

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name HIGHWOODS PROPERTIES, INC.		2 Issuer's employer identification number (EIN) 56-1871668	
3 Name of contact for additional information PAUL MATTHEWS	4 Telephone No. of contact 919-431-1521	5 Email address of contact PAUL.MATTHEWS@HIGHWOODS.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 3100 SMOKETREE COURT, SUITE 600		7 City, town, or post office, state, and ZIP code of contact RALEIGH, NC 27604	
8 Date of action QUARTERLY DISTRIBUTIONS		9 Classification and description COMMON STOCK	
10 CUSIP number 431284 10 8	11 Serial number(s)	12 Ticker symbol NYSE-HIW	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **THE COMPANY PAID COMMON DISTRIBUTIONS AS FOLLOWS:**

DECLARATION DATE	RECORD DATE	PAYMENT DATE	TYPE OF DISTRIBUTION
02/05/2019	02/19/2019	03/05/2019	QUARTERLY
04/18/2019	05/13/2019	06/04/2019	QUARTERLY
07/31/2019	08/12/2019	09/04/2019	QUARTERLY
10/17/2019	11/11/2019	12/03/2019	QUARTERLY

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **THE TOTAL COMMON DISTRIBUTION PAID BY THE COMPANY FOR 2019 IS \$1.90 PER SHARE OF WHICH 6.7098% IS NONTAXABLE CASH DISTRIBUTION (RETURN OF CAPITAL). THE AMOUNTS OF THE QUARTERLY DISTRIBUTION PER SHARE AS FOLLOWS:**

PAYMENT DATE	QUARTERLY DISTRIBUTION	NONTAXABLE DISTRIBUTION
03/05/2019	\$0.47500	\$0.031872
06/04/2019	\$0.47500	\$0.031872
09/04/2019	\$0.47500	\$0.031872
12/03/2019	\$0.47500	\$0.031872
TOTAL PER SHARE	\$1.90000	\$0.127488

THEREFORE, THE TAX BASIS OF EACH SHARE OF COMMON STOCK HELD THROUGHOUT 2019 WAS REDUCED BY \$0.127488.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **THE COMPANY DETERMINES ITS ANNUAL EARNINGS AND PROFITS UNDER IRC SECTION 312 (AS MODIFIED BY IRC SECTION 857(D) FOR A REAL ESTATE INVESTMENT TRUST) AND THE REGULATIONS UNDER, WHICH SUPPORTS THE CALCULATION OF NONTAXABLE DISTRIBUTION OF COMMON STOCK PAID FOR 2019.**

Highwoods Properties, Inc. (EIN: 56-1871668)
Tax Treatment of 2019 Distributions

Security Description	CUSIP	Ticker Symbol	Record Date	Payment Date	Distribution per share	Form 1099-DIV					
						Box 1a	Box 1b	Box 2a	Box 2b	Box 3	Box 5
						Total Ordinary Dividends	Total Qualified Dividends	Total Capital Gain Distributions	Unrecap. Sec. 1250 Gain	Total Nondividend Distributions	Section 199 Dividends
Common Stock	431284 10 8	NYSE - HIW	02/19/19	03/05/19	0.475000	0.410486	0.002219	0.032642	0.029125	0.031872	0.408267
Common Stock	431284 10 8	NYSE - HIW	05/13/19	06/04/19	0.475000	0.410486	0.002219	0.032642	0.029125	0.031872	0.408267
Common Stock	431284 10 8	NYSE - HIW	08/12/19	09/04/19	0.475000	0.410486	0.002219	0.032642	0.029125	0.031872	0.408267
Common Stock	431284 10 8	NYSE - HIW	11/11/19	12/03/19	0.475000	0.410486	0.002219	0.032642	0.029125	0.031872	0.408267
Total per share					\$ 1.900000	\$ 1.641944	\$ 0.008876	\$ 0.130568	\$ 0.116500	\$ 0.127488	\$ 1.633068
Preferred Series A	431284 20 7	Pink - HIW.P	02/15/19	02/28/19	21.562500	19.974142	0.107985	1.588358	1.417217		19.866157
Preferred Series A	431284 20 7	Pink - HIW.P	05/15/19	05/31/19	21.562500	19.974142	0.107985	1.588358	1.417217		19.866157
Preferred Series A	431284 20 7	Pink - HIW.P	08/15/19	09/03/19	21.562500	19.974142	0.107985	1.588358	1.417217		19.866157
Preferred Series A	431284 20 7	Pink - HIW.P	11/15/19	12/02/19	21.562500	19.974142	0.107985	1.588358	1.417217		19.866157
Total per share					\$ 86.250000	\$ 79.896568	\$ 0.431940	\$ 6.353432	\$ 5.668868		\$ 79.464628