



**FOR IMMEDIATE RELEASE**

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## **Highwoods Properties Acquires Two Class A Office Buildings in Greensboro**

***\$32.8 Million Investment***  
***95.5% Leased***

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**Raleigh, NC – January 9, 2013 - Highwoods Properties, Inc. (NYSE:HIW)** today announced that it has acquired two Class A office properties encompassing 195,000 square feet in the Green Valley submarket of Greensboro for \$32.8 million, which includes \$2 million of planned near-term building improvements. The properties, which are 95.5% leased, are expected to generate full year 2013 cash and GAAP net operating income of \$3.1 million. Approximately \$0.2 million of expensed acquisition costs will be recorded in the first quarter.

Ed Fritsch, president and chief executive officer of Highwoods, stated, *"These buildings are two of Greensboro's top office properties. They have been on our wish list for some time and are immediately accretive to FFO."*

The Company noted that no debt was assumed in connection with the transaction. Following closing, the Company's leverage ratio is approximately 44%, well within its stated comfort zone.

### **Update on ATM Program**

Subsequent to its third quarter earnings release on October 30, 2012, the Company has issued 1,953,770 shares of common stock, raising net proceeds of \$62.8 million, under its ATM program. The Company currently has 84.3 million shares outstanding.

### **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, 2012, Highwoods owned or had an interest in 333 in-service office, industrial and retail properties encompassing approximately 34.1 million square feet and owned 581 acres of development land. The Company's properties and development land are located in Florida, Georgia, Missouri, North Carolina, Pennsylvania, South Carolina, Tennessee and Virginia. For more information about Highwoods Properties, please visit our website at [www.highwoods.com](http://www.highwoods.com).

Certain matters discussed in this press release and referenced presentation, such as anticipated total investment amounts and 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 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.

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