The St. Joe Company (JOE)

Updated August 3rd, 2026, by Kody Kester

Key Metrics

Current Price:	$64	**5 Year CAGR Estimate:**	15.2%	**Market Cap:**	$3.6B
Fair Value Price:	$68	**5 Year Growth Estimate:**	13.0%	**Ex-Dividend Date:**	08/21/26
% Fair Value:	94%	**5 Year Valuation Multiple Estimate:**	1.2%	**Dividend Payment Date:**	09/18/26
Dividend Yield:	1.0%	**5 Year Price Target**	$124	**Years Of Dividend Growth:**	6
Dividend Risk Score:	A	**Sector:**	Real Estate	**Rating:**	Buy

Overview & Current Events

The St. Joe Company (JOE) is a Florida-based real estate development firm headquartered in Panama City Beach, specializing in residential, commercial, and hospitality properties primarily in Northwest Florida. With roots dating to 1936, 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 Jul. 29, JOE shared its earnings report for the second quarter ended Jun. 30, 2026. The company's revenue jumped 23% over the year-ago period to $158.8 million in the quarter. The biggest driver of this topline growth was a 58.9% surge in real estate revenue to $69.6 million during the quarter. This was driven by a combination of a 39% uptick in residential real estate revenue from a broad pricing spectrum varying from the high $200,000s to more than $5 million across its master-planned communities for the quarter. That happened to coincide with higher-priced homesite closings and earlier infrastructure investments that were harvested in the quarter. Hospitality revenue grew by 7.8% year-over-year to $74.2 million during the quarter. This was made possible by the growth of the Watersound Club membership program and hotel operations. These results offset the 9.1% decrease in leasing revenue over the year-ago period to $15 million for the quarter. That was due to the sale of the Watercrest joint venture senior living community property last September. Thanks to its enhanced pricing power and operational efficiency as developments scale, JOE's diluted EPS vaulted 39.2% higher year-over-year to $0.71 in the quarter.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.21	$0.84	$0.52	$0.45	$0.77	$1.27	$1.21	$1.33	$1.27	$2.00	***$2.25***	***$4.15***
DPS	-	-	-	-	$0.07	$0.32	$0.40	$0.44	$0.52	$0.58	***$0.64***	***$1.23***
Shares[1]	74.3	65.9	60.7	59.4	58.9	58.9	58.3	58.4	58.3	57.6	***56.9***	***53.0***

Moving forward, we believe that JOE can deliver 13.0% annual diluted EPS growth through 2031, off an anticipated 2026 base of $2.25. This is backed up by continued real estate development, robust demand in Florida's coastal markets, and expanding commercial and hospitality ventures. JOE mitigates the risks of economic downturns and real estate cycles through its diversified revenue streams and savvy capital management. Since the company is also churning out free cash flow, we think that it can modestly reduce its share count over the next several years.

[1] Share count is in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	90.8	21.6	25.1	43.3	55.1	41.0	31.9	45.5	35.4	29.9	***28.3***	***30.0***
Avg. Yld.	-	-	-	-	0.2%	0.6%	1.0%	0.7%	1.2%	1.0%	***1.0%***	***1.0%***

Since 2016, JOE has been valued at an average P/E ratio of approximately 42. Over the past five years, this has come down a bit to around 37. Looking ahead, we still believe that the elevated interest rate environment will prevent the valuation multiple from returning to historical averages. Regardless, we think that the company's solid growth profile can justify a fair value P/E ratio of around 30. Relative to the current-year P/E ratio of 28.3, shares are trading at a marginal discount to fair value.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	-	-	-	-	9%	25%	33%	33%	41%	29%	***28%***	***30%***

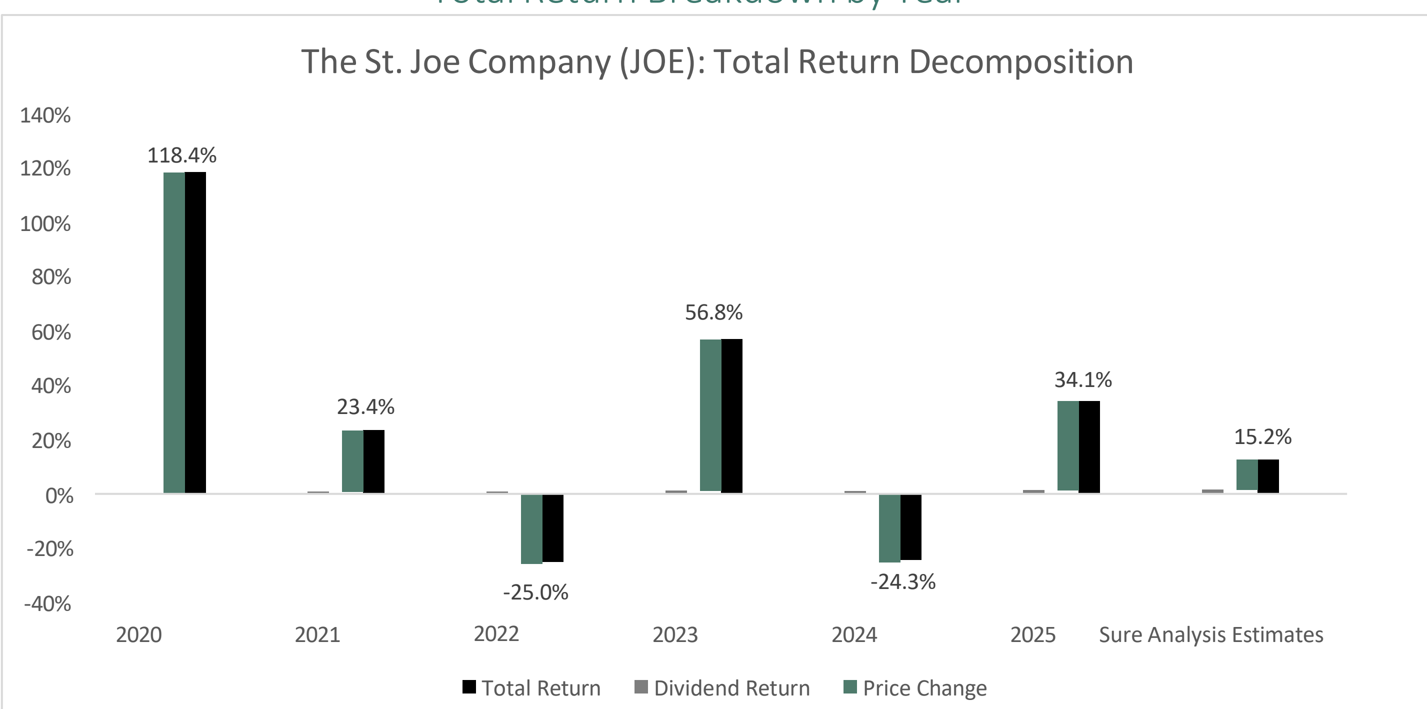
JOE's competitive advantage lies in its large Florida land holdings, allowing it to control supply and capitalize on migration trends. It has transitioned from land sales to stable cash flow businesses, making it more resilient to downturns. During the Great Recession, JOE suffered from falling real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

In the first half of 2026, the company's interest coverage ratio was 5.7x. That's a healthy figure, which suggests JOE is financially stable. The payout ratio is expected to be in the high-20% range for 2026, which should translate into a dividend that could slightly outpace diluted EPS growth in the years ahead.

Final Thoughts & Recommendation

Between its 1.0% dividend yield, 13.0% annual diluted EPS growth, and 1.2% annual valuation multiple upside potential, JOE could deliver 15.2% annual total returns through 2031. That's why we're upgrading shares to a Buy.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	96	100	110	127	161	267	252	389	403	513
Gross Profit	25	24	50	53	70	117	84	115	121	173
Gross Margin	26.1%	23.9%	45.3%	41.5%	43.6%	44.0%	33.1%	29.4%	30.0%	33.8%
Operating Profit	2	4	26	26	47	93	61	91	96	146
Operating Margin	2.0%	3.6%	23.9%	20.4%	29.3%	34.7%	24.4%	23.3%	23.7%	28.5%
Net Profit	15	59	32	27	45	74	70	74	72	116
Net Margin	16.2%	59.2%	28.7%	21.0%	28.3%	27.6%	27.8%	19.0%	18.0%	22.6%
Free Cash Flow	10	51	39	21	32	107	41	98	100	187
Income Tax	7	(18)	(1)	9	14	25	24	26	26	39

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	1,028	921	871	909	1,097	1,208	1,431	1,524	1,539	1,518
Cash & Equivalents	247	197	199	186	107	70	38	86	89	130
Accounts Receivable										
Inventories	-	-	-	-	-	-	-	-	-	-
Total Liabilities	341	328	338	380	469	582	780	825	802	743
Accounts Payable										
Long-Term Debt	55	56	69	93	160	224	387	454	440	392
Shareholder's Equity	669	578	518	520	551	607	631	683	724	766
LTD/E Ratio	0.08	0.10	0.13	0.18	0.61	0.37	0.61	0.67	0.61	0.51

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.4%	6.1%	3.5%	3.0%	4.5%	6.4%	5.3%	5.0%	4.7%	7.6%
Return on Equity	2.3%	9.3%	5.6%	5.0%	8.3%	12.4%	11.0%	11.0%	10.1%	15.3%
ROIC	1.9%	8.5%	5.1%	4.4%	6.0%	8.4%	7.4%	6.8%	6.2%	9.9%
Shares Out.	74.3	65.9	60.7	59.4	58.9	58.9	58.3	58.4	58.3	57.6
Revenue/Share	1.29	1.42	1.76	2.12	2.72	4.53	4.30	6.67	6.90	8.86
FCF/Share	0.13	0.72	0.62	0.35	0.54	1.83	0.70	1.67	1.72	3.22

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

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