



Supplemental Information
September 30, 2013

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

	Three Months Ended				
	<u>9/30/13</u>	<u>6/30/13</u>	<u>3/31/13</u>	<u>12/31/12</u>	<u>9/30/12</u>
Shares and units:					
Common Shares outstanding at end of period	89,911	83,968	82,131	80,311	78,530
Common Units outstanding at end of period	2,944	3,661	3,723	3,733	3,775
Weighted average Common Shares outstanding - basic	87,467	82,811	81,029	79,110	76,590
Weighted average Common Shares outstanding - diluted	90,769	86,631	84,862	82,998	80,495
Share price:					
At end of period	\$ 35.31	\$ 35.61	\$ 39.57	\$ 33.45	\$ 32.62
High during period	38.04	41.22	39.67	34.24	34.92
Low during period	32.90	32.13	33.60	30.62	32.30
Financial information:					
Lease termination income 1/	\$ 452	\$ 1,107	\$ 81	\$ 26	\$ 317
Straight-line rental income 1/	4,081	2,764	5,553	4,346	4,029
Capitalized interest	804	707	429	365	339
Property acquisition costs	(771)	(406)	(494)	(752)	(662)
Losses on debt extinguishment 2/	(157)	-	(164)	-	-
Land sale gains/(losses)	34	(37)	-	-	-
Gains on for-sale residential condominiums	-	-	-	189	80
Gains on disposition of depreciable properties 3/ 4/	37,946	13,173	1,665	1,120	22,936
Gain on acquisition of controlling interest in unconsolidated affiliate	7,451	-	-	-	-
Impairments of depreciable properties 4/ 5/	(3,487)	(1,066)	(2,148)	-	-
Funds from operations per share - diluted	\$ 0.70	\$ 0.70	\$ 0.67	\$ 0.67	\$ 0.65
Funds from operations per share - diluted, excluding certain items 6/	\$ 0.71	\$ 0.70	\$ 0.68	\$ 0.68	\$ 0.66
Wholly - owned property information:					
In-Service rentable square feet:					
Office	26,549	24,353	23,798	23,361	22,680
Industrial	2,743	4,420	5,474	5,474	5,474
Retail	843	843	852	853	853
Total	30,135	29,616	30,124	29,688	29,007
In-Service occupancy:					
Office	89.2%	88.9%	89.6%	90.0%	89.2%
Industrial	95.1%	94.8%	93.9%	93.2%	93.3%
Retail	98.0%	97.3%	96.0%	98.6%	98.7%
Total	90.0%	90.0%	90.6%	90.9%	90.2%

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

2/ \$0.1 million of the September 30, 2013 amount represents our share of losses on debt extinguishment recorded by an unconsolidated joint venture.

3/ December 31, 2012 amount and \$0.4 million of the March 31, 2013 amount represents our share of gains on disposition of depreciable properties recorded by unconsolidated joint ventures.

4/ Gains on disposition of depreciable properties and impairments of depreciable properties are not included in the definition of funds from operations.

5/ \$1.0 million of the March 31, 2013 amount and the September 30, 2013 amount represents our share of impairments of depreciable properties recorded by an unconsolidated joint venture.

6/ Represents funds from operations per diluted share excluding losses on debt extinguishment and property acquisition costs.

Corporate Information

Board of Directors

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David J. Hartzell, Ph.D.
Sherry A. Kellett
Mark F. Mulhern
L. Glenn Orr Jr.

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Executive Vice President, Chief Operating Officer

Terry L. Stevens

Senior Vice President, Chief Financial Officer

Daniel L. Clemmens

Vice President, Chief Accounting Officer

S. Hugh Esleeck

Treasurer

Theodore J. Klinck

Vice President, Chief Investment Officer

Carman J. Liuzzo

Vice President, Investments

Art H. McCann

Chief Information Officer

Jeffrey D. Miller

Vice President, General Counsel and Secretary

Kevin E. Penn

Vice President, Chief Strategy and Administration Officer

L. Randy Roberson

Vice President, Development

Michael D. Starchville

Vice President, Asset Management

Tabitha N. Zane

Vice President, Investor Relations and
Corporate Communications

Division Officers

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Thomas "Skip" Hill, Vice President

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Daniel E. Woodward, Vice President

Corporate Information

Research Coverage

Bank of America/Merrill Lynch

Jamie Feldman - 212-449-6339

Citigroup Global Markets

Michael Bilerman - 212-816-1383

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James Sullivan - 646-562-1380

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Stock Exchange

NYSE Trading Symbol: HIW

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Information Request

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

The Company

Highwoods Properties, Inc., a member of the S&P MidCap 400 Index, is a fully integrated, self-administered and self-managed equity real estate investment trust ("REIT") that provides leasing, management, development, construction and other customer-related services for its properties and for third parties. As of September 30, 2013, the Company owned or had an interest in 305 in-service office, industrial and retail properties encompassing approximately 33.1 million square feet. Highwoods also wholly-owned 589 acres of development land. Highwoods is based in Raleigh, North Carolina, and its properties and development land are located in Florida, Georgia, Maryland, Missouri, North Carolina, Pennsylvania, South Carolina, Tennessee, and Virginia. For more information about Highwoods Properties, please visit our website at www.highwoods.com.



Consolidated Statements of Income 1/

Amounts in thousands, except per share amounts

	Nine Months Ended		Three Months Ended				
	9/30/13	9/30/12	9/30/13	6/30/13	3/31/13	12/31/12	9/30/12
Rental and other revenues	\$ 415,961	\$ 368,029	\$ 147,294	\$ 135,418	\$ 133,249	\$ 129,281	\$ 123,418
Operating expenses:							
Rental property and other expenses	151,802	134,102	55,365	48,627	47,810	47,814	45,904
Depreciation and amortization	130,390	110,656	48,124	41,422	40,844	38,866	37,041
General and administrative	27,948	28,298	8,969	8,397	10,582	9,079	9,725
Total operating expenses	310,140	273,056	112,458	98,446	99,236	95,759	92,670
Interest expense:							
Contractual	67,879	70,309	22,683	22,398	22,798	22,529	22,910
Amortization of deferred financing costs	2,860	2,709	963	948	949	976	907
Financing obligations	87	(357)	26	(60)	121	(52)	(205)
	70,826	72,661	23,672	23,286	23,868	23,453	23,612
Other income:							
Interest and other income	4,982	5,883	1,582	1,617	1,783	1,470	1,916
Losses on debt extinguishment	(196)	(973)	(32)	-	(164)	-	-
	4,786	4,910	1,550	1,617	1,619	1,470	1,916
Income from continuing operations before disposition of property and condominiums and acquisition of controlling interest in and equity in earnings/(losses) of unconsolidated affiliates	39,781	27,222	12,714	15,303	11,764	11,539	9,052
Gains/(losses) on disposition of property	(3)	-	34	(37)	-	-	-
Gains on for-sale residential condominiums	-	255	-	-	-	189	80
Gain on acquisition of controlling interest in unconsolidated affiliate	7,451	-	7,451	-	-	-	-
Equity in earnings/(losses) of unconsolidated affiliates	(1,824)	2,670	(3,173)	913	436	2,365	1,324
Income from continuing operations	45,405	30,147	17,026	16,179	12,200	14,093	10,456
Discontinued operations:							
Income from discontinued operations	3,843	9,024	1,096	1,303	1,444	1,516	2,404
Impairments of real estate assets	(2,194)	-	-	(1,066)	(1,128)	-	-
Net gains on disposition of discontinued operations	52,353	29,455	37,946	13,163	1,244	-	22,936
	54,002	38,479	39,042	13,400	1,560	1,516	25,340
Net income	99,407	68,626	56,068	29,579	13,760	15,609	35,796
Net (income) attributable to noncontrolling interests in the Operating Partnership	(3,713)	(3,166)	(1,889)	(1,243)	(581)	(688)	(1,653)
Net (income) attributable to noncontrolling interests in consolidated affiliates	(593)	(566)	(203)	(187)	(203)	(220)	(159)
Dividends on Preferred Stock	(1,881)	(1,881)	(627)	(627)	(627)	(627)	(627)
Net income available for common stockholders	\$ 93,220	\$ 63,013	\$ 53,349	\$ 27,522	\$ 12,349	\$ 14,074	\$ 33,357
Earnings per Common Share – basic:							
Income from continuing operations available for common stockholders	\$ 0.49	\$ 0.35	\$ 0.18	\$ 0.18	\$ 0.13	\$ 0.16	\$ 0.12
Income from discontinued operations available for common stockholders	0.62	0.49	0.43	0.15	0.02	0.02	0.32
Net income available for common stockholders	\$ 1.11	\$ 0.84	\$ 0.61	\$ 0.33	\$ 0.15	\$ 0.18	\$ 0.44
Weighted average Common Shares outstanding - basic	83,793	74,703	87,467	82,811	81,029	79,110	76,590
Earnings per Common Share – diluted:							
Income from continuing operations available for common stockholders	\$ 0.49	\$ 0.35	\$ 0.18	\$ 0.18	\$ 0.13	\$ 0.16	\$ 0.12
Income from discontinued operations available for common stockholders	0.62	0.49	0.43	0.15	0.02	0.02	0.31
Net income available for common stockholders	\$ 1.11	\$ 0.84	\$ 0.61	\$ 0.33	\$ 0.15	\$ 0.18	\$ 0.43
Weighted average Common Shares outstanding - diluted	87,443	78,568	90,769	86,631	84,862	82,998	80,495
Dividends declared per Common Share	\$ 1.275	\$ 1.275	\$ 0.425	\$ 0.425	\$ 0.425	\$ 0.425	\$ 0.425
Net income available for common stockholders:							
Income from continuing operations available for common stockholders	\$ 41,247	\$ 26,365	\$ 15,693	\$ 14,696	\$ 10,858	\$ 12,627	\$ 9,211
Income from discontinued operations available for common stockholders	51,973	36,648	37,656	12,826	1,491	1,447	24,146
Net income available for common stockholders	\$ 93,220	\$ 63,013	\$ 53,349	\$ 27,522	\$ 12,349	\$ 14,074	\$ 33,357

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

**Funds from Operations
and Additional Information**

Amounts in thousands, except per share amounts

	Nine Months Ended		Three Months Ended				
	9/30/13	9/30/12	9/30/13	6/30/13	3/31/13	12/31/12	9/30/12
Funds from operations:							
Net income	\$ 99,407	\$ 68,626	\$ 56,068	\$ 29,579	\$ 13,760	\$ 15,609	\$ 35,796
Net (income) attributable to noncontrolling interests in consolidated affiliates	(593)	(566)	(203)	(187)	(203)	(220)	(159)
Depreciation and amortization of real estate assets	128,677	109,134	47,561	40,842	40,274	38,306	36,483
(Gain) on acquisition of controlling interest in unconsolidated affiliate	(7,451)	-	(7,451)	-	-	-	-
Unconsolidated affiliates:							
Depreciation and amortization of real estate assets	5,735	5,801	1,628	2,092	2,015	1,935	2,028
Impairments of depreciable properties	4,507	1,002	3,487	-	1,020	-	-
(Gains) on disposition of depreciable properties	(431)	-	-	(10)	(421)	(1,120)	-
Discontinued operations:							
Depreciation and amortization of real estate assets	3,166	7,108	665	1,053	1,448	1,697	1,610
Impairments of depreciable properties	2,194	-	-	1,066	1,128	-	-
(Gains) on disposition of depreciable properties	(52,353)	(29,455)	(37,946)	(13,163)	(1,244)	-	(22,936)
Funds from operations	182,858	161,650	63,809	61,272	57,777	56,207	52,822
Dividends on Preferred Stock	(1,881)	(1,881)	(627)	(627)	(627)	(627)	(627)
Funds from operations available for common stockholders	\$ 180,977	\$ 159,769	\$ 63,182	\$ 60,645	\$ 57,150	\$ 55,580	\$ 52,195
Funds from operations available for common stockholders per share	\$ 2.07	\$ 2.03	\$ 0.70	\$ 0.70	\$ 0.67	\$ 0.67	\$ 0.65
Weighted average shares outstanding	87,443	78,568	90,769	86,631	84,862	82,998	80,495
Additional information: 1/							
Funds from operations per share, excluding certain items 2/	\$ 2.09	\$ 2.06	\$ 0.71	\$ 0.70	\$ 0.68	\$ 0.68	\$ 0.66
Funds from operations available for common stockholders, excluding certain items 2/	\$ 182,969	\$ 161,529	\$ 64,110	\$ 61,051	\$ 57,808	\$ 56,332	\$ 52,857
Straight-line rental income	\$ (12,398)	\$ (14,745)	\$ (4,081)	\$ (2,764)	\$ (5,553)	\$ (4,346)	\$ (4,029)
Straight-line rental write-offs related to termination fees	599	1,261	120	471	8	14	92
Amortization of lease incentives	1,080	1,076	352	345	383	363	393
Depreciation of non-real estate assets	1,284	1,209	418	437	429	415	414
Ground lease straight-line rent expense	16	68	4	6	6	14	22
Share-based compensation expense	5,896	6,464	1,159	1,297	3,440	1,149	2,005
Amortization of deferred financing costs	2,860	2,709	963	948	949	976	907
Amortization of accumulated other comprehensive loss	(92)	(102)	(13)	(40)	(39)	(36)	(35)
Amortization of Harborview financing obligation	(1,389)	(1,249)	(440)	(506)	(443)	(429)	(430)
Amortization of above/(below) market leases and other adjustments	(821)	(717)	(171)	(271)	(379)	(367)	(214)
Non-incremental revenue generating capital expenditures incurred: 3/							
Building improvements	(10,463)	(7,417)	(4,370)	(3,047)	(3,046)	(3,464)	(2,156)
2nd generation tenant improvements	(42,318)	(33,163)	(13,429)	(16,874)	(12,015)	(7,456)	(10,908)
2nd generation lease commissions	(15,052)	(13,663)	(6,048)	(4,314)	(4,690)	(5,475)	(4,773)
Common dividends and unit distributions paid	(112,166)	(99,855)	(39,463)	(36,860)	(35,843)	(35,131)	(33,910)

1/ Increase or (decrease) to cash flows.

2/ Excludes losses on debt extinguishment and property acquisition costs.

3/ Excludes capital expenditures (a) for buildings sold and capital expenditures incurred within 12 months of planned dispositions when such expenditures are expected to be fully recovered from the sales proceeds, (b) related to first generation leases and leases with respect to vacant space in acquired buildings, (c) building improvements that are recoverable from future operating cost savings and (d) property re-developments.

Consolidated Balance Sheets

Dollars in thousands

Assets:	9/30/13	12/31/12
Real estate assets, at cost:		
Land	\$ 403,556	\$ 345,614
Buildings and tenant improvements	3,756,552	3,172,107
Development in process	56,495	21,198
Land held for development	112,079	115,416
	<u>4,328,682</u>	<u>3,654,335</u>
Less-accumulated depreciation	(981,602)	(903,837)
Net real estate assets	3,347,080	2,750,498
Real estate and other assets, net, held for sale	16,316	129,400
Cash and cash equivalents	31,689	13,783
Restricted cash	15,246	19,702
Accounts receivable, net of allowance of \$1,532 and \$2,848, respectively	30,839	23,073
Mortgages and notes receivable, net of allowance of \$340 and \$182, respectively	26,291	25,472
Accrued straight-line rents receivable, net of allowance of \$1,177 and \$813, respectively	123,047	111,233
Investments in and advances to unconsolidated affiliates	35,856	66,800
Deferred financing and leasing costs, net of accumulated amortization of \$90,241 and \$75,863, respectively	227,826	166,009
Prepaid expenses and other assets, net of accumulated amortization of \$12,835 and \$12,318, respectively	42,675	44,458
Total Assets	<u>\$ 3,896,865</u>	<u>\$ 3,350,428</u>
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable	\$ 2,050,061	\$ 1,859,162
Accounts payable, accrued expenses and other liabilities	208,536	172,146
Financing obligations	28,192	29,358
Total Liabilities	<u>2,286,789</u>	<u>2,060,666</u>
Commitments and contingencies		
Noncontrolling interests in the Operating Partnership	103,948	124,869
Equity:		
Preferred Stock, \$.01 par value, 50,000,000 authorized shares; 8.625% Series A Cumulative Redeemable Preferred Shares (liquidation preference \$1,000 per share), 29,077 shares issued and outstanding	29,077	29,077
Common Stock, \$.01 par value, 200,000,000 authorized shares; 89,910,944 and 80,311,437 shares issued and outstanding, respectively	899	803
Additional paid-in capital	2,371,925	2,040,306
Distributions in excess of net income available for common stockholders	(911,948)	(897,418)
Accumulated other comprehensive loss	(5,003)	(12,628)
Total Stockholders' Equity	<u>1,484,950</u>	<u>1,160,140</u>
Noncontrolling interests in consolidated affiliates	21,178	4,753
Total Equity	<u>1,506,128</u>	<u>1,164,893</u>
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	<u>\$ 3,896,865</u>	<u>\$ 3,350,428</u>

Components of Net Asset Value

Dollars in thousands

Note: The purpose of providing the following information at the beginning of each year is to enable readers to derive their own estimate of net asset value. The Company updates this information annually based on management's assumptions regarding projected current year net operating income for the existing property portfolio as of the date of initial publication (current year being February 12, 2013), 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	\$	282,682
Retail		22,633
Industrial		17,536
Deduct partner's share of consolidated JV's (Office)		(4,399)
Total Net Operating Income	\$	318,452

Highwoods' share of unconsolidated joint ventures, projected NOI

Office	\$	15,491
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Other income

Development, leasing and management fees	\$	3,970
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Add other assets:

Development investment at cost	\$	22,854
In-service assets not fairly valued by capitalized NOI valuation method 1/		
Consolidated assets		77,689
Highwoods' share of unconsolidated JV's assets		32,304
Land held for development at market value 2/		144,890
Cash and cash equivalents		13,783
Restricted cash		19,702
Accounts receivable, net		23,073
Notes receivable and prepaid expenses 3/		86,600
Highwoods' share of unconsolidated JV's other assets		14,430
Deduct partner's share of consolidated JV's other assets		(3,808)
Total other assets	\$	431,517

Liabilities:

Mortgages and notes payable	\$	1,859,162
Accounts payable, accrued expenses and other liabilities		172,146
Deduct partner's share of Consolidated JV's liabilities and mortgages		(15,652)
Market value of debt adjustment 4/		109,600
Preferred stock, at liquidation value		29,077
Highwoods' share of unconsolidated joint ventures liabilities		147,827
Market value of debt adjustment for JV debt 4/		2,076
Total deductions	\$	2,304,236

1/ Projected 2013 NOI for the existing property portfolio excludes straight-line income, lease termination fee income, fee income, NOI related to completed not stabilized developments, and NOI related to assets undervalued by capitalized NOI method. For the assets in the last two categories, a NOI capitalization approach is not appropriate and accordingly an alternative valuation methodology has been applied.

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

3/ Includes \$16.6 million of notes receivable from partner's share of consolidated Harborview JV.

4/ In accordance with prior practice, we included an adjustment to mark our debt including our pro rata share of unconsolidated joint ventures to estimated fair value as of December 31, 2012.

Note: Information presented herein does not include the effect of any acquisitions and dispositions subsequent to December 31, 2012.

Components of Discontinued Operations

Dollars in thousands

	<i>Nine Months Ended</i>		<i>Three Months Ended</i>				
	<u>9/30/13</u>	<u>9/30/12</u>	<u>9/30/13</u>	<u>6/30/13</u>	<u>3/31/13</u>	<u>12/31/12</u>	<u>9/30/12</u>
Rental and other revenues	\$ 10,398	\$ 24,211	\$ 2,810	\$ 3,462	\$ 4,126	\$ 4,701	\$ 5,671
Operating expenses:							
Rental property and other expenses	3,389	7,796	1,049	1,106	1,234	1,488	1,622
Depreciation and amortization	3,166	7,108	665	1,053	1,448	1,697	1,610
Total operating expenses	6,555	14,904	1,714	2,159	2,682	3,185	3,232
Interest expense	-	283	-	-	-	-	35
Income from discontinued operations	3,843	9,024	1,096	1,303	1,444	1,516	2,404
Impairments of real estate assets	(2,194)	-	-	(1,066)	(1,128)	-	-
Net gains on disposition of discontinued operations	52,353	29,455	37,946	13,163	1,244	-	22,936
Total discontinued operations	\$ 54,002	\$ 38,479	\$ 39,042	\$ 13,400	\$ 1,560	\$ 1,516	\$ 25,340

Capitalization

Dollars, shares and units in thousands

	<u>9/30/13</u>	<u>6/30/13</u>	<u>3/31/13</u>	<u>12/31/12</u>	<u>9/30/12</u>
Mortgages and Notes Payable (see pages 7 & 8):	\$ 2,050,061	\$ 1,931,655	\$ 1,896,300	\$ 1,859,162	\$ 1,778,555
Financing Obligations:	\$ 28,192	\$ 28,392	\$ 29,251	\$ 29,358	\$ 27,791
Preferred Stock (at liquidation value):					
Series A 8 5/8% Cumulative Redeemable	\$ 29,077	\$ 29,077	\$ 29,077	\$ 29,077	\$ 29,077
Common Shares and Units Outstanding:					
Common stock outstanding	89,911	83,968	82,131	80,311	78,530
Noncontrolling interest partnership units	2,944	3,661	3,723	3,733	3,775
Total Common Shares and Units outstanding	92,855	87,629	85,854	84,044	82,305
Stock price at period end	\$ 35.31	\$ 35.61	\$ 39.57	\$ 33.45	\$ 32.62
Market value of common equity	\$ 3,278,710	\$ 3,120,469	\$ 3,397,243	\$ 2,811,272	\$ 2,684,789
Total capitalization with debt and obligations	\$ 5,386,040	\$ 5,109,593	\$ 5,351,871	\$ 4,728,869	\$ 4,520,212

See pages 30 to 37 for information regarding our joint ventures.

Mortgages and Notes Payable Summary

Dollars in thousands

	<u>9/30/13</u>	<u>6/30/13</u>	<u>3/31/13</u>	<u>12/31/12</u>	<u>9/30/12</u>
Balances Outstanding:					
Secured:					
Conventional fixed rate	\$ 591,821 ^{1/}	\$ 544,510	\$ 547,150	\$ 549,607	\$ 667,588
Variable rate debt	-	-	-	-	17,802
Secured total	<u>591,821</u>	<u>544,510</u>	<u>547,150</u>	<u>549,607</u>	<u>685,390</u>
Unsecured:					
Fixed rate bonds and notes	826,840	826,745	826,650	826,555	579,165
Bank term loan - 2013	-	-	-	35,000	-
Bank term loan - 2018	200,000	200,000	200,000	200,000	200,000
Bank term loan - 2019	225,000	225,000	225,000	225,000	225,000
Credit facility	206,400	135,400	97,500	23,000	89,000
Unsecured total	<u>1,458,240</u>	<u>1,387,145</u>	<u>1,349,150</u>	<u>1,309,555</u>	<u>1,093,165</u>
Total	<u>\$ 2,050,061</u>	<u>\$ 1,931,655</u>	<u>\$ 1,896,300</u>	<u>\$ 1,859,162</u>	<u>\$ 1,778,555</u>
End of Period Weighted Average Interest Rates:					
Secured:					
Conventional fixed rate	5.03%	5.75%	5.75%	5.75%	5.83%
Variable rate debt	-	-	-	-	1.07%
Secured total	<u>5.03%</u>	<u>5.75%</u>	<u>5.75%</u>	<u>5.75%</u>	<u>5.71%</u>
Unsecured:					
Fixed rate bonds	5.62%	5.62%	5.62%	5.62%	6.42%
Bank term loan - 2013	-	-	-	2.42%	-
Bank term loan - 2018	1.54%	1.85%	1.86%	1.87%	2.42%
Bank term loan - 2019	3.43% ^{2/}	3.58%	3.58%	3.58%	3.58%
Credit facility	1.48%	1.49%	1.70%	1.71%	1.72%
Unsecured total	<u>4.14%</u>	<u>4.34%</u>	<u>4.44%</u>	<u>4.54%</u>	<u>4.72%</u>
Weighted Average	<u>4.40%</u>	<u>4.74%</u>	<u>4.82%</u>	<u>4.90%</u>	<u>5.10%</u>

Maturity Schedule:

Year	Secured Debt ^{3/}	Unsecured Debt	Total Debt ^{4/}	Average Interest Rate
2013	\$ -	\$ -	\$ -	-
2014	234,165 ^{4/}	-	234,165	4.07%
2015	77,122	206,400 ^{5/}	283,522	2.42%
2016	161,550	-	161,550	7.08%
2017	118,984	379,282	498,266	5.46%
2018	-	400,000	400,000	4.52%
2019	-	225,000	225,000	3.43%
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	247,558	247,558	3.75%
Total maturities	<u>\$ 591,821</u>	<u>\$ 1,458,240</u>	<u>\$ 2,050,061</u>	<u>4.40%</u>

Weighted average maturity = 3.9 years

^{1/} Includes a \$32.3 million loan at September 30, 2013 related to a consolidated 50% owned joint venture (Markel). This loan was paid off on 10/1/2013.

^{2/} The interest rate on this loan is based on LIBOR plus a spread based on the company's credit rating. SWAP agreements effectively fix LIBOR for the full remaining term of the loan. The decline in the all-in rate during third quarter reflects a reduction in the spread as a result of a credit rating increase by Moody's.

^{3/} All periods exclude annual principal amortization.

^{4/} \$32.3 million was paid off on 10/1/2013 at par and \$67.5 million was paid off on 10/3/2013 at par.

^{5/} Maturity does not reflect one-year extension option related to \$206.4 million of unsecured debt (Credit Facility).

Mortgages and Notes Payable Detail

Dollars in thousands

<u>Secured Loans</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Loan Balance 9/30/13</u>	<u>Undepreciated Book Value of Real Estate & Related Assets Secured</u>
Metropolitan Life Ins. Co. 1/ 2/	3.11%	Jul-14	\$ 126,778	\$ 195,500
Wells Fargo Bank, N.A. 2/ 3/	4.22%	Nov-17	118,984	213,700
New York Life Insurance Company	6.88%	Jan-16	109,552	218,137
Metropolitan Life Ins. Co. 2/ 4/	5.12%	Jan-14	67,451	109,314
Western-Southern Life Assurance Company	7.50%	Aug-16	45,247	72,759
Bank of America 2/ 5/	6.43%	Nov-15	39,676	52,600
Jackson National Life Insurance Company 2/ 6/	3.34%	Apr-15	37,552	80,600
Principal Life Insurance Company 7/	5.79%	Jan-14	9,909	13,325
Principal Life Insurance Company 7/	5.79%	Jan-14	9,909	19,041
Principal Life Insurance Company 7/	5.74%	Jan-14	7,807	14,837
Wells Fargo Bank, N.A. 2/ 8/	3.32%	Aug-14	7,505	13,152
State Farm Life Insurance	7.65%	Feb-16	6,751	16,247
Principal Life Insurance Company 7/	5.89%	Jan-14	4,700	7,514
	<u>5.03%</u>		<u>591,821</u>	<u>\$ 1,026,726</u>
<u>Unsecured Bonds</u>				
Bonds	5.85%	Mar-17	379,282	
Bonds	7.50%	Apr-18	200,000	
Bonds	3.75%	Jan-23	247,558	
	<u>5.62%</u>		<u>826,840</u>	
<u>Unsecured Loans</u>				
Credit facility 9/ 10/	1.48%	Jul-15	206,400	
Bank term loan 9/	1.54%	Jan-18	200,000	
Bank term loan 11/	3.43%	Jan-19	225,000	
	<u>2.19%</u>		<u>631,400</u>	
<u>Total Debt</u>	<u>4.40%</u>		<u>\$ 2,050,061</u>	
<u>Revolving Credit Facility</u>				
<u>Name of Lender</u>	<u>Total Commitment</u>	<u>Amount Outstanding 9/30/13</u>	<u>Unfunded Commitment 9/30/13</u>	
Bank of America, N.A.	\$ 75,000	\$ 32,589	\$ 42,411	
PNC Bank, N.A.	75,000	32,589	42,411	
Wells Fargo Bank, N.A.	55,000	23,900	31,100	
Branch Banking and Trust Co.	50,000	21,726	28,274	
US Bank	36,000	15,643	20,357	
Regions Bank	32,000	13,905	18,095	
Union Bank, N.A.	32,000	13,905	18,095	
Capital One	25,000	10,863	14,137	
Comerica Bank	25,000	10,863	14,137	
Morgan Stanley	25,000	10,863	14,137	
Fifth Third Bank	15,000	6,518	8,482	
First Tennessee Bank	15,000	6,518	8,482	
Royal Bank of Canada	15,000	6,518	8,482	
	<u>\$ 475,000</u>	<u>\$ 206,400</u>	<u>\$ 268,600</u>	

1/ This loan's stated interest rate is 5.21% related to outstanding principal of \$125.4 million.

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

3/ This loan's stated interest rate is 5.19% related to outstanding principal of \$115.1 million.

4/ This loan's stated interest rate is 5.45% related to outstanding principal of \$67.4 million and was paid off on 10/3/2013 at par.

5/ This loan's stated interest rate is 5.17% related to outstanding principal of \$40.6 million.

6/ This loan's stated interest rate is 3.50% related to outstanding principal of \$37.4 million.

7/ Loans relate to a consolidated 50% owned joint venture (Markel). These loans were paid off at par on 10/1/2013.

8/ This loan's stated interest rate is 5.94% related to outstanding principal of \$7.4 million.

9/ Floating rate loans based on one month LIBOR.

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

11/ This loan maturing January 2019 is swapped to an effective fixed rate of 3.43% for the remaining term of the loan.

Portfolio Summary - Wholly-Owned Properties Only 1/

(Rentable Square Feet)

	<u>9/30/13</u>	<u>6/30/13</u>	<u>3/31/13</u>	<u>12/31/12</u>	<u>9/30/12</u>
Office Industrial & Retail					
In-Service:					
Office	26,549,000	24,353,000	23,798,000	23,361,000	22,680,000
Industrial	2,743,000	4,420,000	5,474,000	5,474,000	5,474,000
Retail 2/	843,000	843,000	852,000	853,000	853,000
Total	<u>30,135,000</u>	<u>29,616,000</u>	<u>30,124,000</u>	<u>29,688,000</u>	<u>29,007,000</u>
Development Completed - Not Stabilized:					
Office	-	-	-	-	-
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Development - In Process:					
Office	1,037,000	501,000	501,000	246,000	246,000
Industrial	-	-	-	-	-
Retail	59,000	-	-	-	-
Total	<u>1,096,000</u>	<u>501,000</u>	<u>501,000</u>	<u>246,000</u>	<u>246,000</u>
Total:					
Office	27,586,000	24,854,000	24,299,000	23,607,000	22,926,000
Industrial	2,743,000	4,420,000	5,474,000	5,474,000	5,474,000
Retail 2/	902,000	843,000	852,000	853,000	853,000
Total	<u>31,231,000</u>	<u>30,117,000</u>	<u>30,625,000</u>	<u>29,934,000</u>	<u>29,253,000</u>
Same Property					
Office	21,344,000	21,344,000	21,344,000	21,344,000	21,344,000
Industrial	2,743,000	2,743,000	2,743,000	2,743,000	2,743,000
Retail	843,000	843,000	843,000	843,000	843,000
Total	<u>24,930,000</u>	<u>24,930,000</u>	<u>24,930,000</u>	<u>24,930,000</u>	<u>24,930,000</u>
Percent Occupied:					
In-Service:					
Office	89.2%	88.9%	89.6%	90.0%	89.2%
Industrial	95.1%	94.8%	93.9%	93.2%	93.3%
Retail	98.0%	97.3%	96.0%	98.6%	98.7%
Total	<u>90.0%</u>	<u>90.0%</u>	<u>90.6%</u>	<u>90.9%</u>	<u>90.2%</u>
Same Property					
Office	89.7%	89.1%	89.1%	89.4%	89.8%
Industrial	95.1%	94.8%	94.8%	95.5%	93.0%
Retail	98.0%	97.3%	97.3%	96.0%	98.6%
Total	<u>90.6%</u>	<u>90.0%</u>	<u>90.0%</u>	<u>90.3%</u>	<u>90.4%</u>
Percent Leased/Pre-Leased:					
Development Completed - Not Stabilized:					
Office	-	-	-	-	-
Industrial	-	-	-	-	-
Retail	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Development - In Process:					
Office	88.0%	93.0%	92.6%	89.9%	89.9%
Industrial	-	-	-	-	-
Retail	69.5%	-	-	-	-
Total	<u>87.0%</u>	<u>93.0%</u>	<u>92.6%</u>	<u>89.9%</u>	<u>89.9%</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.

Portfolio Summary

(Continued)

As of September 30, 2013

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/	4,419,000	90.6%	14.8%	-	-	14.8%
Atlanta	4,765,000	86.1%	14.3%	0.1%	-	14.4%
Nashville	3,132,000	94.7%	13.0%	-	-	13.0%
Tampa	3,190,000	83.4%	11.1%	-	-	11.1%
Kansas City	1,455,000 4/	96.4%	2.6%	-	6.2%	8.8%
Pittsburgh	2,157,000	94.2%	8.8%	-	-	8.8%
Piedmont Triad 5/	4,369,000	94.0%	5.1%	2.3%	-	7.4%
Richmond	2,229,000	93.2%	7.1%	-	-	7.1%
Memphis	1,960,000	86.2%	6.6%	-	-	6.6%
Orlando	1,562,000	86.9%	6.0%	-	-	6.0%
Greenville	897,000	79.5%	2.0%	-	-	2.0%
Total	30,135,000	90.0%	91.4%	2.4%	6.2%	100.0%

Summary by Location, Including Joint Venture Properties:

<u>Market</u>	<u>Rentable</u>		<u>Percentage of Annualized Cash Revenue 2/ 6/</u>			
	<u>Square Feet</u>	<u>Occupancy</u>	<u>Office</u>	<u>Industrial</u>	<u>Retail</u>	<u>Total</u>
Raleigh	5,054,000	91.4%	15.1%	-	-	15.1%
Atlanta	5,101,000	84.7%	14.1%	0.1%	-	14.2%
Nashville	3,132,000	94.7%	12.5%	-	-	12.5%
Tampa	3,395,000	83.3%	10.9%	-	-	10.9%
Kansas City	2,174,000 4/	92.2%	3.6%	-	6.0%	9.6%
Pittsburgh	2,157,000	94.2%	8.5%	-	-	8.5%
Richmond	2,641,000	93.7%	7.4%	-	-	7.4%
Piedmont Triad	4,487,000	92.9%	5.0%	2.2%	-	7.2%
Memphis	1,960,000	86.2%	6.4%	-	-	6.4%
Orlando	2,079,000	86.0%	6.3%	-	-	6.3%
Greenville	897,000	79.5%	1.9%	-	-	1.9%
Total	33,077,000	89.5%	91.7%	2.3%	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 September, 2013 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 and 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, 2013

<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	4,419,000	90.6%	16.4%	-	-	-
Atlanta	4,565,000	86.9%	15.7%	200,000	68.8%	5.5%
Nashville	3,132,000	94.7%	14.2%	-	-	-
Tampa	3,190,000	83.4%	12.1%	-	-	-
Pittsburgh	2,157,000	94.2%	9.6%	-	-	-
Richmond	2,229,000	93.2%	7.7%	-	-	-
Memphis	1,960,000	86.2%	7.2%	-	-	-
Orlando	1,562,000	86.9%	6.5%	-	-	-
Piedmont Triad	1,826,000	89.7%	5.5%	2,543,000	97.1%	94.5%
Kansas City	612,000	94.2%	2.9%	-	-	-
Greenville	897,000	79.5%	2.2%	-	-	-
	<u>26,549,000</u>	<u>89.2%</u>	<u>100.0%</u>	<u>2,743,000</u>	<u>95.1%</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/	843,000	98.0%	100.0%
	<u>843,000</u>	<u>98.0%</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is September, 2013 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>9/30/13</u>	<u>6/30/13</u>	<u>3/31/13</u>	<u>12/31/12</u>	<u>9/30/12</u>
Atlanta	Rentable Square Feet	4,765,000	5,937,000	6,438,000	6,439,000	6,439,000
	Occupancy	86.1%	88.4%	88.6%	89.0%	88.7%
	Current Properties 2/	88.7%	87.6%	87.6%	85.9%	85.8%
Greenville	Rentable Square Feet	897,000	897,000	897,000	897,000	896,000
	Occupancy	79.5%	80.2%	83.4%	85.2%	82.5%
	Current Properties 2/	79.5%	80.2%	80.2%	83.4%	85.2%
Kansas City 3/	Rentable Square Feet	1,455,000	1,455,000	1,464,000	1,465,000	1,465,000
	Occupancy	96.4%	95.6%	94.9%	95.0%	94.6%
	Current Properties 2/	96.4%	95.6%	95.6%	94.8%	95.0%
Memphis	Rentable Square Feet	1,960,000	1,960,000	1,960,000	1,960,000	1,960,000
	Occupancy	86.2%	85.5%	84.9%	86.5%	86.2%
	Current Properties 2/	86.2%	85.5%	85.5%	84.9%	86.5%
Nashville	Rentable Square Feet	3,132,000	2,612,000	2,612,000	2,610,000	2,610,000
	Occupancy	94.7%	95.5%	95.6%	95.6%	95.9%
	Current Properties 2/	96.5%	95.5%	95.5%	95.6%	95.5%
Orlando	Rentable Square Feet	1,562,000	283,000	283,000	416,000	416,000
	Occupancy	86.9%	91.9%	92.0%	94.5%	91.4%
	Current Properties 2/	91.9%	91.9%	91.9%	92.0%	91.9%
Piedmont Triad	Rentable Square Feet	4,369,000	4,369,000	4,371,000	4,176,000	4,113,000
	Occupancy	94.0%	93.6%	93.2%	91.8%	92.5%
	Current Properties 2/	94.1%	93.7%	93.7%	93.3%	92.0%
Pittsburgh	Rentable Square Feet	2,157,000	2,157,000	2,156,000	2,156,000	1,540,000
	Occupancy	94.2%	93.6%	91.2%	91.0%	87.6%
	Current Properties 2/	93.4%	92.3%	92.3%	88.5%	88.6%
Raleigh	Rentable Square Feet	4,419,000	4,428,000	4,428,000	4,428,000	4,426,000
	Occupancy	90.6%	89.9%	88.9%	88.7%	88.2%
	Current Properties 2/	90.6%	90.1%	90.1%	89.1%	88.9%
Richmond	Rentable Square Feet	2,229,000	2,230,000	2,230,000	2,229,000	2,230,000
	Occupancy	93.2%	93.8%	94.7%	94.9%	94.1%
	Current Properties 2/	93.2%	93.8%	93.8%	94.8%	94.9%
Tampa	Rentable Square Feet	3,190,000	3,288,000	3,285,000	2,912,000	2,912,000
	Occupancy	83.4%	81.8%	89.2%	91.5%	89.7%
	Current Properties 2/	82.5%	81.7%	81.7%	90.2%	91.5%
Total	Rentable Square Feet	30,135,000	29,616,000	30,124,000	29,688,000	29,007,000
	Occupancy	90.0%	90.0%	90.6%	90.9%	90.2%
	Current Properties 2/	90.6%	90.0%	90.0%	90.4%	90.5%

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

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

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

Leasing Statistics

Office Portfolio 1/

	Three Months Ended					Five Quarter
	<u>9/30/13 2/</u>	<u>6/30/13 3/</u>	<u>3/31/13 4/</u>	<u>12/31/12 5/</u>	<u>9/30/12 6/</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	158	138	122	130	130	136
Rentable square footage leased	1,228,508	1,011,353	795,206	1,185,877	923,161	1,028,821
Square footage of Renewal Deals	977,133	664,124	501,836	1,016,326	569,717	745,827
Renewed square footage (% of total)	79.5%	65.7%	63.1%	85.7%	61.7%	72.5%
New Leases square footage (% of total)	20.5%	34.3%	36.9%	14.3%	38.3%	27.5%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 23.47	\$ 20.32	\$ 21.35	\$ 21.72	\$ 21.37	\$ 21.65
Tenant improvements	(1.96)	(1.85)	(2.25)	(1.92)	(2.16)	(2.03)
Leasing commissions 7/	(0.69)	(0.63)	(0.70)	(0.69)	(0.77)	(0.70)
Rent concessions	(0.46)	(0.50)	(0.62)	(0.54)	(0.46)	(0.52)
Effective rent	20.36	17.34	17.78	18.57	17.98	18.40
Expense stop	(6.79)	(6.25)	(7.89)	(7.53)	(7.63)	(7.22)
Equivalent effective net rent	\$ 13.57	\$ 11.09	\$ 9.89	\$ 11.04	\$ 10.35	\$ 11.18
Weighted average term in years	6.1	4.7	6.1	5.4	5.8	5.6
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 15,667,925	\$ 9,814,077	\$ 12,308,405	\$ 15,101,969	\$ 13,529,639	\$ 13,284,403
Rentable square feet	1,228,508	1,011,353	795,206	1,185,877	923,161	1,028,821
Per rentable square foot	\$ 12.75	\$ 9.70	\$ 15.48	\$ 12.73	\$ 14.66	\$ 12.91
Leasing Commissions:						
Total dollars committed under signed leases 7/	\$ 5,650,101	\$ 3,451,948	\$ 4,035,614	\$ 4,284,562	\$ 4,433,147	\$ 4,371,074
Rentable square feet	1,228,508	1,011,353	795,206	1,185,877	923,161	1,028,821
Per rentable square foot	\$ 4.60	\$ 3.41	\$ 5.07	\$ 3.61	\$ 4.80	\$ 4.25
Total:						
Total dollars committed under signed leases	\$ 21,318,026	\$ 13,266,025	\$ 16,344,019	\$ 19,386,531	\$ 17,962,786	\$ 17,655,477
Rentable square feet	1,228,508	1,011,353	795,206	1,185,877	923,161	1,028,821
Per rentable square foot	\$ 17.35	\$ 13.12	\$ 20.55	\$ 16.35	\$ 19.46	\$ 17.16

1/ Excludes properties recorded on our Balance Sheet that relate to 50% or less owned joint ventures properties that are consolidated under GAAP and includes square footage leased in spaces that were vacant at purchase.

2/ Includes 452,000 square feet of leases that start in 2015 or later.

3/ Includes 109,000 square feet of leases that start in 2015 or later.

4/ Includes 114,000 square feet of leases that start in 2015 or later.

5/ Includes 254,000 square feet of leases that start in 2015 or later.

6/ Includes 124,000 square feet of leases that start in 2014 or later.

7/ Excludes internal leasing costs.

Leasing Statistics

Industrial Portfolio

	Three Months Ended					Five Quarter
	<u>9/30/13</u>	<u>6/30/13</u>	<u>3/31/13</u>	<u>12/31/12</u>	<u>9/30/12 1/</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	9	10	14	12	8	11
Rentable square footage leased	83,708	86,266	353,569	172,783	71,010	153,467
Square footage of Renewal Deals	42,164	74,126	264,095	102,189	69,780	110,471
Renewed square footage (% of total)	50.4%	85.9%	74.7%	59.1%	98.3%	72.0%
New Leases square footage (% of total)	49.6%	14.1%	25.3%	40.9%	1.7%	28.0%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 5.46	\$ 5.43	\$ 4.12	\$ 3.83	\$ 3.60	\$ 4.49
Tenant improvements	(0.62)	(0.32)	(0.33)	(0.63)	(0.65)	(0.51)
Leasing commissions 2/	(0.13)	(0.10)	(0.11)	(0.08)	(0.06)	(0.10)
Rent concessions	(0.15)	(0.16)	(0.17)	(0.16)	(0.08)	(0.14)
Effective rent	4.56	4.85	3.51	2.96	2.81	3.74
Expense stop	(0.92)	(0.96)	(0.14)	(0.73)	(0.07)	(0.56)
Equivalent effective net rent	\$ 3.64	\$ 3.89	\$ 3.37	\$ 2.23	\$ 2.74	\$ 3.18
Weighted average term in years	3.5	3.6	3.9	5.4	2.2	3.7
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 249,266	\$ 110,245	\$ 533,508	\$ 741,017	\$ 137,630	\$ 354,333
Rentable square feet	83,708	86,266	353,569	172,783	71,010	153,467
Per rentable square foot	\$ 2.98	\$ 1.28	\$ 1.51	\$ 4.29	\$ 1.94	\$ 2.31
Leasing Commissions:						
Total dollars committed under signed leases 2/	\$ 44,038	\$ 44,583	\$ 161,798	\$ 86,250	\$ 13,527	\$ 70,039
Rentable square feet	83,708	86,266	353,569	172,783	71,010	153,467
Per rentable square foot	\$ 0.53	\$ 0.52	\$ 0.46	\$ 0.50	\$ 0.19	\$ 0.46
Total:						
Total dollars committed under signed leases	\$ 293,304	\$ 154,828	\$ 695,306	\$ 827,267	\$ 151,157	\$ 424,372
Rentable square feet	83,708	86,266	353,569	172,783	71,010	153,467
Per rentable square foot	\$ 3.50	\$ 1.79	\$ 1.97	\$ 4.79	\$ 2.13	\$ 2.77

1/ Includes 22,000 square feet of leases that start in 2014 or later.

2/ Excludes internal leasing costs.

Leasing Statistics

Retail Portfolio

	Three Months Ended					Five Quarter
	<u>9/30/13</u>	<u>6/30/13</u>	<u>3/31/13</u>	<u>12/31/12</u>	<u>9/30/12</u>	<u>Average</u>
Net Effective Rents Related to Re-leased Space:						
Number of lease transactions (signed leases)	8	5	11	2	9	7
Rentable square footage leased	13,432	15,908	22,722	5,019	74,045	26,225
Square footage of Renewal Deals	7,390	4,836	12,203	2,900	70,086	19,483
Renewed square footage (% of total)	55.0%	30.4%	53.7%	57.8%	94.7%	74.3%
New Leases square footage (% of total)	45.0%	69.6%	46.3%	42.2%	5.3%	25.7%
Weighted average per rentable square foot over the lease term:						
Base rent	\$ 44.35	\$ 34.59	\$ 36.68	\$ 50.82	\$ 16.65	\$ 36.62
Tenant improvements	(3.23)	(6.82)	(4.46)	(4.04)	(1.38)	(3.99)
Leasing commissions 1/	(0.85)	(1.18)	(0.85)	(2.55)	(0.23)	(1.13)
Rent concessions	0.00	(0.20)	(0.37)	0.00	0.00	(0.11)
Effective rent	40.27	26.39	31.00	44.23	15.04	31.39
Expense stop	0.00	0.00	(0.64)	0.00	(7.69)	(1.67)
Equivalent effective net rent	\$ 40.27	\$ 26.39	\$ 30.36	\$ 44.23	\$ 7.35	\$ 29.72
Weighted average term in years	5.7	9.7	4.7	5.5	2.5	5.6
Capital Expenditures Related to Re-leased Space:						
Tenant Improvements:						
Total dollars committed under signed leases	\$ 412,940	\$ 1,046,889	\$ 638,238	\$ 202,661	\$ 523,788	\$ 564,903
Rentable square feet	13,432	15,908	22,722	5,019	74,045	26,225
Per rentable square foot	\$ 30.74	\$ 65.81	\$ 28.09	\$ 40.38	\$ 7.07	\$ 21.54
Leasing Commissions:						
Total dollars committed under signed leases 1/	\$ 24,960	\$ 176,278	\$ 157,085	\$ 97,884	\$ 86,051	\$ 108,452
Rentable square feet	13,432	15,908	22,722	5,019	74,045	26,225
Per rentable square foot	\$ 1.86	\$ 11.08	\$ 6.91	\$ 19.50	\$ 1.16	\$ 4.14
Total:						
Total dollars committed under signed leases	\$ 437,900	\$ 1,223,167	\$ 795,323	\$ 300,545	\$ 609,839	\$ 673,355
Rentable square feet	13,432	15,908	22,722	5,019	74,045	26,225
Per rentable square foot	\$ 32.60	\$ 76.89	\$ 35.00	\$ 59.88	\$ 8.24	\$ 25.68

1/ Excludes internal leasing costs.

Leasing Statistics by Market

For the Three Months Ended September 30, 2013

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	402,335	5.8	\$ 22.52	\$ 10.31	\$ 3.86
Tampa	168,450	4.5	18.74	13.84	3.64
Orlando	149,181	10.9	26.91	19.22	9.80
Nashville	148,520	5.2	25.57	5.65	2.72
Memphis	106,045	6.6	25.83	22.82	4.53
Richmond	75,647	6.1	18.94	12.98	2.02
Atlanta	72,381	5.3	25.79	15.42	8.22
Piedmont Triad	41,527	2.5	20.89	4.12	0.65
Kansas City	28,477	7.5	21.53	17.69	7.14
Greenville	22,591	4.1	17.55	10.08	4.30
Pittsburgh	13,354	3.6	23.54	4.43	4.69
	1,228,508	6.1	\$ 23.01	\$ 12.75	\$ 4.60

Industrial Portfolio <u>Market</u>	Rentable Square Feet <u>Leased</u>	Average <u>Term</u>	GAAP Rental <u>Rate</u>	TI's <u>Per SF</u>	Lease Commissions <u>Per SF 2/ 3/</u>
Piedmont Triad	47,708	2.0	\$ 6.76	\$ 1.10	\$ 0.15
Atlanta	36,000	5.5	3.39	5.46	1.03
	83,708	3.5	\$ 5.31	\$ 2.98	\$ 0.53

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	13,432	5.7	\$ 44.35	\$ 30.74	\$ 1.86
	13,432	5.7	\$ 44.35	\$ 30.74	\$ 1.86

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 \$964,000.

Rental Rate Comparisons by Market

For the Three Months Ended September 30, 2013

Office Portfolio 1/	Rentable Square Feet	Current Rent	Previous Rent	Percentage Change Rent
<u>Market</u>	<u>Leased</u>			
Raleigh	402,335	\$ 22.52	\$ 19.28	16.8%
Tampa	168,450	18.74	17.66	6.1%
Orlando	149,181	26.91	25.13	7.1%
Nashville	148,520	25.57	21.75	17.6%
Memphis	106,045	25.83	24.46	5.6%
Richmond	75,647	18.94	19.45	-2.6%
Atlanta	72,381	25.79	27.75	-7.1%
Piedmont Triad	41,527	20.89	20.28	3.0%
Kansas City	28,477	21.53	22.15	-2.8%
Greenville	22,591	17.55	16.41	6.9%
Pittsburgh	13,354	23.54	N/A	N/A
GAAP Rent Growth	1,228,508	\$ 23.01	\$ 21.04	9.4%
Cash Rent Growth	1,228,508	\$ 22.18	\$ 23.50	-5.6%

Industrial Portfolio	Rentable Square Feet	Current Rent	Previous Rent	Percentage Change Rent
<u>Market</u>	<u>Leased</u>			
Piedmont Triad	47,708	\$ 6.76	\$ 7.21	-6.2%
Atlanta	36,000	3.39	4.00	-15.3%
GAAP Rent Growth	83,708	\$ 5.31	\$ 5.84	-9.1%
Cash Rent Growth	83,708	\$ 5.26	\$ 6.04	-12.8%

Retail Portfolio	Rentable Square Feet	Current Rent	Previous Rent 2/	Percentage Change Rent
<u>Market</u>	<u>Leased</u>			
Kansas City	13,432	\$ 44.35	\$ 37.80	17.3%
GAAP Rent Growth	13,432	\$ 44.35	\$ 37.80	17.3%
Cash Rent Growth	13,432	\$ 43.67	\$ 39.38	10.9%

Average Cash Rental Rates for All In Place Leases as of: 1/ 2/

<u>Type</u>	<u>9/30/13</u>	<u>9/30/12</u>	<u>9/30/11</u>	<u>9/30/10</u>	<u>9/30/09</u>
Office	\$ 21.36	\$ 20.72	\$ 20.85	\$ 20.33	\$ 20.64
Industrial	5.12	4.87	5.29	5.45	5.25
Retail 3/	41.30	37.85	34.79	33.12	36.66
Weighted average rate	\$ 20.41	\$ 18.18	\$ 18.18	\$ 17.51	\$ 17.69
Annual % growth rate	12.3%	0.0%	3.9%	-1.0%	

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, 2013 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

3/ Excludes percentage rent.

Lease Expirations

September 30, 2013

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/					
2013 3/	620,530	2.6%	\$ 11,803	\$ 19.02	2.3%
2014	2,575,745	10.9%	55,984	21.74	11.1%
2015	2,644,462	11.2%	58,736	22.21	11.6%
2016	2,790,426	11.8%	57,164	20.49	11.3%
2017	2,881,829	12.2%	64,863	22.51	12.8%
2018	2,438,366	10.3%	51,979	21.32	10.3%
2019	2,317,760	9.8%	48,009	20.71	9.5%
2020	1,404,161	5.9%	31,551	22.47	6.2%
2021	1,762,120	7.4%	38,247	21.71	7.6%
2022	643,704	2.7%	13,321	20.69	2.6%
2023 and thereafter	3,601,632	15.2%	74,202	20.60	14.7%
	<u>23,680,735</u>	<u>100.0%</u>	<u>\$ 505,859</u>	<u>\$ 21.36</u>	<u>100.0%</u>
Industrial:					
2013 4/	80,616	3.1%	\$ 286	\$ 3.55	2.1%
2014	420,351	16.1%	1,991	4.74	14.9%
2015	392,160	15.0%	2,207	5.63	16.5%
2016	609,937	23.4%	3,056	5.01	23.0%
2017	273,388	10.5%	1,688	6.17	12.7%
2018	231,629	8.9%	1,161	5.01	8.7%
2019	105,990	4.1%	613	5.78	4.6%
2020	71,078	2.7%	295	4.15	2.2%
2021	117,805	4.5%	445	3.78	3.3%
2022	178,000	6.8%	815	4.58	6.1%
2023 and thereafter	126,736	4.9%	783	6.18	5.9%
	<u>2,607,690</u>	<u>100.0%</u>	<u>\$ 13,340</u>	<u>\$ 5.12</u>	<u>100.0%</u>

1/ Annualized Cash Revenue is September, 2013 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 98,000 square feet of leases that are on a month to month basis or 0.4% of total annualized revenue.

4/ Includes 47,000 square feet of leases that are on a month to month basis or 0.0% of total annualized revenue.

Note: 2013 and beyond expirations that have been renewed are reflected above based on the renewal expiration date.

Lease Expirations

September 30, 2013

(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:					
2013 2/	21,984	2.7%	\$ 505	\$ 22.97	1.5%
2014	113,213	13.7%	2,873	25.38	8.4%
2015	105,311	12.7%	3,786	35.95	11.1%
2016	61,640	7.5%	3,232	52.43	9.5%
2017	38,316	4.6%	1,670	43.58	4.9%
2018	96,278	11.7%	5,129	53.27	15.0%
2019	90,007	10.9%	3,150	35.00	9.2%
2020	46,768	5.7%	2,014	43.06	5.9%
2021	83,786	10.1%	3,686	43.99	10.8%
2022	91,196	11.0%	4,683	51.35	13.7%
2023 and thereafter	77,867	9.4%	3,404	43.72	10.0%
	<u>826,366</u>	<u>100.0%</u>	<u>\$ 34,132</u>	<u>\$ 41.30</u>	<u>100.0%</u>
Total:					
2013 3/ 4/	723,130	2.7%	\$ 12,594	\$ 17.42	2.3%
2014	3,109,309	11.5%	60,848	19.57	11.0%
2015	3,141,933	11.6%	64,729	20.60	11.7%
2016	3,462,003	12.8%	63,452	18.33	11.5%
2017	3,193,533	11.8%	68,221	21.36	12.3%
2018	2,766,273	10.2%	58,269	21.06	10.5%
2019	2,513,757	9.3%	51,772	20.60	9.4%
2020	1,522,007	5.6%	33,860	22.25	6.1%
2021	1,963,711	7.2%	42,378	21.58	7.7%
2022	912,900	3.4%	18,819	20.61	3.4%
2023 and thereafter	3,806,235	13.9%	78,389	20.59	14.1%
	<u>27,114,791</u>	<u>100.0%</u>	<u>\$ 553,331</u>	<u>\$ 20.41</u>	<u>100.0%</u>

1/ Annualized Cash Revenue is September, 2013 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 149,000 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: 2013 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>				
		<u>12/31/13 2/</u>	<u>3/31/14</u>	<u>6/30/14</u>	<u>9/30/14</u>	<u>Total</u>
Atlanta	RSF	299,586	56,144	15,277	202,538	573,545
	% of Total Office RSF	1.3%	0.2%	0.1%	0.9%	2.4%
	Annualized Cash Revenue 3/	\$ 5,381	\$ 1,219	\$ 398	\$ 3,920	\$ 10,918
	% of Total Office Annl Cash Rev	1.1%	0.2%	0.1%	0.8%	2.2%
Greenville	RSF	21,717	56,560	5,240	5,892	89,409
	% of Total Office RSF	0.1%	0.2%	0.0%	0.0%	0.4%
	Annualized Cash Revenue 3/	\$ 356	\$ -	\$ 96	\$ 101	\$ 553
	% of Total Office Annl Cash Rev	0.1%	0.0%	0.0%	0.0%	0.1%
Kansas City	RSF	6,937	5,491	12,392	2,887	27,707
	% of Total Office RSF	0.0%	0.0%	0.1%	0.0%	0.1%
	Annualized Cash Revenue 3/	\$ 205	\$ 137	\$ 301	\$ 77	\$ 720
	% of Total Office Annl Cash Rev	0.0%	0.0%	0.1%	0.0%	0.1%
Memphis	RSF	35,144	77,803	40,204	26,030	179,181
	% of Total Office RSF	0.1%	0.3%	0.2%	0.1%	0.8%
	Annualized Cash Revenue 3/	\$ 715	\$ 1,623	\$ 861	\$ 511	\$ 3,710
	% of Total Office Annl Cash Rev	0.1%	0.3%	0.2%	0.1%	0.7%
Nashville	RSF	48,118	237,026	55,460	111,239	451,843
	% of Total Office RSF	0.2%	1.0%	0.2%	0.5%	1.9%
	Annualized Cash Revenue 3/	\$ 1,003	\$ 5,486	\$ 1,380	\$ 2,728	\$ 10,597
	% of Total Office Annl Cash Rev	0.2%	1.1%	0.3%	0.5%	2.1%
Orlando	RSF	37,828	55,532	22,945	63,339	179,644
	% of Total Office RSF	0.2%	0.2%	0.1%	0.3%	0.8%
	Annualized Cash Revenue 3/	\$ 636	\$ 1,573	\$ 580	\$ 1,672	\$ 4,461
	% of Total Office Annl Cash Rev	0.1%	0.3%	0.1%	0.3%	0.9%
Piedmont Triad	RSF	23,582	0	36,705	52,229	112,516
	% of Total Office RSF	0.1%	0.0%	0.2%	0.2%	0.5%
	Annualized Cash Revenue 3/	\$ 371	\$ -	\$ 689	\$ 962	\$ 2,022
	% of Total Office Annl Cash Rev	0.1%	0.0%	0.1%	0.2%	0.4%
Pittsburgh	RSF	24,087	61,048	1,625	6,900	93,660
	% of Total Office RSF	0.1%	0.3%	0.0%	0.0%	0.4%
	Annualized Cash Revenue 3/	\$ 606	\$ 1,535	\$ 253	\$ 154	\$ 2,548
	% of Total Office Annl Cash Rev	0.1%	0.3%	0.1%	0.0%	0.5%
Raleigh	RSF	108,071	81,595	105,331	233,673	528,670
	% of Total Office RSF	0.5%	0.3%	0.4%	1.0%	2.2%
	Annualized Cash Revenue 3/	\$ 2,154	\$ 1,757	\$ 2,559	\$ 5,090	\$ 11,560
	% of Total Office Annl Cash Rev	0.4%	0.3%	0.5%	1.0%	2.3%
Richmond	RSF	11,440	61,230	52,372	133,559	258,601
	% of Total Office RSF	0.0%	0.3%	0.2%	0.6%	1.1%
	Annualized Cash Revenue 3/	\$ 232	\$ 1,256	\$ 1,037	\$ 2,783	\$ 5,308
	% of Total Office Annl Cash Rev	0.0%	0.2%	0.2%	0.6%	1.0%
Tampa	RSF	4,020	118,390	30,087	55,481	207,978
	% of Total Office RSF	0.0%	0.5%	0.1%	0.2%	0.9%
	Annualized Cash Revenue 3/	\$ 143	\$ 2,661	\$ 484	\$ 1,374	\$ 4,662
	% of Total Office Annl Cash Rev	0.0%	0.5%	0.1%	0.3%	0.9%
Total	RSF	620,530	810,819	377,638	893,767	2,702,754
	% of Total Office RSF	2.6%	3.4%	1.6%	3.8%	11.4%
	Annualized Cash Revenue 3/	\$ 11,802	\$ 17,247	\$ 8,638	\$ 19,372	\$ 57,059
	% of Total Office Annl Cash Rev	2.3%	3.4%	1.7%	3.8%	11.3%

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

2/ Includes 98,000 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, 2013 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>12/31/13</u> ^{1/}	<u>3/31/14</u>	<u>6/30/14</u>	<u>9/30/14</u>	<u>Total</u>
Atlanta	RSF	0	0	0	0	0
	% of Total Industrial RSF	0.0%	0.0%	0.0%	0.0%	0.0%
	Annualized Cash Revenue ^{2/}	\$ -	\$ -	\$ -	\$ -	-
	% of Total Industrial Annl Cash Rev	0.0%	0.0%	0.0%	0.0%	0.0%
Piedmont Triad	RSF	80,616	54,674	147,770	7,589	290,649
	% of Total Industrial RSF	3.1%	2.1%	5.7%	0.3%	11.1%
	Annualized Cash Revenue ^{2/}	\$ 286	\$ 189	\$ 780	\$ 84	1,339
	% of Total Industrial Annl Cash Rev	2.1%	1.4%	5.8%	0.6%	10.0%
Total	RSF	80,616	54,674	147,770	7,589	290,649
	% of Total Industrial RSF	3.1%	2.1%	5.7%	0.3%	11.1%
	Annualized Cash Revenue ^{2/}	\$ 286	\$ 189	\$ 780	\$ 84	1,339
	% of Total Industrial Annl Cash Rev	2.1%	1.4%	5.8%	0.6%	10.0%

1/ Includes 47,000 square feet of leases that are on a month to month basis or 0.0% of total annualized revenue.

2/ Annualized Cash Revenue is September, 2013 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

		2013 2/	2014	2015	2016	Thereafter
Atlanta	RSF	299,586	293,172	237,690	184,736	2,950,423
	% of Total Office RSF	1.3%	1.2%	1.0%	0.8%	12.5%
	Annualized Cash Revenue 3/	\$ 5,381	\$ 5,944	\$ 4,740	\$ 4,453	\$ 58,768
	% of Total Office Annl Cash Rev	1.1%	1.2%	0.9%	0.9%	11.6%
Greenville	RSF	21,717	128,024	26,614	254,474	281,925
	% of Total Office RSF	0.1%	0.5%	0.1%	1.1%	1.2%
	Annualized Cash Revenue 3/	\$ 356	\$ 1,253	\$ 460	\$ 4,582	\$ 4,471
	% of Total Office Annl Cash Rev	0.1%	0.2%	0.1%	0.9%	0.9%
Kansas City	RSF	6,937	29,696	91,750	35,938	412,302
	% of Total Office RSF	0.0%	0.1%	0.4%	0.2%	1.7%
	Annualized Cash Revenue 3/	\$ 205	\$ 745	\$ 2,657	\$ 890	\$ 10,139
	% of Total Office Annl Cash Rev	0.0%	0.1%	0.5%	0.2%	2.0%
Memphis	RSF	35,144	162,089	213,228	179,035	1,100,318
	% of Total Office RSF	0.1%	0.7%	0.9%	0.8%	4.6%
	Annualized Cash Revenue 3/	\$ 715	\$ 3,471	\$ 4,786	\$ 3,713	\$ 23,809
	% of Total Office Annl Cash Rev	0.1%	0.7%	0.9%	0.7%	4.7%
Nashville	RSF	48,118	470,586	505,826	422,063	1,520,708
	% of Total Office RSF	0.2%	2.0%	2.1%	1.8%	6.4%
	Annualized Cash Revenue 3/	\$ 1,003	\$ 11,185	\$ 11,998	\$ 9,405	\$ 38,211
	% of Total Office Annl Cash Rev	0.2%	2.2%	2.4%	1.9%	7.6%
Orlando	RSF	37,828	184,942	209,859	150,861	773,998
	% of Total Office RSF	0.2%	0.8%	0.9%	0.6%	3.3%
	Annualized Cash Revenue 3/	\$ 636	\$ 4,983	\$ 5,541	\$ 3,390	\$ 18,396
	% of Total Office Annl Cash Rev	0.1%	1.0%	1.1%	0.7%	3.6%
Piedmont Triad	RSF	23,582	239,492	272,790	291,637	809,647
	% of Total Office RSF	0.1%	1.0%	1.2%	1.2%	3.4%
	Annualized Cash Revenue 3/	\$ 371	\$ 4,522	\$ 4,384	\$ 4,740	\$ 14,056
	% of Total Office Annl Cash Rev	0.1%	0.9%	0.9%	0.9%	2.8%
Pittsburgh	RSF	24,087	72,728	267,316	37,674	1,630,273
	% of Total Office RSF	0.1%	0.3%	1.1%	0.2%	6.9%
	Annualized Cash Revenue 3/	\$ 606	\$ 2,025	\$ 6,394	\$ 970	\$ 38,436
	% of Total Office Annl Cash Rev	0.1%	0.4%	1.3%	0.2%	7.6%
Raleigh	RSF	108,071	455,568	418,210	401,031	2,620,219
	% of Total Office RSF	0.5%	1.9%	1.8%	1.7%	11.1%
	Annualized Cash Revenue 3/	\$ 2,154	\$ 10,213	\$ 8,987	\$ 8,081	\$ 53,044
	% of Total Office Annl Cash Rev	0.4%	2.0%	1.8%	1.6%	10.5%
Richmond	RSF	11,440	283,214	163,343	422,710	1,196,473
	% of Total Office RSF	0.0%	1.2%	0.7%	1.8%	5.1%
	Annualized Cash Revenue 3/	\$ 232	\$ 5,797	\$ 2,911	\$ 8,047	\$ 22,160
	% of Total Office Annl Cash Rev	0.0%	1.1%	0.6%	1.6%	4.4%
Tampa	RSF	4,020	256,234	237,836	410,267	1,753,286
	% of Total Office RSF	0.0%	1.1%	1.0%	1.7%	7.4%
	Annualized Cash Revenue 3/	\$ 143	\$ 5,845	\$ 5,878	\$ 8,891	\$ 40,683
	% of Total Office Annl Cash Rev	0.0%	1.2%	1.2%	1.8%	8.0%
Total	RSF	620,530	2,575,745	2,644,462	2,790,426	15,049,572
	% of Total Office RSF	2.6%	10.9%	11.2%	11.8%	63.6%
	Annualized Cash Revenue 3/	\$ 11,802	\$ 55,983	\$ 58,736	\$ 57,162	\$ 322,173
	% of Total Office Annl Cash Rev	2.3%	11.1%	11.6%	11.3%	63.7%

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 98,000 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, 2013 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>2013</u> ^{1/}	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Thereafter</u>
Atlanta	RSF	0	0	0	37,500	100,000
	% of Total Industrial RSF	0.0%	0.0%	0.0%	1.4%	3.8%
	Annualized Cash Revenue ^{2/}	\$ -	\$ -	\$ -	\$ 150	\$ 579
	% of Total Industrial Annl Cash Rev	0.0%	0.0%	0.0%	1.1%	4.3%
Piedmont Triad	RSF	80,616	420,351	392,160	572,437	1,004,626
	% of Total Industrial RSF	3.1%	16.1%	15.0%	22.0%	38.5%
	Annualized Cash Revenue ^{2/}	\$ 286	\$ 1,991	\$ 2,207	\$ 2,906	\$ 5,221
	% of Total Industrial Annl Cash Rev	2.1%	14.9%	16.5%	21.8%	39.1%
Total	RSF	80,616	420,351	392,160	609,937	1,104,626
	% of Total Industrial RSF	3.1%	16.1%	15.0%	23.4%	42.4%
	Annualized Cash Revenue ^{2/}	\$ 286	\$ 1,991	\$ 2,207	\$ 3,056	\$ 5,800
	% of Total Industrial Annl Cash Rev	2.1%	14.9%	16.5%	22.9%	43.5%

1/ Includes 47,000 square feet of leases that are on a month to month basis or 0.0% of total annualized revenue.

2/ Annualized Cash Revenue is September, 2013 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

Customer Diversification 1/

September 30, 2013

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	1,515,317	\$ 35,643	6.44%	4.9
AT&T	533,925	10,750	1.94%	2.7
PPG Industries	351,308	8,938	1.62%	7.6
Healthways	290,689	7,327	1.32%	8.6
HCA Corporation	278,207	6,758	1.22%	2.2
State of Georgia	364,687	6,688	1.21%	6.0
Bass, Berry & Sims PLC	195,846	5,974	1.08%	11.3
EQT Corporation	280,592	5,972	1.08%	11.0
Metropolitan Life Insurance	328,705	5,516	1.00%	5.6
T-Mobile USA	210,971	5,406	0.98%	3.8
Marsh USA	188,719	5,257	0.95%	5.9
Lockton Companies	190,916	5,158	0.93%	16.4
BB&T	291,143	4,945	0.89%	2.9
PNC Bank	187,288	4,883	0.88%	12.2
Aon	190,683	4,859	0.88%	6.1
Vanderbilt University	198,783	4,506	0.81%	2.0
Syniverse Technologies	198,750	4,250	0.77%	3.1
SCI Services 3/	162,784	3,967	0.72%	3.8
Global Payments	167,801	3,852	0.70%	7.4
Jacobs Engineering Group	210,126	3,761	0.68%	2.7
	<u>6,337,240</u>	<u>\$ 144,410</u>	<u>26.10%</u>	<u>6.1</u>

By Industry

<u>Category</u>	<u>Percent of Annualized Cash Revenue 2/</u>
Professional, Scientific, and Technical Services	23.2%
Finance/Banking	11.7%
Health Care and Social Assistance	8.7%
Insurance	8.5%
Government/Public Administration	8.1%
Manufacturing	7.3%
Administrative and Support Services	6.0%
Retail Trade	5.0%
Telecommunication	4.1%
Real Estate Rental and Leasing	3.5%
Information	3.1%
Accommodation and Food Services	2.7%
Educational Services	2.1%
Transportation and Warehousing	1.7%
Other Services (except Public Administration)	1.7%
Wholesale Trade	1.5%
Energy	1.1%
	<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, 2013 cash rental revenue (base rent plus operating expense pass through revenue excluding straight-line rental income) multiplied by 12.

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

Same Property Performance

Dollars and Square Feet in thousands

	Three months ended		Dollar Change (B/W)	Percentage Change (B/W)
	September 30,			
	2013	2012		
Rental revenues 1/	\$ 116,146	\$ 114,867	\$ 1,279	1.1%
Operating expenses	(43,758)	(43,120)	(638)	-1.5%
Cash NOI without Term Fees	72,388	71,747	641	0.9%
Lease termination fees 2/	452	315	137	43.5%
Cash NOI with Term Fees	72,840	72,062	778	1.1%
Straight-line rent 2/	1,515	2,958	(1,443)	-48.8%
GAAP NOI	\$ 74,355	\$ 75,020	\$ (665)	-0.9%
Average occupancy	90.2%	89.9%		0.3%
Rentable square feet	24,930	24,930		

	Nine months ended		Dollar Change (B/W)	Percentage Change (B/W)
	September 30,			
	2013	2012		
Rental revenues 1/	\$ 346,143	\$ 341,672	\$ 4,471	1.3%
Operating expenses	(126,771)	(126,643)	(128)	-0.1%
Cash NOI without Term Fees	219,372	215,029	4,343	2.0%
Lease termination fees 2/	1,629	1,822	(193)	-10.6%
Cash NOI with Term Fees	221,001	216,851	4,150	1.9%
Straight-line rent 2/	6,571	11,578	(5,007)	-43.2%
GAAP NOI	\$ 227,572	\$ 228,429	\$ (857)	-0.4%
Average occupancy	90.2%	90.1%		0.1%
Rentable square feet	24,930	24,930		

Market	Third Quarter: 2013 vs 2012		Nine Months: 2013 vs 2012	
	GAAP NOI	Occupancy	GAAP NOI	Occupancy
	Percentage Change	Percentage Change	Percentage Change	Percentage Change
Atlanta	1.2%	4.1%	-8.7%	-1.4%
Greenville	-28.2%	-5.0%	-18.9%	-6.3%
Kansas City	2.1%	2.0%	5.1%	3.4%
Memphis	0.0%	0.7%	0.7%	0.4%
Nashville	-3.2%	0.2%	-0.6%	-0.4%
Orlando	2.9%	1.2%	1.3%	3.3%
Piedmont Triad	2.4%	1.7%	0.3%	2.2%
Pittsburgh	17.4%	7.7%	21.0%	8.2%
Raleigh	7.4%	1.3%	4.6%	0.0%
Richmond	-0.2%	-0.6%	1.1%	1.0%
Tampa	-21.8%	-9.8%	-12.1%	-6.5%
	<u>-0.9%</u>	<u>0.3%</u>	<u>-0.4%</u>	<u>0.1%</u>

1/ Excludes straight-line rents and lease termination fees.

2/ Straight-line rent write-offs related to lease terminations are reflected here as a reduction of lease termination fees.

Acquisition Activity

Dollars in thousands

Name	Market	Type 1/	Date Acquired	Square Footage	Occupancy 2/	Total Cost
First quarter 2013:						
Green Valley	Greensboro	O	01/09/13	195,000	95.5%	\$ 32,800 3/
Meridian One & Two	Tampa	O	02/27/13	372,000	86.8%	56,000 4/
				<u>567,000</u>	<u>89.8%</u>	<u>88,800</u>
Second quarter 2013:						
One Alliance Center	Atlanta	O	06/21/13	553,000	67.1%	143,400 5/
Third quarter 2013:						
Orlando CBD	Orlando	O	07/23/13	1,277,000	82.0%	117,500 6/
10 Glenlake North & South	Atlanta	O	08/19/13	505,000	82.0%	46,000 7/
The Pinnacle at Symphony Place	Nashville	O	09/05/13	520,000	84.9%	152,800 8/
				<u>2,302,000</u>	<u>82.7%</u>	<u>316,300</u>
2013 totals				<u><u>3,422,000</u></u>	<u><u>81.3%</u></u>	<u><u>\$ 548,500</u></u>
Occupancy at September 30, 2013:					<u><u>84.2%</u></u>	

1/ The letter "O" represents Office.

2/ Reflects occupancy on the date of acquisition.

3/ Purchase cost includes \$2.0 million of planned near-term capital improvements.

4/ Purchase cost includes \$3.5 million of planned near-term capital improvements.

5/ Purchase cost includes \$2.9 million of planned near-term capital improvements and \$0.4 million of future tenant improvements committed under existing leases.

6/ Purchase cost includes \$4.2 million of planned near-term building improvements.

7/ Purchase cost includes \$0.6 million of planned near-term building improvements.

8/ Purchase cost includes \$0.8 million of planned near-term building improvements.

Disposition Activity

Dollars in thousands

Name	Market	Type 1/	Date Sold	Square Footage	Occupancy	Gross Sales Price
First quarter 2013:						
Metrowest/Cambridge	Orlando	O	01/31/13	134,000	100.0%	\$ 14,600
Second quarter 2013:						
I-85/Gwinnett/Bluegrass	Atlanta	I	04/24/13	862,000	94.3%	40,800 2/
Southside Distribution Center	Atlanta	I	05/22/13	191,000	65.3%	4,760
				1,053,000	89.0%	45,560
Third quarter 2013:						
Anchor Plaza	Tampa	O	08/13/13	98,000	56.2%	11,600
Tradeport/Newpoint/Chastain	Atlanta	I	09/23/13	1,677,000	95.0%	90,800 3/
				1,775,000	92.9%	102,400
Fourth quarter 2013 through 10/29/13:						
Highwoods Center II at Tradeport	Atlanta	O	10/02/13	60,000	100.0%	13,800
Consolidated Center	Triad	O	10/24/13	169,000	70.1%	6,200
2000 Frontis Plaza Boulevard	Triad	O	10/28/13	52,700	87.6%	5,300
				281,700	79.7%	25,300
2013 totals through 10/29/13				3,243,700	90.8%	\$ 187,860

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

2/ Excludes \$2.5M of land represented in the \$43.3M sales price reported in our first quarter earnings release.

3/ Excludes \$0.8M of land represented in the \$91.6M sales price reported in our press release dated September 23, 2013.

Development Activity

Dollars in thousands

Property	Market	Type 1/	Rentable Square Feet	Anticipated Total Investment	Investment As Of 09/30/13 2/	Pre Leased %	Estimated Completion Date	Estimated Stabilization Date
In - Process								
Office:								
LifePoint	Nashville	O	203,000	\$ 42,113	\$ 37,778	100.0%	4Q 13	4Q 13
International Paper	Memphis	O	241,000	56,109	6,992	100.0%	2Q 15	2Q 15
MetLife I	Raleigh	O	213,500	53,000	4,334	100.0%	1Q 15	1Q 15
MetLife II 5/	Raleigh	O	213,500	57,000	4,216	100.0%	2Q 15	2Q 17
GlenLake V 4/	Raleigh	O	166,000	35,800	2,104	25.0%	2Q 15	2Q 17
In - Process Office			<u>1,037,000</u>	<u>\$ 244,022</u>	<u>\$ 55,424</u>	<u>88.0%</u>		
						\$ Weighted %	89.0%	
Retail:								
Seven Springs 3/	Nashville	R	41,000	\$ 10,445	\$ 5,874	56.2%	4Q 13	1Q 15
Darden Restaurants 3/	Memphis	R	18,000	7,870	1,893	100.0%	4Q 13	4Q 13
			<u>59,000</u>	<u>\$ 18,315</u>	<u>\$ 7,767</u>	<u>69.5%</u>		
In - Process Retail					\$ Weighted %	75.0%		
In - Process Total			<u>1,096,000</u>	<u>\$ 262,337</u>	<u>\$ 63,191</u>	<u>87.0%</u>		
						\$ Weighted %	88.0%	

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

2/ Includes deferred lease commissions which are not classified as development in process on our Balance Sheet.

3/ Office amenity retail space.

4/ GlenLake V development is not yet reclassified as development in process on our GAAP Balance Sheet.

5/ Pre-lease of 100% contains a required take down of one floor in second quarter of 2017.

Land Held for Development

September 30, 2013

Dollars in thousands

<u>Market</u>	<u>Usable Acres</u>	<u>Square Footage Buildout of Core Development Land 1/</u>	
		<u>Office</u>	<u>Industrial</u>
Atlanta	204	125,000	1,774,000
Raleigh 2/	141	1,285,000	-
Nashville	79	1,605,000	-
Tampa	53	1,232,000	-
Greensboro	47	240,000	492,000
Richmond 3/	31	379,000	-
Orlando	16	640,000	-
Memphis	10	145,000	-
Baltimore	7	-	-
Kansas City	1	175,000	-
Total	589	5,826,000	2,266,000
Cost Basis 2/ 3/	\$ 106,932		

The 589 acres of Development Land has an estimated market value of between \$130M to \$140M.

1/ Developable square footage on core land holdings, which constitute 496 of the total 589 acres. This represents approximately \$1.2 billion in total development.

2/ Excludes three acres with a cost basis of \$1.8 million that is classified in the GlenLake Development project on Page 28.

As explained in note 4/ on page 28, the GlenLake development is not yet reclassified as development in process on our GAAP Balance Sheet.

3/ Excludes 13 acres of development land owned by a 50% owned consolidated joint venture with a total cost basis of \$3.3 million.

Unconsolidated Joint Ventures Assets, Debt and Liabilities

September 30, 2013

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 Company	O	49.0%	\$ 7,826	\$ -	\$ 312
Kessinger/Hunter, LLC	-	26.5%	4,841	-	381
4600 Madison Associates, LP	O	12.5%	11,888	9,050	9,867
Highwoods DLF 98/29, LLC	O	22.8%	58,919	27,650	30,664
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	14,960	-	1,155
Concourse Center Associates, LLC	O	50.0%	11,910	8,175	8,250
Plaza Colonnade, LLC	O/R	50.0%	64,388	58,220	59,967
Highwoods KC Glenridge Office, LLC	O	40.0%	22,166	15,083	16,233
Highwoods KC Glenridge Land, LLC	O	39.9%	764	-	165
Highwoods DLF Forum, LLC	O	25.0%	98,943	67,181	70,821
Lofts at Weston, LLC 2/	M	50.0%	25,663	14,678	16,876
Total			\$ 322,268	\$ 200,037	\$ 214,691

<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 Company	O	49.0%	\$ 3,835	\$ -	\$ 153
Kessinger/Hunter, LLC	-	26.5%	1,283	-	101
4600 Madison Associates, LP	O	12.5%	1,486	1,131	1,233
Highwoods DLF 98/29, LLC	O	22.8%	13,439	6,307	6,994
Highwoods DLF 97/26 DLF 99/32, LP	O	42.9%	6,423	-	496
Concourse Center Associates, LLC	O	50.0%	5,955	4,088	4,125
Plaza Colonnade, LLC	O/R	50.0%	32,194	29,110	29,984
Highwoods KC Glenridge Office, LLC	O	40.0%	8,865	6,032	6,492
Highwoods KC Glenridge Land, LLC	O	39.9%	305	-	66
Highwoods DLF Forum, LLC	O	25.0%	24,734	16,794	17,704
Lofts at Weston, LLC 2/	M	50.0%	12,832	7,339	8,438
Total 3/			\$ 111,351	\$ 70,801	\$ 75,786

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

2/ The project related to this joint venture is currently under development.

3/ Our share of equity from these tables will not equal investments in and advances to unconsolidated affiliates on the Consolidated Balance Sheets 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 Three Months Ended September 30, 2013

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>						<u>Gain on Sale</u>	<u>Net Income (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Impairment</u>			
Board of Trade Investment Company	49.0%	\$ 541	\$ 372	\$ -	\$ 143	\$ -	\$ -	\$ 26	
Kessinger/Hunter, LLC	26.5%	2,419	2,231	-	145	-	-	43	
4600 Madison Associates, LP	12.5%	1,039	607	165	311	-	-	(44)	
Highwoods DLF 98/29, LLC	22.8%	2,296	1,290	444	649	15,287	-	(15,374)	
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	1,409	751	219	615	-	8,256	8,080	
Concourse Center Associates, LLC	50.0%	206	125	61	95	-	-	(75)	
Plaza Colonnade, LLC	50.0%	2,993	1,032	859	625	-	-	477	
Highwoods KC Glenridge Office, LLC	40.0%	790	425	194	268	-	-	(97)	
Highwoods KC Glenridge Land, LLC	39.9%	-	4	-	-	-	-	(4)	
HIW-KC Orlando, LLC	40.0%	1,211	501	324	651	-	-	(265)	
Highwoods DLF Forum, LLC	25.0%	3,692	1,252	875	1,341	-	-	224	
Lofts at Weston, LLC 1/	50.0%	316	143	-	204	-	-	(31)	
Total		\$ 16,912	\$ 8,733	\$ 3,141	\$ 5,047	\$ 15,287	\$ 8,256	\$ (7,040)	

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>						<u>Gain on Sale</u>	<u>Net Income (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Impairment</u>			
Board of Trade Investment Company	49.0%	\$ 265	\$ 182	\$ -	\$ 70	\$ -	\$ -	\$ 13	
Kessinger/Hunter, LLC	26.5%	641	592	-	38	-	-	11	
4600 Madison Associates, LP	12.5%	130	76	20	39	-	-	(5)	
Highwoods DLF 98/29, LLC	22.8%	524	294	101	148	3,487	-	(3,506)	
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	605	323	94	264	-	-	(76)	
Concourse Center Associates, LLC	50.0%	103	62	30	47	-	-	(36)	
Plaza Colonnade, LLC	50.0%	1,496	516	429	313	-	-	238	
Highwoods KC Glenridge Office, LLC	40.0%	316	170	77	107	-	-	(38)	
Highwoods KC Glenridge Land, LLC	39.9%	-	2	-	-	-	-	(2)	
HIW-KC Orlando, LLC	40.0%	485	200	129	260	-	-	(104)	
Highwoods DLF Forum, LLC	25.0%	923	313	219	335	-	-	56	
Lofts at Weston, LLC 1/	50.0%	158	72	-	102	-	-	(16)	
Total 2/ 3/		\$ 5,646	\$ 2,802	\$ 1,099	\$ 1,723	\$ 3,487	\$ -	\$ (3,465)	

1/ The project related to this joint venture is currently under development.

2/ Our 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/ Our share of net income/(loss) from these tables will not equal equity in earnings/(losses) of unconsolidated affiliates on the Consolidated Statements of Income 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, 2013

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Venture's Books</u>						<u>Gain on Sale</u>	<u>Net Income (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Impairment</u>	<u>Revenue</u>		
Board of Trade Investment Company	49.0%	\$ 1,639	\$ 949	\$ -	\$ 429	\$ -	\$ -	\$ 261	
Kessinger/Hunter, LLC	26.5%	7,916	7,134	-	435	-	-	347	
4600 Madison Associates, LP	12.5%	3,119	1,860	483	934	-	-	(158)	
Highwoods DLF 98/29, LLC	22.8%	7,342	3,636	1,317	2,091	20,077	43	(19,736)	
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	6,845	3,053	1,122	2,530	-	8,280	8,420	
Concourse Center Associates, LLC	50.0%	615	380	186	286	-	-	(237)	
Plaza Colonnade, LLC	50.0%	8,824	3,025	2,588	2,157	-	-	1,054	
Highwoods KC Glenridge Office, LLC	40.0%	2,268	1,218	578	701	-	-	(229)	
Highwoods KC Glenridge Land, LLC	39.9%	-	9	-	-	-	-	(9)	
HIW-KC Orlando, LLC	40.0%	14,542	6,598	3,666	4,181	-	-	97	
Highwoods DLF Forum, LLC	25.0%	10,850	3,550	2,629	3,581	-	-	1,090	
Lofts at Weston, LLC 1/	50.0%	408	269	-	204	-	-	(65)	
Total		\$ 64,368	\$ 31,681	\$ 12,569	\$ 17,529	\$ 20,077	\$ 8,323	\$ (9,165)	

<u>Joint Venture</u>	<u>Own %</u>	<u>Highwoods' Share of Joint Venture</u>						<u>Gain on Sale</u>	<u>Net Income (Loss)</u>
		<u>Revenue</u>	<u>Operating Exp</u>	<u>Interest</u>	<u>Depr/Amort</u>	<u>Impairment</u>	<u>Revenue</u>		
Board of Trade Investment Company	49.0%	\$ 803	\$ 465	\$ -	\$ 210	\$ -	\$ -	\$ 128	
Kessinger/Hunter, LLC	26.5%	2,098	1,891	-	115	-	-	92	
4600 Madison Associates, LP	12.5%	390	233	60	117	-	-	(20)	
Highwoods DLF 98/29, LLC	22.8%	1,675	829	300	477	4,507	10	(4,428)	
Highwoods DLF 97/26 DLF 99/32, LP	42.9%	2,939	1,311	482	1,086	-	421	481	
Concourse Center Associates, LLC	50.0%	308	190	93	143	-	-	(118)	
Plaza Colonnade, LLC	50.0%	4,412	1,513	1,294	1,079	-	-	526	
Highwoods KC Glenridge Office, LLC	40.0%	907	487	231	280	-	-	(91)	
Highwoods KC Glenridge Land, LLC	39.9%	-	4	-	-	-	-	(4)	
HIW-KC Orlando, LLC	40.0%	5,817	2,639	1,466	1,672	-	-	40	
Highwoods DLF Forum, LLC	25.0%	2,712	887	657	895	-	-	273	
Lofts at Weston, LLC 1/	50.0%	204	135	-	102	-	-	(33)	
Total 2/ 3/		\$ 22,265	\$ 10,584	\$ 4,583	\$ 6,176	\$ 4,507	\$ 431	\$ (3,154)	

1/ The project related to this joint venture is currently under development.

2/ Our 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/ Our share of net income/(loss) from these tables will not equal equity in earnings/(losses) of unconsolidated affiliates on the Consolidated Statements of Income due to various purchase accounting and related adjustments, which are not reflected in the joint ventures' stand-alone financial statements.

Unconsolidated Joint Ventures Mortgage Debt Detail 1/

Dollars in thousands

<u>Joint Venture</u>	<u>Own %</u>	<u>Lender</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Loan Balance 9/30/13</u>
Plaza Colonnade, LLC	50.0%	Met Life	5.72%	Jan-17	\$ 43,955
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	1,920
			5.77%		58,220
Highwoods DLF Forum, LLC	25.0%	Jackson National Life Insurance Company	5.13%	Nov-13	67,181
Highwoods DLF 98/29, LLC	22.8%	Goldman Sachs	6.11%	Jul-17	27,650
Highwoods KC Glenridge Office, LLC	40.0%	Wells Fargo	4.84%	May-14	15,083
4600 Madison Associates, LP	12.5%	State Farm	6.85%	Apr-18	8,600
4600 Madison Associates, LP	12.5%	Partner Loan	6.85%	Apr-18	450
Concourse Center Associates, LLC	50.0%	Wells Fargo	2.70%	Jul-14	8,175
Lofts at Weston, LLC	50.0%	US Bank	2.60%	Dec-14	14,678
			5.00%		141,817
			<u>5.22%</u>		<u>\$ 200,037</u>
Highwoods' share of the above					<u>\$ 70,801</u>

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

Joint Ventures Portfolio Summary 1/

As of September 30, 2013

Summary by Location:

<u>Market</u>	<u>Rentable Square Feet</u>	<u>Occupancy</u>	<u>Percentage of Annualized Cash Revenue 2/ 3/</u>
Kansas City	720,000	83.7%	31.9%
Raleigh	636,000	96.7%	18.7%
Richmond	411,000	96.3%	17.8%
Orlando	517,000	83.5%	15.8%
Atlanta	335,000	64.9%	8.4%
Tampa	205,000	81.7%	4.7%
Piedmont Triad	118,000	51.8%	2.7%
Total 4/	<u>2,942,000</u>	<u>84.7%</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is September, 2013 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, 2013

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					
2013	70,611	2.8%	\$ 1,576	\$ 22.32	2.8%
2014	377,585	15.2%	8,582	22.73	15.2%
2015	542,203	21.7%	10,149	18.72	17.9%
2016	183,686	7.4%	3,835	20.88	6.8%
2017	641,964	25.7%	15,717	24.48	27.8%
2018	264,379	10.6%	5,891	22.28	10.4%
2019	150,932	6.1%	3,129	20.73	5.5%
2020	64,800	2.6%	1,117	17.24	2.0%
2021	14,393	0.6%	302	20.98	0.5%
2022	12,006	0.5%	387	32.23	0.7%
2023 and thereafter	168,831	6.8%	5,914	35.03	10.4%
	<u>2,491,390</u>	<u>100.0%</u>	<u>\$ 56,599</u>	<u>\$ 22.72</u>	<u>100.0%</u>

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

2/ Annualized Cash Revenue is September, 2013 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	HIW Own %	Market	Type	Date Acquired	Square Footage	Total Cost
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First quarter 2013:

None

Second quarter 2013:

None

Third quarter 2013:

None

Dispositions

Name	HIW Own %	Market	Type	Date Sold	Square Footage	Occupancy	Gross Sales Price 1/
<u>First quarter 2013:</u>							
190 Oak Plaza	43%	Winston-Salem	O	03/20/13	90,000	100.0%	\$ 4,330
<u>Second quarter 2013:</u>							
University Research Center	23%	Charlotte	O	04/17/13	148,000	100.0%	1,380
<u>Third quarter 2013:</u>							
Orlando CBD 2/	40%	Orlando	O	07/23/13	1,277,000	82.4%	113,300
10 Glenlake North & South 2/	43%	Atlanta	O	08/19/13	505,000	79.0%	45,400
					1,782,000	81.4%	158,700
2013 Totals:					2,020,000	83.6%	\$ 164,410

1/ Sale price only includes our pro rata share.

2/ Acquired by Highwoods - now wholly-owned assets. See Page 26.

Joint Venture Development Activity

Dollars in thousands

<u>In Progress</u>								
<u>Property</u>	<u>% Ownership</u>	<u>Market</u>	<u>Rentable Square Feet</u>	<u>Anticipated Total Investment</u>	<u>Investment As Of 09/30/13</u>	<u>Pre- Leasing</u>	<u>Estimated Completion Date</u>	<u>Estimated Stabilization Date</u>
Weston Lofts 1/	50%	Raleigh	215 units	\$ 26,382	\$ 25,663	75.4%	4Q 13	1Q 14
In Progress Total				<u>\$ 26,382</u>	<u>\$ 25,663</u>			
Highwoods' Share of above				<u>\$ 13,191</u>	<u>\$ 12,832</u>			

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