

FOR IMMEDIATE RELEASE

Ref: 25-14

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Highwoods Reports Second Quarter 2025 Results

\$0.17 Net Income per Share

\$0.89 FFO per Share

*Signed 923,000 SF of 2nd Gen Leases, Including 371,000 SF of New Leases
Delivered GAAP Rent Growth of 17.6% and Cash Rent Growth of 3.6%
Achieved Net Effective Rents 7.8% Higher than Prior 5-Quarter Average*

Current Development Pipeline \$474M, 64% Leased

\$106M Remaining to Fund

Updates 2025 FFO Outlook to \$3.37 to \$3.45 per Share

Previously \$3.31 to \$3.47 per Share

RALEIGH, NC – July 29, 2025 – Highwoods Properties, Inc. (NYSE:HIW) today reported its second quarter 2025 financial and operating results.

Ted Klinck, President and Chief Executive Officer, stated, *“We had another strong quarter. Leasing activity remained robust, as we made meaningful progress filling key vacancies and capturing several sizable renewals, which drove our leased rate up 80 basis points sequentially. Our strong leasing pipeline supports our confidence in the long-term occupancy trajectory for our portfolio.*

We’re actively pursuing new investments aimed at enhancing portfolio quality, accelerating long-term growth and strengthening cash flows. We’ve had success selling non-core assets where we believe value has been maximized and recycling capital into investments with better long-term returns, and we believe we can continue to execute on this proven strategy going forward. We are encouraged by the current investment landscape.

Our financial results for the quarter were solid and our cash flows remain resilient. Given our strong second quarter performance and confidence in our prospects for the remainder of the year, we are once again raising our FFO outlook. The updated midpoint is \$3.41 per share, \$0.02 higher than our outlook from April and \$0.06 above our initial outlook provided in February.”



Second Quarter 2025 Highlights*Operations:*

- Reported net income of \$0.17 per share
- Earned FFO of \$0.89 per share
- Reported same property cash NOI growth of -2.4%
- Increased average in-place cash rents 1.4% per square foot year-over-year
- Ended the quarter with in-service occupancy of 85.6% and in-service leased rate of 88.9%

Second Generation Leasing Activity:

- Leased 923,000 square feet, including 371,000 square feet of new leases and 17,000 square feet of net expansions
- Achieved dollar-weighted average lease term of 6.4 years
- Delivered GAAP rent growth of 17.6% and cash rent growth of 3.6%
- Achieved net effective rents 7.8% higher than previous 5-quarter average

Development Activity:

- Current development pipeline is \$474 million (at HIW share) and 64% pre-leased with only \$106 million (at HIW share) remaining to fund
- Signed 19,000 square feet of first generation leases

Financing Activity:

- Ended the quarter with a debt-to-Adjusted EBITDA ratio of 6.3x
- Maintained no debt maturities until second quarter 2026
- Total available liquidity of over \$700 million, including cash on hand, availability on the revolving credit facility and pro rata share of undrawn joint venture construction loans

July Leasing Activity

Since June 30, 2025, the Company has signed over 300,000 square feet of second generation leases, including over 100,000 square feet of new leases.

Second Quarter 2025 Financial Results

Net income available for common stockholders ("net income") was \$18.3 million, or \$0.17 per diluted share, for the second quarter of 2025 and \$62.9 million, or \$0.59 per diluted share, for the second quarter of 2024. Funds from operations available for common stockholders ("FFO") was \$97.7 million, or \$0.89 per diluted share, for the second quarter of 2025 and \$105.9 million, or \$0.98 per diluted share, for the second quarter of 2024.

Net income was \$115.7 million, or \$1.07 per diluted share, for the six months ended June 30, 2025. Net income was \$88.9 million, or \$0.84 per diluted share, for the six months ended June 30, 2024. FFO was \$189.4 million, or \$1.72 per diluted share, for the six months ended June 30, 2025. FFO was \$201.9 million, or \$1.87 per diluted share, for the six months ended June 30, 2024.



Except as noted below, the following items were included in the determination of net income and FFO for the three and six months ended June 30, 2025 and 2024:

	Three Months Ended 6/30/2025		Three Months Ended 6/30/2024	
	(000)	Per Share	(000)	Per Share
Lease Termination Income, Net (1)	\$ 1,005	\$ 0.009	\$ 344	\$ 0.003
Straight-Line Rental Income (1)	3,101	0.028	3,124	0.029
Capitalized Interest	1,530	0.014	2,474	0.023
Gains on Disposition of Depreciable Properties (2)	-	-	35,022	0.324

	Six Months Ended 6/30/2025		Six Months Ended 6/30/2024	
	(000)	Per Share	(000)	Per Share
Lease Termination Income, Net (1)	\$ 2,793	\$ 0.025	\$ 874	\$ 0.008
Straight-Line Rental Income (1)	7,391	0.067	6,460	0.060
Capitalized Interest	3,124	0.028	4,808	0.044
Loss on Debt Extinguishment	-	-	(173)	(0.002)
Land Sale Gains/(Losses)	(122)	(0.001)	-	-
Gains on Disposition of Depreciable Properties (2)	82,337	0.075	42,231	0.391

(1) Credit losses on straight-line rent receivables related to lease terminations are reflected as a reduction of lease termination income.

(2) Not included in the determination of FFO

2025 Outlook

The Company updated its full year 2025 FFO outlook to \$3.37 to 3.45 per share, which compares to the prior range of \$3.31 to \$3.47 per share provided on April 29, 2025. This outlook reflects management's view of current and future market conditions, including assumptions such as rental rates, occupancy levels, operating and general and administrative expenses, weighted average diluted shares outstanding and interest rates. The Company's 2025 FFO outlook does not include any effects related to potential dispositions and acquisitions that occur after the date of this release. Factors that could cause actual results to differ materially from Highwoods current expectations are discussed below and are also detailed in the Company's 2024 Annual Report on Form 10-K and subsequent SEC reports.

The outlook includes the following assumptions:

	Low	High
Effects Assumed in FFO Outlook:		
Growth in Same Property Cash NOI (1)	-4.0%	-2.0%
Straight-Line Rental Income	\$14M	\$18M
G&A Expenses (2)	\$40M	\$42M
Average Occupancy	85.0%	86.5%
Completed Dispositions	\$145M	\$145M
Completed Acquisitions	\$138M	\$138M
Effects Not Assumed in FFO Outlook:		
Potential Additional Dispositions	Up to \$150M	
Potential Additional Acquisitions	Up to \$150M	
Potential Development Announcements	None likely	

(1) Excludes termination fees.

(2) The increase compared to the prior outlook provided on April 29, 2025 is primarily attributable to the write-off of pre-development costs in the second quarter of 2025.



Supplemental Information

The Company's second quarter 2025 Supplemental Information, which includes financial, leasing and operational statistics, is available in the "Investors/Financials" section of the Company's website at www.highwoods.com.

Conference Call

Tomorrow, Wednesday, July 30th, at 11:00 a.m. Eastern time, Highwoods will host a teleconference call to discuss the matters highlighted in this release.

Webcast link: [Highwoods Properties Q2 Earnings Call](#)

Dial-in: (833) 470-1428

Dial-in access code: 172004

A live, listen-only webcast and a subsequent replay can be accessed through the Company's website at www.highwoods.com under the "Investors" section.

Planned Date for Financial Release and Conference Call in 2025

The Company has set the following dates for the release of its 2025 financial results. Quarterly financial releases will be distributed after the market closes and conference calls will be held at 11:00 a.m. Eastern time.

Quarter	Tuesday Release	Wednesday Call
Third	October 28	October 29

Non-GAAP Information

FFO: We believe that FFO and FFO per share are beneficial to management and investors and are important indicators of the performance of any equity REIT. Because FFO and FFO per share calculations exclude such factors as depreciation, amortization and impairments of real estate assets and gains or losses from sales of operating real estate assets, which can vary among owners of identical assets in similar conditions based on historical cost accounting and useful life estimates, they facilitate comparisons of operating performance between periods and between other REITs. Management believes that historical cost accounting for real estate assets in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values have historically risen or fallen with market conditions, management believes that the use of FFO and FFO per share, together with the required GAAP presentations, provide a more complete understanding of our performance relative to our competitors and a more informed and appropriate basis on which to make decisions involving operating, financing and investing activities.

FFO and FFO per share are non-GAAP financial measures and therefore do not represent net income or net income per share as defined by GAAP. Net income and net income per share as defined by GAAP are the most relevant measures in determining our operating performance because FFO and FFO per share include adjustments that investors may deem subjective, such as adding back expenses such as depreciation, amortization and impairment. Furthermore, FFO per share does not depict the amount that accrues directly to the stockholders' benefit. Accordingly, FFO and FFO per share should never be considered as alternatives to net income or net income per share as indicators of our operating performance.



Our presentation of FFO is consistent with FFO as defined by NAREIT, which is calculated as follows:

- Net income/(loss) computed in accordance with GAAP;
- Less net income, or plus net loss, attributable to noncontrolling interests in consolidated affiliates;
- Plus depreciation and amortization of depreciable operating properties;
- Less gains, or plus losses, from sales of depreciable operating properties, plus impairments on depreciable operating properties and excluding items that are classified as extraordinary items under GAAP;
- Plus or minus our share of adjustments, including depreciation and amortization of depreciable operating properties, for unconsolidated joint venture investments (to reflect funds from operations on the same basis); and
- Plus or minus adjustments for depreciation and amortization and gains/(losses) on sales of depreciable operating properties, plus impairments on depreciable operating properties, and noncontrolling interests in consolidated affiliates related to discontinued operations.

In calculating FFO, the Company includes net income attributable to noncontrolling interests in its operating partnership, which we believe is consistent with standard industry practice for REITs that operate through an UPREIT structure. We believe that it is important to present FFO on an as-converted basis since all of the operating partnership units not owned by the Company are redeemable on a one-for-one basis for shares of the Company's common stock. In calculating FFO available for common stockholders and FFO per diluted share, the Company further deducts dividends on preferred stock. The Company's FFO calculations are reconciled to net income in a table included with this release.

Net operating income ("NOI"): We define NOI as "Rental and other revenues" less "Rental property and other expenses". We define cash NOI as NOI less lease termination fees, straight-line rental income, amortization of lease incentives and amortization of acquired above and below market leases. Management believes that NOI and cash NOI are useful supplemental measures of the Company's property operating performance because they provide performance measures of the revenues and expenses directly involved in owning real estate assets and a perspective not immediately apparent from net income or FFO. Other REITs may use different methodologies to calculate NOI and accordingly the Company's NOI may not be comparable to other REITs. The Company's NOI calculations are reconciled to net income in a table included with this release.

Same property NOI: We define same property NOI as NOI for in-service wholly-owned and joint venture properties that were owned during the entirety of the periods presented (from January 1, 2024 to June 30, 2025). The Company's same property NOI calculations are reconciled to NOI in a table included with this release.

Earnings before interest, taxes, depreciation and amortization for real estate ("EBITDAre"): Our presentation of EBITDAre is consistent with EBITDAre as defined by NAREIT, which is calculated as follows:

- Net income/(loss) computed in accordance with GAAP;
- Plus interest expense;
- Plus income tax expense;
- Plus depreciation and amortization;
- Less gains, or plus losses, from sales of depreciable operating properties, plus impairments on depreciable operating properties; and
- Plus or minus our share of the same adjustments for unconsolidated joint venture investments.



Management believes EBITDAre is an appropriate supplemental measure to use in ratios that evaluate the Company's liquidity and financial condition and ability to service its long-term debt obligations. Other REITs may use different methodologies to calculate EBITDAre and accordingly the Company's EBITDAre may not be comparable to other REITs. The Company's EBITDAre calculations are reconciled to net income in a table included with this release.

Adjusted earnings before interest, taxes, depreciation and amortization for real estate ("Adjusted EBITDAre") is calculated as follows:

- EBITDAre as defined by NAREIT;
- Less gains, or plus losses, on debt extinguishment;
- Less gains, or plus losses, from sales of non-depreciable properties, plus impairments on non-depreciable properties;
- Plus or minus proforma NOI adjustments assuming any acquisitions, dispositions and developments placed in service within the current period had occurred as of the first day of such period; and
- Plus or minus our share of the same adjustments for unconsolidated joint venture investments.

Management believes Adjusted EBITDAre is an appropriate supplemental measure to use in ratios that evaluate the Company's liquidity and financial condition and ability to service its long-term debt obligations. Other REITs may use different methodologies to calculate Adjusted EBITDAre and accordingly the Company's Adjusted EBITDAre may not be comparable to other REITs. The Company's Adjusted EBITDAre calculations are reconciled to net income in a table included with this release.

Property-level operational information: Except as otherwise noted, all property-level operational information presented herein includes in-service wholly owned properties and in-service properties owned by consolidated and unconsolidated joint ventures (at our share).

About Highwoods

Highwoods Properties, Inc., headquartered in Raleigh, is a publicly-traded (NYSE:HIW), fully-integrated office real estate investment trust ("REIT") that owns, develops, acquires, leases and manages properties primarily in the best business districts (BBDs) of Atlanta, Charlotte, Dallas, Nashville, Orlando, Raleigh, Richmond and Tampa. Our vision is to be a leader in the evolution of commercial real estate for the benefit of our customers, our communities and those who invest with us. Our mission is to create environments and experiences that inspire our teammates and our customers to achieve more together. We are in the work-placemaking business and believe that by creating exceptional environments and experiences, we can deliver greater value to our customers, their teammates and, in turn, our shareholders. For more information about Highwoods, please visit our website at www.highwoods.com.

Forward-Looking Statements

Some of the information in this press release may contain forward-looking statements. Such statements include, in particular, statements about our plans, strategies and prospects such as the following: the expected financial and operational results and the related assumptions underlying our expected results; the planned sales of non-core assets and expected pricing and impact with respect to such sales, including the tax impact of such sales; the anticipated total investment, projected leasing activity, estimated replacement cost and expected net operating income of acquired properties and properties to be developed; and expected future leverage of the Company. You can identify forward-looking statements by our use of forward-looking terminology such as "may," "will," "expect," "anticipate," "estimate," "continue" or other similar words. Although we believe that our plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, we cannot assure you that our plans, intentions or expectations will be achieved.



Factors that could cause our actual results to differ materially from Highwoods' current expectations include, among others, the following: the financial condition of our customers could deteriorate; our assumptions regarding potential losses related to customer financial difficulties could prove incorrect; counterparties under our debt instruments, particularly our revolving credit facility, may attempt to avoid their obligations thereunder, which, if successful, would reduce our available liquidity; we may not be able to lease or re-lease second generation space, defined as previously occupied space that becomes available for lease, quickly or on as favorable terms as old leases; we may not be able to lease newly constructed buildings as quickly or on as favorable terms as originally anticipated; we may not be able to complete development, acquisition, reinvestment, disposition or joint venture projects as quickly or on as favorable terms as anticipated; development activity in our existing markets could result in an excessive supply relative to customer demand; our markets may suffer declines in economic and/or office employment growth; unanticipated increases in interest rates could increase our debt service costs; unanticipated increases in operating expenses could negatively impact our operating results; natural disasters and climate change could have an adverse impact on our cash flow and operating results; 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 repay or refinance outstanding debt upon maturity; and the Company could lose key executive officers.

This list of risks and uncertainties, however, is not intended to be exhaustive. You should also review the other cautionary statements we make in "Risk Factors" set forth in our 2024 Annual Report on Form 10-K. Given these uncertainties, you should not place undue reliance on forward-looking statements. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements to reflect any future events or circumstances or to reflect the occurrence of unanticipated events.

Tables Follow



Highwoods Properties, Inc.
Consolidated Statements of Income
(Unaudited and in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Rental and other revenues	\$ 200,600	\$ 204,738	\$ 400,983	\$ 416,013
Operating expenses:				
Rental property and other expenses	63,655	64,559	128,689	134,994
Depreciation and amortization	74,679	73,745	146,084	147,416
General and administrative	10,319	9,357	22,776	21,856
Total operating expenses	148,653	147,661	297,549	304,266
Interest expense	37,665	35,904	74,307	72,456
Other income	4,629	7,455	6,254	8,687
Gains on disposition of property	-	35,022	82,215	42,231
Equity in earnings of unconsolidated affiliates	310	1,120	1,625	1,774
Net income	19,221	64,770	119,221	91,983
Net (income) attributable to noncontrolling interests in the Operating Partnership	(365)	(1,281)	(2,321)	(1,814)
Net loss attributable to noncontrolling interests in consolidated affiliates	-	2	26	7
Dividends on Preferred Stock	(586)	(621)	(1,207)	(1,242)
Net income available for common stockholders	<u>\$ 18,270</u>	<u>\$ 62,870</u>	<u>\$ 115,719</u>	<u>\$ 88,934</u>
Earnings per Common Share - basic:				
Net income available for common stockholders	<u>\$ 0.17</u>	<u>\$ 0.59</u>	<u>\$ 1.07</u>	<u>\$ 0.84</u>
Weighted average Common Shares outstanding - basic	<u>107,825</u>	<u>105,996</u>	<u>107,754</u>	<u>105,900</u>
Earnings per Common Share - diluted:				
Net income available for common stockholders	<u>\$ 0.17</u>	<u>\$ 0.59</u>	<u>\$ 1.07</u>	<u>\$ 0.84</u>
Weighted average Common Shares outstanding - diluted	<u>109,976</u>	<u>108,147</u>	<u>109,905</u>	<u>108,053</u>

Highwoods Properties, Inc.
Consolidated Balance Sheets
(Unaudited and in thousands, except share and per share data)

	June 30, 2025	December 31, 2024
Assets:		
Real estate assets, at cost:		
Land	\$ 572,103	\$ 570,286
Buildings and tenant improvements	5,919,475	5,826,603
Development in-process	2,366	-
Land held for development	233,325	221,048
	<u>6,727,269</u>	<u>6,617,937</u>
Less-accumulated depreciation	<u>(1,844,374)</u>	<u>(1,796,586)</u>
Net real estate assets	4,882,895	4,821,351
Real estate and other assets, net, held for sale	-	55,409
Cash and cash equivalents	21,193	22,412
Restricted cash	18,815	11,265
Accounts receivable	27,839	28,287
Mortgages and notes receivable	6,227	11,064
Accrued straight-line rents receivable	314,477	308,853
Investments in and advances to unconsolidated affiliates	496,196	485,726
Deferred leasing costs, net of accumulated amortization of \$165,665 and \$170,312, respectively	221,609	209,967
Prepaid expenses and other assets, net of accumulated depreciation of \$22,933 and \$20,626, respectively	69,460	75,021
Total Assets	<u><u>\$ 6,058,711</u></u>	<u><u>\$ 6,029,355</u></u>
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable, net	\$ 3,334,385	\$ 3,293,559
Accounts payable, accrued expenses and other liabilities	281,210	304,551
Total Liabilities	3,615,595	3,598,110
Commitments and contingencies		
Noncontrolling interests in the Operating Partnership	66,878	65,791
Equity:		
Preferred Stock, \$.01 par value, 50,000,000 authorized shares; 8.625% Series A Cumulative Redeemable Preferred Shares (liquidation preference \$1,000 per share), 26,716 and 28,811 shares issued and outstanding, respectively	26,716	28,811
Common Stock, \$.01 par value, 200,000,000 authorized shares; 107,886,915 and 107,623,777 shares issued and outstanding, respectively	1,079	1,076
Additional paid-in capital	3,149,335	3,144,130
Distributions in excess of net income available for common stockholders	(802,627)	(810,608)
Accumulated other comprehensive loss	<u>(2,370)</u>	<u>(2,246)</u>
Total Stockholders' Equity	2,372,133	2,361,163
Noncontrolling interests in consolidated affiliates	4,105	4,291
Total Equity	<u>2,376,238</u>	<u>2,365,454</u>
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	<u><u>\$ 6,058,711</u></u>	<u><u>\$ 6,029,355</u></u>

Highwoods Properties, Inc.
Funds from Operations
(Unaudited and in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Funds from operations:				
Net income	\$ 19,221	\$ 64,770	\$ 119,221	\$ 91,983
Net loss attributable to noncontrolling interests in consolidated affiliates	-	2	26	7
Depreciation and amortization of real estate assets	73,997	73,056	144,724	146,039
Gains on disposition of depreciable properties	-	(35,022)	(82,337)	(42,231)
Unconsolidated affiliates:				
Depreciation and amortization of real estate assets	5,053	3,761	8,944	7,342
Funds from operations	98,271	106,567	190,578	203,140
Dividends on Preferred Stock	(586)	(621)	(1,207)	(1,242)
Funds from operations available for common stockholders	\$ 97,685	\$ 105,946	\$ 189,371	\$ 201,898
Funds from operations available for common stockholders per share	\$ 0.89	\$ 0.98	\$ 1.72	\$ 1.87
Weighted average shares outstanding ⁽¹⁾	109,976	108,147	109,905	108,053

(1) Includes assumed conversion of all potentially dilutive Common Stock equivalents.

Highwoods Properties, Inc.
Net Operating Income Reconciliation
(Unaudited and in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 19,221	\$ 64,770	\$ 119,221	\$ 91,983
Equity in earnings of unconsolidated affiliates	(310)	(1,120)	(1,625)	(1,774)
Gains on disposition of property	-	(35,022)	(82,215)	(42,231)
Other income	(4,629)	(7,455)	(6,254)	(8,687)
Interest expense	37,665	35,904	74,307	72,456
General and administrative expenses	10,319	9,357	22,776	21,856
Depreciation and amortization	74,679	73,745	146,084	147,416
Net operating income	136,945	140,179	272,294	281,019
Our share of unconsolidated joint venture same property net operating income	4,570	4,680	9,425	9,177
Partner's share of consolidated joint venture same property net operating income	(287)	(284)	(546)	(565)
Non same property and other net operating income	(3,290)	(3,635)	(5,177)	(7,856)
Same property net operating income	<u>\$ 137,938</u>	<u>\$ 140,940</u>	<u>\$ 275,996</u>	<u>\$ 281,775</u>
Same property net operating income	\$ 137,938	\$ 140,940	\$ 275,996	\$ 281,775
Lease termination fees, straight-line rent and other non-cash adjustments	(4,273)	(3,950)	(10,363)	(8,344)
Same property cash net operating income	<u>\$ 133,665</u>	<u>\$ 136,990</u>	<u>\$ 265,633</u>	<u>\$ 273,431</u>

Highwoods Properties, Inc.
Net Debt-to-Adjusted EBITDAre
(Unaudited and in thousands, except ratios)

	Three Months Ended June 30,	
	2025	2024
Net debt-to-Adjusted EBITDAre:		
Net income	\$ 19,221	\$ 64,770
Interest expense (1)	36,445	34,683
Depreciation and amortization	74,679	73,745
(Gains) on disposition of depreciable properties	-	(35,022)
Adjustments to reflect our share of EBITDAre from consolidated and unconsolidated affiliates	5,175	4,362
EBITDAre	\$ 135,520	\$ 142,538
Proforma NOI adjustments for property changes within period	-	19
Adjusted EBITDAre (2)	\$ 135,520	\$ 142,557
 Adjusted EBITDAre (annualized) (2) (3)	 \$ 533,410	 \$ 555,738
 Mortgages and notes payable (4)	 \$ 3,377,159	 \$ 3,284,174
Less - cash and cash equivalents, preferred investments and other (5)	(32,669)	(36,747)
Net debt (6)	\$ 3,344,490	\$ 3,247,427
Preferred Stock	26,716	28,811
Net debt plus Preferred Stock	\$ 3,371,206	\$ 3,276,238
 Net debt-to-Adjusted EBITDAre (7)	 6.27x	 5.84x
Net debt plus Preferred Stock-to-Adjusted EBITDAre (8)	6.32x	5.90x

(1) Net of interest income

(2) Adjusted EBITDAre is calculated as EBITDAre adjusted for gains or losses on debt extinguishment and land sales, land impairments, proforma NOI adjustments for property changes within period and our share of the same adjustments for unconsolidated affiliates. "Proforma NOI adjustments for property changes within period" means proforma NOI adjustments assuming any acquisitions, dispositions and developments placed in service within the current period had occurred as of the first day of such period.

(3) Adjusted EBITDAre (annualized) is Adjusted EBITDAre multiplied by four. Certain period specific items are not annualized.

(4) This number as of 6/30/25 represents our consolidated mortgages and notes payable balance from the balance sheet, plus or minus the following adjustments: an increase of \$97.2 million for our share of debt owed by our unconsolidated joint ventures to third parties, a decrease of \$8.8 million for our joint venture partner's 20% share of the debt at our consolidated Midtown West joint venture, and a decrease of \$45.6 million for mortgages and notes receivable from loans to unconsolidated affiliates (after eliminations) and loans to third parties as seller financing.

(5) Includes our share of consolidated and unconsolidated affiliates.

(6) Net debt is calculated as mortgages and notes payable at quarter-end less cash and cash equivalents, preferred investments and 1031 restricted cash at quarter-end.

(7) Net debt at quarter-end divided by Adjusted EBITDAre (annualized).

(8) Net debt plus Preferred Stock at quarter-end divided by Adjusted EBITDAre (annualized).