

FOR IMMEDIATE RELEASE

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Highwoods Properties Acquires Crescent Center A 336,000 Square Foot Office Building in Memphis

***\$52.6 Million Investment
89.5% Occupancy
Highly Desired Poplar Corridor Submarket***

RALEIGH, NC – July 27, 2010 – Highwoods Properties, Inc. (NYSE: HIW), the largest owner and operator of suburban office properties in the Southeast and NAIOP's 2009 Developer of the Year, today announced that it has acquired Crescent Center, a 336,000 square foot, 9-story Class "A" office building located in the premier section of Poplar Avenue in Memphis. Highwoods investment is approximately \$52.6 million, which includes planned near-term building improvements and the assumption of secured debt to be recorded at fair value of approximately \$40.3 million, with an implied interest rate of 6.4%. This debt matures in November 2015. Crescent Center is 89.5% occupied and is expected to generate first year cash net operating income of approximately \$4.8 million, excluding \$350,000 of expensed acquisition-related costs.

Ed Fritsch, President and CEO, stated, *"We are pleased to acquire one of the best office properties in Memphis. Crescent Center is in a core infill location, is immediately accretive to FFO and further solidifies our position in the highly desirable Poplar Corridor submarket where the majority of our Memphis assets are concentrated."*

Including this acquisition, the Company now owns 10 office buildings in the Poplar Corridor submarket encompassing 1.3 million square feet. The Company's total ownership in Memphis includes 20 office buildings encompassing 2.1 million square feet that are 88.8% occupied. Office occupancy in the Memphis market at the end of the second quarter was 84.1%.

About Highwoods Properties

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 June 30, 2010, the Company owned or had an interest in 330 in-service office, industrial and retail properties encompassing approximately 32.0 million square feet. Highwoods also owned 581 acres of development land. Highwoods is based in Raleigh, North Carolina, and its properties and development land are located in Florida, Georgia, 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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Certain matters discussed in this press release, such as the expected net operating income of acquired properties, are forward-looking statements within the meaning of the federal securities laws. These statements are distinguished by use of the words "will", "expect", "intend" and words of similar meaning. 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, among others, the following: the financial condition of our customers could deteriorate; development activity by our competitors in our existing markets could result in excessive supply of properties relative to customer demand; development, acquisition, reinvestment, disposition or joint venture projects may not be completed as quickly or on as favorable terms as anticipated; we may not be able to lease or re-lease second generation space quickly or on as favorable terms as old leases; our Southeastern and Midwestern markets may suffer declines in economic growth; we may not be able to lease our newly constructed buildings as quickly or on as favorable terms as originally anticipated; unanticipated increases in interest rates could increase our debt service costs; we may not be able to meet our liquidity requirements or obtain capital on favorable terms to fund our working capital needs and growth initiatives or to repay or refinance outstanding debt upon maturity; the Company could lose key executive officers; and others detailed in the Company's 2009 Annual Report on Form 10-K and subsequent SEC reports.

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