



FOR IMMEDIATE RELEASE

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Highwoods Properties Announces Termination of Proposed Development Project in Kansas City

Raleigh, NC – April 4, 2011 - Highwoods Properties, Inc. (NYSE: HIW) today announced that its proposed \$58 million, government incentive-free, build-to-suit for the law firm of Polsinelli Shughart PC in Kansas City has been terminated by the law firm. Given that the regulatory approvals necessary for the project have not yet been obtained, Polsinelli Shughart has informed the Company that it has elected to pursue recently arisen proposals at other locations in Missouri and Kansas.

Ed Fritsch, President and CEO, stated, *"We are disappointed that Polsinelli Shughart has decided to pursue alternative options for their offices. Our site is their preferred location. However, the existing parking infrastructure on our site handicaps us from being able to pursue the compelling government incentives that we understand are now being offered at other locations."*

About Highwoods Properties

Highwoods Properties, headquartered in Raleigh, North Carolina, is a publicly traded (NYSE:HIW) real estate investment trust ("REIT") and a member of the S&P MidCap 400 Index. The Company is one of the largest owners and operators of office properties in the Southeast and provides leasing, management, development, construction and other customer-related services for its properties and for third parties. At December 31, 2010, Highwoods owned or had an interest in 330 in-service office, industrial and retail properties encompassing approximately 32.4 million square feet and owned 611 acres of development land. The Company's properties and development land are located in Florida, Georgia, Mississippi, Missouri, 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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