



FOR IMMEDIATE RELEASE

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Contact: Tabitha Zane
Vice President, Investor Relations
919-431-1529

Highwoods Properties Closes \$225 Million Seven-Year, Unsecured Term Loan and Related Swaps

All-In Interest Rate of 3.578%

Raleigh, NC – January 12, 2012 – Highwoods Properties, Inc. (NYSE: HIW) today announced that it has closed on a new seven-year \$225 million unsecured term loan. On December 14th, the Company had announced fully executed loan commitments totaling \$200 million, which it expected to close in January. The term loan matures in the first quarter of 2019 and is prepayable without penalty beginning in the first quarter of 2016. Based on the Company's current credit ratings, the new loan has an initial interest rate of LIBOR plus 1.90%. The Company had previously executed forward-starting swaps aggregating \$225 million that fix the underlying LIBOR rate for the seven-year life of the loan at 1.678%. The net proceeds of the term loan were used to reduce the outstanding balance on the Company's \$475 million unsecured revolving credit facility.

Wells Fargo Securities, LLC and PNC Capital Markets LLC served as Lead Arrangers for the term loan.

Ed Fritsch, President and Chief Executive Officer of Highwoods Properties, said, *"We are pleased to have closed this attractively priced \$225 million term loan. This loan further improves and extends our debt maturity schedule and strengthens even more our ability to capitalize on acquisition and build-to-suit development opportunities that enhance long-term value for our shareholders."*

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 a fully integrated, self-administered REIT that provides leasing, management, development, construction and other customer-related services for its properties and for third parties. At September 30, 2011, Highwoods owned or had an interest in 337 in-service office, industrial and retail properties encompassing approximately 34.5 million square feet and owned 601 acres of development land. The Company's properties and development land are located in Florida, Georgia, Mississippi, Missouri, North Carolina, Pennsylvania, South Carolina, Tennessee and Virginia. For more information about Highwoods Properties, please visit our web site at www.highwoods.com.

Certain matters discussed in this press release, such as the terms and impact of our financing activity, 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 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; unanticipated increases in operating expenses could negatively impact our NOI; 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 2010 Annual Report on Form 10-K and subsequent SEC reports.

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