



The St. Joe Company Announces Recent Commercial and Hospitality Transactions

December 21, 2022

PANAMA CITY BEACH, Fla.--(BUSINESS WIRE)--Dec. 21, 2022-- The St. Joe Company (NYSE: JOE) ("St. Joe") announces that it recently closed on three strategic real estate transactions and provides an update on projects that are scheduled to open in 2023.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20221221005569/en/>



The Pearl Hotel. (Photo: Business Wire)

In early December, The St. Joe Company closed on the purchase of The Pearl Hotel in Rosemary Beach®, a luxury 55-room hotel in Northwest Florida's highly sought-after Scenic Highway 30A corridor. Since 2014, The St. Joe Company has managed the hotel's day-to-day operations. The Pearl Hotel, which has been named one of Travel + Leisure's World's Best Hotels, features an on-site restaurant and spa as well as a stretch of private beach along the Gulf of Mexico. With the purchase, St. Joe now owns three hotels in the Scenic Highway 30A corridor and has two additional hotels under construction along this corridor that are planned to open in 2023.

In November, St. Joe purchased an additional 30% share of Pier Park North, an approximately 320,000 square foot shopping center in Panama City Beach's Pier Park shopping and entertainment district, from joint venture partner Casto. Pier Park North has major anchor tenants including Dick's Sporting Goods and The Fresh Market. It is currently 97% leased. This transaction increased St. Joe's

ownership stake to 90%.

Also in November, St. Joe and joint venture partner Flournoy Development Company finalized the sale of Sea Sound Apartments, a 300-unit apartment community. St. Joe sold the 18.97-acre vacant parcel to the joint venture in January 2020 for \$5.1 million and the joint venture sold the apartment community in November of 2022 for \$92 million.

"These transactions further position the company to deliver on our strategies of creating higher values for real estate owned and increasing recurring revenue with best-in-class assets in locations that create synergistic accretive value and speak to our belief in the growth of this region," said Jorge Gonzalez, President and CEO of The St. Joe Company. "The Pearl Hotel is unlike any other hotel in this region and benefits from the continued visitation demand along the Scenic Highway 30A corridor. Together with our existing hotels and those that we are developing, St. Joe is positioned as the dominant hotelier along the corridor. Similarly, the tenant mix and ideal location of Pier Park North position it for years of continued shopper traffic that will be bolstered by its proximity to St. Joe's existing and planned hotels, apartments, residential communities, and the FSU Health Medical Campus both in the Pier Park shopping and entertainment district and along the nearby State Road 79 corridor."

A busy end to 2022 makes way for a very active 2023 when St. Joe expects to open five new hotels, including the 85-room The Lodge 30A in Seagrove Beach, the 255-room Embassy Suites in Panama City Beach, the 75-room Camp Creek Inn and adjacent Watersound Club amenity expansion, the 107-room Home2 Suites in Santa Rosa Beach, and the 124-room Hotel Indigo in downtown Panama City's historic marina district. Once these projects are complete, St. Joe's hotel portfolio will more than double to 1,117 rooms.

Also expected to open in 2023 are Mexico Beach Crossings Apartments, a 216-unit apartment community in the city of Mexico Beach positioned to address the housing needs of the \$5 billion redevelopment of Tyndall Air Force Base, and North Bay Landing Apartments, a 240-unit apartment community in Panama City near the high-growth U.S. Highway 231 corridor.

A photo gallery of The Pearl Hotel and Pier Park North as well as construction images of those projects scheduled to open in 2023 can be found here: <https://joe.canto.com/s/LN5FV?viewIndex=0>

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 anticipated benefits of St. Joe’s recent strategic acquisitions and plans regarding current development projects, including expected timelines for completion and the expected benefits up completion. 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 Annual Report on Form 10-K for the year ended December 31, 2021 and subsequent current filings, as well as the following: (1) the ability for St. Joe to realize the expected benefits of its recent strategic acquisitions, (2) the ability of St. Joe, its affiliates or its joint ventures to successfully complete the projects and (3) the demand for such projects by prospective users, buyers and tenants.

About The St. Joe Company

The St. Joe Company is a real estate development, asset management and operating company with real estate assets and operations in Northwest Florida. The Company intends to use existing assets for residential, hospitality and commercial ventures. St. Joe has significant residential and commercial land-use entitlements. The Company actively seeks higher and better uses for its real estate assets through a range of development activities. More information about the Company can be found on its website at www.joe.com. On a regular basis, the Company releases a video showing progress on projects in development or under construction. See <https://www.joe.com/video-gallery> for more information.

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