOI

Office	\$ 29,103
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Other income

Development, leasing and management fees	\$ 5,053
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Add other assets:

Completed, not stabilized development and condos at cost	\$ 77,090
In-service assets not fairly valued by capitalized NOI valuation method 2/	139,862
Land held for development at market value 3/	145,985
Cash and cash equivalents	23,699
Restricted cash	6,841
Accounts receivable, net	21,069
Notes receivable and prepaid expenses	41,090
Highwoods share of unconsolidated JV's other assets	21,108
Deduct partner's share of consolidated JV's other assets	(2,903)
Total other assets	\$ 473,841

Deductions:

Total liabilities	\$ 117,328
Mortgages and notes payable	1,469,155
Deduct partner's share of Consolidated JV's liabilities and mortgages	(36,792)
Market value of debt adjustment 4/	(28,720)
Preferred stock, at liquidation value	81,592
Highwoods' share of unconsolidated joint ventures liabilities	251,817
Deduct market value of debt adjustment for JV debt	(4,247)
Total deductions	\$ 1,850,133

Estimated diluted common shares and common units for 2010 (000's)	75,600
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1/ Projected 2010 NOI excludes straight line income, lease termination fee income, NOI related to completed not stabilized developments, and NOI related to assets undervalued by capitalized NOI method.

2/ Consolidated Properties projected 2010 NOI is adjusted to eliminate the net NOI for properties for which a NOI capitalization approach is not appropriate. For these assets, an alternative methodology has been applied.

3/ Includes Highwoods' share of JV land held for development totaling \$7,519.

4/ In accordance with prior practice, we included an adjustment to mark our debt and bonds to estimated fair value as of December 31, 2009.

Components of Discontinued Operations

Dollars in thousands

	<i>Six Months Ended</i>		<i>Three Months Ended</i>				
	<u>06/30/10</u>	<u>06/30/09</u>	<u>06/30/10</u>	<u>03/31/10</u>	<u>12/31/09</u>	<u>09/30/09</u>	<u>06/30/09</u>
Rental and other revenues	\$ 1,432	\$ 6,382	\$ 653	\$ 779	\$ 1,319	\$ 1,455	\$ 2,781
Operating expenses:							
Rental property and other expenses	656	2,522	274	382	466	486	1,005
Depreciation and amortization	365	1,287	182	183	246	324	572
Impairment of assets held for use	-	-	-	-	10,964	-	-
Total operating expenses	<u>1,021</u>	<u>3,809</u>	<u>456</u>	<u>565</u>	<u>11,676</u>	<u>810</u>	<u>1,577</u>
Other income	-	1	-	-	1	1	(1)
Interest expense:	-	-	-	-	67	-	-
Income/(loss) before gains/(losses) on disposition of discontinued operations	411	2,574	197	214	(10,423)	646	1,203
Net gains/(losses) on disposition of discontinued operations	(86)	21,016	(260)	174	827	(377)	20,943
Total discontinued operations	<u>\$ 325</u>	<u>\$ 23,590</u>	<u>\$ (63)</u>	<u>\$ 388</u>	<u>\$ (9,596)</u>	<u>\$ 269</u>	<u>\$ 22,146</u>

Capitalization

Dollars, shares, and units in thousands

	<u>06/30/10</u>	<u>03/31/10</u>	<u>12/31/09</u>	<u>9/30/09</u>	<u>6/30/09</u>
Long-Term Debt (see pages 7 & 8):	\$ 1,463,727	\$ 1,466,441	\$ 1,469,155	\$ 1,472,585	\$ 1,428,650
Financing Obligations:	\$ 33,603	\$ 33,574	\$ 37,706	\$ 35,043	\$ 34,758
Preferred Stock (at liquidation value):					
Series A 8 5/8% Cumulative Redeemable	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092
Series B 8% Cumulative Redeemable	52,500	52,500	52,500	52,500	52,500
Total preferred stock	\$ 81,592	\$ 81,592	\$ 81,592	\$ 81,592	\$ 81,592
Common Shares and Units Outstanding:					
Common stock outstanding	71,615	71,602	71,285	71,071	70,848
Noncontrolling interest partnership units	3,797	3,798	3,891	3,965	4,059
Total common shares and units outstanding	75,412	75,400	75,176	75,036	74,907
Stock price at period end	\$ 27.76	\$ 31.73	\$ 33.35	\$ 31.45	\$ 22.37
Market value of common equity	\$ 2,093,437	\$ 2,392,442	\$ 2,507,120	\$ 2,359,882	\$ 1,675,670
Total market capitalization with debt and obligations	\$ 3,672,359	\$ 3,974,049	\$ 4,095,573	\$ 3,949,102	\$ 3,220,670

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

Long-Term Debt Summary

Dollars in thousands

	<u>6/30/10</u>	<u>3/31/10</u>	<u>12/31/09</u>	<u>9/30/09</u>	<u>6/30/09</u>
Balances Outstanding:					
Secured:					
Conventional fixed rate 1/	\$ 673,499	\$ 676,243	\$ 678,986	\$ 681,666	\$ 523,560
Variable rate debt	41,741	41,741	41,741	42,521	43,733
Secured total	<u>715,240</u>	<u>717,984</u>	<u>720,727</u>	<u>724,187</u>	<u>567,293</u>
Unsecured:					
Fixed rate bonds and notes	590,987	590,957	590,928	590,898	595,857
Bank term loans	157,500	157,500	157,500	157,500	157,500
Credit facility	-	-	-	-	108,000
Unsecured total	<u>748,487</u>	<u>748,457</u>	<u>748,428</u>	<u>748,398</u>	<u>861,357</u>
Total	<u>\$ 1,463,727</u>	<u>\$ 1,466,441</u>	<u>\$ 1,469,155</u>	<u>\$ 1,472,585</u>	<u>\$ 1,428,650</u>

End of Period Weighted Average Interest Rates:

Secured:					
Conventional fixed rate	6.52%	6.52%	6.52%	6.52%	6.37%
Variable rate debt	<u>1.17%</u>	<u>1.08%</u>	<u>1.09%</u>	<u>1.10%</u>	<u>1.20%</u>
Secured total	<u>6.21%</u>	<u>6.21%</u>	<u>6.21%</u>	<u>6.20%</u>	<u>5.97%</u>
Unsecured:					
Fixed rate bonds	6.41%	6.41%	6.41%	6.41%	6.40%
Bank term loans	1.76%	1.67%	1.66%	2.73%	2.75%
Credit facility	<u>3.25%</u> 2/	<u>3.15%</u> 2/	<u>3.14%</u> 2/	<u>1.05%</u> 2/	<u>1.11%</u>
Unsecured total	<u>5.43%</u>	<u>5.41%</u>	<u>5.41%</u>	<u>5.63%</u>	<u>5.07%</u>
Weighted Average	<u>5.81%</u>	<u>5.80%</u>	<u>5.80%</u>	<u>5.91%</u>	<u>5.43%</u>

Maturity Schedule:

Year	<i>Future Maturities of Debt</i>			Average Interest Rate
	Secured Debt 3/	Unsecured Debt	Total Debt 3/	
2010	\$ 41,741	\$ -	\$ 41,741	1.17%
2011	-	137,500	137,500	1.45%
2012	214,615	20,000	234,615	6.68%
2013	254,732	-	254,732	5.90%
2014	35,395	-	35,395	5.79%
2015	-	-	-	-
2016	168,757	-	168,757	7.09%
2017	-	390,987	390,987	5.85%
2018	-	200,000	200,000	7.50%
2019	-	-	-	-
Total maturities	<u>\$ 715,240</u>	<u>\$ 748,487</u>	<u>\$ 1,463,727</u>	<u>5.81%</u>

Weighted average maturity = 4.7 years

1/ Includes a \$21.7 million loan related to a consolidated 20% owned joint venture (Harborview) and \$35.4 million in loans at June 30, 2010 related to a consolidated 50% joint venture (Markel).

2/ No balances were outstanding at period end.

3/ All periods exclude annual principal amortization.

Long-Term Debt Detail

Dollars in thousands

<u>Secured Loans</u>			Loan	Undepreciated
<u>Lender</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Balance 6/30/10</u>	<u>Book Value of Assets Secured</u>
Northwestern Mutual	7.05%	Jan-12	\$ 187,081	\$ 303,268
Northwestern Mutual	6.03%	Mar-13	129,421	182,532
Massachusetts Mutual Life Ins. Co. 1/	5.68%	Dec-13	114,613	214,343
New York Life Insurance Company	6.88%	Jan-16	114,009	218,775
Western-Southern Life Assurance Company	7.50%	Aug-16	46,889	71,947
PNC/Regions/Union Bank of California/U.S. Bank 2/ 3/	1.17%	Dec-10	41,741	56,260
Metropolitan Life Ins. Co. 4/	6.06%	Oct-12	21,719	39,223
Principal Life Insurance Company 5/	5.79%	Jan-14	10,850	13,023
Principal Life Insurance Company 5/	5.79%	Jan-14	10,850	18,872
Massachusetts Mutual Life Ins. Co. 1/	6.48%	Dec-13	10,231	
Principal Life Insurance Company 5/	5.74%	Jan-14	8,553	14,456
State Farm Life Insurance	7.65%	Feb-16	7,860	16,854
Lutheran Brotherhood	6.80%	Apr-12	5,815	8,045
Principal Life Insurance Company 5/	5.89%	Jan-14	5,141	7,514
American United Life	9.00%	Jun-13	467	3,308
	<u>6.21%</u>		<u>715,240</u>	<u>\$ 1,168,420</u>
 <u>Unsecured Bonds</u>				
Bonds	5.85%	Mar-17	390,987	
Bonds	7.50%	Apr-18	200,000	
	<u>6.41%</u>		<u>590,987</u>	
 <u>Unsecured Loans</u>				
Credit facility 6/	3.25%	Feb-13	-	
Bank term loan 6/	1.45%	Feb-11	137,500	
Bank term loan 6/	3.90%	Mar-12	20,000	
	<u>1.76%</u>		<u>157,500</u>	
 <u>Total Debt</u>	 <u>5.81%</u>		 <u>\$ 1,463,727</u>	

Revolving Credit Facility

<u>Name of Lender</u>	<u>Total Commitment</u>	<u>Amount Outstanding at 6/30/10</u>	<u>Unfunded Commitment at 6/30/10</u>
Bank of America, N.A.	\$ 55,000	\$ -	\$ 55,000
Wells Fargo Bank, N.A.	55,000	-	55,000
Branch Banking and Trust Co.	45,000	-	45,000
PNC Bank, N.A.	45,000	-	45,000
US Bank	32,500	-	32,500
Regions Bank	27,500	-	27,500
Capital One	25,000	-	25,000
Comerica Bank	25,000	-	25,000
Morgan Stanley	25,000	-	25,000
RBC Bank	25,000	-	25,000
Union Bank of California, N.A.	25,000	-	25,000
First Tennessee Bank	15,000	-	15,000
	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 400,000</u>

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

2/ Floating rate loans based on two month libor.

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

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

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

6/ Floating rate loans based on one month libor.

Portfolio Summary - Wholly-Owned Properties Only 1/

(Rentable Square Feet)

	<u>6/30/10</u>	<u>3/31/10</u>	<u>12/31/09</u>	<u>9/30/09</u>	<u>6/30/09</u>
Office Industrial & Retail					
In-Service:					
Office	20,072,000	20,603,000	20,445,000	20,319,000	19,988,000
Industrial	5,827,000	6,463,000	6,463,000	6,463,000	6,463,000
Retail 2/	864,000	869,000	869,000	909,000	909,000
Total 3/	<u>26,763,000</u>	<u>27,935,000</u>	<u>27,777,000</u>	<u>27,691,000</u>	<u>27,360,000</u>
Development Completed - Not Stabilized:					
Office	148,000	148,000	301,000	153,000	373,000
Industrial	-	200,000	200,000	200,000	200,000
Retail	-	-	-	-	-
Total	<u>148,000</u>	<u>348,000</u>	<u>501,000</u>	<u>353,000</u>	<u>573,000</u>
Development - In Process:					
Office	60,000	-	-	148,000	258,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>148,000</u>	<u>258,000</u>
Total:					
Office	20,280,000	20,751,000	20,746,000	20,620,000	20,619,000
Industrial	5,827,000	6,663,000	6,663,000	6,663,000	6,663,000
Retail 2/	864,000	869,000	869,000	909,000	909,000
Total 3/	<u>26,971,000</u>	<u>28,283,000</u>	<u>28,278,000</u>	<u>28,192,000</u>	<u>28,191,000</u>
Same Property					
Office	18,975,000	18,975,000	18,975,000	18,975,000	18,975,000
Industrial	5,627,000	5,627,000	5,627,000	5,627,000	5,627,000
Retail	864,000	864,000	864,000	864,000	864,000
Total	<u>25,466,000</u>	<u>25,466,000</u>	<u>25,466,000</u>	<u>25,466,000</u>	<u>25,466,000</u>
Percent Leased/Pre-Leased:					
In-Service:					
Office	88.6%	87.7%	88.8%	88.6%	89.0%
Industrial	90.8%	87.2%	87.4%	84.6%	84.5%
Retail	95.8%	94.5%	98.0%	92.9%	90.7%
Total	<u>89.3%</u>	<u>87.8%</u>	<u>88.8%</u>	<u>87.8%</u>	<u>88.0%</u>
Development Completed - Not Stabilized:					
Office	24.3%	19.0%	46.0%	67.0%	41.6%
Industrial	-	50.0%	50.0%	50.0%	50.0%
Retail	-	-	-	-	-
Total	<u>24.3%</u>	<u>36.8%</u>	<u>47.6%</u>	<u>57.4%</u>	<u>44.6%</u>
Development - In Process:					
Office	100.0%	-	-	17.0%	52.4%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>100.0%</u>	<u>-</u>	<u>-</u>	<u>17.0%</u>	<u>52.4%</u>
Same Property					
Office	88.5%	88.9%	89.9%	89.8%	90.1%
Industrial	92.2%	91.6%	92.3%	89.0%	88.9%
Retail	95.8%	95.0%	98.5%	93.0%	90.7%
Total	<u>89.6%</u>	<u>89.7%</u>	<u>90.7%</u>	<u>89.8%</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 207,000 square feet of basement space in the Country Club Plaza.

3/ Excludes minor "for rent" apartment building.

Portfolio Summary

(Continued)

As of June 30, 2010

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/	4,134,000	86.0%	16.3%	-	-	16.3%
Atlanta	5,853,000	90.5%	11.1%	4.0%	-	15.1%
Tampa	2,878,000	90.8%	14.8%	-	-	14.8%
Nashville	3,096,000	90.6%	14.2%	-	-	14.2%
Kansas City	1,503,000 4/	91.3%	3.4%	-	6.5%	9.9%
Richmond	2,231,000	89.3%	8.8%	-	-	8.8%
Piedmont Triad 5/	4,173,000	88.6%	5.3%	2.9%	-	8.2%
Memphis	1,582,000	88.6%	7.2%	-	-	7.2%
Greenville	897,000	86.5%	3.2%	-	-	3.2%
Orlando	416,000	92.2%	2.3%	-	-	2.3%
Total	26,763,000	89.3%	86.6%	6.9%	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	4,948,000	87.3%	15.9%	-	-	15.9%
Atlanta	6,688,000	88.5%	11.5%	3.7%	-	15.2%
Tampa	3,083,000	90.9%	13.9%	-	-	13.9%
Nashville	3,096,000	90.6%	13.1%	-	-	13.1%
Kansas City	2,222,000 4/	88.0%	4.4%	-	6.0%	10.4%
Richmond	2,644,000	90.9%	8.7%	-	-	8.7%
Piedmont Triad	4,431,000	86.1%	5.1%	2.7%	-	7.8%
Memphis	1,582,000	88.6%	6.6%	-	-	6.6%
Orlando	2,269,000	85.8%	5.3%	-	-	5.3%
Greenville	897,000	86.5%	3.0%	-	-	3.0%
Charlotte	148,000	100.0%	0.1%	-	-	0.1%
Total	32,008,000	88.4%	87.6%	6.4%	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, 2010 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 207,000 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, 2010

<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	4,134,000	86.0%	18.8%	-	-	-
Tampa	2,878,000	90.8%	17.1%	-	-	-
Nashville	3,096,000	90.6%	16.4%	-	-	-
Atlanta	2,571,000	89.9%	12.8%	3,282,000	90.9%	58.0%
Richmond	2,231,000	89.3%	10.1%	-	-	-
Memphis	1,582,000	88.6%	8.3%	-	-	-
Piedmont Triad	1,628,000	85.5%	6.2%	2,545,000	90.6%	42.0%
Kansas City	639,000	85.2%	3.9%	-	-	-
Greenville	897,000	86.5%	3.7%	-	-	-
Orlando	416,000	92.2%	2.7%	-	-	-
	<u>20,072,000</u>	<u>88.6%</u>	<u>100.0%</u>	<u>5,827,000</u>	<u>90.8%</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/	864,000	95.8%	100.0%
	<u>864,000</u>	<u>95.8%</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, 2010 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

3/ Excludes 207,000 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>6/30/10</u>	<u>3/31/10</u>	<u>12/31/09</u>	<u>9/30/09</u>	<u>6/30/09</u>
Atlanta	Rentable Square Feet	5,853,000	5,653,000	5,653,000	5,653,000	5,653,000
	Occupancy	90.5%	90.5%	90.4%	90.7%	91.4%
	Current Properties 2/	91.9%	90.5%	90.4%	90.7%	91.3%
Greenville	Rentable Square Feet	897,000	897,000	897,000	897,000	897,000
	Occupancy	86.5%	86.3%	88.5%	89.0%	90.5%
	Current Properties 2/	86.5%	86.3%	88.5%	89.0%	90.5%
Kansas City 3/	Rentable Square Feet	1,503,000	1,508,000	1,508,000	1,508,000	1,508,000
	Occupancy	91.3%	90.8%	92.9%	89.8%	89.3%
	Current Properties 2/	91.3%	91.1%	93.2%	90.1%	89.6%
Memphis	Rentable Square Feet	1,582,000	1,582,000	1,582,000	1,582,000	1,472,000
	Occupancy	88.6%	89.3%	91.5%	91.6%	93.1%
	Current Properties 2/	87.8%	88.7%	90.9%	91.6%	93.1%
Nashville	Rentable Square Feet	3,096,000	3,094,000	2,938,000	2,997,000	2,997,000
	Occupancy	90.6%	90.9%	95.1%	93.8%	95.0%
	Current Properties 2/	91.5%	92.1%	95.0%	93.5%	94.8%
Orlando	Rentable Square Feet	416,000	416,000	416,000	416,000	416,000
	Occupancy	92.2%	93.0%	94.4%	95.7%	96.8%
	Current Properties 2/	92.2%	93.0%	94.4%	95.7%	96.8%
Piedmont Triad	Rentable Square Feet	4,173,000	5,482,000	5,482,000	5,526,000	5,526,000
	Occupancy	88.6%	81.8%	82.2%	79.1%	78.2%
	Current Properties 2/	88.6%	90.2%	91.2%	87.1%	85.9%
Raleigh	Rentable Square Feet	4,134,000	4,194,000	4,194,000	4,224,000	4,004,000
	Occupancy	86.0%	83.5%	83.8%	83.6%	83.7%
	Current Properties 2/	86.5%	85.3%	85.9%	85.8%	84.9%
Richmond	Rentable Square Feet	2,231,000	2,231,000	2,229,000	2,229,000	2,228,000
	Occupancy	89.3%	90.9%	93.2%	92.4%	92.0%
	Current Properties 2/	89.3%	91.0%	93.2%	92.3%	92.0%
Tampa	Rentable Square Feet	2,878,000	2,878,000	2,878,000	2,658,000	2,658,000
	Occupancy	90.8%	92.0%	90.9%	90.7%	90.8%
	Current Properties 2/	90.6%	91.9%	90.7%	90.7%	90.8%
Total	Rentable Square Feet	26,763,000	27,935,000	27,777,000	27,690,000	27,359,000
	Occupancy	89.3%	87.8%	88.8%	87.8%	88.0%
	Current Properties 2/	89.7%	89.8%	90.8%	89.9%	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 207,000 square feet of basement space in the Country Club Plaza.

Leasing Statistics

Office Portfolio 1/

	Three Months Ended					Five Quarter
	<u>6/30/10 2/</u>	<u>3/31/10 3/</u>	<u>12/31/09 4/</u>	<u>9/30/09 5/</u>	<u>6/30/09 6/</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	149	117	85	97	95	109
Rentable square footage leased	808,156	947,587	774,795	558,856	737,490	765,377
Square footage of Renewal Deals	580,139	691,950	580,701	401,168	622,050	575,202
Renewed square footage (% of total)	71.8%	73.0%	74.9%	71.8%	84.3%	75.2%
New Leases square footage (% of total)	28.2%	27.0%	25.1%	28.2%	15.7%	24.8%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 19.44	\$ 17.93	\$ 20.19	\$ 20.70	\$ 19.06	\$ 19.46
Tenant improvements	(1.54)	(1.30)	(1.63)	(1.21)	(0.87)	(1.31)
Leasing commissions 7/	(0.56)	(0.50)	(0.34)	(0.53)	(0.44)	(0.47)
Rent concessions	(0.92)	(0.68)	(0.43)	(0.59)	(0.39)	(0.60)
Effective rent	16.42	15.45	17.79	18.37	17.36	17.08
Expense stop	(6.62)	(5.51)	(7.61)	(6.67)	(5.74)	(6.43)
Equivalent effective net rent	\$ 9.80	\$ 9.94	\$ 10.18	\$ 11.70	\$ 11.62	\$ 10.65
Weighted average term in years	4.8	4.7	7.6	3.8	3.6	4.9
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 7,812,890	\$ 8,881,638	\$ 10,491,606	\$ 3,637,183	\$ 3,304,902	\$ 6,825,644
Rentable square feet	808,156	947,587	774,795	558,856	737,490	765,377
Per rentable square foot	\$ 9.67	\$ 9.37	\$ 13.54	\$ 6.51	\$ 4.48	\$ 8.92
Leasing Commissions:						
Total dollars committed under signed leases 7/	\$ 2,327,641	\$ 2,982,143	\$ 1,095,745	\$ 1,248,668	\$ 1,361,976	\$ 1,803,235
Rentable square feet	808,156	947,587	774,795	558,856	737,490	765,377
Per rentable square foot	\$ 2.88	\$ 3.15	\$ 1.41	\$ 2.23	\$ 1.85	\$ 2.36
Total:						
Total dollars committed under signed leases	\$ 10,140,531	\$ 11,863,781	\$ 11,587,351	\$ 4,885,851	\$ 4,666,878	\$ 8,628,879
Rentable square feet	808,156	947,587	774,795	558,856	737,490	765,377
Per rentable square foot	\$ 12.55	\$ 12.52	\$ 14.96	\$ 8.74	\$ 6.33	\$ 11.27

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

3/ Includes 171K square feet of leases that start in 2012 or later.

4/ Includes 106K square feet of leases that start in 2012 or later.

5/ Includes 98K square feet of leases that start in 2011 or later.

6/ Includes 143K square feet of leases that start in 2011 or later.

7/ Excludes a full allocation of internal leasing costs.

Leasing Statistics

Industrial Portfolio

	Three Months Ended					Five Quarter
	<u>6/30/10 1/</u>	<u>3/31/10 2/</u>	<u>12/31/09 3/</u>	<u>9/30/09 4/</u>	<u>6/30/09</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	16	16	18	18	14	16
Rentable square footage leased	511,426	280,300	500,405	191,863	624,617	421,722
Square footage of Renewal Deals	328,096	124,955	380,291	127,503	459,757	284,120
Renewed square footage (% of total)	64.2%	44.6%	76.0%	66.5%	73.6%	67.4%
New Leases square footage (% of total)	35.8%	55.4%	24.0%	33.5%	26.4%	32.6%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 3.73	\$ 4.48	\$ 3.86	\$ 7.29	\$ 3.47	\$ 4.57
Tenant improvements	(0.37)	(0.59)	(0.26)	(0.51)	(0.29)	(0.40)
Leasing commissions 5/	(0.09)	(0.13)	(0.06)	(0.04)	(0.10)	(0.08)
Rent concessions	(0.24)	(0.18)	(0.07)	(0.11)	(0.09)	(0.14)
Effective rent	3.03	3.58	3.47	6.63	2.99	3.95
Expense stop	(0.21)	(0.30)	(0.24)	(2.35)	(0.31)	(0.68)
Equivalent effective net rent	\$ 2.82	\$ 3.28	\$ 3.23	\$ 4.28	\$ 2.68	\$ 3.27
Weighted average term in years	4.4	4.8	4.3	3.4	3.1	4.0
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 1,068,076	\$ 988,367	\$ 760,858	\$ 411,696	\$ 775,542	\$ 800,908
Rentable square feet	511,426	280,300	500,405	191,863	624,617	421,722
Per rentable square foot	\$ 2.09	\$ 3.53	\$ 1.52	\$ 2.15	\$ 1.24	\$ 1.90
Leasing Commissions:						
Total dollars committed under signed leases 5/	\$ 215,500	\$ 212,098	\$ 170,216	\$ 22,307	\$ 218,170	\$ 167,658
Rentable square feet	511,426	280,300	500,405	191,863	624,617	421,722
Per rentable square foot	\$ 0.42	\$ 0.76	\$ 0.34	\$ 0.12	\$ 0.35	\$ 0.40
Total:						
Total dollars committed under signed leases	\$ 1,283,576	\$ 1,200,465	\$ 931,075	\$ 434,003	\$ 993,712	\$ 968,566
Rentable square feet	511,426	280,300	500,405	191,863	624,617	421,722
Per rentable square foot	\$ 2.51	\$ 4.28	\$ 1.86	\$ 2.26	\$ 1.59	\$ 2.30

1/ 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.

2/ Includes 38K square feet of leases that start in 2012 or later.

3/ Includes 100K square feet of leases that start in 2012 or later.

4/ Includes 32K square feet of leases that start in 2011 or later.

5/ Excludes a full allocation of internal leasing costs.

Leasing Statistics

Retail Portfolio

	Three Months Ended					Five Quarter
	6/30/10 1/	3/31/10 2/	12/31/09 3/	9/30/09 4/	6/30/09 5/	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	13	6	11	9	9	10
Rentable square footage leased	53,242	37,406	40,271	49,132	60,665	48,143
Square footage of Renewal Deals	45,560	19,030	25,966	16,954	54,455	32,393
Renewed square footage (% of total)	85.6%	50.9%	64.5%	34.5%	89.8%	67.3%
New Leases square footage (% of total)	14.4%	49.1%	35.5%	65.5%	10.2%	32.7%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 30.00	\$ 35.74	\$ 29.22	\$ 29.31	\$ 15.71	\$ 28.00
Tenant improvements	(0.46)	(4.41)	(0.68)	(2.28)	(0.40)	(1.65)
Leasing commissions 6/	(0.19)	(0.24)	(0.34)	(0.68)	(0.06)	(0.30)
Rent concessions	(0.04)	(0.23)	(0.47)	0.00	(0.04)	(0.16)
Effective rent	29.31	30.86	27.73	26.35	15.21	25.89
Expense stop	0.00	0.00	0.00	0.00	0.00	0.00
Equivalent effective net rent	\$ 29.31	\$ 30.86	\$ 27.73	\$ 26.35	\$ 15.21	\$ 25.89
Weighted average term in years	5.2	5.8	3.7	9.2	2.8	5.3
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 212,080	\$ 1,090,042	\$ 152,202	\$ 1,275,370	\$ 241,785	\$ 594,296
Rentable square feet	53,242	37,406	40,271	49,132	60,665	48,143
Per rentable square foot	\$ 3.98	\$ 29.14	\$ 3.78	\$ 25.96	\$ 3.99	\$ 12.34
Leasing Commissions:						
Total dollars committed under signed leases 6/	\$ 86,142	\$ 46,391	\$ 28,158	\$ 401,183	\$ 34,975	\$ 119,370
Rentable square feet	53,242	37,406	40,271	49,132	60,665	48,143
Per rentable square foot	\$ 1.62	\$ 1.24	\$ 0.70	\$ 8.17	\$ 0.58	\$ 2.48
Total:						
Total dollars committed under signed leases	\$ 298,222	\$ 1,136,433	\$ 180,360	\$ 1,676,553	\$ 276,760	\$ 713,666
Rentable square feet	53,242	37,406	40,271	49,132	60,665	48,143
Per rentable square foot	\$ 5.60	\$ 30.38	\$ 4.48	\$ 34.12	\$ 4.56	\$ 14.82

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

2/ Includes 17K square feet of leases that start in 2012 or later.

3/ Includes 4K square feet of leases that start in 2012 or later.

4/ Includes 11K square feet of leases that start in 2011 or later.

5/ Includes 3K square feet of leases that start in 2011 or later.

6/ Excludes a full allocation of internal leasing costs.

Leasing Statistics by Market

For the Three Months Ended 6/30/10

Office Portfolio 1/ <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Raleigh	229,056	5.1	\$ 18.68	\$ 10.43	\$ 2.65
Memphis	137,007	6.0	20.20	17.70	4.21
Nashville	115,848	4.9	17.91	4.82	2.14
Piedmont Triad	101,889	4.2	14.75	4.75	1.64
Richmond	86,257	5.6	17.94	12.11	3.32
Atlanta	50,966	1.2	20.44	0.32	0.40
Greenville	32,623	5.0	16.62	8.32	4.44
Tampa	23,169	4.3	20.59	13.67	2.89
Kansas City	20,200	4.2	25.35	11.17	6.50
Orlando	11,141	3.3	19.89	7.35	2.38
	808,156	4.8	\$ 18.52	\$ 9.67	\$ 2.88

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Atlanta	295,576	5.3	\$ 3.76	\$ 3.15	\$ 0.55
Piedmont Triad	215,850	3.2	3.14	0.64	0.23
	511,426	4.4	\$ 3.49	\$ 2.09	\$ 0.42

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	53,242	5.2	\$ 29.96	\$ 3.98	\$ 1.62
	53,242	5.2	\$ 29.96	\$ 3.98	\$ 1.62

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

2/ 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 \$500K.

Rental Rate Comparisons by Market

For the Three Months Ended 6/30/10

Office Portfolio 1/ <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent	Percentage Change Rent
Raleigh	229,056	\$ 18.68	\$ 20.27	-7.8%
Memphis	137,007	20.20	19.08	5.9%
Nashville	115,848	17.91	17.93	-0.1%
Piedmont Triad	101,889	14.75	15.01	-1.7%
Richmond	86,257	17.94	19.14	-6.3%
Atlanta	50,966	20.44	19.25	6.2%
Greenville	32,623	16.62	16.87	-1.5%
Tampa	23,169	20.59	21.98	-6.3%
Kansas City	20,200	25.35	23.37	8.5%
Orlando	11,141	19.89	19.54	1.8%
GAAP Rent Growth	808,156	\$ 18.52	\$ 18.86	-1.8%
Cash Rent Growth	808,156	\$ 18.68	\$ 20.82	-10.3%

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent	Percentage Change Rent
Atlanta	295,576	\$ 3.76	\$ 4.38	-14.2%
Piedmont Triad	215,850	3.14	3.32	-5.4%
GAAP Rent Growth	511,426	\$ 3.49	\$ 3.93	-11.1%
Cash Rent Growth	511,426	\$ 3.48	\$ 4.50	-22.7%

Retail Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent 2/	Percentage Change Rent
Kansas City	53,242	\$ 29.96	\$ 23.27	28.7%
GAAP Rent Growth	53,242	\$ 29.96	\$ 23.27	28.7%
Cash Rent Growth	53,242	\$ 29.31	\$ 24.41	20.1%

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

<u>Type</u>	<u>6/30/10</u>	<u>6/30/09</u>	<u>6/30/08</u>	<u>6/30/07</u>	<u>6/30/06</u>
Office	\$ 20.52	\$ 20.79	\$ 19.80	\$ 19.26	\$ 18.16
Industrial	5.53	5.21	5.30	5.19	5.10
Retail 2/	33.32	37.19	31.33	30.94	28.07
Weighted average rate	\$ 17.65	\$ 17.79	\$ 16.87	\$ 16.40	\$ 15.51
Annual % growth rate	-0.8%	5.5%	2.9%	5.7%	

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

2/ Excludes percentage rent.

3/ Annualized Cash Revenue is June, 2010 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Lease Expirations

June 30, 2010

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/					
2010 /3	1,042,370	5.9%	\$ 20,225	\$ 19.40	5.5%
2011	2,242,499	12.6%	46,469	20.72	12.7%
2012	2,558,137	14.3%	54,259	21.21	15.0%
2013	2,525,190	14.2%	52,093	20.63	14.3%
2014	2,385,200	13.4%	50,558	21.20	13.8%
2015	1,848,763	10.4%	37,009	20.02	10.1%
2016	1,215,993	6.8%	22,379	18.40	6.1%
2017	1,062,458	6.0%	20,980	19.75	5.7%
2018	722,055	4.1%	16,062	22.24	4.4%
2019	559,595	3.1%	9,989	17.85	2.7%
2020 and thereafter	1,643,498	9.2%	35,299	21.48	9.7%
	<u>17,805,758</u>	<u>100.0%</u>	<u>\$ 365,322</u>	<u>\$ 20.52</u>	<u>100.0%</u>
Industrial:					
2010 /4	393,818	7.4%	\$ 2,015	\$ 5.12	6.9%
2011	825,308	15.7%	4,906	5.94	16.7%
2012	536,428	10.1%	3,054	5.69	10.4%
2013	713,828	13.5%	4,327	6.06	14.8%
2014	870,984	16.5%	4,732	5.43	16.2%
2015	483,635	9.1%	1,959	4.05	6.7%
2016	264,597	5.0%	1,119	4.23	3.8%
2017	188,899	3.6%	1,022	5.41	3.5%
2018	110,284	2.1%	604	5.48	2.1%
2019	176,024	3.3%	446	2.53	1.5%
2020 and thereafter	726,333	13.7%	5,083	7.00	17.4%
	<u>5,290,138</u>	<u>100.0%</u>	<u>\$ 29,267</u>	<u>\$ 5.53</u>	<u>100.0%</u>

1/ Annualized Cash Revenue is June, 2010 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 99,000 square feet of leases that are on a month to month basis or 0.3% of total annualized revenue.

4/ Includes 80,000 square feet of leases that are on a month to month basis or 0.1% of total annualized revenue.

Note: 2010 and beyond expirations that have been renewed are reflected above based on the renewal expiration date.

Lease Expirations

June 30, 2010

(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:					
2010 2/	44,979	5.4%	\$ 1,647	\$ 36.62	6.0%
2011	87,147	10.5%	2,047	23.49	7.4%
2012	67,722	8.2%	2,486	36.71	9.0%
2013	18,900	2.3%	1,136	60.11	4.1%
2014	39,037	4.7%	1,953	50.03	7.1%
2015	60,693	7.3%	2,917	48.06	10.6%
2016	54,389	6.6%	2,289	42.09	8.3%
2017	96,910	11.7%	2,031	20.96	7.4%
2018	84,726	10.2%	2,550	30.10	9.2%
2019	93,284	11.3%	2,987	32.02	10.8%
2020 and thereafter	180,584	21.8%	5,557	30.77	20.1%
	828,371	100.0%	\$ 27,600	\$ 33.32	100.0%
Total:					
2010 3/ 4/	1,481,167	6.2%	\$ 23,887	\$ 16.13	5.7%
2011	3,154,954	13.2%	53,422	16.93	12.7%
2012	3,162,287	13.2%	59,799	18.91	14.1%
2013	3,257,918	13.6%	57,556	17.67	13.5%
2014	3,295,221	13.8%	57,243	17.37	13.6%
2015	2,393,091	10.0%	41,885	17.50	9.9%
2016	1,534,979	6.4%	25,787	16.80	6.1%
2017	1,348,267	5.6%	24,033	17.83	5.7%
2018	917,065	3.8%	19,216	20.95	4.6%
2019	828,903	3.5%	13,422	16.19	3.2%
2020 and thereafter	2,550,415	10.7%	45,939	18.01	10.9%
	23,924,267	100.0%	\$ 422,189	\$ 17.65	100.0%

1/ Annualized Cash Revenue is June, 2010 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

2/ Includes 5,000 square feet of leases that are on a month to month basis or 0.0% of total annualized revenue.

3/ Includes 184,000 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: 2010 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
		9/30/10 2/	12/31/10	3/31/11	6/30/11	
Atlanta	RSF	129,295	17,891	28,922	32,833	208,941
	% of Total Office RSF	0.7%	0.1%	0.2%	0.2%	1.2%
	Annualized Cash Revenue 3/	\$ 2,289	\$ 353	\$ 559	\$ 687	\$ 3,888
	% of Total Office Annl Cash Rev	0.6%	0.1%	0.2%	0.2%	1.1%
Greenville	RSF	19,493	0	5,847	2,322	27,662
	% of Total Office RSF	0.1%	0.0%	0.0%	0.0%	0.2%
	Annualized Cash Revenue 3/	\$ 93	-	\$ 135	\$ 39	\$ 267
	% of Total Office Annl Cash Rev	0.0%	0.0%	0.0%	0.0%	0.1%
Kansas City	RSF	25,597	30,560	25,047	42,862	124,066
	% of Total Office RSF	0.1%	0.2%	0.1%	0.2%	0.7%
	Annualized Cash Revenue 3/	\$ 757	\$ 880	\$ 693	\$ 1,053	\$ 3,383
	% of Total Office Annl Cash Rev	0.2%	0.2%	0.2%	0.3%	0.9%
Memphis	RSF	52,836	61,046	31,646	25,911	171,439
	% of Total Office RSF	0.3%	0.3%	0.2%	0.1%	1.0%
	Annualized Cash Revenue 3/	\$ 825	\$ 1,392	\$ 612	\$ 580	\$ 3,409
	% of Total Office Annl Cash Rev	0.2%	0.4%	0.2%	0.2%	0.9%
Nashville	RSF	175,031	24,300	108,569	117,461	425,361
	% of Total Office RSF	1.0%	0.1%	0.6%	0.7%	2.4%
	Annualized Cash Revenue 3/	\$ 3,637	\$ 517	\$ 1,874	\$ 2,847	\$ 8,875
	% of Total Office Annl Cash Rev	1.0%	0.1%	0.5%	0.8%	2.4%
Orlando	RSF	74,301	0	4,930	10,243	89,474
	% of Total Office RSF	0.4%	0.0%	0.0%	0.1%	0.5%
	Annualized Cash Revenue 3/	\$ 1,804	-	\$ 90	\$ 256	\$ 2,150
	% of Total Office Annl Cash Rev	0.5%	0.0%	0.0%	0.1%	0.6%
Piedmont Triad	RSF	51,718	20,465	34,311	71,452	177,946
	% of Total Office RSF	0.3%	0.1%	0.2%	0.4%	1.0%
	Annualized Cash Revenue 3/	\$ 872	\$ 397	\$ 714	\$ 1,332	\$ 3,315
	% of Total Office Annl Cash Rev	0.2%	0.1%	0.2%	0.4%	0.9%
Raleigh	RSF	155,084	42,192	80,631	90,970	368,877
	% of Total Office RSF	0.8%	0.2%	0.5%	0.5%	2.0%
	Annualized Cash Revenue 3/	\$ 1,972	\$ 1,099	\$ 1,726	\$ 1,804	\$ 6,601
	% of Total Office Annl Cash Rev	0.5%	0.3%	0.5%	0.5%	1.8%
Richmond	RSF	51,841	46,469	57,954	99,503	255,767
	% of Total Office RSF	0.3%	0.3%	0.3%	0.6%	1.4%
	Annualized Cash Revenue 3/	\$ 829	\$ 935	\$ 1,109	\$ 1,751	\$ 4,624
	% of Total Office Annl Cash Rev	0.2%	0.3%	0.3%	0.5%	1.3%
Tampa	RSF	59,515	4,736	49,877	29,020	143,148
	% of Total Office RSF	0.3%	0.0%	0.3%	0.2%	0.8%
	Annualized Cash Revenue 3/	\$ 1,447	\$ 127	\$ 1,212	\$ 756	\$ 3,542
	% of Total Office Annl Cash Rev	0.4%	0.0%	0.3%	0.2%	1.0%
Total	RSF	794,711	247,659	427,734	522,577	1,992,681
	% of Total Office RSF	4.4%	1.4%	2.4%	2.9%	11.1%
	Annualized Cash Revenue 3/	\$ 14,525	\$ 5,700	\$ 8,724	\$ 11,105	\$ 40,054
	% of Total Office Annl Cash Rev	4.0%	1.6%	2.4%	3.0%	11.0%

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 99,000 square feet of leases that are on a month to month basis or 0.3% of total annualized revenue.

3/ Annualized Cash Revenue is June, 2010 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				
		9/30/10 1/	12/31/10	3/31/11	6/30/11	Total
Atlanta	RSF	153,472	63,804	64,480	54,360	336,116
	% of Total Industrial RSF	2.9%	1.2%	1.2%	1.0%	6.4%
	Annualized Cash Revenue 2/ \$	824 \$	346 \$	436 \$	380 \$	1,986
	% of Total Industrial Annl Cash Rev	2.9%	1.2%	1.5%	1.3%	6.8%
Piedmont Triad	RSF	159,498	17,044	18,714	288,000	483,256
	% of Total Industrial RSF	3.0%	0.3%	0.4%	5.4%	9.1%
	Annualized Cash Revenue 2/ \$	680 \$	167 \$	125 \$	1,569 \$	2,541
	% of Total Industrial Annl Cash Rev	2.3%	0.6%	0.4%	5.4%	8.7%
Total	RSF	312,970	80,848	83,194	342,360	819,372
	% of Total Industrial RSF	5.9%	1.5%	1.6%	6.5%	15.5%
	Annualized Cash Revenue 2/ \$	1,504 \$	513 \$	561 \$	1,949 \$	4,527
	% of Total Industrial Annl Cash Rev	5.2%	1.8%	1.9%	6.7%	15.5%

1/ Includes 80,000 square feet of leases that are on a month to month basis or 0.1% of total annualized revenue.

2/ Annualized Cash Revenue is June, 2010 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>2010 2/</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Thereafter</u>
Atlanta	RSF	147,186	125,509	314,995	363,792	1,359,497
	% of Total Office RSF	0.8%	0.7%	1.8%	2.0%	7.6%
	Annualized Cash Revenue 3/	\$ 2,642	\$ 2,482	\$ 7,192	\$ 6,711	\$ 27,856
	% of Total Office Annl Cash Rev	0.7%	0.7%	2.0%	1.8%	7.6%
Greenville	RSF	19,493	106,566	220,902	130,186	298,868
	% of Total Office RSF	0.1%	0.6%	1.2%	0.7%	1.7%
	Annualized Cash Revenue 3/	\$ 93	\$ 1,989	\$ 3,864	\$ 2,286	\$ 5,335
	% of Total Office Annl Cash Rev	0.0%	0.5%	1.1%	0.6%	1.5%
Kansas City	RSF	56,157	85,946	81,084	20,097	301,107
	% of Total Office RSF	0.3%	0.5%	0.5%	0.1%	1.7%
	Annualized Cash Revenue 3/	\$ 1,637	\$ 2,187	\$ 1,993	\$ 500	\$ 8,103
	% of Total Office Annl Cash Rev	0.4%	0.6%	0.5%	0.1%	2.2%
Memphis	RSF	113,882	170,385	161,540	212,354	772,253
	% of Total Office RSF	0.6%	1.0%	0.9%	1.2%	4.3%
	Annualized Cash Revenue 3/	\$ 2,217	\$ 3,709	\$ 3,630	\$ 4,936	\$ 15,728
	% of Total Office Annl Cash Rev	0.6%	1.0%	1.0%	1.4%	4.3%
Nashville	RSF	199,331	350,232	311,143	342,331	1,601,448
	% of Total Office RSF	1.1%	2.0%	1.7%	1.9%	9.0%
	Annualized Cash Revenue 3/	\$ 4,154	\$ 7,390	\$ 6,902	\$ 6,321	\$ 35,119
	% of Total Office Annl Cash Rev	1.1%	2.0%	1.9%	1.7%	9.6%
Orlando	RSF	74,301	118,963	6,449	23,911	160,315
	% of Total Office RSF	0.4%	0.7%	0.0%	0.1%	0.9%
	Annualized Cash Revenue 3/	\$ 1,804	\$ 2,711	\$ 183	\$ 564	\$ 4,494
	% of Total Office Annl Cash Rev	0.5%	0.7%	0.1%	0.2%	1.2%
Piedmont Triad	RSF	72,183	269,058	369,802	169,684	512,165
	% of Total Office RSF	0.4%	1.5%	2.1%	1.0%	2.9%
	Annualized Cash Revenue 3/	\$ 1,269	\$ 4,746	\$ 7,055	\$ 2,431	\$ 7,044
	% of Total Office Annl Cash Rev	0.3%	1.3%	1.9%	0.7%	1.9%
Raleigh	RSF	197,276	472,786	530,034	365,708	1,991,379
	% of Total Office RSF	1.1%	2.7%	3.0%	2.1%	11.2%
	Annualized Cash Revenue 3/	\$ 3,070	\$ 9,877	\$ 10,422	\$ 6,998	\$ 38,245
	% of Total Office Annl Cash Rev	0.8%	2.7%	2.9%	1.9%	10.5%
Richmond	RSF	98,310	390,838	275,316	263,963	962,731
	% of Total Office RSF	0.6%	2.2%	1.5%	1.5%	5.4%
	Annualized Cash Revenue 3/	\$ 1,765	\$ 7,654	\$ 4,979	\$ 5,244	\$ 17,427
	% of Total Office Annl Cash Rev	0.5%	2.1%	1.4%	1.4%	4.8%
Tampa	RSF	64,251	152,216	286,872	633,164	1,477,799
	% of Total Office RSF	0.4%	0.9%	1.6%	3.6%	8.3%
	Annualized Cash Revenue 3/	\$ 1,574	\$ 3,723	\$ 8,038	\$ 16,103	\$ 32,923
	% of Total Office Annl Cash Rev	0.4%	1.0%	2.2%	4.4%	9.0%
Total	RSF	1,042,370	2,242,499	2,558,137	2,525,190	9,437,562
	% of Total Office RSF	5.9%	12.6%	14.4%	14.2%	53.0%
	Annualized Cash Revenue 3/	\$ 20,225	\$ 46,468	\$ 54,258	\$ 52,094	\$ 192,274
	% of Total Office Annl Cash Rev	5.5%	12.7%	14.9%	14.3%	52.6%

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

2/ Includes 99,000 square feet of leases that are on a month to month basis or 0.3% of total annualized revenue.

3/ Annualized Cash Revenue is June, 2010 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>2010 1/</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Thereafter</u>
Atlanta	RSF	217,276	422,511	244,816	435,955	1,664,048
	% of Total Industrial RSF	4.1%	8.0%	4.6%	8.2%	31.5%
	Annualized Cash Revenue 2/	\$ 1,169	\$ 2,695	\$ 1,322	\$ 2,390	\$ 9,410
	% of Total Industrial Annl Cash Rev	4.0%	9.2%	4.5%	8.2%	32.2%
Piedmont Triad	RSF	176,542	402,797	291,612	277,873	1,156,708
	% of Total Industrial RSF	3.3%	7.6%	5.5%	5.3%	21.9%
	Annualized Cash Revenue 2/	\$ 846	\$ 2,211	\$ 1,732	\$ 1,938	\$ 5,557
	% of Total Industrial Annl Cash Rev	2.9%	7.6%	5.9%	6.6%	19.0%
Total	RSF	393,818	825,308	536,428	713,828	2,820,756
	% of Total Industrial RSF	7.4%	15.6%	10.1%	13.5%	53.3%
	Annualized Cash Revenue 2/	\$ 2,015	\$ 4,906	\$ 3,054	\$ 4,328	\$ 14,967
	% of Total Industrial Annl Cash Rev	6.9%	16.8%	10.4%	14.8%	51.1%

1/ Includes 80,000 square feet of leases that are on a month to month basis or 0.1% of total annualized revenue.

2/ Annualized Cash Revenue is June, 2010 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Customer Diversification 1/

June 30, 2010

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	1,928,172	\$ 39,903	9.45%	7.7
AT&T	768,579	14,931	3.54%	3.7
PricewaterhouseCoopers	318,647	8,444	2.00%	2.8
Healthways	290,689	7,794	1.85%	12.0
State of Georgia	375,105	6,844	1.62%	6.5
Metropolitan Life Insurance	296,595	6,121	1.45%	7.8
T-Mobile USA	207,517	5,727	1.36%	3.5
HCA Corporation	206,137	4,658	1.10%	4.3
BB&T	287,231	4,635	1.10%	3.1
Lockton Companies	160,561	4,583	1.09%	4.7
Syniverse Technologies	198,750	4,132	0.98%	6.3
RBC Bank	164,271	3,859	0.91%	16.4
Volvo	306,736	3,690	0.87%	4.0
SCI Services 3/	162,784	3,685	0.87%	7.1
Fluor Enterprises	190,038	3,484	0.83%	1.6
Jacobs Engineering Group	181,794	3,118	0.74%	5.2
Wells Fargo/Wachovia	125,995	2,991	0.71%	1.1
Vanderbilt University	144,611	2,974	0.70%	5.3
Lifepoint Corporate Services	145,629	2,908	0.69%	1.2
Talecris Biotherapeutics	122,870	2,467	0.58%	2.0
	<u>6,582,711</u>	<u>\$ 136,948</u>	<u>32.44%</u>	<u>6.0</u>

By Industry

<u>Category</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Professional, Scientific, and Technical Services	19.6%
Government/Public Administration	11.7%
Finance/Banking	10.9%
Health Care and Social Assistance	9.0%
Insurance	8.2%
Wholesale Trade	5.5%
Telecommunication	5.4%
Manufacturing	5.3%
Retail Trade	5.2%
Information	4.3%
Administrative and Support Services	3.3%
Real Estate Rental and Leasing	3.3%
Accommodation and Food Services	2.5%
Transportation and Warehousing	2.0%
Educational Services	1.9%
Other Services (except Public Administration)	1.9%
	<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, 2010 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 June 30,		Percentage Change
	<u>2010</u>	<u>2009</u>	
	Rental revenues 1/	\$ 99,316	
Operating expenses	(33,791)	(35,424)	4.6%
	<u>65,525</u>	<u>68,401</u>	<u>-4.2%</u>
Straight line rent	2,265	144	1472.9%
	<u>67,790</u>	<u>68,545</u>	<u>-1.1%</u>
Lease termination fees	1,688	171	887.1%
Net operating income	<u>\$ 69,478</u>	<u>\$ 68,716</u>	<u>1.1%</u>
Average occupancy	<u>89.6%</u>	<u>89.9%</u>	<u>-0.3%</u>
Rentable square feet	<u>25,466</u>	<u>25,466</u>	

	Six months ended June 30,		Percentage Change
	<u>2010</u>	<u>2009</u>	
	Rental revenues 1/	\$ 202,107	
Operating expenses	(69,857)	(71,828)	2.7%
	<u>132,250</u>	<u>135,032</u>	<u>-2.1%</u>
Straight line rent	2,446	1,183	106.8%
	<u>134,696</u>	<u>136,215</u>	<u>-1.1%</u>
Lease termination fees	2,255	1,309	72.3%
Net operating income	<u>\$ 136,951</u>	<u>\$ 137,524</u>	<u>-0.4%</u>
Average occupancy	<u>89.5%</u>	<u>90.0%</u>	<u>-0.6%</u>
Rentable square feet	<u>25,466</u>	<u>25,466</u>	

Market	Second Quarter: 2010 vs 2009		Six Months: 2010 vs 2009	
	NOI 2/ Percentage Change	Occupancy Percentage Change	NOI 2/ Percentage Change	Occupancy Percentage Change
	Atlanta	-7.7%	-0.2%	-4.3%
Greenville	-5.8%	-5.7%	-8.8%	-6.6%
Kansas City	-2.8%	3.2%	-2.3%	2.4%
Memphis	-16.1%	-5.7%	-2.7%	-4.7%
Nashville	-7.0%	-4.1%	-6.0%	-3.5%
Orlando	-9.0%	-1.9%	-5.7%	-1.8%
Piedmont Triad	6.1%	3.6%	-0.3%	3.4%
Raleigh	1.2%	0.8%	0.9%	-0.8%
Richmond	4.6%	-2.5%	2.0%	-0.7%
Tampa	8.2%	1.1%	4.8%	1.6%
	<u>-1.1%</u>	<u>-0.3%</u>	<u>-1.1%</u>	<u>-0.6%</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

Name	Market	Type 1/	Date Sold	Square Footage	Occupancy	Gross Sales Price
First quarter 2010:						
None 2/						
Second quarter 2010:						
Madison Park	Piedmont Triad	O	06/18/10	472,000	50.6%	\$ 12,900
Chimney Rock	Piedmont Triad	I	06/24/10	837,000	57.6%	12,000
Second quarter totals				<u>1,309,000</u>	<u>55.1%</u>	<u>\$ 24,900</u>

1/ The letters "O" and "I" represent Office and Industrial, respectively.

2/ As disclosed in our prior Supplemental, a \$4.15 million sale of an office building in Raleigh was treated for GAAP reporting as a financing transaction in fourth quarter 2009 and a completed sale in first quarter 2010. However, in our Supplemental reporting, we reflected this transaction as a fourth quarter 2009 sale.

Development Activity

Dollars in thousands

<u>Property</u> <u>In - Process</u>	<u>Market</u>	<u>Type</u>	<u>Rentable Square Feet</u>	<u>Anticipated Total Investment</u>	<u>Investment As of 06/30/10</u>	<u>Pre Leased %</u>	<u>Estimated Completion Date</u>	<u>Estimated Stabilization Date</u>
Office:								
Riverbirch 1/	Raleigh	O	60,000	\$ 12,708	\$ 3,702	100%	4Q 10	4Q 10
In - Process Total			<u>60,000</u>	<u>\$ 12,708</u>	<u>\$ 3,702</u>	<u>100%</u>		
Completed Not Stabilized 2/								
Office:								
Triad Centre III	Memphis	O	148,000	\$ 33,825	\$ 28,383	24%	4Q 09	2Q 11
Completed Not Stabilized Total			<u>148,000</u>	<u>\$ 33,825</u>	<u>\$ 28,383</u>	<u>24%</u>		
Grand Total or Weighted Average			<u>208,000</u>	<u>\$ 46,533</u>	<u>\$ 32,085</u>	<u>46%</u>		
						<u>\$ Weighted %</u>	<u>45%</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 06/30/10</u>	<u>Pre Leased %</u>	<u>Occ %</u>	<u>In-Service Date</u>
River Point IV	Atlanta	I	200,000	\$ 12,414	\$ 11,640	50%	50%	06/1/10
Placed in Service Total or Weighted Average			<u>200,000</u>	<u>\$ 12,414</u>	<u>\$ 11,640</u>	<u>50%</u>	<u>50%</u>	

For Sale Residential Condominiums

<u>Property</u>	<u>Market</u>	<u>Units For Sale</u>	<u>Units Sold</u>	<u>Gross Sale Proceeds</u>	<u>Net Gain 6/</u>
RBC Plaza Condominiums 3/ 4/ 5/	Raleigh	32	107	\$ 44,989	\$ 6,008

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/ In January 2007 the Company executed a Joint Venture agreement for this development. The Company has a majority interest and consolidates this Joint Venture.

4/ Units Sold, Gross Sale Proceeds and Net Gain are as of 7/28/10.

5/ 2Q10 Net Gain to the Company was \$140K.

6/ Gains include any forfeited deposits and are net of partner's interest.

Development Land
June 30, 2010

Dollars in thousands

<u>Market</u>	<u>Usable Acres</u>	<u>Total Estimated Market Value</u>
Atlanta	233	\$ 32,654
Raleigh	190	40,934
Greensboro	47	9,087
Richmond	33	9,153
Tampa	20	14,417
Nashville	16	11,099
Orlando	16	12,576
Memphis	15	3,396
Baltimore	7	1,800
Winston-Salem	3	1,250
Kansas City	1	2,100
Total 1/2/	581	\$ 138,466

1/ Developable square footage on core land holdings, which constitute 490 of the total 581 acres, is approximately 5.2 million of office space and 2.7 million of industrial space.

2/ Includes 4.4 acres (\$1.4 million based on expected gross proceeds) included in property held for sale at June 30, 2010.

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>
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First quarter 2010:

None

Second quarter 2010:

None

Unconsolidated Joint Ventures Assets, Debt and Liabilities

June 30, 2010

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%	\$ 7,566	\$ -	\$ 241
Dallas County Partners I, LP 2/	O/I	0.0%	-	-	-
Dallas County Partners II, LP 2/	O	0.0%	-	-	-
Dallas County Partners III, LP 2/	O	0.0%	-	-	-
Fountain Three 2/	O/I/R	0.0%	-	-	-
RRHWoods , LLC 2/	O/M	0.0%	-	-	-
Kessinger/Hunter, LLC	-	26.5%	7,204	-	1,217
4600 Madison Associates, LP	O	12.5%	15,373	11,098	11,728
Highwoods DLF 98/29, LP	O	22.8%	129,934	67,194	71,883
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	89,317	48,701	51,665
Concourse Center Associates, LLC	O	50.0%	13,205	8,299	8,521
Plaza Colonnade, LLC	O/R	50.0%	70,121	63,538	65,158
Highwoods KC Glenridge Office, LP	O	40.0%	22,968	15,989	16,594
Highwoods KC Glenridge Land, LP	O	40.0%	779	-	125
Highwoods KC Orlando, LLC	O	40.0%	198,632	135,374	143,799
Highwoods DLF Forum, LLC	O	25.0%	110,248	67,500	71,210
Highwoods Development B, LLC	O	10.0%	12,403	3,240	5,328
Total			\$ 677,750	\$ 420,933	\$ 447,469

<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%	\$ 3,707	\$ -	\$ 118
Dallas County Partners I, LP 2/	O/I	0.0%	-	-	-
Dallas County Partners II, LP 2/	O	0.0%	-	-	-
Dallas County Partners III, LP 2/	O	0.0%	-	-	-
Fountain Three 2/	O/I/R	0.0%	-	-	-
RRHWoods , LLC 2/	O/M	0.0%	-	-	-
Kessinger/Hunter, LLC	-	26.5%	1,909	-	323
4600 Madison Associates, LP	O	12.5%	1,922	1,387	1,466
Highwoods DLF 98/29, LP	O	22.8%	29,638	15,327	16,397
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	38,344	20,907	22,180
Concourse Center Associates, LLC	O	50.0%	6,603	4,150	4,261
Plaza Colonnade, LLC	O/R	50.0%	35,061	31,769	32,579
Highwoods KC Glenridge Office, LP	O	40.0%	9,187	6,396	6,638
Highwoods KC Glenridge Land, LP	O	40.0%	312	-	50
Highwoods KC Orlando, LLC	O	40.0%	79,453	54,150	57,520
Highwoods DLF Forum, LLC	O	25.0%	27,558	16,872	17,800
Highwoods Development B, LLC	O	10.0%	1,240	324	533
Total 3/			\$ 234,934	\$ 151,282	\$ 159,865

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

2/ Joint venture interests in Des Moines, IA were sold in May 2010.

3/ 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 as well as negative investment balances reclassified to Liabilities, which are not reflected in the Joint Ventures' stand-alone financial statements.

Unconsolidated Joint Ventures Income

For the Three Months Ended June 30, 2010

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>				<u>Net Income/ (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	
Board of Trade Investment Co.	49.0%	\$ 564	\$ 393	\$ -	\$ 131	\$ 40
Dallas County Partners I, LP 1/	50.0%	940	666	326	175	(227)
Dallas County Partners II, LP 1/	50.0%	677	286	133	98	160
Dallas County Partners III, LP 1/	50.0%	25	27	-	-	(2)
Fountain Three 1/	50.0%	820	380	228	160	52
RRHWoods , LLC 1/	50.0%	2,024	1,053	350	470	151
Kessinger/Hunter, LLC	26.5%	1,912	1,690	-	147	75
4600 Madison Associates, LP	12.5%	1,017	504	195	368	(50)
Highwoods DLF 98/29, LP	22.8%	3,675	1,533	1,113	1,066	(37)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	3,470	1,281	945	1,095	149
Concourse Center Associates, LLC	50.0%	279	110	150	90	(71)
Plaza Colonnade, LLC	50.0%	2,637	957	926	612	142
Highwoods KC Glenridge Office, LP	40.0%	695	378	203	205	(91)
Highwoods KC Glenridge Land, LP	40.0%	-	3	-	-	(3)
Highwoods KC Orlando, LLC	40.0%	7,549	3,345	1,786	1,896	522
Highwoods DLF Forum, LLC	25.0%	3,598	1,201	878	1,394	125
Highwoods Development B, LLC	10.0%	-	-	-	-	-
Total		\$ 29,882	\$ 13,807	\$ 7,233	\$ 7,907	\$ 935

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>				<u>Net Income/ (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	
Board of Trade Investment Co.	49.0%	\$ 276	\$ 192	\$ -	\$ 64	\$ 20
Dallas County Partners I, LP 1/	50.0%	470	333	163	88	(114)
Dallas County Partners II, LP 1/	50.0%	339	143	66	49	81
Dallas County Partners III, LP 1/	50.0%	12	13	-	-	(1)
Fountain Three 1/	50.0%	410	190	114	80	26
RRHWoods , LLC 1/	50.0%	1,012	526	175	235	76
Kessinger/Hunter, LLC	26.5%	506	448	-	39	19
4600 Madison Associates, LP	12.5%	128	63	24	46	(5)
Highwoods DLF 98/29, LP	22.8%	838	349	254	243	(8)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	1,490	549	405	471	65
Concourse Center Associates, LLC	50.0%	140	55	75	45	(35)
Plaza Colonnade, LLC	50.0%	1,318	479	463	306	70
Highwoods KC Glenridge Office, LP	40.0%	278	151	82	82	(37)
Highwoods KC Glenridge Land, LP	40.0%	-	1	-	-	(1)
Highwoods KC Orlando, LLC	40.0%	3,020	1,338	715	758	209
Highwoods DLF Forum, LLC	25.0%	900	300	219	349	32
Highwoods Development B, LLC	10.0%	-	-	-	-	-
Total 2/ 3/		\$ 11,137	\$ 5,130	\$ 2,755	\$ 2,855	\$ 397

1/ Joint venture interests in Des Moines, IA were sold in May 2010.

2/ 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.

3/ 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 Six Months Ended June 30, 2010

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>				<u>Net Income/ (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	
Board of Trade Investment Co.	49.0%	\$ 1,133	\$ 711	\$ -	\$ 265	\$ 157
Dallas County Partners I, LP 1/	50.0%	3,069	2,173	1,075	579	(758)
Dallas County Partners II, LP 1/	50.0%	2,281	1,030	452	314	485
Dallas County Partners III, LP 1/	50.0%	82	84	-	-	(2)
Fountain Three 1/	50.0%	2,760	1,385	736	514	125
RRHWoods , LLC 1/	50.0%	6,154	3,468	1,121	1,505	60
Kessinger/Hunter, LLC	26.5%	3,752	3,407	-	292	53
4600 Madison Associates, LP	12.5%	2,036	1,144	394	737	(239)
Highwoods DLF 98/29, LP	22.8%	7,509	2,991	2,225	2,777	(484)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	6,722	2,575	1,894	2,128	125
Concourse Center Associates, LLC	50.0%	551	251	303	172	(175)
Plaza Colonnade, LLC	50.0%	5,408	1,873	1,859	1,225	451
Highwoods KC Glenridge Office, LP	40.0%	1,398	780	404	431	(217)
Highwoods KC Glenridge Land, LP	40.0%	-	6	-	-	(6)
Highwoods KC Orlando, LLC	40.0%	15,569	6,684	3,579	3,660	1,646
Highwoods DLF Forum, LLC	25.0%	7,039	2,412	1,756	3,010	(139)
Highwoods Development B, LLC	10.0%	-	-	-	-	-
Total		\$ 65,463	\$ 30,974	\$ 15,798	\$ 17,609	\$ 1,082

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>				<u>Net Income/ (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	
Board of Trade Investment Co.	49.0%	\$ 555	\$ 348	\$ -	\$ 130	\$ 77
Dallas County Partners I, LP 1/	50.0%	1,535	1,087	538	290	(380)
Dallas County Partners II, LP 1/	50.0%	1,141	515	226	157	243
Dallas County Partners III, LP 1/	50.0%	41	42	-	-	(1)
Fountain Three 1/	50.0%	1,380	693	368	257	62
RRHWoods , LLC 1/	50.0%	3,077	1,734	561	753	29
Kessinger/Hunter, LLC	26.5%	994	903	-	77	14
4600 Madison Associates, LP	12.5%	255	143	49	92	(29)
Highwoods DLF 98/29, LP	22.8%	1,713	682	508	633	(110)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	2,886	1,105	813	914	54
Concourse Center Associates, LLC	50.0%	276	126	152	86	(88)
Plaza Colonnade, LLC	50.0%	2,704	937	930	613	224
Highwoods KC Glenridge Office, LP	40.0%	559	312	162	172	(87)
Highwoods KC Glenridge Land, LP	40.0%	-	2	-	-	(2)
Highwoods KC Orlando, LLC	40.0%	6,228	2,674	1,432	1,464	658
Highwoods DLF Forum, LLC	25.0%	1,760	603	439	753	(35)
Highwoods Development B, LLC	10.0%	-	-	-	-	-
Total 2/ 3/		\$ 25,104	\$ 11,906	\$ 6,178	\$ 6,391	\$ 629

1/ Joint venture interests in Des Moines, IA were sold in May 2010.

2/ 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.

3/ 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 6/30/10</u>
Plaza Colonnade, LLC	50.0%	Met Life	5.72%	Jan-17	\$ 46,843
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	4,350
			5.77%		63,538
Highwoods KC Orlando, LLC	40.0%	Met Life	5.21%	Jul-14	135,374
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	48,701
Highwoods DLF 98/29, LP	22.8%	USG Annuity & Life Company	6.78%	May-11	39,544
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	15,989
4600 Madison Associates, LLC	12.5%	State Farm	6.85%	Apr-18	11,098
Concourse Center Associates, LLC	50.0%	Lincoln National Life Insurance Co.	6.95%	Jul-10	8,299
Highwoods Development B, LLC	10.0%	PNC	2.99%	Feb-13	3,240
			5.83%		357,395
			<u>5.82%</u>		<u>\$ 420,933</u>
Highwoods' share of the above					<u>\$ 151,282</u>

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

Joint Ventures Portfolio Summary 1/

As of June 30, 2010

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	84.3%	41.3%
Kansas City	719,000	81.2%	16.4%
Atlanta	835,000	74.5%	15.9%
Raleigh	814,000	93.8%	12.1%
Richmond	413,000	100.0%	8.2%
Piedmont Triad	258,000	44.8%	1.8%
Tampa	205,000	92.1%	3.1%
Charlotte	148,000	100.0%	1.2%
Total 4/	<u>5,245,000</u>	<u>83.9%</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is June, 2010 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, 2010

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					
2010	153,349	3.5%	\$ 3,885	\$ 25.33	3.8%
2011	660,497	15.0%	16,865	25.53	16.6%
2012	406,507	9.2%	10,322	25.39	10.2%
2013	783,110	17.9%	16,346	20.87	16.1%
2014	638,377	14.5%	16,302	25.54	16.0%
2015	739,999	16.8%	14,279	19.30	14.1%
2016	91,519	2.1%	1,612	17.61	1.6%
2017	543,924	12.4%	13,098	24.08	12.9%
2018	55,477	1.3%	1,283	23.13	1.3%
2019	101,123	2.3%	1,122	11.10	1.1%
2020 and thereafter	221,839	5.0%	6,416	28.92	6.3%
	<u>4,395,721</u>	<u>100.0%</u>	<u>\$ 101,530</u>	<u>\$ 23.10</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is June, 2010 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Joint Venture Acquisition and Disposition Activity

Dollars in thousands

Acquisitions

Name	Own %	Market	Type 1/	Date Acquired	Square Footage	Total Cost
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First quarter 2009:

None

Dispositions

Name	Own %	Market	Type 1/	Date Sold	Square Footage	Occupancy	Gross Sales Price
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First quarter 2010:

None

Second quarter 2010:

Sale of Joint Venture Interests 2/	50.0%	Des Moines	O/I/R/M	05/12/10	2,506,000	83.2%	\$ 100,000
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Second quarter totals

	2,506,000	83.2%	\$ 100,000
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1/ The letters "O", "I", "R", and "M" represent Office, Industrial, Retail, and Multi-Family, respectively.

2/ Consists of the sale of our equity interests in a series of unconsolidated joint ventures relating to properties in Des Moines, Iowa. In connection with the closing, we received \$15 million in cash. As of the closing date, the joint ventures had approximately \$200 million in gross asset value and approximately \$170 million of secured debt. The \$100 million in the Gross Sales Price column represents our pro-rata share of the approximate \$200 million of gross assets in the Des Moines joint venture at the time of sale.

Joint Venture Development Activity

Dollars in thousands

<u>In Progress</u>			<u>Rentable Square Feet</u>	<u>Anticipated Total Investment</u>	<u>Investment As Of 06/30/10</u>	<u>Pre- Leasing</u>	<u>Estimated In-Service Date</u>
<u>Property</u>	<u>% Ownership</u>	<u>Market</u>					
Charlotte GSA	10%	Charlotte	171,000	\$ 46,493	\$ 12,330	100%	3Q11
In Progress Total				<u>\$ 46,493</u>	<u>\$ 12,330</u>		
Highwoods' Share of the above				<u>\$ 4,649</u>	<u>\$ 1,233</u>		