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HIGHWOODS ACQUIRES JOINT VENTURE PARTNER'S 57% INTEREST IN TWO ATLANTA OFFICE BUILDINGS

$80.6 Million Total Asset Value
$46.0 Million Total Incremental Investment
505,000 Square Feet, 82% Leased

SELLS WHOLLY-OWNED NON-CORE OFFICE PROPERTY IN TAMPA FOR $11.6 MILLION

Raleigh, NC – August 19, 2013 – Highwoods Properties, Inc. (NYSE:HIW) has acquired its joint venture partner's 57% interest in Glenlake North and South Towers, two Class A, 10-story office buildings with structured parking, for a purchase price of $45.4 million. Located in Atlanta's Central Perimeter submarket with excellent access to GA 400, the properties, encompassing 505,000 square feet, are valued at $80.6 million, including $1.0 million of planned near-term building improvements. This equates to a total asset value of $159 per square foot, a 30+% discount to estimated replacement cost. The Company's total incremental investment is expected to be $46.0 million.

The following table sets forth details regarding the transaction ($ in millions):

Real Estate Value	**100%**	**57%**
Purchase Price	$ 79.6	$ 45.4
Near-Term Building Improvements	1.0	0.6
Total Investment	$ 80.6	$ 46.0
Equity Value		
Purchase Price	$ 79.6	$ 45.4
Less Debt	-37.6	-21.4
Equity	$ 42.0	$ 24.0

The properties are 82% leased and are expected to generate full-year cash and GAAP net operating income of $5.1 million and $6.0 million, respectively. Approximately $0.2 million of acquisition costs will be expensed in the third quarter.

Ed Fritsch, president and chief executive officer of Highwoods, stated, "*These are solid assets in the Central Perimeter submarket, one of Atlanta's best business districts, which has absorbed over two million square feet over the past 18 months.*

"As with our July 2013 purchase of the CBD Orlando assets, owning 100% of these Atlanta properties will materially enhance our leasing process, fortify our position in the submarket, provide value enhancement through occupancy growth and further solidify our position as one of the larger owners of Class A office properties in the market's best business districts."

The Company noted that it previously accounted for its 43% interest in these assets using the equity method of accounting. Prospectively, the Company will record the related assets and liabilities in its consolidated financial statements, including assumed secured debt expected to be recorded at fair value of $37.6 million, with an effective interest rate of 3.34%. This debt matures in April 2015.

The Company funded the equity portion ($24.0 million) of its purchase price with proceeds from its recent equity issuances, non-core dispositions and borrowings under its revolving credit facility.

Sale of Tampa Asset
The Company also reported the sale of Anchor Plaza, a 2-story, 98,000 square foot non-core office building in Tampa for $11.6 million, recording a non-FFO gain of $1.2 million. The property is currently 56% occupied and was expected to generate approximately $0.5 million of cash net operating income in 2013.

"We continue to actively cull our portfolio through the sale of non-differentiating properties that do not fit the strategic direction of our portfolio, including our Atlanta industrial properties. Year-to-date, we've sold $80 million of non-core assets, acquired $396 million of high-quality properties and have another $129 million in our in-process development pipeline that is 93% pre-leased," noted Mr. Fritsch.

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, 2013, Highwoods owned or had an interest in 321 in-service office, industrial and retail properties encompassing approximately 34.3 million square feet and owned 634 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.

Certain matters discussed in this press release, such as anticipated total investment, projected leasing activity, estimated replacement cost 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 2012 Annual Report on Form 10-K and subsequent SEC reports.

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