The St. Joe Company (JOE)

Updated December 31st, 2025 by Samuel Smith

Key Metrics

Current Price:	$60	**5 Year CAGR Estimate:**	-2.1%	**Market Cap:**	$3.5 B
Fair Value Price:	$33	**5 Year Growth Estimate:**	9.0%	**Ex-Dividend Date:**	2/22/26[1]
% Fair Value:	185%	**5 Year Valuation Multiple Estimate:**	-11.5%	**Dividend Payment Date:**	3/19/26[2]
Dividend Yield:	1.1%	**5 Year Price Target**	$50	**Years Of Dividend Growth:**	5
Dividend Risk Score:	C	**Sector:**	Real Estate	**Rating:**	Hold

Overview & Current Events

The St. Joe Company is a Florida-based real estate development and asset management firm headquartered in Panama City Beach, specializing in residential, commercial and hospitality properties primarily in Northwest Florida. With roots dating to 1936, St. Joe engages in land development, residential homesite sales, town center and mixed-use projects, hotel and resort operations, and commercial leasing, leveraging its extensive land holdings to create communities and lifestyle-oriented real estate assets. The company's diversified platform spans residential land development, hospitality services, and recurring leasing revenue, and it seeks to balance growth through both operating income and strategic asset monetization.

On October 29, 2025, The St. Joe Company released its third quarter 2025 results, reporting significantly improved financial performance compared with the prior year. For the quarter ended September 30, 2025, St. Joe reported revenue of approximately $161.1 million, up roughly 63 percent year-over-year, and diluted earnings per share of $0.67, reflecting strong demand and improved pricing across key business segments. Residential real estate revenue nearly doubled compared with the prior year, driven by higher average homesite prices and expanded sales volumes, and gross margins in this segment expanded markedly. Hospitality revenue also reached record quarterly levels and grew year-over-year, supported by increased occupancy and guest spending across the company's resort portfolio. Commercial leasing revenue grew steadily with a record level of leasing activity, contributing to recurring income. During the quarter the company executed an enhanced capital allocation strategy that included a 14 percent increase in its quarterly dividend to $0.16 per share and continued share repurchases, reflecting confidence in cash flow generation and shareholder return priorities. Operational highlights included strong backlog growth in residential contracts and ongoing progress in town center developments that underscored long-term asset value creation. Management noted disciplined execution amid favorable real estate market dynamics in Northwest Florida while maintaining liquidity and strategic flexibility. The results illustrated a combination of top-line expansion, improved profitability and diversified revenue streams, positioning St. Joe for continued growth in upcoming periods.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	-$0.02	$0.21	$0.28	$0.09	$0.11	$0.90	$1.01	$1.15	$1.28	$1.27	***$1.30***	***$2.00***
DPS	$0.00	$0.00	$0.00	$0.00	$0.00	$0.07	$0.32	$0.40	$0.44	$0.52	***$0.64***	***$0.90***
Shares	74.3	74.3	65.3	60.2	59.4	58.9	58.9	58.3	58.4	58.3	***57.7***	***58.0***

The St. Joe Company is positioned for moderate growth over the next five years, with earnings per share expected to rise from $1.30 to $2.00, supported by continued real estate development, strong demand in Florida's coastal markets, and expanding commercial and hospitality ventures. Dividends per share are projected to grow from $0.64 to $0.90, signaling confidence in sustained cash flow generation. JOE's extensive land holdings, increasing rental income, and

[1] Estimate
[2] Estimate

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strategic infrastructure investments should drive long-term value. While economic conditions and real estate cycles pose risks, the company's diversified revenue streams and disciplined capital management strengthen its growth outlook.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	NA	88.9	69.1	227.2	194.0	22.4	22.2	20.3	19.1	20.0	***46.2***	***25.0***
Avg. Yld.	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	1.4%	1.7%	1.8%	2.1%	***1.1%***	***1.8%***

JOE is currently trading at a P/E ratio of 46.2, well above its historical average of 25 but lower than peak valuations from 2017-2019. The company's shift toward recurring revenue from hospitality, rentals, and commercial properties may justify a higher multiple, though its valuation remains sensitive to real estate cycles. The dividend yield of 1.1% reflects its focus on reinvestment. Over the next five years, if earnings growth continues, the P/E could normalize between 25-30, though weaker real estate demand or higher interest rates could push it toward 20-25.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	0%	0%	0%	0%	0%	8%	32%	35%	34%	41%	***49%***	***45%***

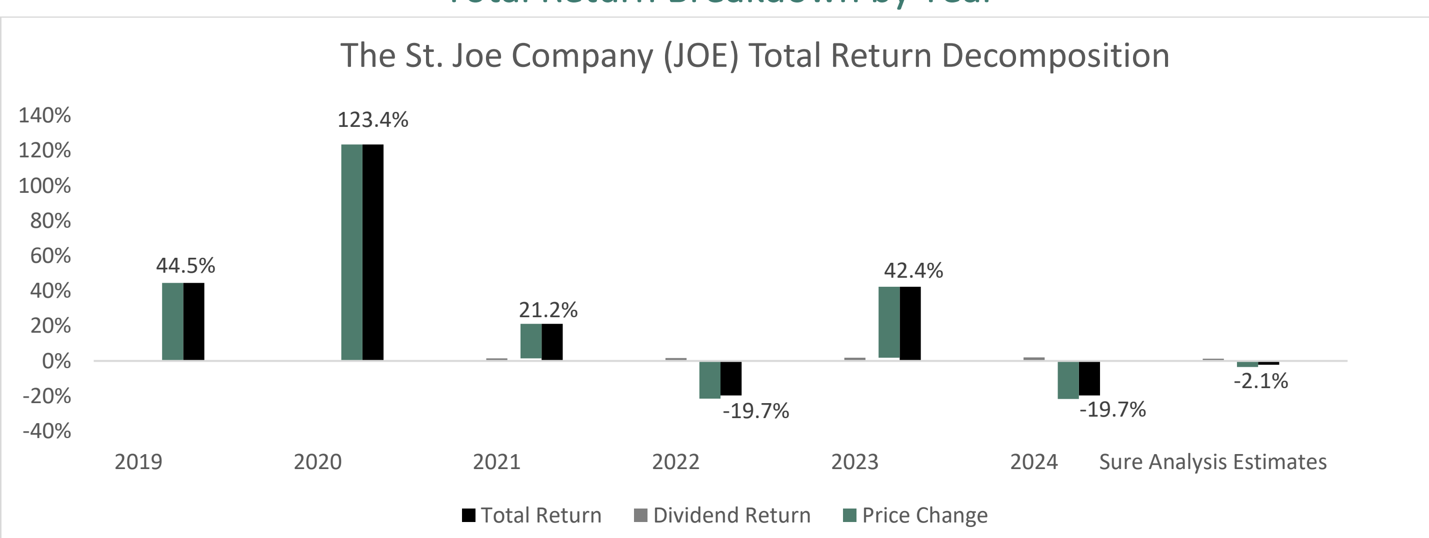
JOE's competitive advantage lies in its large Florida land holdings, allowing it to control supply and capitalize on migration trends. It has transitioned from land sales to stable cash flow businesses, making it more resilient to downturns. During the Great Recession, JOE suffered from falling real estate prices but remained financially strong. In 2020, it benefited from population shifts into Florida, supporting long-term growth.

With low debt and strong interest coverage, JOE maintains financial flexibility to expand without over-reliance on external financing. The payout ratio has risen from 8% in 2020 to 41% in 2024, reflecting confidence in dividend sustainability. If earnings continue growing, the payout may stabilize at 40-45%, though reinvestment remains a priority, keeping the dividend yield modest. Total returns will likely be driven by asset appreciation and operational expansion rather than high dividend payouts.

Final Thoughts & Recommendation

Between its 1.1% dividend yield, 9% expected five-year EPS CAGR, and -11.5% expected five-year valuation multiple CAGR, we project a -2.1% annualized total return for JOE over the next half-decade, making it a Hold at the moment.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	104	97	100	110	127	161	267	252	389	403
Gross Profit	37	35	33	59	63	83	136	106	153	167
Gross Margin	35.4%	35.8%	32.8%	53.5%	49.6%	51.6%	50.8%	42.2%	39.4%	41.5%
Operating Profit	(6)	3	4	29	31	47	94	61	91	96
Operating Margin	-5.9%	3.2%	3.6%	26.7%	24.6%	29.3%	35.4%	24.4%	23.3%	23.7%
Net Profit	(2)	16	60	32	27	45	75	71	78	74
Net Margin	-1.7%	16.4%	59.6%	29.4%	21.1%	28.2%	27.9%	28.1%	20.0%	18.4%
Free Cash Flow	13	6	22	16	(44)	(84)	(42)	(211)	(36)	58
Income Tax	1	7	(18)	(1)	9	14	25	24	26	26

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	983	1,028	921	871	909	1,037	1,208	1,431	1,524	1,539
Cash & Equivalents	213	241	192	195	186	107	70	38	86	89
Accounts Receivable	4	5	8	17	12	16	21	19	50	40
Inventories					1	2	3	4	4	4
Total Liabilities	309	341	328	338	380	469	582	780	825	802
Accounts Payable	3	4	8	10	16	25	49	70	24	23
Long-Term Debt	231	231	232	246	270	336	401	564	632	616
Shareholder’s Equity	665	669	578	518	520	551	607	631	683	724
LTD/E Ratio	0.35	0.35	0.40	0.48	0.52	0.61	0.66	0.89	0.93	0.85

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	-0.2%	1.6%	6.1%	3.6%	3.0%	4.6%	6.6%	5.4%	5.3%	4.8%
Return on Equity	-0.2%	2.3%	9.3%	5.8%	5.0%	8.2%	12.5%	11.1%	11.5%	10.3%
ROIC	-0.2%	1.7%	6.8%	4.0%	3.4%	5.3%	7.7%	6.3%	6.1%	5.5%
Shares Out.	74.3	74.3	65.3	60.2	59.4	58.9	58.9	58.3	58.4	58.3
Revenue/Share	1.18	1.30	1.42	1.76	2.12	2.72	4.53	4.30	6.67	6.90
FCF/Share	0.15	0.08	0.32	0.26	(0.73)	(1.43)	(0.71)	(3.59)	(0.62)	1.00

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.