FOR IMMEDIATE RELEASE **Ref: 26-14**
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Highwoods Reports Second Quarter 2026 Results

$0.85 Net Income per Share
$0.90 FFO per Share

Signed 1.1M SF of 2nd Gen Leases, Including 326,000 SF of New Leases
Delivered GAAP Rent Growth of 20.9% and Cash Rent Growth of 3.2%
Achieved Net Effective Rents 8% Higher than Prior 5-Quarter Average

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Placed In Service Midtown East in Tampa

HIW Owns 50% Interest in 143,000 SF Development
95% Leased and 40% Occupied

Current Development Pipeline $230M, 93% Leased

$28M Remaining to Fund

Announced $375M of Year-to-Date Non-Core Sales

Includes $74M of Third Quarter 2026 Pending Disposition Activity

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Increases 2026 FFO Outlook to $3.46 to $3.70 per Share

Previously $3.40 to $3.68 per Share

RALEIGH, NC – July 28, 2026 – Highwoods Properties, Inc. (NYSE:HIW) today reported its second quarter 2026 financial and operating results.

Ted Klinck, President and Chief Executive Officer, stated, *"We had another strong quarter with excellent operational performance and financial results. Leasing activity was robust with 1,070,000 square feet of second gen leases signed, including 326,000 square feet of new leases. Economics were healthy with strong cash and GAAP rent spreads and net effective rents 8% higher than our recent average. Occupancy increased and, given the meaningful backlog of signed but not yet commenced leases, we expect occupancy will continue to trend higher in the second half of the year. Plus, we signed 63,000 square feet of first gen leases in our development pipeline, bringing our 642,000 square foot, 23Springs project to 93% leased nearly two years prior to pro forma projected stabilization.*

We continue to make substantial progress on the disposition front. With the asset sales forecasted to close in the next couple of weeks, we will have garnered $375 million of disposition proceeds year-to-date, $135 million above our initial outlook. These excess proceeds have replenished our dry powder and put us in a strong position to deploy capital into future attractive investment opportunities.

Given our strong performance in the first half of the year and positive outlook for the remainder of 2026, we are increasing our FFO outlook to $3.46 to $3.70 per share, which is $0.04 higher than our prior outlook at the midpoint. And, this is with four cents of higher-than-anticipated dilution due to increased disposition activity as we've assumed the excess cash funds will increase our dry powder rather than be reinvested during the second half of the year. With growing rents across our SunBelt BBDs, our positive occupancy trajectory and meaningful dry powder for future investments, we are well-positioned to deliver healthy growth in earnings and cash flow."

Second Quarter 2026 Highlights

Operations:

- Reported net income of $0.85 per share
- Earned FFO of $0.90 per share, including a land sale gain of $0.04 per share
- Reported same property cash NOI growth of +0.3% and GAAP NOI growth of +1.6%
- Increased average in-place cash rents 2.6% per square foot year-over-year
- Ended the quarter with in-service occupancy of 85.7% and in-service leased rate of 89.6%
  - Increased the occupancy rate by 110 basis points during the quarter on in-service properties owned as of March 31, 2026 and June 30, 2026

Second Generation Leasing Activity:

- Leased 1,070,000 square feet, including 326,000 square feet of new leases
- Achieved dollar-weighted average lease term of 6.4 years
- Delivered GAAP rent growth of 20.9% and cash rent growth of 3.2%
- Achieved net effective rents 8.0% higher than previous five-quarter average

Development Activity:

- Placed in service Midtown East in Tampa
  - 143,000 square foot development
  - 94.9% leased and 39.5% occupied
  - $41.5 million total investment (at HIW share)
- Signed 63,000 square feet of first generation leases

Investment Activity:

- Sold 513,000 square foot, 100% occupied Bridgestone Tower office building in CBD Nashville for $255.0 million
- Sold the Company's 50% joint venture interest in a 10-acre land parcel for $4.0 million (at HIW share)

Financing Activity:

- Ended the quarter with a debt-to-Adjusted EBITDA*re* ratio of 6.2x
- Repurchased $11 million of unsecured notes due March 2027
- Extended the maturity date on a $150 million unsecured bank term loan from May 2027 to June 2031, inclusive of two one-year extension options, and reduced the borrowing rate 15 basis points to SOFR plus 90 basis points
- Obtained a secured loan for up to $100 million at the Company's 50% owned Granite Park Six joint venture, with an interest rate swapped to a fixed rate of 5.9% and a maturity date of April 2029, inclusive of a one-year extension option; $87 million is currently drawn on this loan
- Ended the quarter with $145 million cash on hand and no borrowings under the Company's $750 million revolving credit facility

Subsequent to Quarter-End Financing Activity:

- Obtained a secured loan for up to $56 million at the Company's 50% owned Midtown East joint venture, with an interest rate swapped to a fixed rate of 6.3% and a maturity date of July 2036; $45 million is currently drawn on this loan

Second Quarter 2026 Financial Results

Net income available for common stockholders ("net income") was $93.5 million, or $0.85 per diluted share, for the second quarter of 2026 and $18.3 million, or $0.17 per diluted share, for the second quarter of 2025. Funds from operations available for common stockholders ("FFO") was $100.7 million, or $0.90 per diluted share, for the second quarter of 2026 and $97.7 million, or $0.89 per diluted share, for the second quarter of 2025.

Net income was $124.8 million, or $1.13 per diluted share, for the six months ended June 30, 2026. Net income was $115.7 million, or $1.07 per diluted share, for the six months ended June 30, 2025. FFO was $194.7 million, or $1.74 per diluted share, for the six months ended June 30, 2026. FFO was $189.4 million, or $1.72 per diluted share, for the six months ended June 30, 2025.

Except as noted below, the following items (including our share of consolidated and unconsolidated properties) were included in the determination of net income and FFO for the three and six months ended June 30, 2026 and 2025:

	Three Months Ended 6/30/2026		Three Months Ended 6/30/2025	
	(000)	Per Share	(000)	Per Share
Lease Termination Income, Net (1)	$ 469	$ 0.004	$ 1,005	$ 0.009
Straight-Line Rental Income (1)	11,078	0.099	4,386	0.040
Capitalized Interest	365	0.003	3,010	0.027
Loss on Debt Extinguishment	(60)	(0.001)	-	-
Land Sale Gains/(Losses)	3,960	0.035	-	-
Gains on Disposition of Depreciable Properties (2)	75,064	0.668	-	-

	Six Months Ended 6/30/2026		Six Months Ended 6/30/2025	
	(000)	Per Share	(000)	Per Share
Lease Termination Income, Net (1)	$ 2,977	$ 0.027	$ 2,844	$ 0.026
Straight-Line Rental Income (1)	19,887	0.177	9,001	0.082
Capitalized Interest	3,102	0.028	6,007	0.055
Loss on Debt Extinguishment	(60)	(0.001)	-	-
Land Sale Gains/(Losses)	3,960	0.035	(122)	(0.001)
Gains on Disposition of Depreciable Properties (2)	92,027	0.820	82,337	0.749

(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.

Third Quarter 2026 Pending Disposition Activity

The Company expects to close two non-core sales transactions aggregating $73.5 million prior to August 15, 2026. First, the Company has agreed to sell six non-core office buildings encompassing 472,000 square feet in the Innsbrook submarket of Richmond. Second, the Company has agreed to sell a 118,000 square foot non-core office building in Century Center in Atlanta. After closing of these sales, to date in 2026, the Company will have sold a total of 11 non-core office buildings encompassing 1,461,000 square feet and 10 acres of joint venture-owned development land for an aggregate of $374.8 million that were projected to generate, on a combined basis, $30.1 million of annual cash net operating income and $30.3 million of annual GAAP net operating income in 2026.

The sales are subject to customary closing conditions. In each transaction, the buyer's contractual due diligence period has ended and the buyer has posted earnest money deposits that are nonrefundable except in limited circumstances.

2026 Outlook

The Company has updated its full year 2026 FFO outlook to $3.46 to $3.70 per share, which compares to the prior range of $3.40 to $3.68 per share provided on April 28, 2026. This outlook reflects management's view of current and future market conditions, including but not limited to assumptions such as rental rates, occupancy levels, operating and general and administrative expenses and interest rates. Factors that could cause actual results to differ materially from management's current expectations are discussed below and are also detailed in the Company's 2025 Annual Report on Form 10-K and subsequent SEC reports.

Management's outlook for 2026 includes the following assumptions:

	Low	High
Effects Assumed in FFO Outlook:		
Growth in Same Property Cash NOI	-1.0%	+1.0%
Growth in Same Property GAAP NOI	1.3%	3.3%
Non-Cash Revenue (Including Straight-Line Rental Income)	$40M	$50M
G&A Expenses	$41M	$43M
Year-End Occupancy	86.5%	88.5%
Estimated Land Sale Gains per Share	$0.04	$0.18
Completed Acquisitions (at HIW Share)	$108M	$108M
Completed/Announced Dispositions (1)	$375M	$375M
Effects Not Assumed in FFO Outlook:		
Potential Additional Dispositions	$100M	$250M
Potential Acquisitions	$85M	$250M
Potential Development Announcements	$100M	$400M

(1) Assumes the closing of $73.5 million of non-core asset sales as described under "Third Quarter 2026 Pending Disposition Activity."

Supplemental Information

The Company's second quarter 2026 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 29th, 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 2026 Earnings Call
US/Canada
Dial-in: (800) 715-9871
Conference ID: 4441285

International
Dial-in: (646) 307-1963
Conference ID: 4441285

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 Dates for 2026 Financial Releases and Conference Calls
The Company has set the following dates in 2026 for the releases of remaining quarterly financial results. The 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 27	October 28

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, 2025 to June 30, 2026). 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; closing of the planned disposition of $73.5 million of non-core buildings may not occur on the terms described in this press release under "Third Quarter 2026 Pending Disposition Activity" or at all; 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; increases in interest rates could increase our debt service costs; 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 2025 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,	
	2026	**2025**	**2026**	**2025**
Rental and other revenues	$ 216,379	$ 200,600	$ 430,413	$ 400,983
Operating expenses:				
Rental property and other expenses	70,155	63,655	141,273	128,689
Depreciation and amortization	79,054	74,679	156,591	146,084
General and administrative	9,897	10,319	23,331	22,776
Total operating expenses	159,106	148,653	321,195	297,549
Interest expense	41,694	37,665	83,390	74,307
Other income	2,568	4,629	5,736	6,254
Gains on disposition of property	79,024	-	95,987	82,215
Equity in earnings/(losses) of unconsolidated affiliates	(414)	310	2,571	1,625
Net income	96,757	19,221	130,122	119,221
Net (income) attributable to noncontrolling interests in the Operating Partnership	(1,716)	(365)	(2,295)	(2,321)
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(993)	-	(1,842)	26
Dividends on Preferred Stock	(574)	(586)	(1,148)	(1,207)
Net income available for common stockholders	$ 93,474	$ 18,270	$ 124,837	$ 115,719
Earnings per Common Share - basic:				
Net income available for common stockholders	$ 0.85	$ 0.17	$ 1.13	$ 1.07
Weighted average Common Shares outstanding - basic	110,284	107,825	110,162	107,754
Earnings per Common Share - diluted:				
Net income available for common stockholders	$ 0.85	$ 0.17	$ 1.13	$ 1.07
Weighted average Common Shares outstanding - diluted	112,301	109,976	112,182	109,905

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

	June 30, 2026	December 31, 2025
Assets:		
Real estate assets, at cost:		
Land	$ 607,720	$ 609,177
Buildings and tenant improvements	6,216,948	6,144,697
Development in-process	-	6,248
Land held for development	197,227	214,149
	7,021,895	6,974,271
Less-accumulated depreciation	(1,905,507)	(1,902,276)
Net real estate assets	5,116,388	5,071,995
Real estate and other assets, net, held for sale	53,900	23,201
Cash and cash equivalents	145,377	27,358
Restricted cash	20,653	15,691
Accounts receivable	31,548	28,263
Mortgages and notes receivable	12,228	12,228
Accrued straight-line rents receivable	304,951	318,024
Investments in and advances to unconsolidated affiliates	446,928	471,580
Deferred leasing costs, net of accumulated amortization of $174,584 and $169,972, respectively	278,222	244,258
Prepaid expenses and other assets, net of accumulated depreciation of $27,411 and $25,144, respectively	61,456	61,240
Total Assets	$ 6,471,651	$ 6,273,838
Liabilities, Noncontrolling Interests in the Operating Partnership and Equity:		
Mortgages and notes payable, net	$ 3,515,608	$ 3,554,178
Accounts payable, accrued expenses and other liabilities	305,713	284,006
Total Liabilities	3,821,321	3,838,184
Commitments and contingencies		
Noncontrolling interests in the Operating Partnership	60,840	52,777
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), 26,631 and 26,691 shares issued and outstanding, respectively	26,631	26,691
Common Stock, $.01 par value, 200,000,000 authorized shares; 110,306,211 and 109,905,241 shares issued and outstanding, respectively	1,103	1,099
Additional paid-in capital	3,221,689	3,223,767
Distributions in excess of net income available for common stockholders	(855,358)	(870,083)
Accumulated other comprehensive loss	(2,625)	(2,494)
Total Stockholders' Equity	2,391,440	2,378,980
Noncontrolling interests in consolidated affiliates	198,050	3,897
Total Equity	2,589,490	2,382,877
Total Liabilities, Noncontrolling Interests in the Operating Partnership and Equity	$ 6,471,651	$ 6,273,838

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Funds from operations:				
Net income	$ 96,757	$ 19,221	$ 130,122	$ 119,221
Net (income)/loss attributable to noncontrolling interests in consolidated affiliates	(993)	-	(1,842)	26
Depreciation and amortization of real estate assets	75,270	73,997	149,349	144,724
Gains on disposition of depreciable properties	(75,064)	-	(92,027)	(82,337)
Unconsolidated affiliates:				
Depreciation and amortization of real estate assets	5,288	5,053	10,244	8,944
Funds from operations	101,258	98,271	195,846	190,578
Dividends on Preferred Stock	(574)	(586)	(1,148)	(1,207)
Funds from operations available for common stockholders	$ 100,684	$ 97,685	$ 194,698	$ 189,371
Funds from operations available for common stockholders per share	$ 0.90	$ 0.89	$ 1.74	$ 1.72
Weighted average shares outstanding (1)	112,301	109,976	112,182	109,905

(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,	
	2026	**2025**	**2026**	**2025**
Net income	$ 96,757	$ 19,221	$ 130,122	$ 119,221
Equity in (earnings)/losses of unconsolidated affiliates	414	(310)	(2,571)	(1,625)
Gains on disposition of property	(79,024)	-	(95,987)	(82,215)
Other income	(2,568)	(4,629)	(5,736)	(6,254)
Interest expense	41,694	37,665	83,390	74,307
General and administrative expenses	9,897	10,319	23,331	22,776
Depreciation and amortization	79,054	74,679	156,591	146,084
Net operating income	146,224	136,945	289,140	272,294
Our share of unconsolidated joint venture same property net operating income	3,749	3,992	9,677	8,252
Partner's share of consolidated joint venture same property net operating income	(267)	(287)	(563)	(546)
Non same property and other net operating income	(17,542)	(9,994)	(35,262)	(18,397)
Same property net operating income	$ 132,164	$ 130,656	$ 262,992	$ 261,603
Same property net operating income	$ 132,164	$ 130,656	$ 262,992	$ 261,603
Lease termination fees, straight-line rent and other non-cash adjustments	(5,153)	(4,015)	(11,856)	(9,970)
Same property cash net operating income	$ 127,011	$ 126,641	$ 251,136	$ 251,633

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

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025
Net debt-to-Adjusted EBITDAre:		
Net income	$ 96,757	$ 19,221
Interest expense, net (1)	39,640	36,445
Depreciation and amortization	79,054	74,679
(Gains) on disposition of depreciable properties	(75,064)	-
Adjustments to reflect our share of EBITDAre from consolidated and unconsolidated affiliates	3,429	5,175
EBITDAre	$ 143,816	$ 135,520
Losses on debt extinguishment	60	-
(Gains)/losses on disposition of non-depreciable properties	(3,960)	-
Proforma NOI adjustments for property changes within period	(2,072)	-
Adjusted EBITDAre (2)	$ 137,844	$ 135,520
Adjusted EBITDAre (annualized) (2) (3)	$ 553,014	$ 533,410
Mortgages and notes payable, net (4)	$ 3,609,706	$ 3,377,159
Less - cash and cash equivalents, preferred investments and other (5)	(159,468)	(32,669)
Net debt (6)	$ 3,450,238	$ 3,344,490
Preferred Stock	26,631	26,716
Net debt plus Preferred Stock	$ 3,476,869	$ 3,371,206
Net debt-to-Adjusted EBITDAre (7)	6.24x	6.27x
Net debt plus Preferred Stock-to-Adjusted EBITDAre (8)	6.29x	6.32x

(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 6/30/26 represents our consolidated mortgages and notes payable balance from the balance sheet, plus or minus the following adjustments: an increase of $159.3 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 $56.4 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).