



Supplemental Information
September 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 third quarter earnings press release and detailed from time to time in the Company's SEC reports. Highwoods assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

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

Summary

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

	<i>Three Months Ended</i>				
	<u>09/30/10</u>	<u>06/30/10</u>	<u>03/31/10</u>	<u>12/31/09</u>	<u>09/30/09</u>
Shares and units:					
Common shares outstanding at end of period	71,656	71,615	71,602	71,285	71,071
Common units outstanding at end of period	3,797	3,797	3,798	3,891	3,965
Weighted average common shares outstanding - basic	71,631	71,601	71,414	71,115	70,902
Weighted average common shares outstanding - diluted	75,638	75,607	75,397	75,263	75,072
Share price:					
At end of period	\$ 32.47	\$ 27.76	\$ 31.73	\$ 33.35	\$ 31.45
High close during period	33.07	33.43	32.52	34.84	32.84
Low close during period	26.54	27.76	27.53	27.23	20.12
Financial information:					
Lease termination income	\$ 362	\$ 1,688	\$ 567	\$ 380	\$ 124
Straight line rental income	2,975	3,519	1,328	1,250	535
Capitalized interest	392	370	353	580	1,154
Acquisition costs	(249)	(92)	(35)	-	-
Gain/(loss) on debt extinguishment	(85)	-	-	-	657
Land sale gains	-	-	-	-	15
Gains on disposition of for-sale residential condominiums, net of partner's interest	493	140	169	393	160
Gains on disposition of depreciable properties	19	17	193	846	19
Gains on disposition of investment in unconsolidated affiliates	-	25,330	-	-	-
(Impairments) on depreciable properties 1/	-	(260)	-	(13,518)	(576)
Gain on settlement of legal claim	-	-	-	-	1,050
Funds from operations per share - diluted	\$ 0.57	\$ 0.64	\$ 0.61	\$ 0.42	\$ 0.62
Funds from operations per share - diluted, excluding certain items 2/	\$ 0.58	\$ 0.65	\$ 0.61	\$ 0.60	\$ 0.62
Wholly - owned property information:					
In-Service rentable square feet:					
Office	20,423	20,072	20,603	20,445	20,319
Industrial	5,827	5,827	6,463	6,463	6,463
Retail	853	864	869	869	909
Total	<u>27,103</u>	<u>26,763</u>	<u>27,935</u>	<u>27,777</u>	<u>27,691</u>
In-Service occupancy:					
Office	88.2%	88.6%	87.7%	88.8%	88.6%
Industrial	90.5%	90.8%	87.2%	87.4%	84.6%
Retail	95.1%	95.8%	94.5%	98.0%	92.9%
Total	<u>88.9%</u>	<u>89.3%</u>	<u>87.8%</u>	<u>88.8%</u>	<u>87.8%</u>

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

2/ Excludes impairments on depreciable assets, gains/(losses) on debt extinguishments, and acquisition costs.

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
James Sullivan - 646-562-1380
Michael Gorman - (646) 562-1381

Credit Suisse - North America
Andrew Rosivach - 415-249-7942

Deutsche Bank
John Perry - 212-250-4912

Green Street Advisors
John Stewart - 949-640-8780

Jefferies & Company, Inc.
Steven Benyik - 212-707-6348

Macquarie Research
Robert Stevenson - 212-231-8068

Morgan Keegan
Stephen Swett - 212-508-7585

RBC Capital Markets
Dave Rodgers - 440-715-2647

RW Baird
Chris Lucas - 703-821-5780

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

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

Corporate 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 September 30, 2010, the Company owned or had an interest in 329 in-service office, industrial and retail properties encompassing approximately 32.3 million square feet. Highwoods also wholly-owned 580 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

	Nine Months Ended		Three Months Ended				
	09/30/10	09/30/09	09/30/10	06/30/10	03/31/10	12/31/09	09/30/09
Rental and other revenues	\$ 345,456	\$ 337,445	\$ 116,063	\$ 114,339	\$ 115,054	\$ 112,709	\$ 113,170
Operating expenses:							
Rental property and other expenses	123,544	121,743	43,505	38,324	41,715	41,069	42,564
Depreciation and amortization	100,363	97,590	34,281	33,353	32,729	32,438	32,367
Impairment of assets held for use	-	-	-	-	-	2,554	-
General and administrative	24,369	27,286	8,882	6,980	8,507	9,396	9,485
Total operating expenses	<u>248,276</u>	<u>246,619</u>	<u>86,668</u>	<u>78,657</u>	<u>82,951</u>	<u>85,457</u>	<u>84,416</u>
Interest expense:							
Contractual	65,527	60,525	22,020	21,705	21,802	21,457	20,001
Amortization of deferred financing costs	2,528	1,978	858	835	835	782	627
Financing obligations	1,330	2,151	460	394	476	(88)	706
	<u>69,385</u>	<u>64,654</u>	<u>23,338</u>	<u>22,934</u>	<u>23,113</u>	<u>22,151</u>	<u>21,334</u>
Other income:							
Interest and other income	4,376	6,615	1,710	966	1,700	1,647	3,324
Gain/(loss) on debt extinguishment	(85)	1,287	(85)	-	-	-	657
	<u>4,291</u>	<u>7,902</u>	<u>1,625</u>	<u>966</u>	<u>1,700</u>	<u>1,647</u>	<u>3,981</u>
Income from continuing operations before disposition of property, condominiums and investment in unconsolidated affiliates and equity in earnings of unconsolidated affiliates	32,086	34,074	7,682	13,714	10,690	6,748	11,401
Gains on disposition of property	55	247	19	17	19	19	34
Gains on disposition of for-sale residential condominiums 1/	407	823	54	163	190	99	187
Gains on disposition of investment in unconsolidated affiliates	25,330	-	-	25,330	-	-	-
Equity in earnings of unconsolidated affiliates	<u>2,701</u>	<u>3,844</u>	<u>1,018</u>	<u>888</u>	<u>795</u>	<u>1,577</u>	<u>682</u>
Income from continuing operations	60,579	38,988	8,773	40,112	11,694	8,443	12,304
Discontinued operations:							
Income/(loss) from discontinued operations	411	3,220	-	197	214	(10,423)	646
Net gains/(losses) on disposition of discontinued operations	(86)	20,639	-	(260)	174	827	(377)
	<u>325</u>	<u>23,859</u>	<u>-</u>	<u>(63)</u>	<u>388</u>	<u>(9,596)</u>	<u>269</u>
Net income/(loss)	60,904	62,847	8,773	40,049	12,082	(1,153)	12,573
Net (income)/loss attributable to noncontrolling interests in the Operating Partnership	(2,819)	(3,339)	(366)	(1,933)	(520)	142	(591)
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(281)	(158)	148	(215)	(214)	147	(24)
Dividends on preferred stock	(5,031)	(5,031)	(1,677)	(1,677)	(1,677)	(1,677)	(1,677)
Net income/(loss) available for common stockholders	\$ 52,773	\$ 54,319	\$ 6,878	\$ 36,224	\$ 9,671	\$ (2,541)	\$ 10,281
Earnings per common share - diluted:							
Income from continuing operations available for common stockholders	\$ 0.74	\$ 0.47	\$ 0.10	\$ 0.50	\$ 0.13	\$ 0.10	\$ 0.14
Income/(loss) from discontinued operations available for common stockholders	-	0.34	-	-	0.01	(0.14)	-
Net income/(loss) available for common stockholders	<u>\$ 0.74</u>	<u>\$ 0.81</u>	<u>\$ 0.10</u>	<u>\$ 0.50</u>	<u>\$ 0.14</u>	<u>\$ (0.04)</u>	<u>\$ 0.14</u>
Weighted average common shares outstanding - diluted	<u>75,537</u>	<u>71,024</u>	<u>75,638</u>	<u>75,607</u>	<u>75,397</u>	<u>71,115</u>	<u>75,072</u>
Dividends declared and paid per common share	<u>\$ 1.275</u>	<u>\$ 1.275</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>	<u>\$ 0.425</u>
Net income/(loss) available for common stockholders:							
Income from continuing operations available for common stockholders	\$ 52,465	\$ 31,851	\$ 6,878	\$ 36,284	\$ 9,303	\$ 6,549	\$ 10,027
Income/(loss) from discontinued operations available for common stockholders	308	22,468	-	(60)	368	(9,090)	254
Net income/(loss) available for common stockholders	<u>\$ 52,773</u>	<u>\$ 54,319</u>	<u>\$ 6,878</u>	<u>\$ 36,224</u>	<u>\$ 9,671</u>	<u>\$ (2,541)</u>	<u>\$ 10,281</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 \$493 and \$802 for the three and nine months ended September 30, 2010, respectively.

Funds from Operations and Additional Information

Amounts in thousands, except per share amounts

	Nine Months Ended		Three Months Ended				
	09/30/10	09/30/09	09/30/10	06/30/10	03/31/10	12/31/09	09/30/09
Funds from operations:							
Net income/(loss)	\$ 60,904	\$ 62,847	\$ 8,773	\$ 40,049	\$ 12,082	\$ (1,153)	\$ 12,573
Net (income)/loss attributable to noncontrolling interests in the Operating Partnership	(2,819)	(3,339)	(366)	(1,933)	(520)	142	(591)
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(281)	(158)	148	(215)	(214)	147	(24)
Dividends on preferred stock	(5,031)	(5,031)	(1,677)	(1,677)	(1,677)	(1,677)	(1,677)
Net income/(loss) available for common stockholders	<u>52,773</u>	<u>54,319</u>	<u>6,878</u>	<u>36,224</u>	<u>9,671</u>	<u>(2,541)</u>	<u>10,281</u>
Add/(deduct):							
Depreciation and amortization of real estate assets	99,072	96,150	33,837	32,926	32,309	31,980	31,861
(Gains) on disposition of depreciable properties	(55)	(108)	(19)	(17)	(19)	(19)	(19)
(Gains) on disposition of investment in unconsolidated affiliates	(25,330)	-	-	(25,330)	-	-	-
Net (income)/loss attributable to noncontrolling interests from the Operating Partnership	2,819	3,339	366	1,933	520	(142)	591
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	8,193	9,825	2,115	2,737	3,341	3,014	3,352
(Gains) on disposition of depreciable properties	-	(781)	-	-	-	-	-
Discontinued operations:							
Depreciation and amortization of real estate assets	365	1,609	-	182	183	246	322
(Gains) on disposition of depreciable properties	(174)	(21,016)	-	-	(174)	(827)	-
Funds from operations	<u>\$ 137,663</u>	<u>\$ 143,337</u>	<u>\$ 43,177</u>	<u>\$ 48,655</u>	<u>\$ 45,831</u>	<u>\$ 31,711</u>	<u>\$ 46,388</u>
Funds from operations per share - diluted							
Net income/(loss) available for common stockholders	\$ 0.74	\$ 0.81	\$ 0.10	\$ 0.50	\$ 0.14	\$ (0.04)	\$ 0.14
Add/(deduct):							
Depreciation and amortization of real estate assets	1.31	1.36	0.44	0.44	0.43	0.43	0.43
(Gains) on disposition of depreciable properties	-	-	-	-	-	-	-
(Gains) on disposition of investment in unconsolidated affiliates	(0.34)	-	-	(0.34)	-	-	-
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	0.11	0.14	0.03	0.04	0.04	0.04	0.05
(Gains) on disposition of depreciable properties	-	(0.01)	-	-	-	-	-
Discontinued operations:							
Depreciation and amortization of real estate assets	-	0.02	-	-	-	-	-
(Gains) on disposition of depreciable properties	-	(0.30)	-	-	-	(0.01)	-
Funds from operations per share - diluted	<u>\$ 1.82</u>	<u>\$ 2.02</u>	<u>\$ 0.57</u>	<u>\$ 0.64</u>	<u>\$ 0.61</u>	<u>\$ 0.42</u>	<u>\$ 0.62</u>
Weighted average shares outstanding - diluted	<u>75,537</u>	<u>71,024</u>	<u>75,638</u>	<u>75,607</u>	<u>75,397</u>	<u>75,263</u>	<u>75,072</u>
Additional information: 1/							
Funds from operations per share, excluding certain items 2/	<u>\$ 1.83</u>	<u>\$ 2.01</u>	<u>\$ 0.58</u>	<u>\$ 0.65</u>	<u>\$ 0.61</u>	<u>\$ 0.60</u>	<u>\$ 0.62</u>
Funds from operations, excluding certain items 2/	<u>\$ 138,365</u>	<u>\$ 142,626</u>	<u>\$ 43,511</u>	<u>\$ 48,915</u>	<u>\$ 45,831</u>	<u>\$ 45,229</u>	<u>\$ 46,307</u>
Straight line rental income	\$ (7,822)	\$ (2,787)	\$ (2,975)	\$ (3,519)	\$ (1,328)	\$ (1,250)	\$ (535)
Amortization of lease incentives	807	866	270	276	261	244	318
Depreciation of non-real estate assets	844	926	294	280	270	291	318
Ground lease straight line rent expense	101	239	33	34	34	52	66
Stock-based compensation expense	5,060	5,204	1,563	1,442	2,055	1,363	1,631
Amortization of deferred financing costs	2,528	1,978	858	835	835	782	627
Amortization of accumulated other comprehensive loss	(75)	(229)	(25)	(26)	(24)	(20)	(88)
Amortization of Harborview FMV	(711)	(141)	(252)	(236)	(223)	(824)	(47)
Non-incremental revenue generating capital expenditures paid: 3/							
Building improvements	(13,190)	(8,518)	(3,061)	(5,590)	(4,539)	(8,028)	(5,072)
2nd generation tenant improvements	(18,030)	(14,550)	(6,348)	(6,429)	(5,253)	(8,083)	(4,452)
2nd generation lease commissions	(13,153)	(5,149)	(5,345)	(4,991)	(2,817)	(3,705)	(1,123)
Common dividends and unit distributions paid	<u>(96,054)</u>	<u>(90,289)</u>	<u>(32,058)</u>	<u>(32,059)</u>	<u>(31,937)</u>	<u>(31,872)</u>	<u>(31,863)</u>

1/ Increase or (decrease) to cash flows.

2/ Excludes impairments on depreciable assets, gains/(losses) on debt extinguishments, and acquisition costs.

3/ Excludes capital expenditures paid for buildings sold prior to September 30, 2010 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:	<u>09/30/10</u>	<u>12/31/09</u>
Real estate assets, at cost:		
Land	\$ 345,531	\$ 350,537
Buildings and tenant improvements	2,900,749	2,880,632
Land held for development	104,010	104,148
	<u>3,350,290</u>	<u>3,335,317</u>
Less-accumulated depreciation	(818,347)	(781,073)
Net real estate assets	2,531,943	2,554,244
For-sale residential condominiums	9,576	12,933
Real estate and other assets, net, held for sale	1,249	5,031
Cash and cash equivalents	20,969	23,699
Restricted cash	4,757	6,841
Accounts receivable, net of allowance of \$3,157 and \$2,810, respectively	22,426	21,069
Mortgages and notes receivable, net of allowance of \$950 and \$698, respectively	19,942	3,143
Accrued straight-line rents receivable, net of allowance of \$2,457 and \$2,443, respectively	90,001	82,600
Investment in unconsolidated affiliates	62,456	66,077
Deferred financing and leasing costs, net of accumulated amortization of \$55,143 and \$52,129, respectively	75,069	73,517
Prepaid expenses and other assets	39,796	37,947
Total Assets	<u>\$ 2,878,184</u>	<u>\$ 2,887,101</u>
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable	\$ 1,501,624	\$ 1,469,155
Accounts payable, accrued expenses and other liabilities	112,738	117,328
Financing obligations	33,625	37,706
Total Liabilities	<u>1,647,987</u>	<u>1,624,189</u>
Noncontrolling interests in the Operating Partnership	123,293	129,769
Equity:		
Preferred stock	81,592	81,592
Common stock	717	713
Additional paid-in capital	1,762,968	1,751,398
Distributions in excess of net income available for common stockholders	(740,356)	(701,932)
Accumulated other comprehensive loss	(2,975)	(3,811)
Total Stockholders' Equity	<u>1,101,946</u>	<u>1,127,960</u>
Noncontrolling interests in consolidated affiliates	4,958	5,183
Total Equity	<u>1,106,904</u>	<u>1,133,143</u>
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	<u>\$ 2,878,184</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>Nine Months Ended</i>		<i>Three Months Ended</i>				
	<u>09/30/10</u>	<u>09/30/09</u>	<u>09/30/10</u>	<u>06/30/10</u>	<u>03/31/10</u>	<u>12/31/09</u>	<u>09/30/09</u>
Rental and other revenues	\$ 1,432	\$ 7,837	\$ -	\$ 653	\$ 779	\$ 1,319	\$ 1,455
Operating expenses:							
Rental property and other expenses	656	3,010	-	274	382	466	488
Depreciation and amortization	365	1,609	-	182	183	246	322
Impairment of assets held for use	-	-	-	-	-	10,964	-
Total operating expenses	<u>1,021</u>	<u>4,619</u>	<u>-</u>	<u>456</u>	<u>565</u>	<u>11,676</u>	<u>810</u>
Other income	-	2	-	-	-	1	1
Interest expense:	-	-	-	-	-	67	-
Income/(loss) before gains/(losses) on disposition of discontinued operations	411	3,220	-	197	214	(10,423)	646
Net gains/(losses) on disposition of discontinued operations	(86)	20,639	-	(260)	174	827	(377)
Total discontinued operations	<u>\$ 325</u>	<u>\$ 23,859</u>	<u>\$ -</u>	<u>\$ (63)</u>	<u>\$ 388</u>	<u>\$ (9,596)</u>	<u>\$ 269</u>

Capitalization

Dollars, shares, and units in thousands

	<u>09/30/10</u>	<u>06/30/10</u>	<u>03/31/10</u>	<u>12/31/09</u>	<u>9/30/09</u>
Long-Term Debt (see pages 7 & 8):	\$ 1,501,624	\$ 1,463,727	\$ 1,466,441	\$ 1,469,155	\$ 1,472,585
Financing Obligations:	\$ 33,625	\$ 33,603	\$ 33,574	\$ 37,706	\$ 35,043
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	71,656	71,615	71,602	71,285	71,071
Noncontrolling interest partnership units	3,797	3,797	3,798	3,891	3,965
Total common shares and units outstanding	75,453	75,412	75,400	75,176	75,036
Stock price at period end	\$ 32.47	\$ 27.76	\$ 31.73	\$ 33.35	\$ 31.45
Market value of common equity	\$ 2,449,959	\$ 2,093,437	\$ 2,392,442	\$ 2,507,120	\$ 2,359,882
Total market capitalization with debt and obligations	\$ 4,066,800	\$ 3,672,359	\$ 3,974,049	\$ 4,095,573	\$ 3,949,102

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

Long-Term Debt Summary

Dollars in thousands

	<u>9/30/10</u>	<u>6/30/10</u>	<u>3/31/10</u>	<u>12/31/09</u>	<u>9/30/09</u>
Balances Outstanding:					
Secured:					
Conventional fixed rate 1/	\$ 710,998	\$ 673,499	\$ 676,243	\$ 678,986	\$ 681,666
Variable rate debt	52,109	41,741	41,741	41,741	42,521
Secured total	<u>763,107</u>	<u>715,240</u>	<u>717,984</u>	<u>720,727</u>	<u>724,187</u>
Unsecured:					
Fixed rate bonds and notes	591,017	590,987	590,957	590,928	590,898
Bank term loans	147,500	157,500	157,500	157,500	157,500
Credit facility	-	-	-	-	-
Unsecured total	<u>738,517</u>	<u>748,487</u>	<u>748,457</u>	<u>748,428</u>	<u>748,398</u>
Total	<u>\$ 1,501,624</u>	<u>\$ 1,463,727</u>	<u>\$ 1,466,441</u>	<u>\$ 1,469,155</u>	<u>\$ 1,472,585</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	1.11%	1.17%	1.08%	1.09%	1.10%
Secured total	<u>6.15%</u>	<u>6.21%</u>	<u>6.21%</u>	<u>6.21%</u>	<u>6.20%</u>
Unsecured:					
Fixed rate bonds	6.41%	6.41%	6.41%	6.41%	6.41%
Bank term loans	1.53%	1.76%	1.67%	1.66%	2.73%
Credit facility	3.16% 2/	3.25% 2/	3.15% 2/	3.14% 2/	1.05%
Unsecured total	<u>5.43%</u>	<u>5.43%</u>	<u>5.41%</u>	<u>5.41%</u>	<u>5.63%</u>
Weighted Average	<u>5.80%</u>	<u>5.81%</u>	<u>5.80%</u>	<u>5.80%</u>	<u>5.91%</u>

Maturity Schedule:

Year	<i>Future Maturities of Debt</i>			Average Interest Rate
	Secured Debt 3/	Unsecured Debt	Total Debt 3/	
2010 4/	\$ 52,109	\$ -	\$ 52,109	1.11%
2011	-	137,500	137,500	1.36%
2012	213,966	10,000	223,966	6.81%
2013	253,307	-	253,307	5.90%
2014	35,179	-	35,179	5.79%
2015	40,287	-	40,287	6.43%
2016	168,259	-	168,259	7.11%
2017	-	391,017	391,017	5.85%
2018	-	200,000	200,000	7.50%
2019	-	-	-	-
Total maturities	<u>\$ 763,107</u>	<u>\$ 738,517</u>	<u>\$ 1,501,624</u>	<u>5.80%</u>

Weighted average maturity = 4.2 years

1/ Includes a \$21.6 million loan related to a consolidated 20% owned joint venture (Harborview) and \$35.2 million in loans at September 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.

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

Long-Term Debt Detail

Dollars in thousands

Secured Loans

<u>Lender</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Loan Balance 9/30/10</u>	<u>Undepreciated Book Value of Assets Secured</u>
Northwestern Mutual	7.05%	Jan-12	\$ 186,563	\$ 303,185
Northwestern Mutual	6.03%	Mar-13	128,768	182,581
Massachusetts Mutual Life Ins. Co. 1/	5.68%	Dec-13	113,926	214,621
New York Life Insurance Company	6.88%	Jan-16	113,700	218,526
PNC/Regions/Union Bank of California/U.S. Bank 2/ 3/	1.11%	Dec-10	52,109	55,789
Western-Southern Life Assurance Company	7.50%	Aug-16	46,777	71,916
Bank of America	5.43%	Nov-15	40,287	52,600
Metropolitan Life Ins. Co. 4/	6.06%	Oct-12	21,612	39,382
Principal Life Insurance Company 5/	5.79%	Jan-14	10,784	13,031
Principal Life Insurance Company 5/	5.79%	Jan-14	10,784	18,872
Massachusetts Mutual Life Ins. Co. 1/	6.48%	Dec-13	10,181	
Principal Life Insurance Company 5/	5.74%	Jan-14	8,501	14,464
State Farm Life Insurance	7.65%	Feb-16	7,782	16,602
Lutheran Brotherhood	6.80%	Apr-12	5,791	8,045
Principal Life Insurance Company 5/	5.89%	Jan-14	5,110	7,514
American United Life	9.00%	Jun-13	433	3,305
	<u>6.15%</u>		<u>763,108</u>	<u>\$ 1,220,433</u>

Unsecured Bonds

Bonds	5.85%	Mar-17	391,016
Bonds	7.50%	Apr-18	200,000
	<u>6.41%</u>		<u>591,016</u>

Unsecured Loans

Credit facility 2/	3.16%	Feb-13	-
Bank term loan 2/	1.36%	Feb-11	137,500
Bank term loan 2/	3.90%	Mar-12	10,000
	<u>1.53%</u>		<u>147,500</u>

Total Debt

	<u>5.80%</u>		<u>\$ 1,501,624</u>
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Revolving Credit Facility

<u>Name of Lender</u>	<u>Total Commitment</u>	<u>Amount Outstanding at 9/30/10</u>	<u>Unfunded Commitment at 9/30/10</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 one 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).

Portfolio Summary - Wholly-Owned Properties Only 1/

(Rentable Square Feet)

	<u>9/30/10</u>	<u>6/30/10</u>	<u>3/31/10</u>	<u>12/31/09</u>	<u>9/30/09</u>
Office Industrial & Retail					
In-Service:					
Office	20,423,000	20,072,000	20,603,000	20,445,000	20,319,000
Industrial	5,827,000	5,827,000	6,463,000	6,463,000	6,463,000
Retail 2/	853,000	864,000	869,000	869,000	909,000
Total 3/	<u>27,103,000</u>	<u>26,763,000</u>	<u>27,935,000</u>	<u>27,777,000</u>	<u>27,691,000</u>
Development Completed - Not Stabilized:					
Office	148,000	148,000	148,000	301,000	153,000
Industrial	-	-	200,000	200,000	200,000
Retail	-	-	-	-	-
Total	<u>148,000</u>	<u>148,000</u>	<u>348,000</u>	<u>501,000</u>	<u>353,000</u>
Development - In Process:					
Office	60,000	60,000	-	-	148,000
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>148,000</u>
Total:					
Office	20,631,000	20,280,000	20,751,000	20,746,000	20,620,000
Industrial	5,827,000	5,827,000	6,663,000	6,663,000	6,663,000
Retail 2/	853,000	864,000	869,000	869,000	909,000
Total 3/	<u>27,311,000</u>	<u>26,971,000</u>	<u>28,283,000</u>	<u>28,278,000</u>	<u>28,192,000</u>
Same Property					
Office	18,987,000	18,987,000	18,987,000	18,987,000	18,987,000
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>25,467,000</u>	<u>25,467,000</u>	<u>25,467,000</u>	<u>25,467,000</u>	<u>25,467,000</u>
Percent Leased/Pre-Leased:					
In-Service:					
Office	88.2%	88.6%	87.7%	88.8%	88.6%
Industrial	90.5%	90.8%	87.2%	87.4%	84.6%
Retail	95.1%	95.8%	94.5%	98.0%	92.9%
Total	<u>88.9%</u>	<u>89.3%</u>	<u>87.8%</u>	<u>88.8%</u>	<u>87.8%</u>
Development Completed - Not Stabilized:					
Office	24.3%	24.3%	19.0%	46.0%	67.0%
Industrial	-	-	50.0%	50.0%	50.0%
Retail	-	-	-	-	-
Total	<u>24.3%</u>	<u>24.3%</u>	<u>36.8%</u>	<u>47.6%</u>	<u>57.4%</u>
Development - In Process:					
Office	100.0%	100.0%	-	-	17.0%
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>100.0%</u>	<u>100.0%</u>	<u>-</u>	<u>-</u>	<u>17.0%</u>
Same Property					
Office	88.2%	88.5%	88.9%	89.9%	89.8%
Industrial	92.0%	92.2%	91.6%	92.3%	89.0%
Retail	95.1%	97.1%	96.3%	99.8%	94.3%
Total	<u>89.2%</u>	<u>89.6%</u>	<u>89.7%</u>	<u>90.7%</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 September 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	86.3%	16.0%	-	-	16.0%
Atlanta	5,853,000	89.8%	11.0%	4.0%	-	15.0%
Tampa	2,878,000	89.5%	14.6%	-	-	14.6%
Nashville	3,096,000	89.0%	13.6%	-	-	13.6%
Kansas City	1,504,000 4/	89.3%	3.3%	-	6.4%	9.7%
Memphis	1,920,000	89.2%	9.0%	-	-	9.0%
Richmond	2,231,000	92.3%	8.7%	-	-	8.7%
Piedmont Triad 5/	4,173,000	88.5%	5.3%	2.8%	-	8.1%
Greenville	898,000	88.0%	3.3%	-	-	3.3%
Orlando	416,000	84.8%	2.0%	-	-	2.0%
Total	27,103,000	88.9%	86.8%	6.8%	6.4%	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	87.5%	15.7%	-	-	15.7%
Atlanta	6,688,000	87.9%	11.5%	3.7%	-	15.2%
Tampa	3,083,000	89.7%	13.7%	-	-	13.7%
Nashville	3,096,000	89.0%	12.5%	-	-	12.5%
Kansas City	2,223,000 4/	86.7%	4.3%	-	5.9%	10.2%
Richmond	2,644,000	93.5%	8.7%	-	-	8.7%
Memphis	1,920,000	89.2%	8.3%	-	-	8.3%
Piedmont Triad	4,431,000	85.8%	5.0%	2.6%	-	7.6%
Orlando	2,269,000	84.3%	5.0%	-	-	5.0%
Greenville	898,000	88.0%	3.0%	-	-	3.0%
Charlotte	148,000	100.0%	0.1%	-	-	0.1%
Total	32,348,000	88.1%	87.8%	6.3%	5.9%	100.0%

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

2/ Annualized Cash Revenue is September, 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 211,000 square feet of basement space in the Country Club Plaza.

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

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

Portfolio Summary - Wholly-Owned Properties Only

(Continued)

As of September 30, 2010

Office Properties 1/				Industrial			
<u>Market</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	86.3%	18.4%	-	-	-	-
Tampa	2,878,000	89.5%	16.8%	-	-	-	-
Nashville	3,096,000	89.0%	15.6%	-	-	-	-
Atlanta	2,571,000	89.0%	12.7%	3,282,000	90.4%	58.7%	
Memphis	1,920,000	89.2%	10.4%	-	-	-	-
Richmond	2,231,000	92.3%	10.1%	-	-	-	-
Piedmont Triad	1,628,000	85.0%	6.1%	2,545,000	90.7%	41.3%	
Kansas City	651,000	81.9%	3.8%	-	-	-	-
Greenville	898,000	88.0%	3.8%	-	-	-	-
Orlando	416,000	84.8%	2.3%	-	-	-	-
	<u>20,423,000</u>	<u>88.2%</u>	<u>100.0%</u>	<u>5,827,000</u>	<u>90.5%</u>	<u>100.0%</u>	

Retail			
<u>Market</u>	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Retail Annualized Cash Revenue 2/</u>
Kansas City 3/	853,000	95.1%	100.0%
	<u>853,000</u>	<u>95.1%</u>	<u>100.0%</u>

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

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

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

Occupancy Trends - Office, Industrial and Retail Properties 1/

<u>Market</u>	<u>Measurement</u>	<u>9/30/10</u>	<u>6/30/10</u>	<u>3/31/10</u>	<u>12/31/09</u>	<u>9/30/09</u>
Atlanta	Rentable Square Feet	5,853,000	5,853,000	5,653,000	5,653,000	5,653,000
	Occupancy	89.8%	90.5%	90.5%	90.4%	90.7%
	Current Properties 2/	91.2%	91.9%	90.5%	90.4%	90.7%
Greenville	Rentable Square Feet	898,000	897,000	897,000	897,000	897,000
	Occupancy	88.0%	86.5%	86.3%	88.5%	89.0%
	Current Properties 2/	88.0%	86.4%	86.3%	88.5%	88.9%
Kansas City 3/	Rentable Square Feet	1,504,000	1,503,000	1,508,000	1,508,000	1,508,000
	Occupancy	89.3%	91.3%	90.8%	92.9%	89.8%
	Current Properties 2/	89.3%	91.3%	91.1%	93.2%	90.1%
Memphis	Rentable Square Feet	1,920,000	1,582,000	1,582,000	1,582,000	1,582,000
	Occupancy	89.2%	88.6%	89.3%	91.5%	91.6%
	Current Properties 2/	89.3%	88.6%	89.4%	91.5%	92.2%
Nashville	Rentable Square Feet	3,096,000	3,096,000	3,094,000	2,938,000	2,997,000
	Occupancy	89.0%	90.6%	90.9%	95.1%	93.8%
	Current Properties 2/	89.9%	91.5%	92.1%	95.0%	93.5%
Orlando	Rentable Square Feet	416,000	416,000	416,000	416,000	416,000
	Occupancy	84.8%	92.2%	93.0%	94.4%	95.7%
	Current Properties 2/	84.8%	92.2%	93.0%	94.4%	95.7%
Piedmont Triad	Rentable Square Feet	4,173,000	4,173,000	5,482,000	5,482,000	5,526,000
	Occupancy	88.5%	88.6%	81.8%	82.2%	79.1%
	Current Properties 2/	88.5%	88.6%	90.2%	91.2%	87.1%
Raleigh	Rentable Square Feet	4,134,000	4,134,000	4,194,000	4,194,000	4,224,000
	Occupancy	86.3%	86.0%	83.5%	83.8%	83.6%
	Current Properties 2/	86.3%	86.0%	84.7%	85.0%	84.7%
Richmond	Rentable Square Feet	2,231,000	2,231,000	2,231,000	2,229,000	2,229,000
	Occupancy	92.3%	89.3%	90.9%	93.2%	92.4%
	Current Properties 2/	92.3%	89.3%	91.0%	93.2%	92.3%
Tampa	Rentable Square Feet	2,878,000	2,878,000	2,878,000	2,878,000	2,658,000
	Occupancy	89.5%	90.8%	92.0%	90.9%	90.7%
	Current Properties 2/	89.2%	90.6%	91.9%	90.7%	90.7%
Total	Rentable Square Feet	27,103,000	26,763,000	27,935,000	27,777,000	27,690,000
	Occupancy	88.9%	89.3%	87.8%	88.8%	87.8%
	Current Properties 2/	89.3%	89.6%	89.8%	90.7%	89.7%

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

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

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

Leasing Statistics

Office Portfolio 1/

	Three Months Ended					Five Quarter
	9/30/10 2/	6/30/10 3/	3/31/10 4/	12/31/09 5/	9/30/09 6/	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	126	149	117	85	97	115
Rentable square footage leased	1,054,688	808,156	947,587	774,795	558,856	828,816
Square footage of Renewal Deals	803,096	580,139	691,950	580,701	401,168	611,411
Renewed square footage (% of total)	76.1%	71.8%	73.0%	74.9%	71.8%	73.8%
New Leases square footage (% of total)	23.9%	28.2%	27.0%	25.1%	28.2%	26.2%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 19.92	\$ 19.44	\$ 17.93	\$ 20.19	\$ 20.70	\$ 19.64
Tenant improvements	(1.96)	(1.54)	(1.30)	(1.63)	(1.21)	(1.53)
Leasing commissions 7/	(0.60)	(0.56)	(0.50)	(0.34)	(0.53)	(0.51)
Rent concessions	(0.59)	(0.92)	(0.68)	(0.43)	(0.59)	(0.64)
Effective rent	16.77	16.42	15.45	17.79	18.37	16.96
Expense stop	(6.67)	(6.62)	(5.51)	(7.61)	(6.67)	(6.62)
Equivalent effective net rent	\$ 10.10	\$ 9.80	\$ 9.94	\$ 10.18	\$ 11.70	\$ 10.34
Weighted average term in years	5.9	4.8	4.7	7.6	3.8	5.4
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 13,417,000	\$ 7,812,890	\$ 8,881,638	\$ 10,491,606	\$ 3,637,183	\$ 8,848,063
Rentable square feet	1,054,688	808,156	947,587	774,795	558,856	828,816
Per rentable square foot	\$ 12.72	\$ 9.67	\$ 9.37	\$ 13.54	\$ 6.51	\$ 10.68
Leasing Commissions:						
Total dollars committed under signed leases 7/	\$ 4,146,494	\$ 2,327,641	\$ 2,982,143	\$ 1,095,745	\$ 1,248,668	\$ 2,360,138
Rentable square feet	1,054,688	808,156	947,587	774,795	558,856	828,816
Per rentable square foot	\$ 3.93	\$ 2.88	\$ 3.15	\$ 1.41	\$ 2.23	\$ 2.85
Total:						
Total dollars committed under signed leases	\$ 17,563,494	\$ 10,140,531	\$ 11,863,781	\$ 11,587,351	\$ 4,885,851	\$ 11,208,202
Rentable square feet	1,054,688	808,156	947,587	774,795	558,856	828,816
Per rentable square foot	\$ 16.65	\$ 12.55	\$ 12.52	\$ 14.96	\$ 8.74	\$ 13.52

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

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

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

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

6/ Includes 98K 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
	9/30/10 ^{1/}	6/30/10 ^{2/}	3/31/10 ^{3/}	12/31/09 ^{4/}	9/30/09 ^{5/}	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	18	16	16	18	18	17
Rentable square footage leased	287,985	511,426	280,300	500,405	191,863	354,396
Square footage of Renewal Deals	163,940	328,096	124,955	380,291	127,503	224,957
Renewed square footage (% of total)	56.9%	64.2%	44.6%	76.0%	66.5%	63.5%
New Leases square footage (% of total)	43.1%	35.8%	55.4%	24.0%	33.5%	36.5%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 4.89	\$ 3.73	\$ 4.48	\$ 3.86	\$ 7.29	\$ 4.85
Tenant improvements	(0.43)	(0.37)	(0.59)	(0.26)	(0.51)	(0.43)
Leasing commissions ^{6/}	(0.14)	(0.09)	(0.13)	(0.06)	(0.04)	(0.09)
Rent concessions	(0.18)	(0.24)	(0.18)	(0.07)	(0.11)	(0.16)
Effective rent	4.14	3.03	3.58	3.47	6.63	4.17
Expense stop	(0.20)	(0.21)	(0.30)	(0.24)	(2.35)	(0.66)
Equivalent effective net rent	\$ 3.94	\$ 2.82	\$ 3.28	\$ 3.23	\$ 4.28	\$ 3.51
Weighted average term in years	5.4	4.4	4.8	4.3	3.4	4.5
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 674,763	\$ 1,068,076	\$ 988,367	\$ 760,858	\$ 411,696	\$ 780,752
Rentable square feet	287,985	511,426	280,300	500,405	191,863	354,396
Per rentable square foot	\$ 2.34	\$ 2.09	\$ 3.53	\$ 1.52	\$ 2.15	\$ 2.20
Leasing Commissions:						
Total dollars committed under signed leases ^{6/}	\$ 192,048	\$ 215,500	\$ 212,098	\$ 170,216	\$ 22,307	\$ 162,434
Rentable square feet	287,985	511,426	280,300	500,405	191,863	354,396
Per rentable square foot	\$ 0.67	\$ 0.42	\$ 0.76	\$ 0.34	\$ 0.12	\$ 0.46
Total:						
Total dollars committed under signed leases	\$ 866,811	\$ 1,283,576	\$ 1,200,465	\$ 931,074	\$ 434,003	\$ 943,186
Rentable square feet	287,985	511,426	280,300	500,405	191,863	354,396
Per rentable square foot	\$ 3.01	\$ 2.51	\$ 4.28	\$ 1.86	\$ 2.26	\$ 2.66

^{1/} Includes 35K square feet of leases that start in 2012 or later.

^{2/} 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.

^{3/} Includes 38K square feet of leases that start in 2012 or later.

^{4/} Includes 100K square feet of leases that start in 2012 or later.

^{5/} Includes 32K square feet of leases that start in 2011 or later.

^{6/} Excludes a full allocation of internal leasing costs.

Leasing Statistics

Retail Portfolio

	Three Months Ended					Five Quarter
	9/30/10	6/30/10 1/	3/31/10 2/	12/31/09 3/	9/30/09 4/	Average
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	5	13	6	11	9	9
Rentable square footage leased	11,751	53,242	37,406	40,271	49,132	38,360
Square footage of Renewal Deals	11,751	45,560	19,030	25,966	16,954	23,852
Renewed square footage (% of total)	100.0%	85.6%	50.9%	64.5%	34.5%	62.2%
New Leases square footage (% of total)	0.0%	14.4%	49.1%	35.5%	65.5%	37.8%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 28.15	\$ 30.00	\$ 35.74	\$ 29.22	\$ 29.31	\$ 30.48
Tenant improvements	(1.66)	(0.46)	(4.41)	(0.68)	(2.28)	(1.90)
Leasing commissions 5/	(0.32)	(0.19)	(0.24)	(0.34)	(0.68)	(0.35)
Rent concessions	0.00	(0.04)	(0.23)	(0.47)	0.00	(0.15)
Effective rent	26.17	29.31	30.86	27.73	26.35	28.08
Expense stop	0.00	0.00	0.00	0.00	0.00	0.00
Equivalent effective net rent	\$ 26.17	\$ 29.31	\$ 30.86	\$ 27.73	\$ 26.35	\$ 28.08
Weighted average term in years	1.8	5.2	5.8	3.7	9.2	5.1
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 58,560	\$ 212,080	\$ 1,090,042	\$ 152,202	\$ 1,275,370	\$ 557,651
Rentable square feet	11,751	53,242	37,406	40,271	49,132	38,360
Per rentable square foot	\$ 4.98	\$ 3.98	\$ 29.14	\$ 3.78	\$ 25.96	\$ 14.54
Leasing Commissions:						
Total dollars committed under signed leases 5/	\$ 12,244	\$ 86,142	\$ 46,391	\$ 28,158	\$ 401,183	\$ 114,824
Rentable square feet	11,751	53,242	37,406	40,271	49,132	38,360
Per rentable square foot	\$ 1.04	\$ 1.62	\$ 1.24	\$ 0.70	\$ 8.17	\$ 2.99
Total:						
Total dollars committed under signed leases	\$ 70,804	\$ 298,222	\$ 1,136,433	\$ 180,360	\$ 1,676,553	\$ 672,475
Rentable square feet	11,751	53,242	37,406	40,271	49,132	38,360
Per rentable square foot	\$ 6.03	\$ 5.60	\$ 30.38	\$ 4.48	\$ 34.12	\$ 17.53

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/ Excludes a full allocation of internal leasing costs.

Leasing Statistics by Market

For the Three Months Ended September 30, 2010

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	312,400	8.3	\$ 18.58	\$ 19.66	\$ 5.71
Nashville	220,499	7.3	22.33	11.06	5.12
Richmond	146,930	3.5	17.86	6.38	1.26
Atlanta	105,370	2.8	18.36	12.09	1.41
Piedmont Triad	75,389	4.8	15.10	8.51	2.63
Memphis	73,748	4.2	21.52	12.52	3.14
Tampa	61,765	4.6	21.72	12.00	3.66
Orlando	32,966	5.0	17.48	9.12	4.00
Greenville	21,863	2.4	16.84	0.00	1.81
Kansas City	3,758	4.2	23.36	4.72	5.87
	<u>1,054,688</u>	<u>5.9</u>	<u>\$ 19.33</u>	<u>\$ 12.72</u>	<u>\$ 3.93</u>

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Atlanta	154,079	3.1	\$ 5.30	\$ 1.12	\$ 0.38
Piedmont Triad	133,906	8.0	4.03	3.75	0.98
	<u>287,985</u>	<u>5.4</u>	<u>\$ 4.71</u>	<u>\$ 2.34</u>	<u>\$ 0.67</u>

Retail Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Kansas City	11,751	1.8	\$ 28.15	\$ 4.98	\$ 1.04
	<u>11,751</u>	<u>1.8</u>	<u>\$ 28.15</u>	<u>\$ 4.98</u>	<u>\$ 1.04</u>

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

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

3/ The amount of capitalized internal leasing cost not allocated to individual deals or product types was \$639K.

Rental Rate Comparisons by Market

For the Three Months Ended September 30, 2010

Office Portfolio 1/ <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent	Percentage Change Rent
Raleigh	312,400	\$ 18.58	\$ 18.00	3.2%
Nashville	220,499	22.33	19.69	13.4%
Richmond	146,930	17.86	18.15	-1.6%
Atlanta	105,370	18.36	18.41	-0.3%
Piedmont Triad	75,389	15.10	15.79	-4.4%
Memphis	73,748	21.52	20.15	6.8%
Tampa	61,765	21.72	22.05	-1.5%
Orlando	32,966	17.48	22.00	-20.5%
Greenville	21,863	16.84	15.84	6.3%
Kansas City	3,758	23.36	22.89	2.1%
GAAP Rent Growth	1,054,688	\$ 19.33	\$ 18.74	3.1%
Cash Rent Growth	1,054,688	\$ 18.89	\$ 20.60	-8.3%

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent	Percentage Change Rent
Atlanta	154,079	\$ 5.30	\$ 5.46	-2.9%
Piedmont Triad	133,906	4.03	4.42	-8.8%
GAAP Rent Growth	287,985	\$ 4.71	\$ 4.98	-5.4%
Cash Rent Growth	287,985	\$ 4.70	\$ 5.83	-19.3%

Retail Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Current Rent	Previous Rent 2/	Percentage Change Rent
Kansas City	11,751	\$ 28.15	\$ 30.84	-8.7%
GAAP Rent Growth	11,751	\$ 28.15	\$ 30.84	-8.7%
Cash Rent Growth	11,751	\$ 28.15	\$ 32.47	-13.3%

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

<u>Type</u>	<u>9/30/10</u>	<u>9/30/09</u>	<u>9/30/08</u>	<u>9/30/07</u>	<u>9/30/06</u>
Office	\$ 20.33	\$ 20.64	\$ 20.05	\$ 19.32	\$ 18.32
Industrial	5.45	5.25	5.27	5.20	5.06
Retail 2/	33.12	36.66	31.22	30.97	28.14
Weighted average rate	\$ 17.51	\$ 17.69	\$ 17.06	\$ 16.56	\$ 15.60
Annual % growth rate	-1.0%	3.6%	3.0%	6.2%	

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

2/ Excludes percentage rent.

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

Lease Expirations

September 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	403,660	2.2%	\$ 7,503	\$ 18.59	2.0%
2011	2,340,301	13.0%	48,425	20.69	13.2%
2012	2,436,733	13.5%	51,626	21.19	14.1%
2013	2,558,267	14.3%	54,886	21.45	15.0%
2014	2,413,523	13.4%	51,107	21.18	13.9%
2015	2,065,034	11.4%	41,960	20.32	11.4%
2016	1,398,399	7.7%	24,635	17.62	6.7%
2017	1,142,386	6.3%	22,416	19.62	6.1%
2018	835,720	4.6%	17,109	20.47	4.7%
2019	598,984	3.3%	10,623	17.74	2.9%
2020 and thereafter	1,863,487	10.3%	36,866	19.78	10.0%
	<u>18,056,494</u>	<u>100.0%</u>	<u>\$ 367,156</u>	<u>\$ 20.33</u>	<u>100.0%</u>
Industrial:					
2010 /4	135,229	2.6%	\$ 547	\$ 4.04	1.9%
2011	824,109	15.6%	4,940	5.99	17.3%
2012	540,045	10.2%	3,176	5.88	11.1%
2013	707,361	13.4%	4,122	5.83	14.3%
2014	886,788	16.9%	4,697	5.30	16.3%
2015	568,493	10.8%	2,471	4.35	8.6%
2016	312,597	5.9%	1,469	4.70	5.1%
2017	208,099	3.9%	1,076	5.17	3.7%
2018	110,284	2.1%	604	5.48	2.1%
2019	176,024	3.3%	677	3.85	2.4%
2020 and thereafter	805,154	15.3%	4,956	6.16	17.2%
	<u>5,274,183</u>	<u>100.0%</u>	<u>\$ 28,735</u>	<u>\$ 5.45</u>	<u>100.0%</u>

1/ Annualized Cash Revenue is September, 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 139,000 square feet of leases that are on a month to month basis or 0.4% of total annualized revenue.

4/ Includes 79,000 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

September 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/	9,377	1.2%	\$ 272	\$ 29.01	1.0%
2011	104,526	12.9%	1,633	15.62	6.1%
2012	71,715	8.8%	2,596	36.20	9.7%
2013	23,736	2.9%	1,369	57.68	5.1%
2014	34,030	4.2%	1,615	47.46	6.0%
2015	63,726	7.9%	3,140	49.27	11.7%
2016	54,389	6.7%	2,289	42.09	8.5%
2017	93,570	11.5%	2,037	21.77	7.6%
2018	73,157	9.0%	3,099	42.36	11.5%
2019	96,624	11.9%	2,903	30.04	10.8%
2020 and thereafter	185,992	23.0%	5,899	31.72	22.0%
	810,842	100.0%	\$ 26,852	\$ 33.12	100.0%
Total:					
2010 3/ 4/	548,266	2.3%	\$ 8,322	\$ 15.18	2.0%
2011	3,268,936	13.5%	54,998	16.82	13.0%
2012	3,048,493	12.6%	57,398	18.83	13.6%
2013	3,289,364	13.6%	60,377	18.36	14.2%
2014	3,334,341	13.9%	57,419	17.22	13.6%
2015	2,697,253	11.2%	47,571	17.64	11.3%
2016	1,765,385	7.3%	28,393	16.08	6.7%
2017	1,444,055	6.0%	25,529	17.68	6.0%
2018	1,019,161	4.2%	20,812	20.42	4.9%
2019	871,632	3.6%	14,203	16.29	3.4%
2020 and thereafter	2,854,633	11.8%	47,721	16.72	11.3%
	24,141,519	100.0%	\$ 422,743	\$ 17.51	100.0%

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

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

3/ Includes 222,000 square feet of leases that are on a month to month basis or 0.5% 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

		<i>Three Months Ended</i>				Total
		<u>12/31/10</u> ^{2/}	<u>3/31/11</u>	<u>6/30/11</u>	<u>9/30/11</u>	
Atlanta	RSF	69,562	39,054	32,833	104,713	246,162
	% of Total Office RSF	0.4%	0.2%	0.2%	0.6%	1.4%
	Annualized Cash Revenue 3/	\$ 1,242	\$ 715	\$ 687	\$ 1,970	\$ 4,614
	% of Total Office Annl Cash Rev	0.3%	0.2%	0.2%	0.5%	1.3%
Greenville	RSF	4,439	0	2,322	27,926	34,687
	% of Total Office RSF	0.0%	0.0%	0.0%	0.2%	0.2%
	Annualized Cash Revenue 3/	\$ 118	-	\$ 39	\$ 499	\$ 656
	% of Total Office Annl Cash Rev	0.0%	0.0%	0.0%	0.1%	0.2%
Kansas City	RSF	29,394	25,047	42,862	8,052	105,355
	% of Total Office RSF	0.2%	0.1%	0.2%	0.0%	0.6%
	Annualized Cash Revenue 3/	\$ 872	\$ 693	\$ 1,053	\$ 197	\$ 2,815
	% of Total Office Annl Cash Rev	0.2%	0.2%	0.3%	0.1%	0.8%
Memphis	RSF	41,122	67,924	26,472	50,148	185,666
	% of Total Office RSF	0.2%	0.4%	0.1%	0.3%	1.0%
	Annualized Cash Revenue 3/	\$ 881	\$ 1,474	\$ 591	\$ 1,081	\$ 4,027
	% of Total Office Annl Cash Rev	0.2%	0.4%	0.2%	0.3%	1.1%
Nashville	RSF	57,289	101,817	57,136	69,574	285,816
	% of Total Office RSF	0.3%	0.6%	0.3%	0.4%	1.6%
	Annualized Cash Revenue 3/	\$ 1,296	\$ 2,006	\$ 1,337	\$ 1,491	\$ 6,130
	% of Total Office Annl Cash Rev	0.4%	0.5%	0.4%	0.4%	1.7%
Orlando	RSF	31,895	4,930	10,243	100,075	147,143
	% of Total Office RSF	0.2%	0.0%	0.1%	0.6%	0.8%
	Annualized Cash Revenue 3/	\$ 300	\$ 90	\$ 257	\$ 2,238	\$ 2,885
	% of Total Office Annl Cash Rev	0.1%	0.0%	0.1%	0.6%	0.8%
Piedmont Triad	RSF	12,951	34,311	71,452	79,542	198,256
	% of Total Office RSF	0.1%	0.2%	0.4%	0.4%	1.1%
	Annualized Cash Revenue 3/	\$ 234	\$ 714	\$ 1,332	\$ 1,368	\$ 3,648
	% of Total Office Annl Cash Rev	0.1%	0.2%	0.4%	0.4%	1.0%
Raleigh	RSF	99,998	108,664	79,048	170,496	458,206
	% of Total Office RSF	0.5%	0.6%	0.4%	0.9%	2.5%
	Annualized Cash Revenue 3/	\$ 1,478	\$ 2,118	\$ 1,559	\$ 3,900	\$ 9,055
	% of Total Office Annl Cash Rev	0.4%	0.6%	0.4%	1.1%	2.5%
Richmond	RSF	36,102	54,336	99,503	122,684	312,625
	% of Total Office RSF	0.2%	0.3%	0.6%	0.7%	1.7%
	Annualized Cash Revenue 3/	\$ 598	\$ 1,043	\$ 1,770	\$ 2,597	\$ 6,008
	% of Total Office Annl Cash Rev	0.2%	0.3%	0.5%	0.7%	1.6%
Tampa	RSF	20,908	39,650	29,020	44,600	134,178
	% of Total Office RSF	0.1%	0.2%	0.2%	0.2%	0.7%
	Annualized Cash Revenue 3/	\$ 484	\$ 978	\$ 757	\$ 1,045	\$ 3,264
	% of Total Office Annl Cash Rev	0.1%	0.3%	0.2%	0.3%	0.9%
Total	RSF	403,660	475,733	450,891	777,810	2,108,094
	% of Total Office RSF	2.2%	2.6%	2.5%	4.3%	11.6%
	Annualized Cash Revenue 3/	\$ 7,503	\$ 9,831	\$ 9,382	\$ 16,386	\$ 43,102
	% of Total Office Annl Cash Rev	2.0%	2.7%	2.6%	4.5%	11.7%

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 139,000 square feet of leases that are on a month to month basis or 0.4% of total annualized revenue.

3/ Annualized Cash Revenue is September, 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

		<i>Three Months Ended</i>				
		<u>12/31/10</u>	<u>3/31/11</u>	<u>6/30/11</u>	<u>9/30/11</u>	<u>Total</u>
Atlanta	RSF	70,400	64,480	54,360	274,188	463,428
	% of Total Industrial RSF	1.3%	1.2%	1.0%	5.2%	8.8%
	Annualized Cash Revenue 2/ \$	389 \$	442 \$	380 \$	1,745 \$	2,956
	% of Total Industrial Annl Cash Rev	1.4%	1.5%	1.3%	6.1%	10.3%
Piedmont Triad	RSF	64,829	18,714	288,000	22,638	394,181
	% of Total Industrial RSF	1.2%	0.4%	5.5%	0.4%	7.5%
	Annualized Cash Revenue 2/ \$	159 \$	127 \$	1,569 \$	142 \$	1,997
	% of Total Industrial Annl Cash Rev	0.6%	0.4%	5.5%	0.5%	6.9%
Total	RSF	135,229	83,194	342,360	296,826	857,609
	% of Total Industrial RSF	2.6%	1.6%	6.5%	5.6%	16.3%
	Annualized Cash Revenue 2/ \$	548 \$	569 \$	1,949 \$	1,887 \$	4,953
	% of Total Industrial Annl Cash Rev	2.0%	2.0%	6.8%	6.6%	17.3%

1/ Includes 79,000 square feet of leases that are on a month to month basis or 0.1% of total annualized revenue.

2/ Annualized Cash Revenue is September, 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	69,562	185,637	314,995	355,551	1,363,116
	% of Total Office RSF	0.4%	1.0%	1.7%	2.0%	7.5%
	Annualized Cash Revenue 3/	\$ 1,242	\$ 3,549	\$ 7,202	\$ 6,543	\$ 28,138
	% of Total Office Annl Cash Rev	0.3%	1.0%	2.0%	1.8%	7.7%
Greenville	RSF	4,439	114,915	220,902	132,006	317,949
	% of Total Office RSF	0.0%	0.6%	1.2%	0.7%	1.8%
	Annualized Cash Revenue 3/	\$ 118	\$ 2,107	\$ 3,892	\$ 2,297	\$ 5,357
	% of Total Office Annl Cash Rev	0.0%	0.6%	1.1%	0.6%	1.5%
Kansas City	RSF	29,394	85,946	82,335	21,687	313,457
	% of Total Office RSF	0.2%	0.5%	0.5%	0.1%	1.7%
	Annualized Cash Revenue 3/	\$ 872	\$ 2,189	\$ 2,011	\$ 519	\$ 8,214
	% of Total Office Annl Cash Rev	0.2%	0.6%	0.5%	0.1%	2.2%
Memphis	RSF	41,122	226,867	173,336	259,589	1,048,315
	% of Total Office RSF	0.2%	1.3%	1.0%	1.4%	5.8%
	Annualized Cash Revenue 3/	\$ 881	\$ 5,134	\$ 4,007	\$ 6,470	\$ 21,607
	% of Total Office Annl Cash Rev	0.2%	1.4%	1.1%	1.8%	5.9%
Nashville	RSF	57,289	277,911	306,421	344,279	1,770,663
	% of Total Office RSF	0.3%	1.5%	1.7%	1.9%	9.8%
	Annualized Cash Revenue 3/	\$ 1,296	\$ 5,947	\$ 6,834	\$ 6,442	\$ 36,892
	% of Total Office Annl Cash Rev	0.4%	1.6%	1.9%	1.8%	10.0%
Orlando	RSF	31,895	121,713	6,449	27,521	165,532
	% of Total Office RSF	0.2%	0.7%	0.0%	0.2%	0.9%
	Annualized Cash Revenue 3/	\$ 300	\$ 2,781	\$ 183	\$ 667	\$ 4,519
	% of Total Office Annl Cash Rev	0.1%	0.8%	0.0%	0.2%	1.2%
Piedmont Triad	RSF	12,951	264,865	354,439	182,928	568,947
	% of Total Office RSF	0.1%	1.5%	2.0%	1.0%	3.2%
	Annualized Cash Revenue 3/	\$ 234	\$ 4,700	\$ 6,756	\$ 2,921	\$ 7,648
	% of Total Office Annl Cash Rev	0.1%	1.3%	1.8%	0.8%	2.1%
Raleigh	RSF	99,998	502,037	460,414	328,424	2,176,935
	% of Total Office RSF	0.6%	2.8%	2.5%	1.8%	12.1%
	Annualized Cash Revenue 3/	\$ 1,477	\$ 10,402	\$ 9,182	\$ 6,558	\$ 40,230
	% of Total Office Annl Cash Rev	0.4%	2.8%	2.5%	1.8%	11.0%
Richmond	RSF	36,102	418,421	231,750	273,118	1,099,244
	% of Total Office RSF	0.2%	2.3%	1.3%	1.5%	6.1%
	Annualized Cash Revenue 3/	\$ 598	\$ 8,113	\$ 4,116	\$ 5,359	\$ 18,766
	% of Total Office Annl Cash Rev	0.2%	2.2%	1.1%	1.5%	5.1%
Tampa	RSF	20,908	141,989	285,692	633,164	1,493,375
	% of Total Office RSF	0.1%	0.8%	1.6%	3.5%	8.3%
	Annualized Cash Revenue 3/	\$ 484	\$ 3,503	\$ 7,443	\$ 17,109	\$ 33,348
	% of Total Office Annl Cash Rev	0.1%	1.0%	2.0%	4.7%	9.1%
Total	RSF	403,660	2,340,301	2,436,733	2,558,267	10,317,533
	% of Total Office RSF	2.2%	13.0%	13.5%	14.2%	57.1%
	Annualized Cash Revenue 3/	\$ 7,502	\$ 48,425	\$ 51,626	\$ 54,885	\$ 204,719
	% of Total Office Annl Cash Rev	2.0%	13.2%	14.1%	14.9%	55.8%

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 139,000 square feet of leases that are on a month to month basis or 0.4% of total annualized revenue.

3/ Annualized Cash Revenue is September, 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	70,400	418,228	239,203	417,568	1,820,731
	% of Total Industrial RSF	1.3%	7.9%	4.5%	7.9%	34.5%
	Annualized Cash Revenue 2/	\$ 388	\$ 2,699	\$ 1,371	\$ 2,087	\$ 10,314
	% of Total Industrial Annl Cash Rev	1.4%	9.4%	4.8%	7.3%	35.9%
Piedmont Triad	RSF	64,829	405,881	300,842	289,793	1,246,708
	% of Total Industrial RSF	1.2%	7.7%	5.7%	5.5%	23.6%
	Annualized Cash Revenue 2/	\$ 159	\$ 2,241	\$ 1,805	\$ 2,035	\$ 5,636
	% of Total Industrial Annl Cash Rev	0.6%	7.8%	6.3%	7.1%	19.6%
Total	RSF	135,229	824,109	540,045	707,361	3,067,439
	% of Total Industrial RSF	2.6%	15.6%	10.2%	13.4%	58.2%
	Annualized Cash Revenue 2/	\$ 547	\$ 4,940	\$ 3,176	\$ 4,122	\$ 15,950
	% of Total Industrial Annl Cash Rev	1.9%	17.2%	11.1%	14.3%	55.5%

1/ Includes 79,000 square feet of leases that are on a month to month basis or 0.1% of total annualized revenue.

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

Customer Diversification 1/

September 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	1,930,922	\$ 39,522	9.35%	7.4
AT&T	768,579	14,932	3.53%	3.5
PricewaterhouseCoopers	326,909	8,663	2.05%	2.5
State of Georgia	375,105	6,878	1.63%	6.4
Healthways	290,689	6,703	1.59%	11.6
Metropolitan Life Insurance	296,595	6,121	1.45%	7.5
T-Mobile USA	207,517	5,728	1.35%	3.2
BB&T	288,113	4,798	1.13%	2.9
HCA Corporation	211,411	4,796	1.13%	4.1
Lockton Companies	170,743	4,583	1.08%	4.4
Syniverse Technologies	198,750	4,132	0.98%	6.1
RBC Bank	164,271	3,860	0.91%	16.2
SCI Services 3/	162,784	3,735	0.88%	6.8
Volvo	298,321	3,521	0.83%	4.0
Fluor Enterprises	190,038	3,492	0.83%	1.4
Jacobs Engineering Group	181,794	3,118	0.74%	5.0
Lifepoint Corporate Services	145,629	3,037	0.72%	4.4
Vanderbilt University	144,611	2,974	0.70%	5.0
Wells Fargo/Wachovia	112,348	2,685	0.64%	1.7
Icon Clinical Research	102,647	2,499	0.59%	5.5
	<u>6,567,776</u>	<u>\$ 135,777</u>	<u>32.11%</u>	<u>5.9</u>

By Industry

<u>Category</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Professional, Scientific, and Technical Services	20.5%
Government/Public Administration	11.6%
Finance/Banking	11.5%
Health Care and Social Assistance	8.0%
Insurance	7.7%
Telecommunication	5.4%
Wholesale Trade	5.4%
Manufacturing	5.3%
Retail Trade	5.3%
Information	4.4%
Administrative and Support Services	3.3%
Real Estate Rental and Leasing	3.2%
Accommodation and Food Services	2.4%
Transportation and Warehousing	2.2%
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 September, 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 September 30,		Percentage Change
	<u>2010</u>	<u>2009</u>	
Rental revenues 1/	\$ 99,868	\$ 105,284	-5.1%
Operating expenses	(36,971)	(37,972)	2.6%
	<u>62,897</u>	<u>67,312</u>	<u>-6.6%</u>
Straight line rent	2,124	(1,093)	294.3%
	<u>65,021</u>	<u>66,219</u>	<u>-1.8%</u>
Lease termination fees	362	124	191.9%
Net operating income	<u>\$ 65,383</u>	<u>\$ 66,343</u>	<u>-1.4%</u>
Average occupancy	<u>89.3%</u>	<u>89.5%</u>	<u>-0.2%</u>
Rentable square feet	<u>25,467</u>	<u>25,467</u>	

	Nine months ended September 30,		Percentage Change
	<u>2010</u>	<u>2009</u>	
Rental revenues 1/	\$ 301,979	\$ 312,144	-3.3%
Operating expenses	(106,828)	(109,800)	2.7%
	<u>195,151</u>	<u>202,344</u>	<u>-3.6%</u>
Straight line rent	4,570	89	5034.8%
	<u>199,721</u>	<u>202,433</u>	<u>-1.3%</u>
Lease termination fees	2,617	1,433	82.6%
Net operating income	<u>\$ 202,338</u>	<u>\$ 203,866</u>	<u>-0.7%</u>
Average occupancy	<u>89.4%</u>	<u>89.9%</u>	<u>-0.6%</u>
Rentable square feet	<u>25,467</u>	<u>25,467</u>	

<u>Market</u>	<u>Third Quarter: 2010 vs 2009</u>		<u>Nine Months: 2010 vs 2009</u>	
	<u>NOI 2/ Percentage Change</u>	<u>Occupancy Percentage Change</u>	<u>NOI 2/ Percentage Change</u>	<u>Occupancy Percentage Change</u>
Atlanta	-7.4%	0.7%	-5.3%	-0.6%
Greenville	-5.0%	-2.2%	-7.7%	-5.2%
Kansas City	16.4%	1.9%	3.3%	2.3%
Memphis	-11.7%	-3.7%	-5.7%	-4.4%
Nashville	-7.9%	-3.7%	-6.6%	-3.6%
Orlando	-18.1%	-10.3%	-10.0%	-4.7%
Piedmont Triad	8.8%	2.2%	2.6%	3.0%
Raleigh	2.3%	2.1%	1.4%	0.2%
Richmond	-5.8%	-1.2%	-0.6%	-0.9%
Tampa	-2.7%	-1.5%	2.2%	0.6%
	<u>-1.8%</u>	<u>-0.2%</u>	<u>-1.3%</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
<u>First quarter 2010:</u>						
None 2/						
<u>Second quarter 2010:</u>						
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>
<u>Third quarter 2010:</u>						
None						
2010 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</u> <u>Square</u> <u>Feet</u>	<u>Anticipated</u> <u>Total</u> <u>Investment</u>	<u>Investment</u> <u>As Of</u> <u>09/30/10</u>	<u>Pre</u> <u>Leased %</u>	<u>Estimated</u> <u>Completion</u> <u>Date</u>	<u>Estimated</u> <u>Stabilization</u> <u>Date</u>
Office:								
Riverbirch 1/	Raleigh	O	60,000	\$ 12,708	\$ 4,141	100%	4Q 10	4Q 10
In - Process Total			<u>60,000</u>	<u>\$ 12,708</u>	<u>\$ 4,141</u>	<u>100%</u>		
Completed Not Stabilized 2/								
Office:								
Triad Centre III	Memphis	O	148,000	\$ 33,825	\$ 29,174	24%	4Q 09	2Q 11
Completed Not Stabilized Total			<u>148,000</u>	<u>\$ 33,825</u>	<u>\$ 29,174</u>	<u>24%</u>		
Grand Total or Weighted Average			<u>208,000</u>	<u>\$ 46,533</u>	<u>\$ 33,315</u>	<u>46%</u>		
					<u>\$ Weighted %</u>	<u>45%</u>		

For Sale Residential Condominiums

		<u>Units For Sale</u>	<u>Units Sold</u>	<u>Gross Sale</u> <u>Proceeds</u>	<u>Net Gain 6/</u>
RBC Plaza Condominiums 3/ 4/ 5/	Raleigh	28	111	\$ 46,284	\$ 6,592

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 10/28/10.

5/ As of 9/30/10, 109 units were sold, Gross Sale Proceeds were \$45.6 million and Net Gain was \$6.5 Million. 3Q10 Net Gain to the Company was \$493K.

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

Development Land September 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	32	8,833
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/	580	\$ 138,146

1/ Developable square footage on core land holdings, which constitute 490 of the total 580 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 September 30, 2010.

Acquisition Activity

Dollars in thousands

Name	Market	Type 1/	Date Acquired	Square Footage	Total Cost
First quarter 2010:					
None					
Second quarter 2010:					
None					
Third quarter 2010:					
Crescent Center	Memphis	O	07/27/10	336,000	\$ 52,600
2010 totals				336,000	\$ 52,600

1/ The letter "O" represents Office.

Unconsolidated Joint Ventures Assets, Debt and Liabilities

September 30, 2010

Dollars in thousands

<u>Joint Venture 1/</u>	<u>Type 2/</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%	\$ 7,762	\$ -	\$ 370
Kessinger/Hunter, LLC	-	26.5%	7,566	-	1,620
4600 Madison Associates, LP	O	12.5%	15,116	10,827	11,582
Highwoods DLF 98/29, LP	O	22.8%	128,853	66,794	71,782
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	90,897	48,439	53,568
Concourse Center Associates, LLC	O	50.0%	12,846	8,175	8,246
Plaza Colonnade, LLC	O/R	50.0%	69,731	63,334	65,031
Highwoods KC Glenridge Office, LP	O	40.0%	23,707	15,926	16,654
Highwoods KC Glenridge Land, LP	O	40.0%	779	-	129
Highwoods KC Orlando, LLC	O	40.0%	198,730	134,665	143,709
Highwoods DLF Forum, LLC	O	25.0%	109,697	67,500	72,198
Highwoods Development B, LLC	O	10.0%	20,818	6,394	10,701
Total			\$ 686,502	\$ 422,054	\$ 455,590

<u>Joint Venture 1/</u>	<u>Type 2/</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%	\$ 3,803	\$ -	\$ 181
Kessinger/Hunter, LLC	-	26.5%	2,005	-	429
4600 Madison Associates, LP	O	12.5%	1,890	1,353	1,448
Highwoods DLF 98/29, LP	O	22.8%	29,391	15,236	16,373
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	39,022	20,795	22,997
Concourse Center Associates, LLC	O	50.0%	6,423	4,088	4,123
Plaza Colonnade, LLC	O/R	50.0%	34,866	31,667	32,516
Highwoods KC Glenridge Office, LP	O	40.0%	9,483	6,370	6,662
Highwoods KC Glenridge Land, LP	O	40.0%	312	-	52
Highwoods KC Orlando, LLC	O	40.0%	79,492	53,866	57,484
Highwoods DLF Forum, LLC	O	25.0%	27,420	16,872	18,047
Highwoods Development B, LLC	O	10.0%	2,082	639	1,070
Total 3/			\$ 236,189	\$ 150,886	\$ 161,382

1/ 50% joint venture interests in Des Moines, IA were sold in May 2010.

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

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.

Unconsolidated Joint Ventures Income

For the Three Months Ended September 30, 2010

Dollars in thousands

<u>Joint Venture 1/</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%	\$ 558	\$ 383	\$ -	\$ 108	\$ 67
Kessinger/Hunter, LLC	26.5%	4,545	4,449	-	138	(42)
4600 Madison Associates, LP	12.5%	1,009	568	187	366	(112)
Highwoods DLF 98/29, LP	22.8%	3,759	1,646	1,110	1,072	(69)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	3,511	1,393	940	1,140	38
Concourse Center Associates, LLC	50.0%	251	140	77	117	(83)
Plaza Colonnade, LLC	50.0%	2,836	1,012	923	614	287
Highwoods KC Glenridge Office, LP	40.0%	750	407	204	208	(69)
Highwoods KC Glenridge Land, LP	40.0%	-	5	-	-	(5)
Highwoods KC Orlando, LLC	40.0%	7,512	3,216	1,775	1,778	743
Highwoods DLF Forum, LLC	25.0%	3,604	1,270	878	1,281	175
Highwoods Development B, LLC	10.0%	-	-	-	-	-
Total		\$ 28,335	\$ 14,489	\$ 6,094	\$ 6,822	\$ 930

<u>Joint Venture 1/</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%	\$ 274	\$ 188	\$ -	\$ 53	\$ 33
Kessinger/Hunter, LLC	26.5%	1,205	1,179	-	37	(11)
4600 Madison Associates, LP	12.5%	126	71	24	46	(15)
Highwoods DLF 98/29, LP	22.8%	857	376	253	245	(17)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	1,507	598	404	489	16
Concourse Center Associates, LLC	50.0%	125	70	38	59	(42)
Plaza Colonnade, LLC	50.0%	1,418	506	461	307	144
Highwoods KC Glenridge Office, LP	40.0%	300	163	81	84	(28)
Highwoods KC Glenridge Land, LP	40.0%	-	2	-	-	(2)
Highwoods KC Orlando, LLC	40.0%	3,004	1,286	710	711	297
Highwoods DLF Forum, LLC	25.0%	901	318	219	320	44
Highwoods Development B, LLC	10.0%	-	-	-	-	-
Total 2/ 3/		\$ 9,717	\$ 4,757	\$ 2,190	\$ 2,351	\$ 419

1/ 50% 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 Nine Months Ended September 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%	\$ 1,691	\$ 1,094	\$ -	\$ 373	\$ 224
Dallas County Partners I, LP 1/	0.0%	3,069	2,173	1,075	579	(758)
Dallas County Partners II, LP 1/	0.0%	2,281	1,030	452	314	485
Dallas County Partners III, LP 1/	0.0%	82	84	-	-	(2)
Fountain Three 1/	0.0%	2,760	1,385	736	514	125
RRHWoods , LLC 1/	0.0%	6,154	3,468	1,121	1,505	60
Kessinger/Hunter, LLC	26.5%	8,297	7,856	-	430	11
4600 Madison Associates, LP	12.5%	3,045	1,712	581	1,103	(351)
Highwoods DLF 98/29, LP	22.8%	11,268	4,637	3,335	3,849	(553)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	10,233	3,968	2,834	3,268	163
Concourse Center Associates, LLC	50.0%	802	391	380	289	(258)
Plaza Colonnade, LLC	50.0%	8,244	2,885	2,782	1,839	738
Highwoods KC Glenridge Office, LP	40.0%	2,148	1,187	608	639	(286)
Highwoods KC Glenridge Land, LP	40.0%	-	11	-	-	(11)
Highwoods KC Orlando, LLC	40.0%	23,081	9,900	5,354	5,438	2,389
Highwoods DLF Forum, LLC	25.0%	10,643	3,682	2,634	4,291	36
Highwoods Development B, LLC	10.0%	-	-	-	-	-
Total		\$ 93,798	\$ 45,463	\$ 21,892	\$ 24,431	\$ 2,012

<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%	\$ 829	\$ 536	\$ -	\$ 183	\$ 110
Dallas County Partners I, LP 1/	0.0%	1,535	1,087	538	290	(380)
Dallas County Partners II, LP 1/	0.0%	1,141	515	226	157	243
Dallas County Partners III, LP 1/	0.0%	41	42	-	-	(1)
Fountain Three 1/	0.0%	1,380	693	368	257	62
RRHWoods , LLC 1/	0.0%	3,077	1,734	561	753	29
Kessinger/Hunter, LLC	26.5%	2,199	2,082	-	114	3
4600 Madison Associates, LP	12.5%	381	214	73	138	(44)
Highwoods DLF 98/29, LP	22.8%	2,570	1,058	761	878	(127)
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	4,393	1,703	1,217	1,403	70
Concourse Center Associates, LLC	50.0%	401	196	190	145	(130)
Plaza Colonnade, LLC	50.0%	4,122	1,443	1,391	920	368
Highwoods KC Glenridge Office, LP	40.0%	859	475	243	256	(115)
Highwoods KC Glenridge Land, LP	40.0%	-	4	-	-	(4)
Highwoods KC Orlando, LLC	40.0%	9,232	3,960	2,142	2,175	955
Highwoods DLF Forum, LLC	25.0%	2,661	921	658	1,073	9
Highwoods Development B, LLC	10.0%	-	-	-	-	-
Total 2/ 3/		\$ 34,821	\$ 16,663	\$ 8,368	\$ 8,742	\$ 1,048

1/ 50% 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 9/30/10</u>
Plaza Colonnade, LLC	50.0%	Met Life	5.72%	Jan-17	\$ 46,639
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%		63,334
Highwoods KC Orlando, LLC	40.0%	Met Life	5.21%	Jul-14	134,665
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	48,439
Highwoods DLF 98/29, LP	22.8%	USG Annuity & Life Company	6.78%	May-11	39,144
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	15,926
4600 Madison Associates, LLC	12.5%	State Farm	6.85%	Apr-18	10,827
Concourse Center Associates, LLC	50.0%	Wells Fargo	2.76%	Jul-13	8,175
Highwoods Development B, LLC	10.0%	PNC	3.01%	Feb-13	6,394
			5.70%		358,720
			<u>5.71%</u>		<u>\$ 422,054</u>
Highwoods' share of the above					<u>\$ 150,886</u>

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

Joint Ventures Portfolio Summary 1/

As of September 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	84.2%	40.9%
Atlanta	835,000	74.5%	16.6%
Kansas City	719,000	81.2%	16.5%
Raleigh	814,000	93.8%	11.7%
Richmond	413,000	100.0%	8.2%
Tampa	205,000	92.1%	3.2%
Piedmont Triad	258,000	42.8%	1.7%
Charlotte	148,000	100.0%	1.2%
Total 4/	<u>5,245,000</u>	<u>83.7%</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is September, 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

September 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	86,354	2.0%	\$ 2,250	\$ 26.06	2.2%
2011	658,876	15.0%	16,865	25.60	16.7%
2012	379,868	8.7%	9,831	25.88	9.7%
2013	604,638	13.8%	13,801	22.83	13.7%
2014	638,760	14.6%	16,515	25.85	16.3%
2015	771,097	17.5%	14,912	19.34	14.8%
2016	119,223	2.7%	1,642	13.77	1.6%
2017	552,256	12.6%	13,511	24.47	13.4%
2018	237,831	5.4%	4,039	16.98	4.0%
2019	101,123	2.3%	1,122	11.10	1.1%
2020 and thereafter	238,832	5.4%	6,534	27.36	6.5%
	<u>4,388,858</u>	<u>100.0%</u>	<u>\$ 101,022</u>	<u>\$ 23.02</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is September, 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 2010:

None

Second quarter 2010:

None

Third quarter 2010:

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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Third quarter 2010:

None

2010 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 09/30/10</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	\$ 20,729	100%	3Q11
In Progress Total				<u>\$ 46,493</u>	<u>\$ 20,729</u>		
Highwoods' Share of the above				<u>\$ 4,649</u>	<u>\$ 2,073</u>		