

FOR IMMEDIATE RELEASE

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Highwoods Properties Sells Five Non-Core Office Buildings in Nashville

\$41 Million in Proceeds

Raleigh, NC – July 16, 2012 – Highwoods Properties, Inc. (NYSE: HIW) today announced that it has sold five non-core office properties encompassing approximately 484,000 square feet in the airport submarket of Nashville for \$41.0 million, recording a non-FFO gain of \$6.8 million. The properties are, on average, 86.1% leased and 22 years old and were projected to generate approximately \$3.5 million of annual net operating income in 2012. The Company used the net proceeds to pay down its unsecured revolving credit facility.

Ed Fritsch, president and chief executive officer of Highwoods, stated, *"The disposition of these older, Class B properties further improves the quality of our overall portfolio. The sale also marks our exit from Nashville's airport submarket which has consistently been one of the market's weakest."*

With the completion of this sale, Highwoods owns 20 office properties, encompassing 2.6 million square feet in Nashville. These properties are, on average, 96.1% leased. Additionally, the Company is developing a 100% leased, 203,000 square foot Class A office property in Nashville for LifePoint Hospitals, Inc. that is scheduled to deliver in the fourth quarter of 2013.

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 June 30, 2012, Highwoods owned or had an interest in 338 in-service office, industrial and retail properties encompassing approximately 34.6 million square feet and owned 581 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 website at www.highwoods.com.

Certain matters discussed in this press release, such as projected net operating income of sold 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 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 2011 Annual Report on Form 10-K and subsequent SEC reports.