

**FOR IMMEDIATE RELEASE**

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## Highwoods Announces Recent Investment Activity

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**RALEIGH, NC – January 21, 2021 – Highwoods Properties, Inc. (NYSE:HIW)** is today announcing investment transactions that have closed to date in early 2021.

First, the Company has sold a 100,000 square foot office building in Atlanta that is 100% leased to the Federal Aviation Administration (FAA) for \$30.7 million. This property was projected to generate cash and GAAP net operating income of \$2.4 million in 2021. Highwoods developed the property as a build-to-suit for the FAA in 2009 for approximately \$18 million.

Second, the Company has acquired its joint venture partner's 75% interest in Highwoods DLF Forum, LLC, which owns a five-building office complex called "The Forum" in Raleigh, for a purchase price of \$131.3 million. The properties, which encompass 636,000 square feet, are valued at \$184.5 million, including \$9.5 million of planned near-term building improvements. This equates to a total asset value of \$290 per square foot, an approximate 25% discount to estimated replacement cost. The Company's total incremental investment is expected to be \$138.4 million. The properties are a combined 91.0% occupied with a weighted average lease term of 6.0 years, and are expected to generate 2021 cash and GAAP net operating income of \$11.5 million and \$12.4 million, respectively.

Ted Klinck, President and CEO, stated, *"These transactions, combined with our fourth quarter 2020 dispositions, demonstrate our strategy of selling non-core properties and reinvesting in high quality office properties in the BBDs (best business districts) of our markets. The Forum is a Class A portfolio with a proven track record of strong performance. With its diverse base of walkable amenities, proximity to housing and excellent access to major thoroughfares, The Forum is in a highly desirable office location in the north Raleigh submarket. We and our joint venture partner first acquired the Forum in 2008. As a result, we know the property well and believe the long-term return outlook is solid, which made this incremental investment a natural fit for us."*

### About Highwoods

Highwoods Properties, Inc., headquartered in Raleigh, 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 office REIT that owns, develops, acquires, leases and manages properties primarily in the best business districts (BBDs) of Atlanta, Charlotte, Nashville, Orlando, Pittsburgh, Raleigh, Richmond and Tampa. For more information about Highwoods, please visit our website at [www.highwoods.com](http://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, including but not limited to potential losses related to customer difficulties, anticipated building usage and expected economic activity due to COVID-19; the continuing ability to borrow under the Company's revolving credit facility; 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.

When considering such forward-looking statements, you should keep in mind important factors that could cause our actual results to differ materially from those contained in any forward-looking statement. Currently, one of the most significant factors that could cause actual outcomes to differ materially from our forward-looking statements is the potential adverse effect of the COVID-19 pandemic, and federal, state, and/or local regulatory guidelines to control it, on our financial condition, operating results and cash flows, our customers, the real estate market in which we operate, the global economy and the financial markets. The extent to which the COVID-19 pandemic impacts us and our customers will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the direct and indirect economic effects of the pandemic and containment measures, and potential changes in customer behavior, among others.

Additional factors, many of which may be influenced by the COVID-19 pandemic, that could cause actual outcomes or results to differ materially from those indicated in these statements include: the financial condition of our customers could deteriorate or further worsen; our assumptions regarding potential losses related to customer financial difficulties due to the COVID-19 pandemic 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; 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 “Business – Risk Factors” set forth in our 2019 Annual Report on Form 10-K and “Risk Factors” in our second quarter 2020 Quarterly Report on Form 10-Q. 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.

