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The St. Joe Company and Key International Announce Plans for a Joint Venture

PANAMA CITY BEACH, Fla.--([BUSINESS WIRE](#))-- The St. Joe Company (NYSE: JOE) ("St. Joe") and Key International, Inc. ("Key International") today announced their intent to pursue the formation of a joint venture to develop a new resort hotel in Panama City Beach, Florida.

"Key International welcomes the opportunity to work with a well-established and reputable partner like St. Joe, with the goal of expanding full service hotels in the Panama City Beach market," stated Inigo and Diego Ardid, Co-Presidents of Key International. Since the 1970's, Key International has been investing in and developing high end properties in Spain and the United States. Key International is currently developing a number of projects, including a 175-room Embassy Suites Oceanfront Resort in St. Augustine, Florida.

"St. Joe's strategy is to partner with best in class companies to expand our portfolio of income producing properties," said Jorge Gonzalez, President and Chief Executive Officer of The St. Joe Company. Gonzalez added, "We view the hospitality industry as a logical extension of this strategy, especially in the growing family-oriented lodging market of Panama City Beach, which is emerging as a year-round destination for the entire family with 17 million visitor day/nights in 2017. This announcement constitutes the second hotel joint venture that we are currently pursuing in the Panama City Beach market, including the announcement we made last October for a new limited service hotel adjoining Frank Brown Park. St. Joe is excited to join forces with Key International based on its proven track record of successful hotel development throughout the United States and abroad."

The parties plan to jointly design, develop, construct, and operate a resort hotel located on land currently owned by St. Joe within Pier Park, having unobstructed views of the Gulf of Mexico. The current plan is for the hotel to be a nationally branded, full service hotel that is within walking distance to Russell-Fields Pier and the Pier Park lifestyle shopping center, which offers nearly 900,000 square feet of shopping, entertainment, and dining options. The proposed hotel would offer up to 250 guest suites, a pool, meeting space, and other amenities.

Important Notice Regarding Forward-Looking Statements

This press release contains "forward-looking statements," within the meaning of Section 21E of the Securities Exchange Act of 1934, including statements regarding the parties' future intent to

enter into a joint venture, the anticipated success of that joint venture and prospective hotel interest in Panama City Beach, as well as the growth potential of Panama City Beach as a year-round family-oriented destination and the branding of any hotel constructed and managed by the joint venture. At this point, St. Joe and Key International have not reached any sort of agreement, and the parties have not entered into any definitive documentation with respect to the joint venture, meaning that neither party is bound to move forward at this stage. This press release is a disclosure of an intent of the parties to pursue a joint venture and either party may decide not to pursue the joint venture. These forward-looking statements are qualified in their entirety by cautionary statements and risk factors set forth in St. Joe's filings with the SEC, including its First Quarter Report on Form 10-Q filed with the SEC on May 2, 2018 as updated by subsequent current report filings, as well as the following: (1) the ability of St. Joe and Key International to mutually agree to a joint venture structure and joint venture documents, (2) the ability of St. Joe and Key International to successfully complete the proposed hotel, and (3) the continued interest of prospective guests in a hotel in Panama City Beach.

About St. Joe

The St. Joe Company together with its consolidated subsidiaries is a real estate development, asset management and operating company concentrated primarily between Tallahassee and Destin, Florida. More information about St. Joe can be found on its website at www.joe.com.

About Key International

Key International is a real estate investment and development company headquartered out of Miami, Florida. The company focuses on high-end commercial and luxury residential properties including hotels, condominiums, office, and retail. Key Intl. is operated by the Ardid family and has been acquiring and developing properties since the 1970's in Spain and in the United States. More information about Key Intl. can be found on its website www.key-international.com.

“St. Joe®”, “JOE®”, the “Taking Flight” Design®, “St. Joe (and Taking Flight Design)®” and “Pier Park®” are registered service marks of The St. Joe Company.

Contacts

St. Joe

Investor/Media Contact:

Marek Bakun, 866-417-7132

Chief Financial Officer

marek.bakun@joe.com

or

<http://www.key-international.com>