

asurion

NYSE: **HIW**

AT-A-GLANCE | 3Q21

 Highwoods[®]
PROPERTIES

QUALITY. RESILIENCY. GROWTH.



Some of the information in this presentation may contain forward-looking statements. Such statements include, in particular, statements about our plans, strategies and prospects such as the following: 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 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, including the following: closing of planned non-core dispositions may not occur on the terms described in this presentation or at all; buyers may not be available and pricing may not be adequate with respect to planned dispositions of non-core assets; comparable sales data on which we based our expectations with respect to the sales price of non-core assets may not reflect current market trends; the extent to which the ongoing COVID-19 pandemic impacts our financial condition, results of operations and cash flows depends on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic and its impact on the U.S. economy and potential changes in customer behavior that could adversely affect the use of and demand for office space; the financial condition of our customers could deteriorate or further worsen, which could be further exacerbated by the COVID-19 pandemic; 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; 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 2020 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 anticipated events.

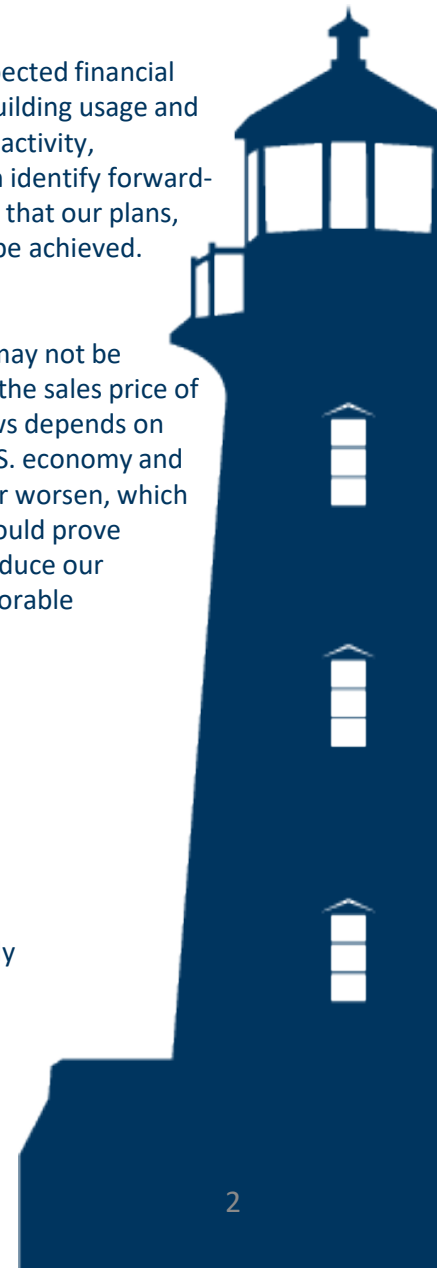
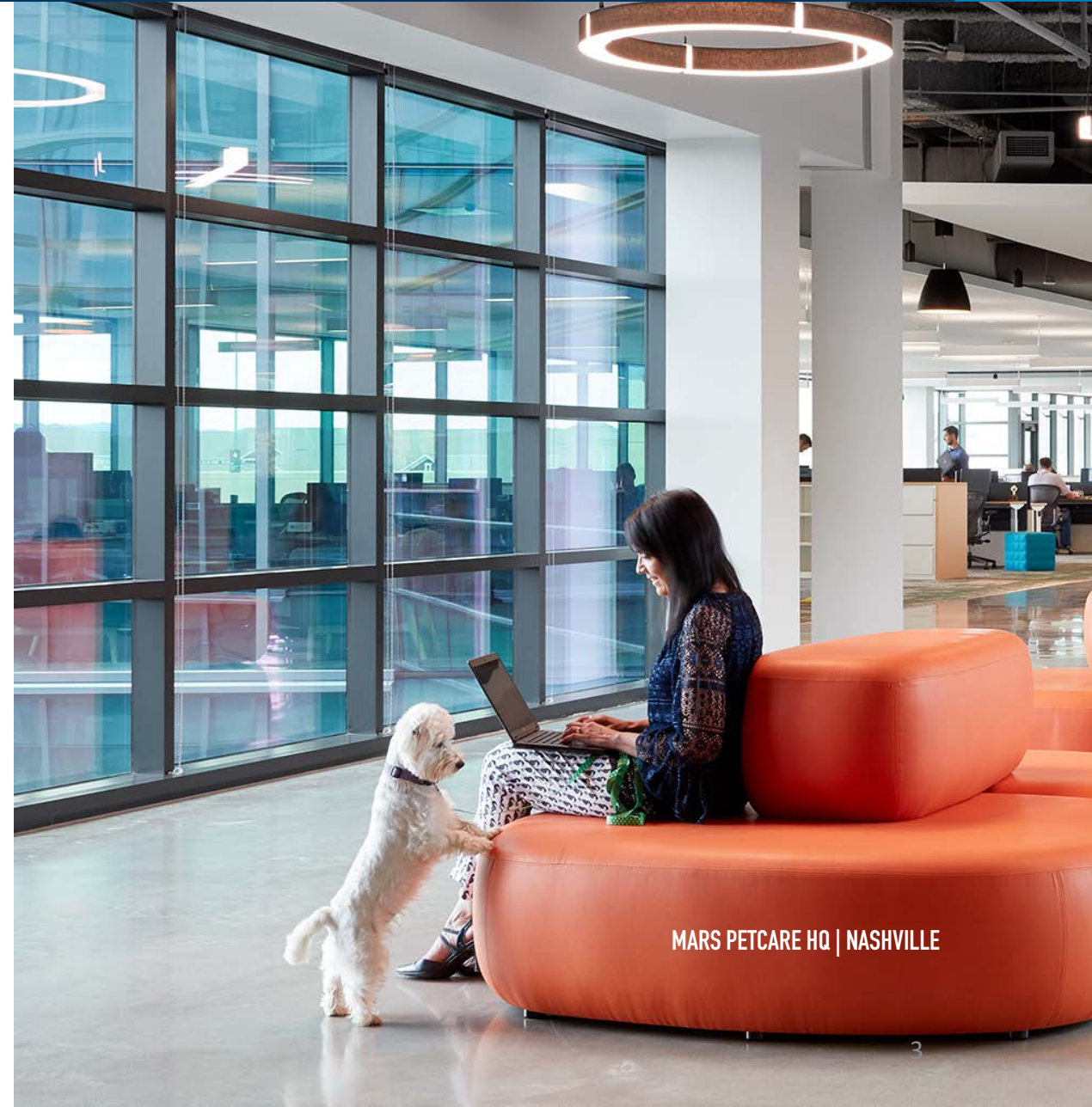


TABLE OF CONTENTS



- 4 PORTFOLIO OVERVIEW
- 5 GEOGRAPHIC FOOTPRINT
- 6 LEASING & OPERATING PERFORMANCE
- 8 BALANCE SHEET & LIQUIDITY
- 9 ANNUAL GROWTH
- 10 2021 OUTLOOK
- 11 INVESTMENT STRATEGY
- 13 DEVELOPMENT
- 15 DEVELOPMENT POTENTIAL
- 20 ENVIRONMENTAL, SOCIAL & GOVERNANCE



MARS PETCARE HQ | NASHVILLE

HIGHWOODS IS IN THE WORK-PLACEMAKING BUSINESS



WE BELIEVE THAT, IN CREATING ENVIRONMENTS AND EXPERIENCES WHERE THE BEST AND BRIGHTEST CAN ACHIEVE TOGETHER WHAT THEY CANNOT APART, HIGHWOODS DELIVERS GREATER VALUE TO OUR CUSTOMERS, THEIR TEAMMATES AND, IN TURN, OUR SHAREHOLDERS.

Our simple strategy is to own and manage high-quality workplaces in the Best Business Districts (BBDs) within our footprint, maintain a strong balance sheet to be opportunistic throughout economic cycles, employ a talented and dedicated team and communicate transparently with all stakeholders.

We focus on owning and managing buildings in the most dynamic and vibrant BBDs. BBDs are highly-energized and amenitized workplace locations that enhance our customers' ability to attract and retain talent. They are both urban **and** suburban.

Providing the most talent-supportive workplace options in these environments is core to the Highwoods **work-placemaking strategy**.



28.4M
SQUARE FEET
(As of 9/30/21)

90.4%
OCCUPANCY
(As of 9/30/21)

3.8%
RENT CAGR
(2013-2021)

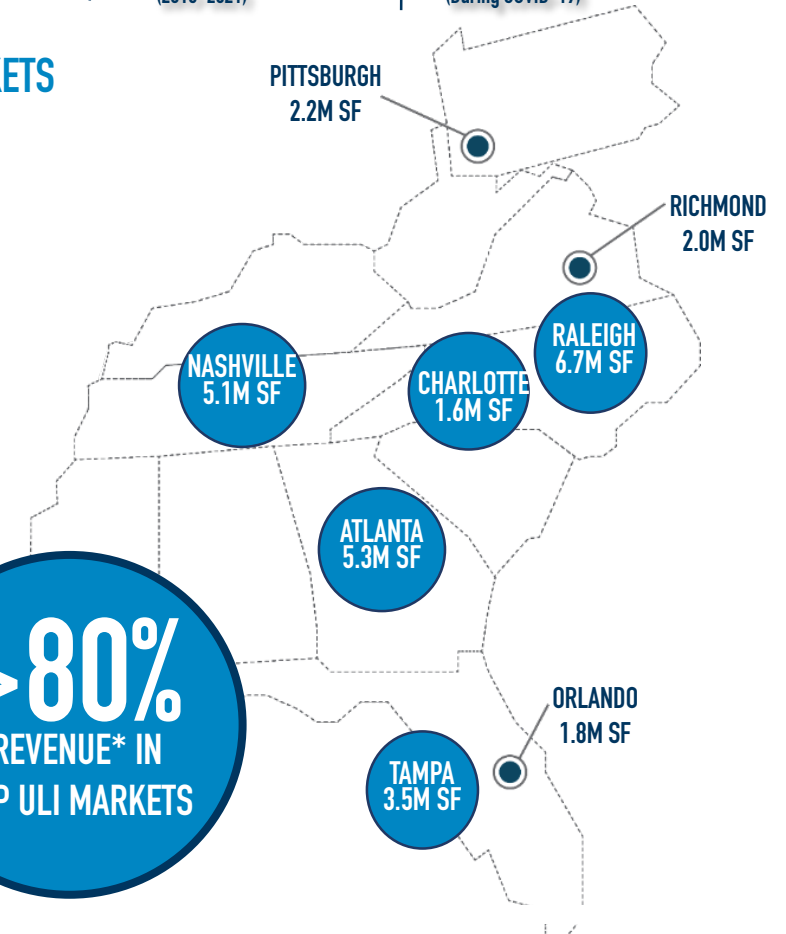
>99%
RENT COLLECTIONS
(During COVID-19)

ULI's 2022 TOP REAL ESTATE MARKETS

- 1 NASHVILLE
- 2 RALEIGH-DURHAM
- 3 PHOENIX
- 4 AUSTIN
- 5 TAMPA/ST. PETERSBURG
- 6 CHARLOTTE
- 7 DALLAS/FORTH WORTH
- 8 ATLANTA
- 9 SEATTLE
- 10 BOSTON



>80%
REVENUE* IN
TOP ULI MARKETS



* Based on September 2021 annualized

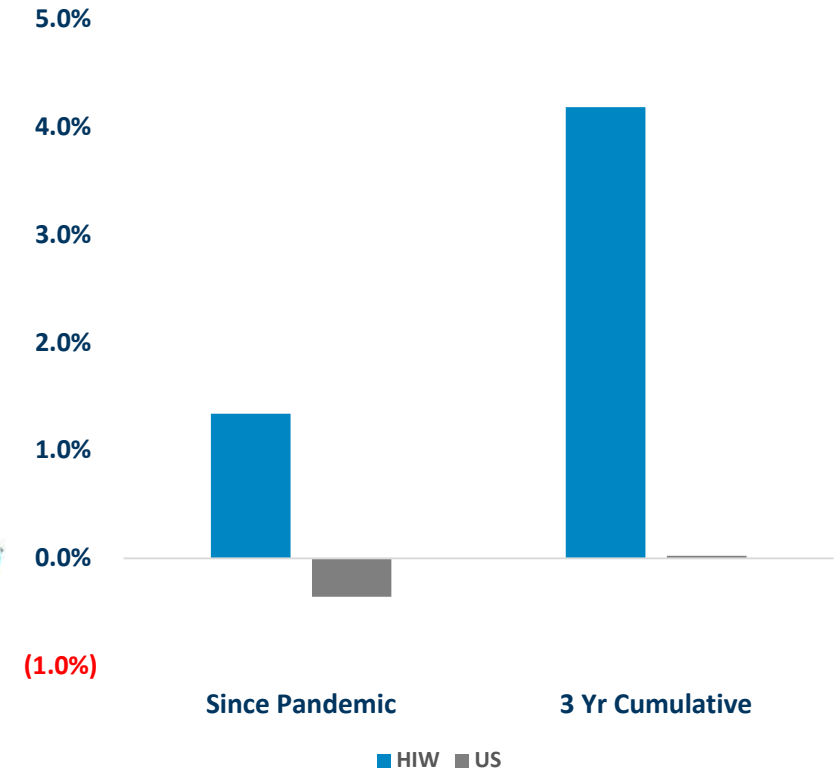
GEOGRAPHIC FOOTPRINT & JOB GROWTH



MAJOR OFFICE USING JOB ANNOUNCEMENTS

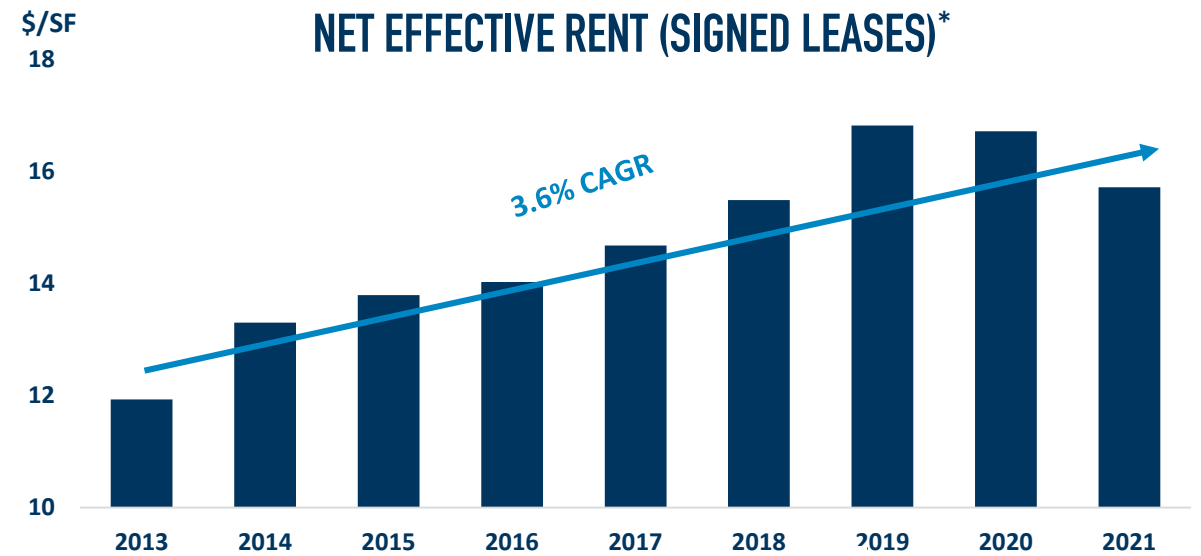
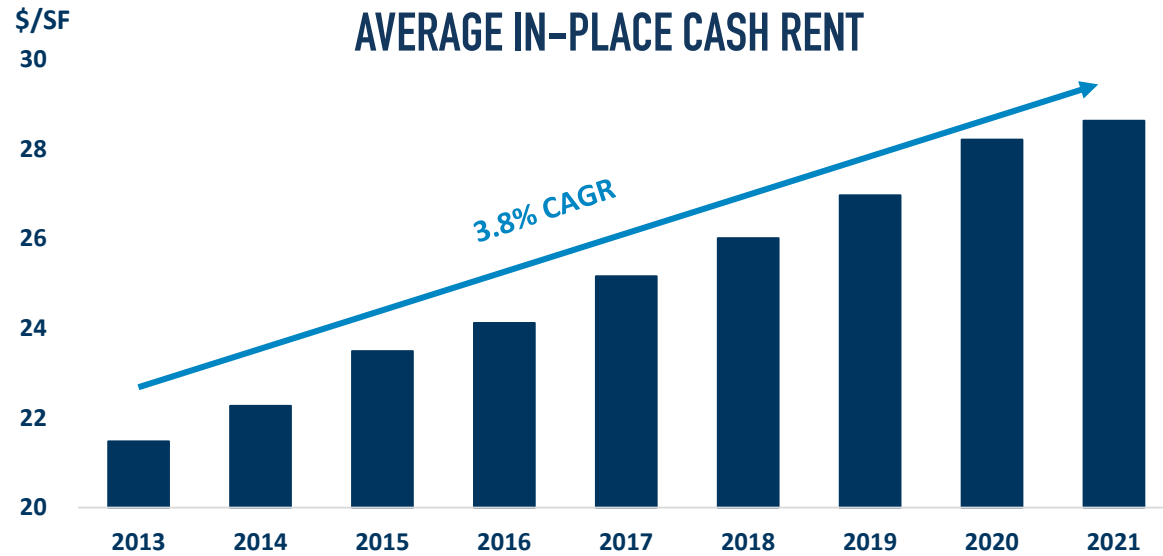


OFFICE USING JOB GROWTH

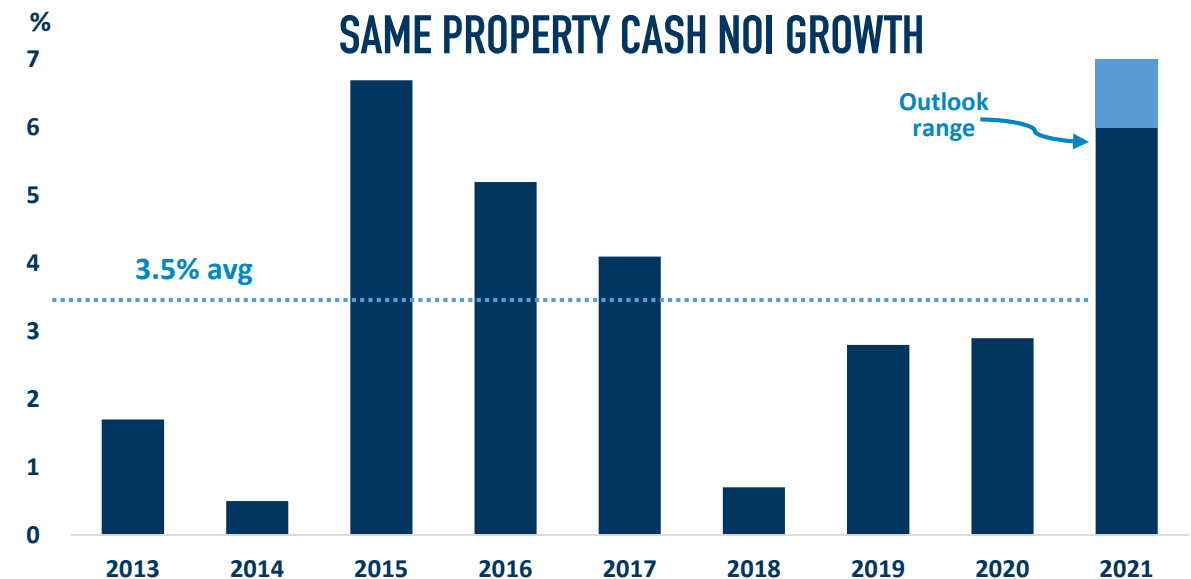
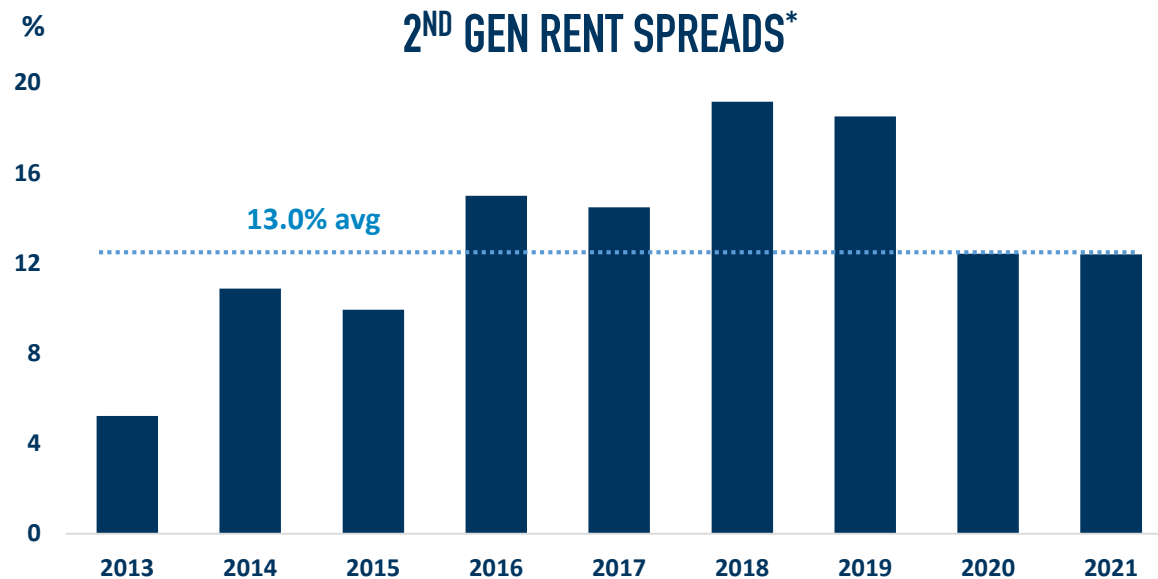


HIW calculated using weighted average of markets based on pro forma revenue %.
Source: Green Street and company research

RESILIENT LEASING & OPERATING PERFORMANCE

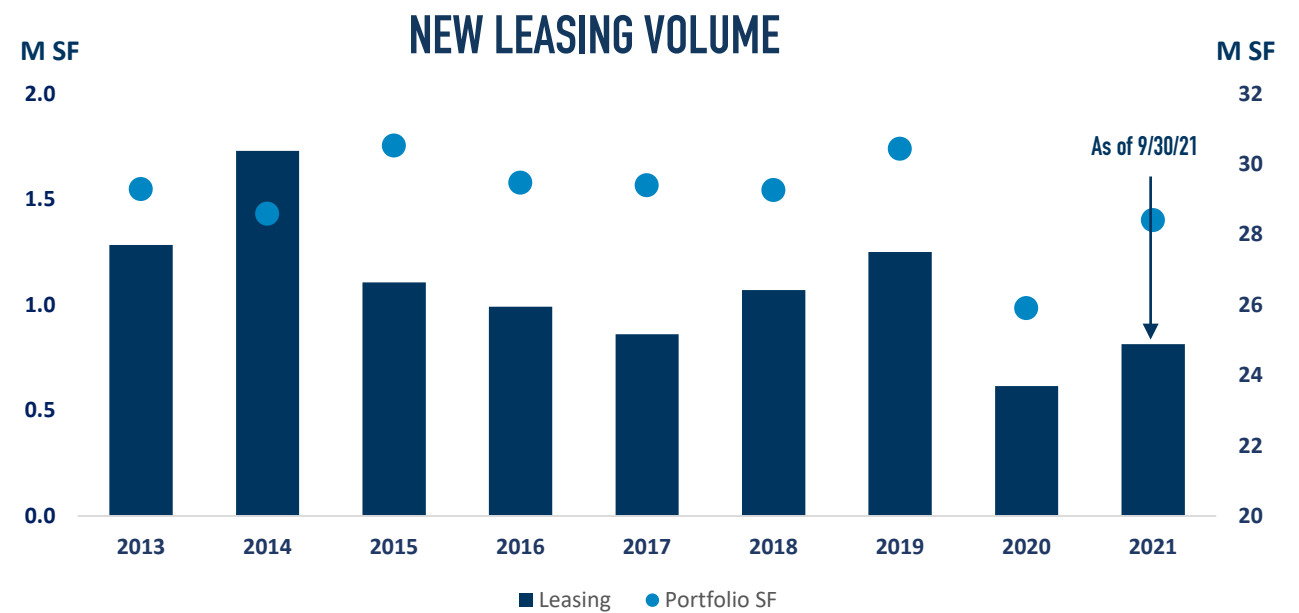
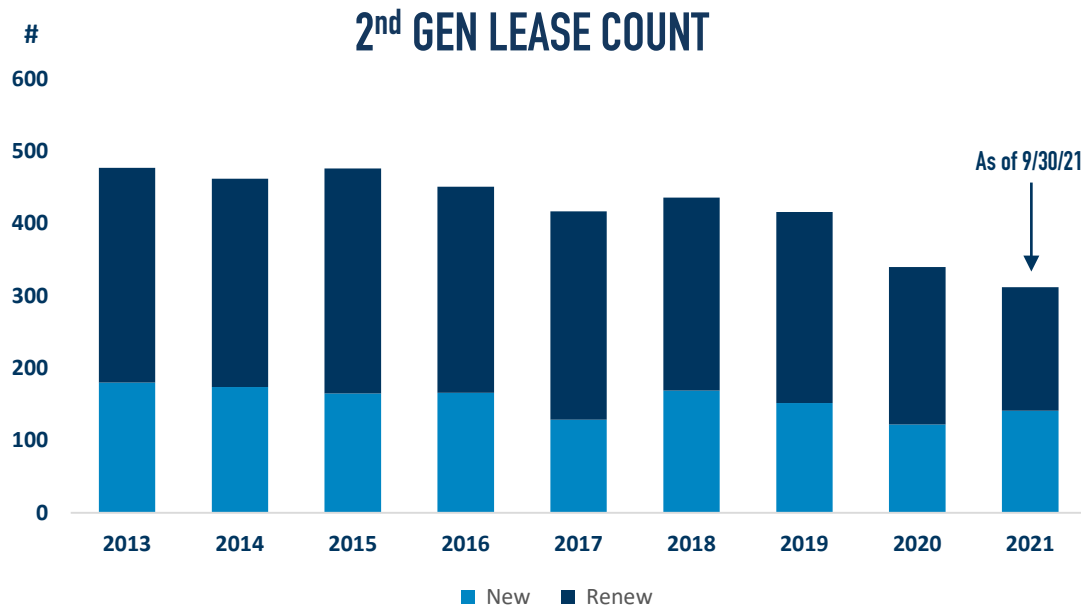
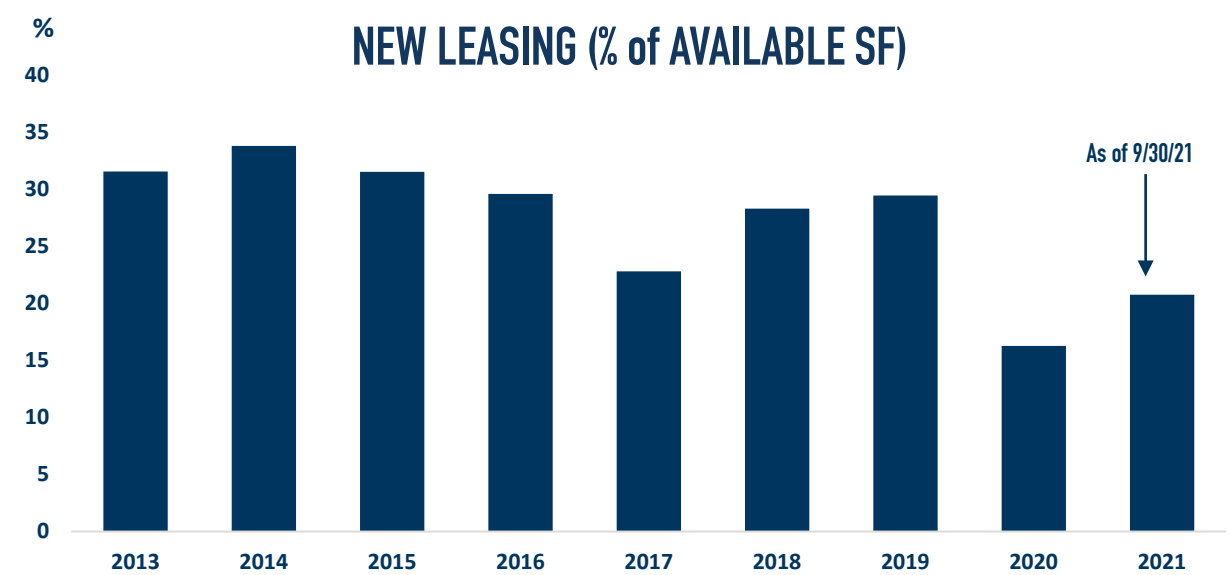
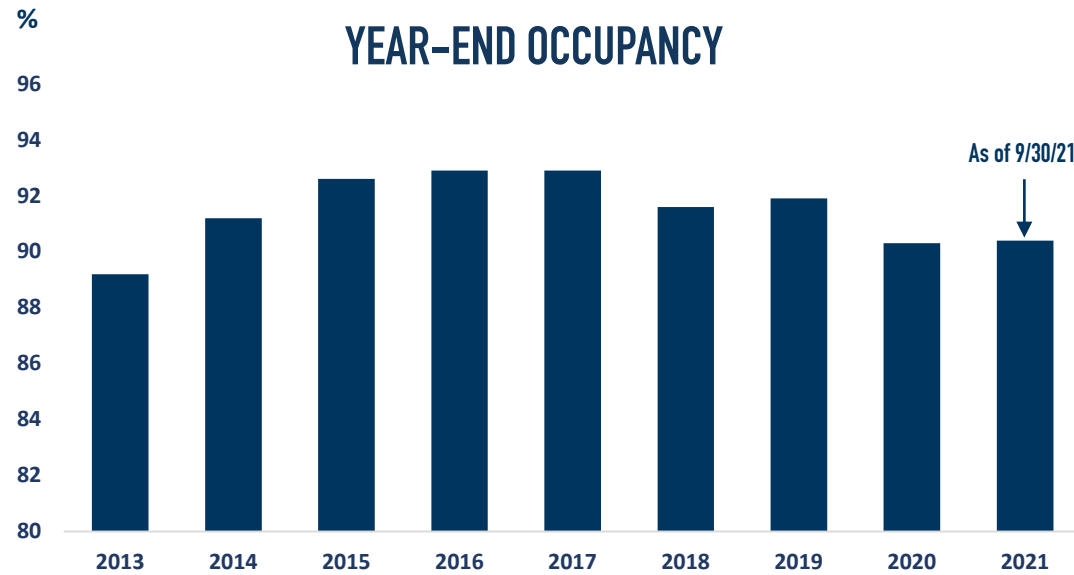


*Net effective rent defined as cash rent due over the term less operating expenses and leasing capital expenditures.



*Calculated on GAAP basis.

RESILIENT LEASING & OPERATING PERFORMANCE



SIZABLE BALANCE SHEET CAPACITY & LIQUIDITY



STRONG BALANCE SHEET

As of 9/30/2021

40.8%

Debt + Preferred
as % of Gross Assets

5.6x

Net Debt to
Annualized EBITDAre

3.3%

Weighted Average
Interest Rate

7.4%

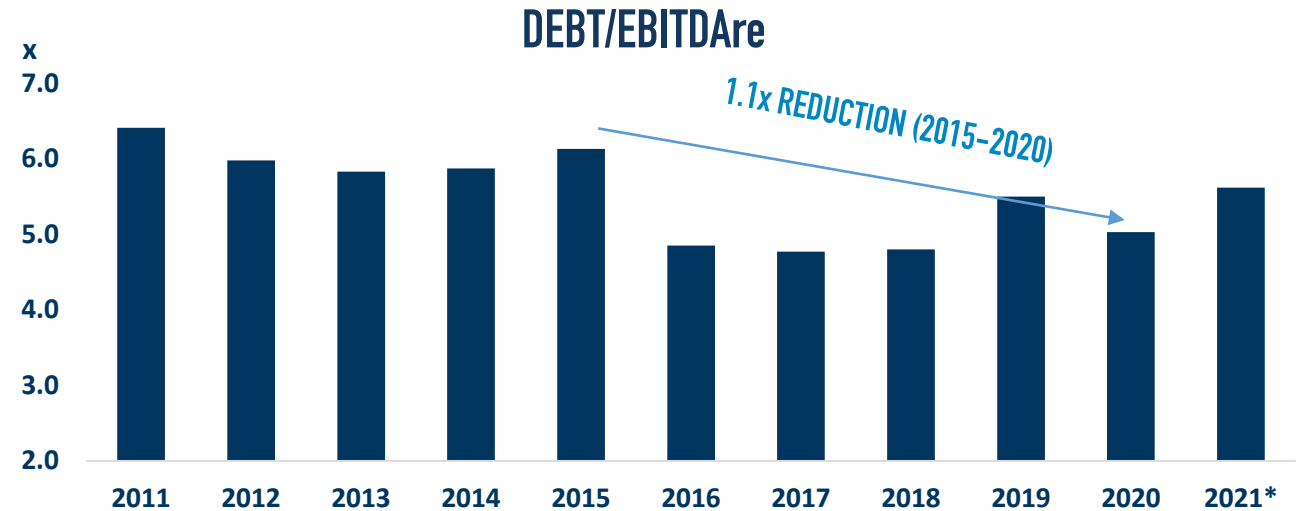
Secured Debt
as % of Gross Assets

91.3%

Unencumbered NOI

Baa2 BBB

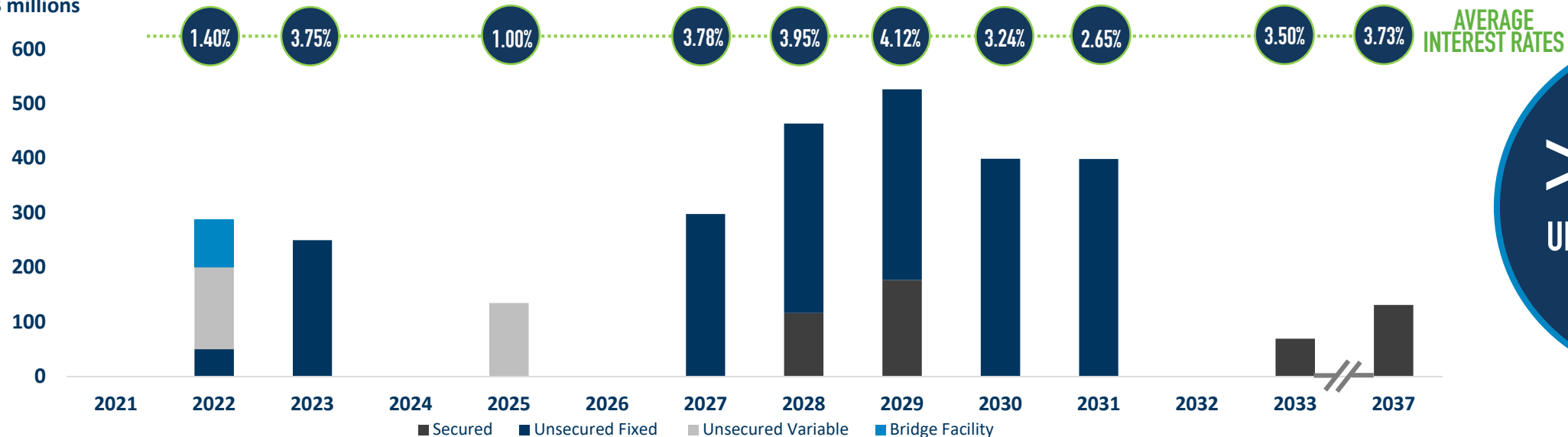
MOODY'S STANDARD & POOR'S



*We plan to return our leverage metrics to 2020 levels by mid-2022.

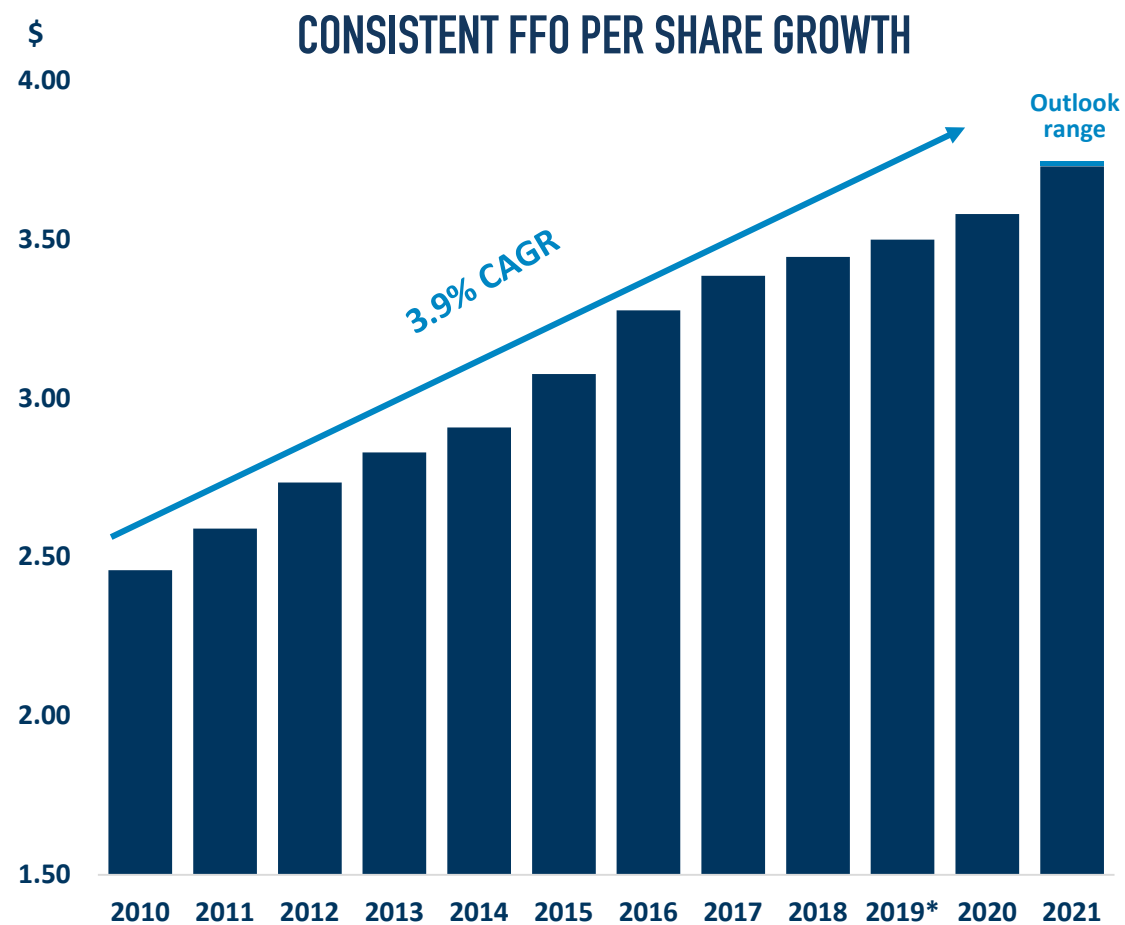
MATURITY LADDER

\$ millions

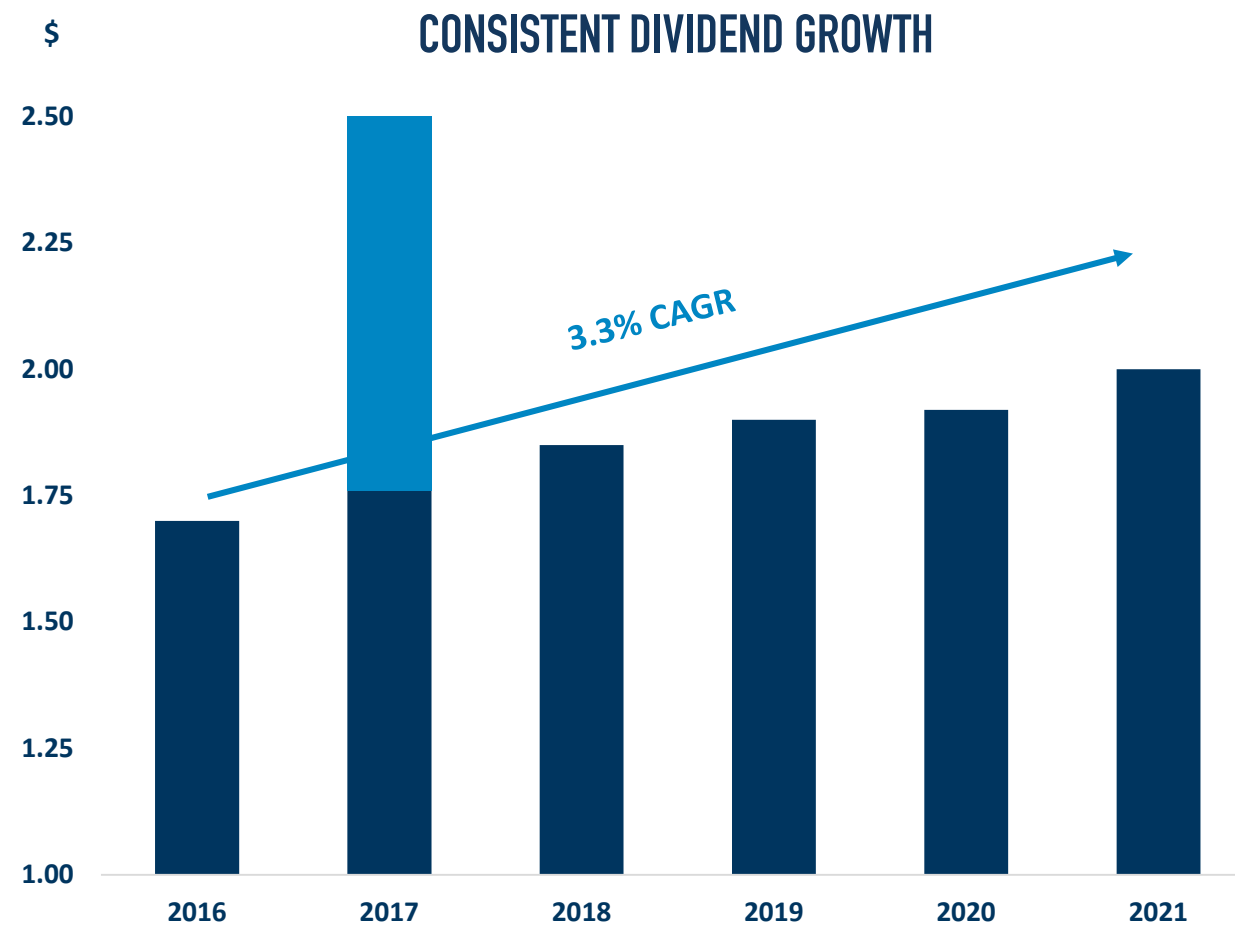


>\$600M
UNUSED REVOLVER
CAPACITY

CONSISTENT ANNUAL GROWTH



*2019 FFO excludes balance sheet write-offs associated with LSI's sudden closure in Q1'19 and one-time costs associated with closure of our Greensboro and Memphis offices.



■ Denotes \$.80/sh special dividend paid in 2017

2021 FFO OUTLOOK



	AS OF 10/26/2021		ACTUAL
	Low	High	2020 FFO
2021 FFO per Share Outlook	\$ 3.73	\$ 3.76	\$ 3.58
Effects Assumed in FFO Outlook			
Growth in Same Property Cash NOI	6.0%	7.0%	2021 FFO OUTLOOK = 4.2% – 5.0% ANNUAL GROWTH
Straight-Line Rental Income	\$ 21	\$ 23	
G&A Expenses	\$ 40	\$ 42	
Year-End Occupancy	90.0%	91.0%	
Weighted Average Diluted Shares and Units Outstanding	107.1	107.1	
Per Share Impact of \$120M Sale of Non-Core Assets in 2Q	\$ (0.03)	\$ (0.03)	
Per Share Impact of \$683M Acquisition from PAC in 3Q	\$ 0.10	\$ 0.10	
Planned Dispositions (Remaining as of 9/30/21)	\$ 87	\$ 137	
Anticipated Per Share Impact of Planned Dispositions	\$ (0.01)	\$ (0.01)	
Effects Not Assumed in FFO Outlook			
Other Potential Acquisitions	\$ 0	\$ 200	
Potential Development Announcements	\$ 100	\$ 250	

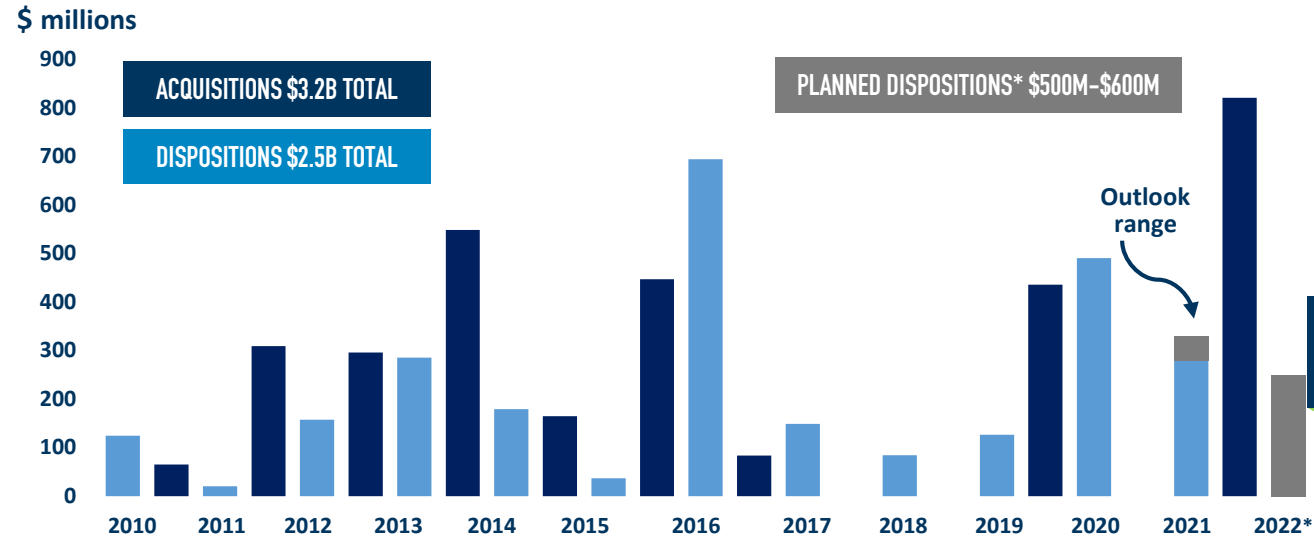
In millions, except per share data and figures in percentages.

ORIGINAL 2021 PER SHARE FFO OUTLOOK OF \$3.50–\$3.66
(as of 2/9/2021)

CONSISTENT INVESTMENT STRATEGY

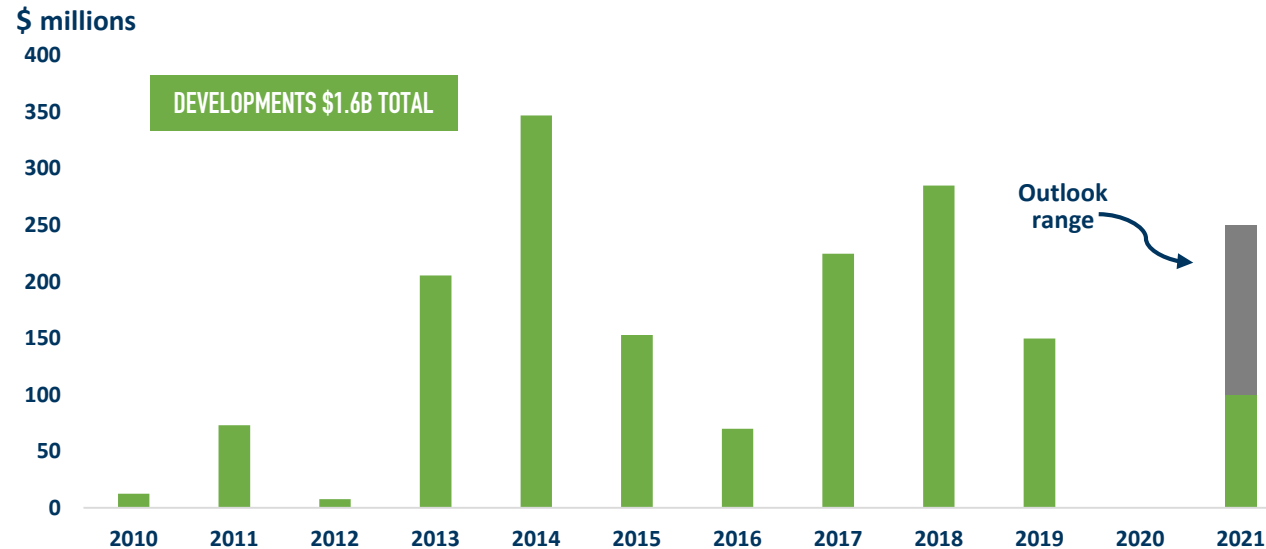


ACQUISITIONS & DISPOSITIONS



*Consists of planned non-core dispositions through mid-2022 to primarily fund acquisition of portfolio of office assets from PAC.

DEVELOPMENT ANNOUNCEMENTS



**ACQUISITION
CHARLOTTE**



**ACQUISITION
RALEIGH**



**DEVELOPMENT
NASHVILLE**



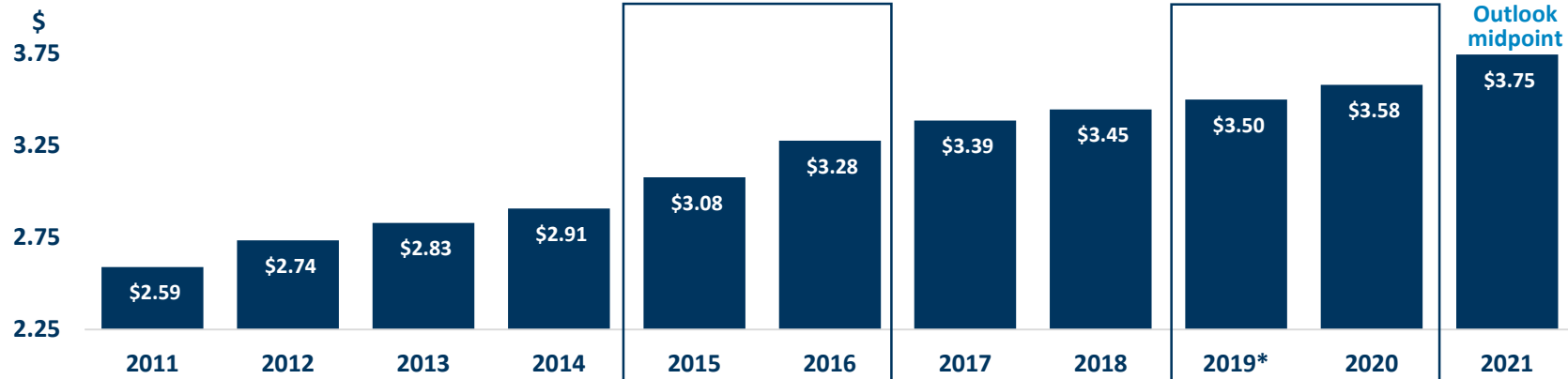
**DISPOSITION
ATLANTA**



PROVEN TRACK RECORD



HISTORICAL FFO PER SHARE



ANNOUNCED
\$297M TO DATE

2015 to 2016

Acquired \$425M of core office in the BBDs of ATL and TAM

2016

Sold \$660M of retail centric assets in KC

2019 to 2020

Entered CLT market with purchase of BofA Tower for \$436M

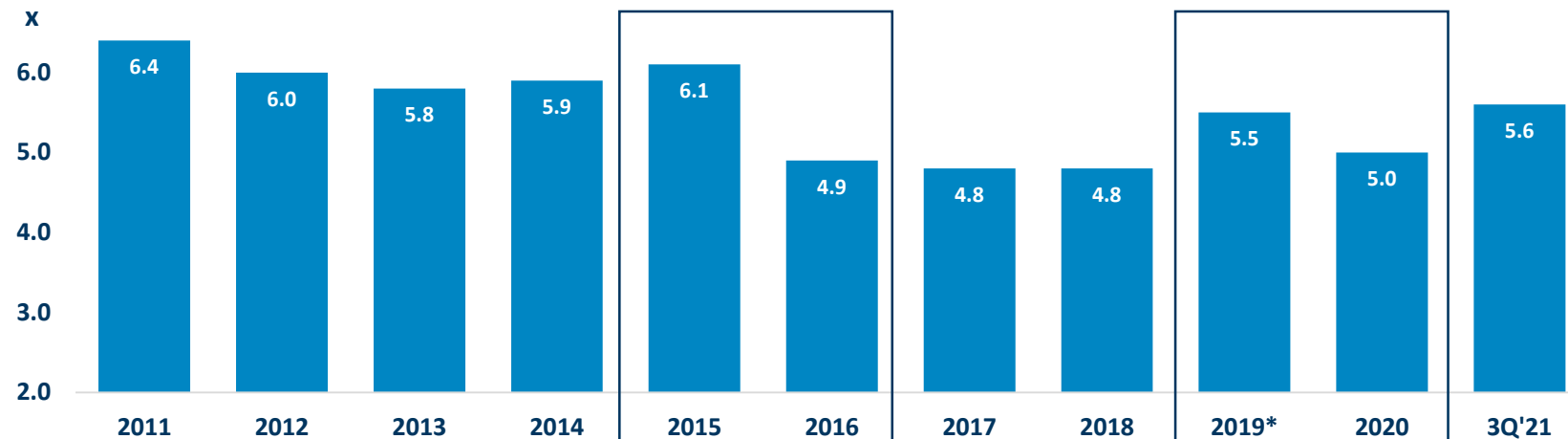
Completed \$428M of non-core asset sales in MEM and GBO

2021 to 2022E

Acquired \$683M office portfolio in CLT and RAL

Plan to accelerate \$500M - \$600M of non-core dispositions

DEBT/EBITDAre



*2019 FFO excludes balance sheet write-offs associated with LSI's closure in Q1'19 and one-time costs associated with closure of our GBO and MEM offices. 2019 debt/EBITDAre computed prior to completion of any dispositions.



2021 PLACED IN SERVICE

\$394M

Investment

>\$30M

Stabilized GAAP NOI

898K

Square Feet

99%

Leased

\$44M
Investment
126K
Square Feet
100%
Leased



GLENLAKE VII
2021 Stabilization

\$65M
Investment
219K
Square Feet
100%
Leased



METLIFE III
2021 Stabilization

\$285M
Investment
553K
Square Feet
98%
Leased



ASURION
2021 Stabilization

CURRENT PIPELINE

\$203M

Investment

\$115M

Remaining to Fund

>\$16M

Stabilized GAAP NOI

479K

Square Feet

44%

Leased

MIDTOWN WEST
2022 Stabilization

\$71M
Investment
150K
Square Feet
64%
Leased



VA SPRINGS II
2022 Stabilization

\$38M
Investment
111K
Square Feet
72%
Leased



GLENLAKE III
2026 Stabilization

\$94M
Investment
218K
Square Feet
15%
Leased



GLENLAKE III/RETAIL



100%

100%

96%

96%

GLENLAKE THREE

GLENLAKE RETAIL

GLENLAKE MIXED USE
(Future Development)

GlenLake III	SF	Leased
Office	205,000	16%
Retail	<u>13,250</u>	<u>0%</u>
	218,250	15%

100%

FUTURE DEVELOPMENT POTENTIAL



CURRENT HIW LAND BANK

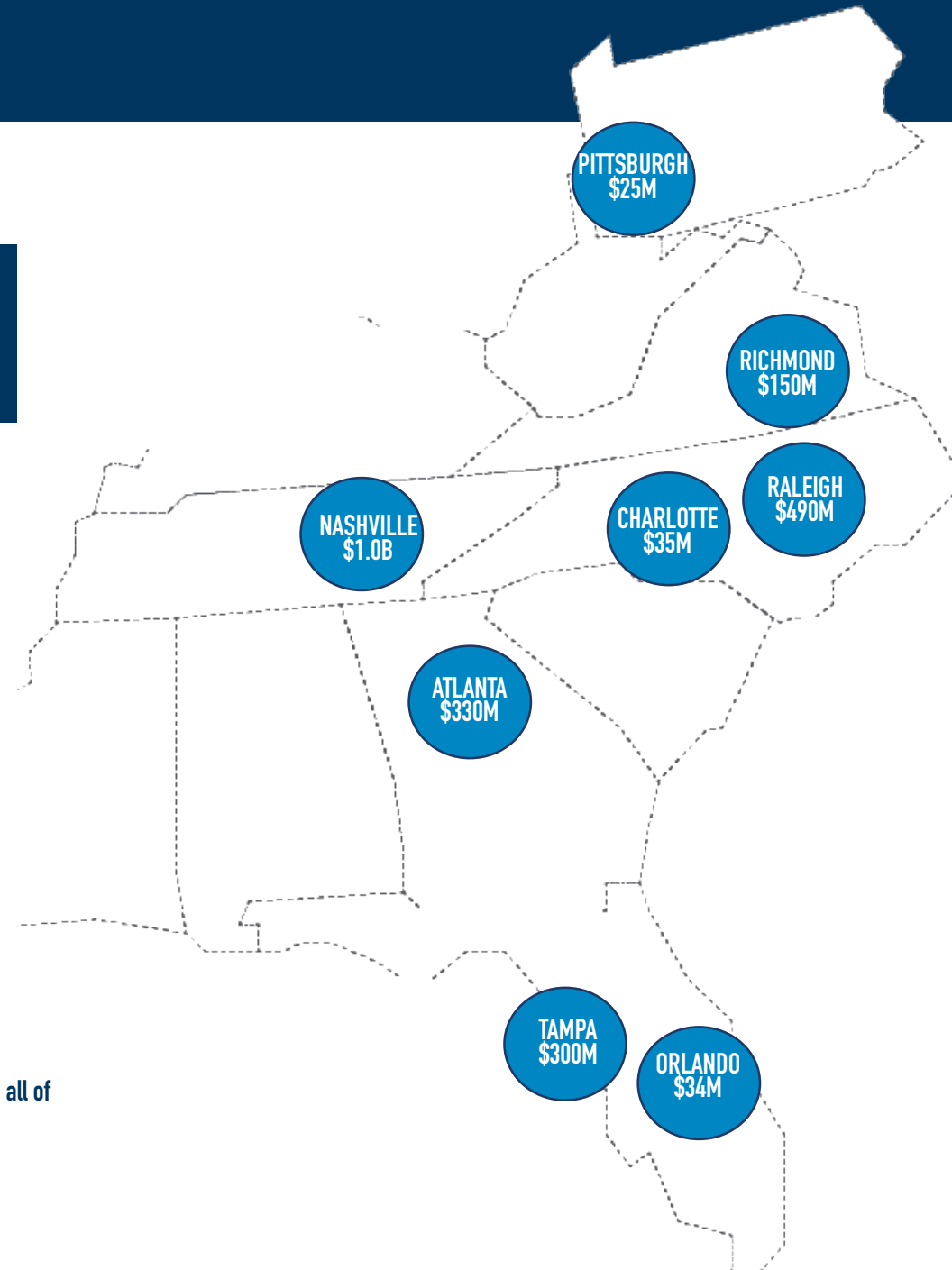
DEVELOPMENT POTENTIAL (SF)		
MARKET	OFFICE	MIXED USE 3/4/
Nashville 1/	2,200,000	1,760,000
Raleigh 2/	990,000	10,000
Tampa	620,000	580,000
Atlanta	600,000	330,000
Richmond	400,000	760,000
Orlando	80,000	400,000
Charlotte	70,000	-
Pittsburgh	60,000	-
Total	5,020,000	3,840,000
Estimated Build Out	\$2.5 Billion	N/A

1/ Includes purchase of the remainder of Ovation in October.

2/ Reflects the development start for GlenLake III.

3/ Includes residential, retail and hotel. Residential SF based upon an average of 1,000 SF per unit.

4/ Plan to work with high-quality retail and multi-family developers to realize the potential of the mixed-use land, all of which is immediately adjacent to the office land.



FUTURE RALEIGH DEVELOPMENT



Future potential development

FUTURE NASHVILLE DEVELOPMENT



GULCH CENTRAL



EXISTING MASTER PLAN . . . TO BE REIMAGINED BY HIW

Ovation



BRENTWOOD

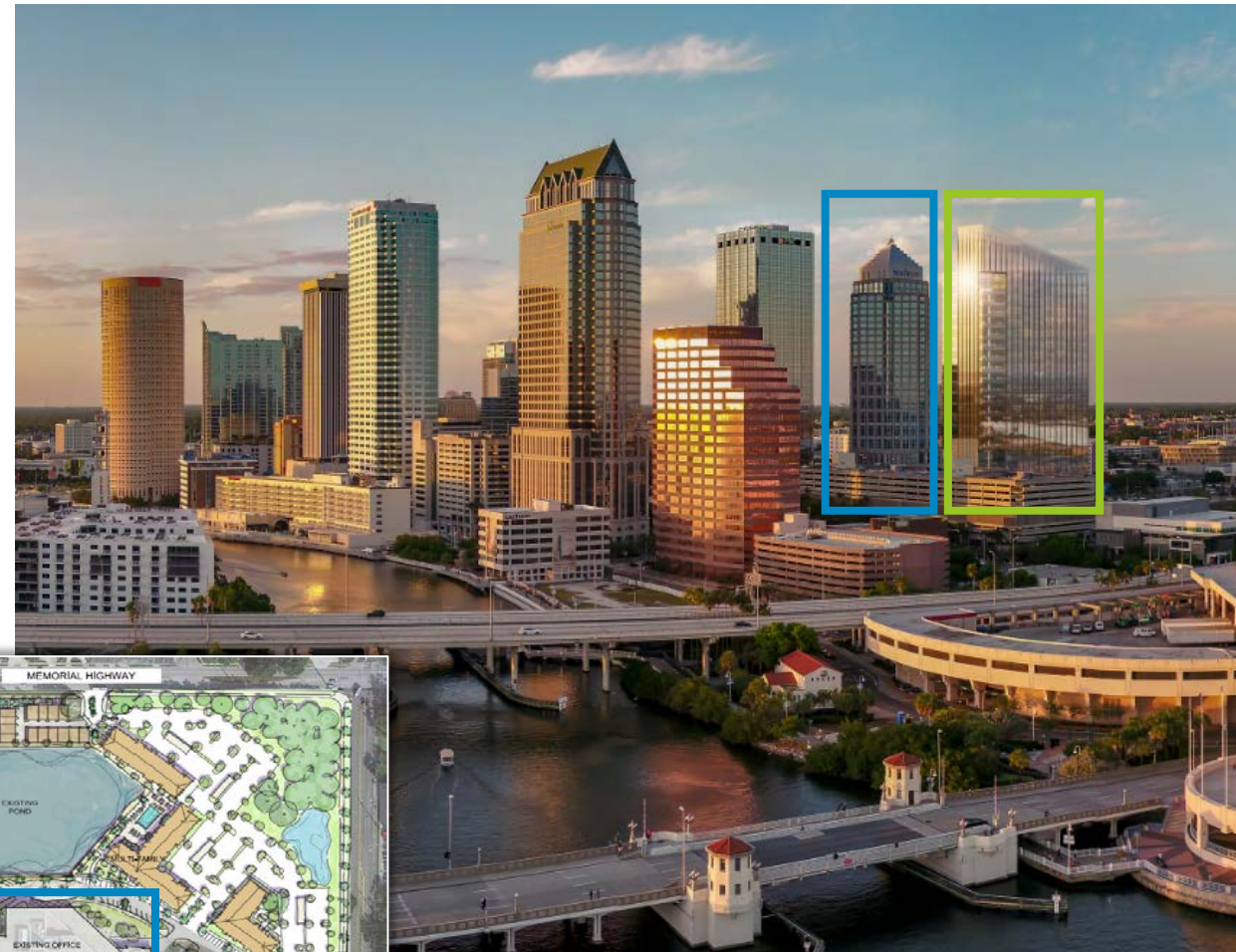


Development site for ~200-300K SF

FUTURE TAMPA DEVELOPMENT



MIDTOWN



BAY CENTER



INDEPENDENCE
PARK



Existing HIW property

Future potential development

FUTURE DEVELOPMENT POTENTIAL



EAST LIBERTY
PITTSBURGH



UPTOWN
CHARLOTTE



 Future potential development

CUMBERLAND/GALLERIA
ATLANTA



NORTH END
RICHMOND





ENVIRONMENTAL

2026 SUSTAINABILITY GOALS

FROM A 2016 BASELINE

20% REDUCTION energy intensity
20% REDUCTION carbon emissions
10% REDUCTION water use

CURRENT GOAL PROGRESSION TO DATE

SINCE 2016

11.0% reduction to date
11.6% reduction to date
✓14.9% reduction to date

ADDITIONAL PROGRESS

3.5% energy reduction in 2019
3.6% GHG emissions reduction in 2019
2.4% water reduction in 2019
75 Energy Star certifications in 2020
\$43M invested in energy efficiency projects since 2006
100% of managed buildings benchmarked in Energy Star portfolio manager since 2013
11.7M square feet Energy Star certified 68 certifications in 2019
100% of new development office portfolio (2M SF) LEED certified Since 2013

GRESB GREEN STAR

SUSTAINABLE TECHNOLOGIES



SOCIAL

OUR PEOPLE ARE OUR TROPHY ASSETS

COLLEGIALITY | WORK-LIFE BALANCE
APPRENTICESHIP PROGRAM | VOLUNTEER TIME OFF
SUPPLIER DIVERSITY | INDIVIDUAL CAREER GROWTH
TRANSPARENCY | TRAINING | WELLBEING
HUMAN CAPITAL 10-K DISCLOSURES
HIGH-QUALITY WORK ENVIRONMENT
COLLABORATION | STAKEHOLDER ENGAGEMENT
PAY FOR PERFORMANCE
FUN!

WE WORK WITH AND FOR EACH OTHER



THE HEART OF HIGHWOODS

Supporting Diversity and Inclusion

WORKFORCE + COMMUNITY + INDUSTRY

GOVERNANCE

- DIRECTORS SERVE ONE-YEAR TERMS
- MAJORITY VOTE DIRECTOR RESIGNATION POLICY
- VIGOROUS CASH AND EQUITY CLAWBACK POLICY
- NO EMPLOYMENT CONTRACTS
- DOUBLE TRIGGER CHANGE-IN-CONTROLS CONTRACTS
- NO POISON PILL
- 88% INDEPENDENT DIRECTORS
- 50% FEMALE OR PERSONS OF COLOR
- SHAREHOLDERS CAN AMEND BYLAWS
- TWO FINANCIAL EXPERTS ON AUDIT COMMITTEE
- SHAREHOLDER-ALIGNED COMPENSATION PHILOSOPHY
- ANTI-HEDGING AND ANTI-PLEDGING POLICY
- NO RELATED PARTY TRANSACTIONS
- SIMPLE CORPORATE STRUCTURE

THANK YOU

