

FORM 4

[] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or
Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *		2. Issuer Name and Ticker or Trading Symbol		5. Relationship of Reporting Person(s) to Issuer (Check all applicable)	
GRAHAM WILLIAM E JR		HIGHWOODS PROPERTIES INC [HIW]		<input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)	
(Last) (First) (Middle)		3. Date of Earliest Transaction (MM/DD/YYYY)			
C/O HIGHWOODS PROPERTIES, INC., 3100 SMOKETREE COURT, SUITE 600		6/3/2004			
(Street)		4. If Amendment, Date Original Filed (MM/DD/YYYY)		6. Individual or Joint/Group Filing (Check Applicable Line)	
RALEIGH, NC 27604				<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person	
(City) (State) (Zip)					

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	6/3/2004		M		800.0000	A	\$21.0000	4914.0000	D	
Common Stock	6/3/2004		S		800.0000	D	\$22.5400	4114.0000	D	
Common Stock	6/3/2004		M		900.0000	A	\$21.0000	5014.0000	D	
Common Stock	6/3/2004		S		900.0000	D	\$22.4400	4114.0000	D	
Common Stock	6/3/2004		M		100.0000	A	\$21.0000	4214.0000	D	
Common Stock	6/3/2004		S		100.0000	D	\$22.5200	4114.0000	D	
Common Stock	6/3/2004		M		1100.0000	A	\$21.0000	5214.0000	D	
Common Stock	6/3/2004		S		1100.0000	D	\$22.5300	4114.0000	D	
Common Stock	6/3/2004		M		7100.0000	A	\$21.0000	11214.0000	D	
Common Stock	6/3/2004		S		7100.0000	D	\$22.4700	4114.0000	D	

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option (right to buy)	\$21.0000	6/3/2004	6/3/2004	M		10000.0000	(1)	6/8/2004	Common Stock	10000.0000	(2)	0	D	

Explanation of Responses:

- (1) Option vests ratably on the first through fourth anniversaries of grant date.
(2) Please refer to the Exercise Price in Table II, Column 2.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GRAHAM WILLIAM E JR C/O HIGHWOODS PROPERTIES, INC. 3100 SMOKETREE COURT, SUITE 600 RALEIGH, NC 27604	X			

Cynthia M. Latvala, for William E. Graham, Jr.

6/7/2004

Date _____

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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