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Highwoods Properties Sells \$62.1 Million of Non-Core Retail Assets

RALEIGH, NC – May 28, 2009 – Highwoods Properties, Inc. (NYSE: HIW) today announced that it has sold \$62.1 million of non-core assets in Kansas City. The sale included three community retail centers encompassing 416,000 square feet that were, on average, 94.5% leased and 55 years old. Combined, these properties currently generate yearly cash net operating income of approximately \$5.4 million.

The Company will use these disposition proceeds to pay down its unsecured revolving line of credit.

Ed Fritsch, president and chief executive officer of Highwoods, stated *“Our focus remains on continuing to improve the overall quality of our portfolio through the disposition of older, non-core assets. In addition, by selling these older, capital intensive retail centers, we are avoiding over \$3 million in building improvements that would have been incurred over the next two years.”*

“Our 2.3 million square feet of office and retail properties in Kansas City are now exclusively located in and around the Country Club Plaza, a unique, upscale retail center that includes many high-end national retailers.”

About the Company

Highwoods Properties, Inc., a member of the S&P MidCap 400 Index, is a fully integrated, self-administered real estate investment trust (“REIT”) that provides leasing, management, development, construction and other customer-related services for its properties and for third parties. At March 31, 2009, the Company owned or had an interest in 382 in-service office, industrial and retail properties encompassing approximately 35.4 million square feet. Highwoods also owned 580 acres of development land. Highwoods is based in Raleigh, North Carolina, and its properties and development land are located in Florida, Georgia, Iowa, Kansas, Missouri, Mississippi, North Carolina, South Carolina, Tennessee and Virginia. For more information about Highwoods Properties, please visit our Web site at www.highwoods.com.

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