

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported)

November 6, 2007

The St. Joe Company

(Exact Name of Registrant as Specified in Its Charter)

Florida

(State or Other Jurisdiction
of Incorporation)

1-10466

(Commission File Number)

59-0432511

(IRS Employer
Identification No.)

245 Riverside Avenue, Suite 500

Jacksonville, FL

(Address of Principal Executive Offices)

32202

(Zip Code)

(904) 301-4200

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On November 6, 2007, The St. Joe Company (the "Company") issued a press release announcing the Company's financial results for the quarter ended September 30, 2007. A copy of the press release is furnished with this Form 8-K as Exhibit 99.1.

Also furnished herewith as Exhibit 99.2 are tables containing certain additional information regarding the results of operations of the Company for the quarter ended September 30, 2007.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.1 Press Release dated November 6, 2007

99.2 Additional information tables for the quarter ended September 30, 2007

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE ST. JOE COMPANY

Dated: November 6, 2007

By: /s/ William S. McCalmont
William S. McCalmont
Chief Financial Officer



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FOR IMMEDIATE RELEASE

**THE ST. JOE COMPANY (NYSE: JOE) REPORTS
THIRD QUARTER 2007 FINANCIAL RESULTS**

Jacksonville, Florida – (November 6, 2007) – The St. Joe Company (NYSE: JOE) today announced a Net Loss for the third quarter 2007 of \$(6.8) million, or \$(0.09) per share, compared with Net Income of \$6.0 million, or \$0.08 per share, for the third quarter of 2006. JOE had a loss from continuing operations, net of taxes, for the third quarter of 2007 of \$(11.9) million, or \$(0.16) per share, which was offset by an after tax gain from discontinued operations of \$5.1 million, or \$0.07 per share, primarily related to the sale of JOE's office building portfolio. This compares to a loss from continuing operations, net of taxes, for the third quarter of 2006 of \$(2.4) million, or \$(0.03) per share, which was offset by an after-tax gain from discontinued operations of \$8.4 million or \$0.11 per share.

For the third quarter of 2007, JOE recorded impairment losses totaling \$20.4 million, pre-tax. Approximately \$13.0 million of the pre-tax charge was related to the write-down of costs on homes and home sites in the residential segment to approximate fair value less costs to sell and \$7.4 million related to the write-off of goodwill at Sunshine State Cypress sawmill and mulch plant based on an assessment of its current market value. As previously announced, JOE terminated a relationship with a third-party management company in September 2007 and paid a \$5.0 million termination fee that is also reflected in the third quarter results.

Net income for the first nine months of 2007 was \$38.2 million, or \$0.51 per share, compared to \$28.7 million, or \$0.39 per share, for the first nine months of 2006. Income from continuing operations, net of taxes, for the first nine months of 2007 was \$7.2 million, or \$0.10 per share, compared to \$15.0 million, or \$0.20 per share, for the first nine months of 2006. In addition to the third quarter 2007 charges referenced above, a charge of \$2.2 million pre-tax was recorded during the first quarter in discontinued operations relating to the sale of Saussy Burbank, which was completed earlier this year.

“Our results for the third quarter clearly reflect the difficult conditions that still exist in JOE's Florida markets, including the Northwest region,” said Peter S. Rummell, chairman and CEO of JOE. “Despite the current environment, we believe the opportunities for JOE in the coming years, such as the relocation of the Panama City – Bay County International Airport, combined with our business-to-business approach will position JOE for significant future growth. For example, JOE's extensive holdings adjacent and near the site of the new Panama City airport present a unique opportunity for commercial as well as residential developers. We have ramped up our marketing and outreach efforts to identify appropriate strategic alliances to maximize the value of these holdings.”

JOE is currently implementing the restructuring initiatives announced October 8, 2007 to accelerate the creation of value for its holdings, which include:

- Significantly reducing capital expenditures;
- Meaningfully decreasing selling, general and administrative expenses;
- Divesting non-core assets;
- Aggressively lowering company debt; and
- Eliminating the current dividend and over time returning capital to shareholders through JOE's share repurchase program.

JOE Begins Marketing Opportunities in the West Bay Sector

Last week, a ceremonial groundbreaking was held for the Panama City – Bay County International Airport within the 75,000-acre West Bay Sector. JOE has land-use entitlements for approximately 4.4 million square feet of industrial, office and retail space, 5,842 residential units, 490 hotel rooms and two marinas within the West Bay Sector's first phase. There is ample land within the West Bay Sector for additional entitlements. Combined with Panama City's deepwater seaport, Bay County has a unique and compelling set of competitive advantages that could support the development of a wide range of residential, commercial and intermodal uses.

The local airport authority estimates that the airport will open in 2010, barring unexpected delays or additional legal challenges.

JOE Sells 21,073 Rural Acres During the Quarter

During the third quarter, JOE sold 21,073 acres of rural land that were not considered to be of strategic long-term value for the company. These land parcels were either already at their highest and best use or any higher use was beyond a reasonable time-value horizon. These land sales included 1,084 rural acres in six transactions for \$3.4 million, or an average price of \$3,136 per acre, and 19,989 acres adjacent to the St. Marks National Wildlife Refuge in one transaction for \$28.5 million, or an average price of \$1,425 per acre. As part of this larger transaction, JOE received the purchase price in the form of an installment note receivable which allows for significant tax efficiencies. The installment note is expected to be monetized in November of this year.

Since January 1, 2007, JOE has sold 7,131 rural acres in 29 small transactions for \$22.1 million, or an average price of \$3,093 per acre. Also during 2007, JOE sold 79,967 rural acres in three large transactions for \$109.4 million, or an average price of \$1,368 per acre. Two of these three transactions were tax efficient since the consideration was received in the form of installment notes.

"As we announced in October, we intend to monetize assets from our harvest portfolio," said Britt Greene, JOE's president. "Since many factors impact the ultimate price per acre for a transaction, including the land's location, quality and natural features, prices are expected to vary significantly from parcel to parcel. Moving forward, we are marketing approximately 100,000 rural acres that fit our criteria for harvesting value, but we will only do so at acceptable prices based on the specific attributes of each parcel."

Land Holdings and Entitlements

On September 30, 2007, JOE owned approximately 718,240 acres, concentrated primarily in Northwest Florida. These holdings included approximately 311,009 acres within 10 miles of the coast of the Gulf of Mexico and approximately 407,231 acres outside the 10-mile coastal perimeter including approximately 14,406 acres in southwest Georgia.

On September 30, 2007, JOE's land-use entitlements in hand or in process totaled approximately 46,700 residential units and approximately 14.8 million square feet of commercial space, as well as an additional 628 acres with land-use entitlements for commercial uses.

JOE's Balance Sheet

JOE is committed to maintaining a strong balance sheet. The company is currently considering a number of alternatives to enhance financial flexibility including the negotiation of amendments to its bank credit facility and senior notes, capital-market transactions and the acceleration of non-strategic rural land sales.

At September 30, 2007, JOE's debt was \$540.6 million, including \$31.1 million of debt defeased in connection with the building portfolio sale, as compared to \$627.1 million on December 31, 2006. At the end of the third quarter, JOE had approximately \$387.2 million of available capacity under its \$500 million Revolving Credit Facility.

Pacing Capital Expenditures to Meet Market Demand

Under JOE's restructuring plan, the company intends to significantly reduce its capital expenditures and focus its capital investments more tightly on the company's growth assets.

"One of the key goals of JOE's recent restructuring is to ensure that we pace our capital expenditures to meet market demand," said William S. McCalmont, JOE's CFO. "As we move forward, we will focus our sales and marketing efforts on those projects, such as WaterSound and WindMark Beach, in which we have already invested significant capital."

"Through the first nine months of 2007, JOE has invested approximately \$225 million of capital, with spending focused on new projects in Northwest Florida, including WaterSound, WaterSound West Beach, and WindMark Beach, and on RiverTown near Jacksonville," said McCalmont. "Based on our preliminary outlook, we expect our capital expenditures to be less than \$90 million in 2008 and a lesser amount in 2009."

"We will continue to evaluate our deployment of capital into projects that we expect to generate the best returns over time," said McCalmont. "However, in our role as a regional place-maker for Northwest Florida, we are now more focused on being a supplier of entitled land to an expanding variety of strategic partners and customers. We believe the most significant benefit of this expanded business-to-business approach is the ability to create multiple paths to value creation while simultaneously reducing JOE's capital expenditures."

Dividends and Stock Repurchase

A quarterly cash dividend of \$0.16 per share of common stock was paid on September 28 to shareholders of record at the close of business on September 14, 2007. On September 30, 2007, 74,357,101 JOE shares were outstanding.

During the third quarter of 2007, JOE paid an aggregate of \$11.9 million for dividends. The company did not purchase any of its shares on the open market. A total of 46,979 shares were surrendered by executives. On September 30, 2007, approximately \$103.8 million remained available under the company's stock repurchase authorization.

On October 8, 2007, the company announced plans to eliminate the quarterly dividend program and over time return capital to shareholders through JOE's repurchase program.

Company Outlook

"Florida resort and residential markets remain weak and inventory levels remain a concern," said Rummell. "At this time, there is little visibility for when the market will start moving toward equilibrium. We remain focused on keeping the basis in our land holdings low and putting time on our side. Moving forward, we believe we can accelerate value creation by working closely with a full range of strategic partners to position JOE for future growth."

FINANCIAL DATA
(\$ in millions except per share amounts)

Consolidated Results

	Quarter Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2007	2006	2007	2006
Revenues				
Real estate sales	\$ 56.1	\$ 104.1	\$ 227.9	\$ 324.8
Rental revenue	1.4	1.4	4.3	3.8
Timber sales	9.5	7.2	25.9	23.5
Other revenues	12.1	11.3	31.6	31.4
Total revenues	79.1	124.0	289.7	383.5
Expenses				
Cost of real estate sales	17.6	56.3	110.5	179.1
Cost of rental revenue	2.8	1.2	5.4	3.0
Cost of timber sales	6.8	5.3	20.0	17.5
Cost of other revenues	11.9	12.9	31.4	32.9
Other operating expenses	18.2	18.5	49.7	51.6
Corporate expense, net	8.9	11.3	26.0	40.6
Restructuring charge	(0.3)	13.1	2.6	13.1
Impairment losses	20.4	--	20.4	--
Depreciation and amortization	5.1	5.3	14.8	15.3
Total expenses	91.4	123.9	280.8	353.1
Operating (loss) profit	(12.3)	0.1	8.9	30.4
Other income (expense)	(5.3)	(2.2)	(1.4)	(4.0)
Pretax (loss) income from continuing operations	(17.6)	(2.1)	7.5	26.4
Income tax (expense) benefit	6.7	(1.2)	0.6	(12.8)
Minority interest expense	(0.1)	(0.7)	(0.9)	(5.6)
Equity in income of unconsolidated affiliates	(0.9)	1.6	--	7.0
Discontinued operations, net of tax	5.1	8.4	31.0	13.7
Net (loss) income	\$ (6.8)	\$ 6.0	\$ 38.2	\$ 28.7
Net (loss) income per share	\$ (0.09)	\$ 0.08	\$ 0.51	\$ 0.39
Weighted average shares outstanding (in 000's)	73,936,181	73,927,941	74,303,359	74,467,972

Revenues by Segment

	Quarter Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2007	2006	2007	2006
Residential				
Real estate sales	\$ 18.1	\$ 75.3	\$ 79.0	\$ 245.9
Rental revenue	1.1	0.6	2.3	1.4
Other revenues	12.1	11.0	31.5	30.7
Total Residential	31.3	86.9	112.8	278.0
Commercial				
Real estate sales	6.1	12.4	17.4	20.5
Rental revenue	0.3	0.8	2.0	2.4
Other revenues	--	0.3	0.1	0.7
Total Commercial	6.4	13.5	19.5	23.6
Rural Land sales				
Real estate sales	31.9	16.4	131.5	58.4
Total Rural Land sales	31.9	16.4	131.5	58.4
Forestry sales	9.5	7.2	25.9	23.5
Total revenues	\$ 79.1	\$ 124.0	\$ 289.7	\$ 383.5

Summary Balance Sheet

	<u>September 30, 2007</u>	<u>December 31, 2006</u>
Assets		
Investment in real estate	\$ 950.7	\$ 1,213.5
Cash and cash equivalents	11.9	36.9
Accounts receivable	13.0	25.8
Notes receivable	88.5	26.0
Prepaid pension asset	104.1	100.9
Property, plant and equipment, net	30.6	44.6
Other assets	86.6	112.7
Total assets	<u>\$ 1,285.4</u>	<u>\$ 1,560.4</u>
Liabilities and Stockholders' Equity		
Debt	540.6	627.1
Accounts payable, accrued liabilities	179.8	250.6
Deferred income taxes	84.1	211.1
Total liabilities	<u>804.5</u>	<u>1,088.8</u>
Minority interest	6.7	10.5
Total stockholders' equity	<u>474.2</u>	<u>461.1</u>
Total liabilities and stockholders' equity	<u>\$ 1,285.4</u>	<u>\$ 1,560.4</u>

Debt Schedule

	<u>September 30, 2007</u>	<u>December 31, 2006</u>
Senior revolving credit facility	\$ 90.0	\$ 60.0
Senior notes	240.0	307.0
Bridge loan	100.0	100.0
Bond payable	4.0	4.0
Debt secured by securities, certain commercial and residential property	<u>106.6</u>	<u>156.1</u>
Total debt	<u>\$ 540.6</u>	<u>\$ 627.1</u>

Additional Information

Additional information with respect to the Company's quarterly results will be made available in a Form 8-K and a Form 10-Q, both of which will be filed with the Securities and Exchange Commission today.

Conference Call Information

JOE will host an interactive conference call to review the company's results for the quarter ended September 30, 2007, and to discuss our outlook on Tuesday, November 6, 2007, at 10:30 a.m. (EDT).

To participate in the call, please phone 866.409.1555 (for domestic calls from the United States) or 888.203.1235 (for international calls) approximately ten minutes before the scheduled start time. You will be asked for a Confirmation Code which is: 3727154. Approximately three hours following the call, you may access a replay of the call by phoning 888.203.1112 (domestic) or 719.457.0820 (international) using access code 3727154. The replay will be available for one week.

JOE will also web cast the conference call live over the internet in a listen-only format. Listeners can participate by visiting the company's web site at www.joe.com. Access will be available 15 minutes prior to the scheduled start time. A replay of the conference call will be posted to the JOE web site approximately three hours following the call. The replay of the call will be available for one week.

About JOE

The St. Joe Company (NYSE: JOE), a publicly held company based in Jacksonville, is one of Florida's largest real estate development companies. We are primarily engaged in real estate development and sales, with significant interests in timber. Our mission is to create places that inspire people and make JOE's Florida an even better place to live, work and play. We're no ordinary JOE.

More information about JOE can be found at our web site at www.joe.com.

Forward-Looking Statements

We have made forward-looking statements in this earnings release, particularly in the Company Outlook section, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Any statements in this release that are not historical facts are forward-looking statements. You can find many of these forward-looking statements by looking for words such as "intend", "anticipate", "believe", "estimate", "expect", "plan", "should", "forecast" or similar expressions. In particular, forward-looking statements include, among others, statements about the following:

- future operating performance, revenues, earnings, cash flows, and short and long-term revenue and earnings growth rates;
- future residential and commercial entitlements;
- expected development timetables and projected timing for sales or closings of homes or home sites in a community;
- development approvals and the ability to obtain such approvals, including possible legal challenges;
- the anticipated price ranges of developments;
- the number of units or commercial square footage that can be supported upon full build out of a development;
- the number, price and timing of anticipated land or building sales or acquisitions;
- estimated land holdings for a particular use within a specific time frame;
- absorption rates and expected gains on land and home site sales;
- the levels of resale inventory in our developments and the regions in which they are located;
- the development of relationships with strategic partners, including homebuilders;
- the pace at which we release new products for sale;
- comparisons to historical projects;
- the amount of dividends, if any, we pay; and
- the number of shares of company stock which may be purchased under the company's existing or future share-repurchase program.

Forward-looking statements are not guarantees of future performance. You are cautioned not to place undue reliance on any of these forward-looking statements. These statements are made as of the date hereof based on our current expectations, and we undertake no obligation to update the information contained in this release. New information, future events or risks may cause the forward-looking events we discuss in this earnings release not to occur.

Forward-looking statements are subject to numerous assumptions, risks and uncertainties. Factors that could cause actual results to differ materially from those contemplated by a forward-looking statement include the risk factors described in our annual report on Form 10-K for the year ended December 31, 2006 and our quarterly reports on Form 10-Q, as well as, among others, the following:

- economic conditions, particularly in Northwest Florida, Florida as a whole and key areas of the southeastern United States that serve as feeder markets to our Northwest Florida operations;
- changes in the demographics affecting projected population growth in Florida, including the demographic migration of Baby Boomers;
- changes in perceptions or conditions in the national real estate market or the real estate markets in the states and regions in which we operate;
- changes in interest rates, availability of mortgage financing and the performance of the financial markets;
- the termination of sales contracts or letters of intent due to, among other factors, the failure of one or more closing conditions or market changes;
- an event of default under our credit facility, senior notes and certain other debt, or the restructuring of such debt on terms less favorable to us;
- whether our developments receive all land-use entitlements or other permits necessary for development and/or full build-out or are subject to legal challenge;
- local conditions such as the supply of homes and home sites and residential or resort properties or a change in the demand for real estate in an area;
- timing and costs associated with property developments and rentals;
- the pace of commercial development in Northwest Florida;
- competition from other real estate developers;
- changes in pricing of our products and changes in the related profit margins;
- changes in operating costs, including real estate taxes and the cost of construction materials;
- changes in the amount or timing of federal and state income tax liabilities resulting from either a change in our application of tax laws, an adverse determination by a taxing authority or court, or legislative changes to existing laws;
- changes in market rental rates for our commercial and resort properties;
- changes in the prices or availability of wood products;
- the pace of development of public infrastructure, particularly in Northwest Florida, including a proposed new airport in Bay County, which is dependent on the availability of adequate funding and the successful resolution of any legal challenges;
- potential liability under environmental laws or other laws or regulations;
- changes in laws, regulations or the regulatory environment affecting the development of real estate;
- fluctuations in the size and number of transactions from period to period;
- natural disasters, including hurricanes and other severe weather conditions, and the impact on current and future demand for our products in Florida;
- the prices and availability of labor and building materials;
- changes in insurance rates and deductibles for property in Florida, particularly in coastal areas;
- changes in gasoline prices; and
- acts of war, terrorism or other geopolitical events.

The foregoing list is not exhaustive and should be read in conjunction with other cautionary statements contained in our periodic and other filings with the Securities and Exchange Commission.

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Table 1
Summary of Land-Use Entitlements⁽¹⁾
Active JOE Residential and Mixed-Use Projects in Florida
September 30, 2007

Project	Class.⁽²⁾	County	Project Acres	Project Units⁽³⁾	Residential Units Closed Since Inception	Residential Units Under Contract as of 9/30/07	Total Residential Units Remaining	Remaining Commercial Entitlements (Sq. Ft.)⁽⁴⁾
<u>In Development:⁽⁵⁾</u>								
Artisan Park ⁽⁶⁾	PR	Osceola	175	616	547	--	69	--
Cutter Ridge	PR	Franklin	10	25	--	--	25	--
Hawks Landing	PR	Bay	88	168	128	--	40	--
Landings at Wetappo	RR	Gulf	113	24	7	--	17	--
Palmetto Trace	PR	Bay	141	481	477	--	4	--
Paseos ⁽⁶⁾	PR	Palm Beach	175	325	323	2	--	--
PineWood	PR	Bay	104	264	--	--	264	--
RiverCamps on Crooked Creek	RS	Bay	1,491	408	186	--	222	--
Rivercrest ⁽⁶⁾	PR	Hillsborough	413	1,382	1,381	--	1	--
RiverSide at Chipola	RR	Calhoun	120	10	2	--	8	--
RiverTown	PR	St. Johns	4,170	4,500	--	--	4,500	500,000
SevenShores (Perico Island)	RS	Manatee	192	686	--	--	686	9,000
SouthWood	VAR	Leon	3,370	4,770	2,237	2	2,531	4,697,360
St. Johns Golf & Country Club	PR	St. Johns	880	799	796	--	3	--
SummerCamp Beach	RS	Franklin	762	499	80	--	419	25,000
The Hammocks	PR	Bay	133	457	457	--	--	--
Victoria Park	PR	Volusia	1,859	4,200	1,307	163	2,730	818,654
WaterColor	RS	Walton	499	1,140	879	--	261	47,600
WaterSound	VAR	Walton	2,425	1,432	20	1	1,411	457,380
WaterSound Beach	RS	Walton	256	511	433	6	72	29,000
WaterSound West Beach	RS	Walton	62	199	28	1	170	--
WindMark Beach	RS	Gulf	2,020	1,662	132	--	1,530	75,000
Subtotal			<u>19,458</u>	<u>24,558</u>	<u>9,420</u>	<u>175</u>	<u>14,963</u>	<u>6,658,994</u>
<u>In Pre-Development:⁽⁵⁾</u>								
Avenue A	PR	Gulf	6	96	--	--	96	--
Bayview Estates	PR	Gulf	31	45	--	--	45	--
Bayview Multifamily	PR	Gulf	20	300	--	--	300	--
Beacon Hill	RR	Gulf	3	12	--	--	12	--
Beckrich NE	PR	Bay	15	70	--	--	70	--
Boggy Creek	PR	Bay	630	526	--	--	526	--
Bonfire Beach	RS	Bay	550	750	--	--	750	70,000
Breakfast Point, Phase 1	VAR	Bay	115	320	--	--	320	--
College Station	PR	Bay	567	800	--	--	800	--
DeerPoint Cedar Grove	PR	Bay	668	950	--	--	950	--
East Lake Creek	PR	Bay	81	313	--	--	313	--
East Lake Powell	RS	Bay	181	360	--	--	360	30,000
Howards Creek	RR	Gulf	8	33	--	--	33	--
Laguna Beach West	PR	Bay	59	382	--	--	382	--
Long Avenue	PR	Gulf	10	30	--	--	30	--
Palmetto Bayou	PR	Bay	58	217	--	--	217	90,000
ParkSide	PR	Bay	48	480	--	--	480	--
Pier Park NE	VAR	Bay	57	460	--	--	460	190,000
Pier Park Timeshare	RS	Bay	13	125	--	--	125	--
Port St. Joe Draper, Phase 1	PR	Gulf	639	1,200	--	--	1,200	--
Port St. Joe Draper, Phase 2	PR	Gulf	981	2,125	--	--	2,125	150,000
Port St. Joe Town Center	VAR	Gulf	180	624	--	--	624	500,000
Powell Hills Retail ⁽⁷⁾	RS	Bay	100	3,131	--	--	3,131	240,000
Sabal Island	RS	Gulf	45	18	--	--	18	--
The Cove	RR	Gulf	57	81	--	--	81	--
Timber Island ⁽⁸⁾	RS	Franklin	49	407	--	--	407	14,500
Topsail	VAR	Walton	115	627	--	--	627	300,000
Wavecrest	RS	Bay	7	95	--	--	95	--
WestBay Corners SE	VAR	Bay	100	524	--	--	524	50,000
WestBay Corners SW	PR	Bay	64	160	--	--	160	--
WestBay DSAP	VAR	Bay	15,089	5,628	--	--	5,628	4,330,000
WestBay Landing ⁽⁹⁾	VAR	Bay	950	214	--	--	214	--
Subtotal			<u>21,496</u>	<u>21,103</u>	<u>--</u>	<u>--</u>	<u>21,103</u>	<u>5,964,500</u>
Total			<u>40,954</u>	<u>45,661</u>	<u>9,420</u>	<u>175</u>	<u>36,066</u>	<u>12,623,494</u>

- (1) A project is deemed land-use entitled when all major discretionary governmental land-use approvals have been received. Some of these projects may require additional permits for development and/or build-out; they also may be subject to legal challenge.
- (2) Current JOE land classifications:
- PR – Primary residential.
 - RS – Resort and seasonal residential, which includes RiverCamps.
 - RR – Rural residential, which includes Homesteads and other rural residential products.
 - VAR – Includes multiple classifications. For example, a project may have substantial commercial and residential acres.
- (3) Project units represent the maximum number of units entitled or currently expected at full build-out. The actual number of units or square feet to be constructed at full build-out may be lower than the number entitled or currently expected.
- (4) Represents the remaining square feet with land-use entitlements as designated in a development order or expected given the existing property land use or zoning and present plans. Commercial entitlements include retail, office and industrial uses. Industrial uses total 6,128,381 square feet including SouthWood, RiverTown and the West Bay DSAP.
- (5) A project is “in development” when construction on the project has commenced. A project in “pre-development” has land-use entitlements but is still under internal evaluation or requires one or more additional permits prior to the commencement of construction.
- (6) Artisan Park is 74 percent owned by JOE. Paseos and Rivercrest are each 50 percent owned by JOE.
- (7) Powell Hills Retail is made up of the previous projects, Hills Road and Powell Adams, and includes an additional 38 acres of entitled property which is no longer subject to an option to sell.
- (8) Timber Island entitlements include seven residential units and 400 units for hotel or other transient uses (including units held with fractional ownership such as private residence clubs) and include 480 wet/dry marina slips.
- (9) West Bay Landing is a sub-project within WestBay DSAP.

Table 2
Proposed JOE Residential and Mixed-Use Projects
In the Land-Use Entitlement Process in Florida ⁽¹⁾
September 30, 2007

Project	Class ⁽²⁾	County	Project Acres	Estimated Project Units ⁽³⁾	Estimated Commercial Entitlements (Sq. Ft.) ⁽³⁾
Breakfast Point, Phase 2	VAR	Bay	1,299	2,780	635,000
Carrabelle East	PR	Franklin	200	600	--
Country Walk	RR	Bay	1,300	125	--
SouthSide	VAR	Leon	1,625	2,800	1,150,000
South Walton Multifamily	PR	Walton	40	212	--
Star Avenue North	VAR	Bay	271	1,248	380,000
St. James Island McIntyre	RR	Franklin	1,704	340	--
St. James Island RiverCamps	RS	Franklin	2,500	500	--
St. James Island Granite Point	RS	Franklin	1,000	2,000	--
The Cove, Phase 3	RR	Gulf	7	26	--
Total			9,946	10,631	2,165,000

- (1) A project is deemed to be in the land-use entitlement process when customary steps necessary for the preparation and submittal of an application, such as conducting pre-application meetings or similar discussions with governmental officials, have commenced and/or an application has been filed. All projects listed have significant entitlement steps remaining that could affect their timing, scale and viability. There can be no assurance that these entitlements will ultimately be received.
- (2) Current JOE land classifications:
- PR – Primary residential.
 - RS – Resort and seasonal residential, which includes RiverCamps.
 - RR – Rural residential, which includes Homesteads and other rural residential products.
 - VAR – Includes multiple classifications. For example, a project may have substantial commercial and residential acres.
- (3) The actual number of units or square feet to be constructed at full build-out may be lower than the number ultimately entitled.

Table 3
Summary of Additional Commercial Land-Use Entitlements ⁽¹⁾
(Commercial Projects Not Included in Tables 1 and 2 Above)
Active JOE Florida Commercial Projects
September 30, 2007

Project	County	Project Acres	Acres Sold Since Inception	Acres Under Contract As of 9/30/07	Total Acres Remaining
Airport Commerce	Leon	45	7	--	38
Airport Road	Franklin	13	--	--	13
Alf Coleman Retail	Bay	25	23	--	2
Avery St. Retail	Bay	10	10	--	--
Beach Commerce	Bay	157	151	3	3
Beach Commerce II	Bay	112	13	0	99
Beckrich Office Park	Bay	16	12	2	2
Beckrich Retail	Bay	44	23	18	3
Cedar Grove Commerce	Bay	51	--	4	47
Franklin Industrial	Franklin	7	--	--	7
Glades Retail	Bay	14	--	--	14
Gulf Boulevard	Bay	76	21	5	50
Hammock Creek Commerce	Gadsden	165	27	--	138
Mill Creek Commerce	Bay	37	--	--	37
Nautilus Court	Bay	11	4	--	7
Port St. Joe Commerce II	Gulf	39	9	--	30
Port St. Joe Commerce III	Gulf	54	--	--	54
Port St. Joe Medical	Gulf	19	--	--	19
Powell Hills Retail	Bay	44	--	--	44
South Walton Commerce	Walton	39	18	--	21
Total		978	318	32	628

(1) A project is deemed land-use entitled when all major discretionary governmental land-use approvals have been received. Some of these projects may require additional permits for development and/or build-out; they also may be subject to legal challenge. Includes significant JOE projects that are either operating, under development or in the pre-development stage.

Table 4
Stock Repurchase Activity
Through September 30, 2007

Period	Shares			Total Cost (in millions)	Average Price
	Purchased	Surrendered ⁽¹⁾	Total		
1998	2,574,200	11,890	2,586,090	\$ 55.5	\$ 21.41
1999	2,843,200	11,890	2,855,090	69.5	24.31
2000	3,517,066	--	3,517,066	80.2	22.78
2001	7,071,300	58,550	7,129,850	176.0	24.67
2002	5,169,906	256,729	5,426,635	157.6	29.03
2003	2,555,174	812,802	3,367,976	102.9	30.55
2004	1,561,565	884,633	2,446,198	105.0	42.90
2005	1,705,000	68,648	1,773,648	124.8	70.33
2006	948,200	148,417	1,096,617	57.3	52.22
2007 (through Sept. 30)	--	51,158	51,158	1.8	36.02
Total/Weighted Average	27,945,611	2,304,717	30,250,328	\$ 930.8	\$ 30.74

(1) Shares surrendered by company executives as payment for the strike price and taxes due on exercised stock options and the taxes due on the vesting of restricted stock.

Table 5
Residential Real Estate
Sales Activity
Three Months Ended September 30,
(\$ in millions)

	2007				2006			
	Number of Units Closed	Revenue	Cost of Sales ⁽¹⁾	Gross Profit	Number of Units Closed	Revenue	Cost of Sales ⁽¹⁾	Gross Profit
Home Sites ⁽²⁾	49	\$ 8.4	\$ 4.0	\$ 4.4	134	\$ 20.4	\$ 9.7	\$ 10.7
Homes ⁽³⁾	17	9.6	8.0	1.6	159	54.9	42.9	12.0
Total	66	\$ 18.0	\$ 12.0	\$ 6.0	293	\$ 75.3	\$ 52.6	\$ 22.7

(1) Cost of sales for home sites in the third quarter of 2007 consisted of \$3.3 million in direct costs, \$0.3 million in selling costs and \$0.4 million in indirect costs. Cost of sales for home sites in the third quarter of 2006 consisted of \$8.3 million in direct costs, \$0.6 million in selling costs and \$0.8 million in indirect costs. Cost of sales for homes in the third quarter of 2007 consisted of \$6.5 million in direct costs, \$0.4 million in selling costs and \$1.1 million in indirect costs. Cost of sales for homes in the third quarter of 2006 consisted of \$35.7 million in direct costs, \$2.7 million in selling costs and \$4.5 million in indirect costs.

(2) Profit has been deferred as a result of continuing development obligations at SummerCamp Beach and WaterSound West Beach. As a consequence, revenue recognition and closings may occur in different periods.

(3) Homes include single-family, multifamily and Private Residence Club (PRC) units. Multifamily and PRC revenue is recognized, if preconditions are met, on a percentage-of-completion basis. As a consequence, revenue recognition and closings may occur in different periods. Percentage-of-completion accounting was utilized at Artisan Park in the third quarter of 2006. Paseos and Rivercrest, two joint ventures 50 percent owned by JOE, are not included. Sales are substantially complete at both of these communities.

Table 6
Residential Real Estate
Units Placed Under Contract
Three Months Ended September 30,

	<u>2007</u>	<u>2006</u>	<u>Percentage Change</u>
Home Sites	43	154	(72.1)%
Homes ⁽¹⁾	15	29	(48.3)
Total ⁽¹⁾	<u>58</u>	<u>183</u>	<u>(68.3)%</u>

- (1) Homes include single-family homes, multifamily and PRC units. Paseos and Rivercrest, two unconsolidated joint ventures, are not included. Sales are substantially complete at both of these communities.

Table 7
Residential Real Estate
Backlog ⁽¹⁾
(\$ in millions)

	<u>September 30, 2007</u>		<u>September 30, 2006</u>	
	<u>Units</u>	<u>Revenues</u>	<u>Units</u>	<u>Revenues</u>
Home Sites	165	\$ 6.5	38	\$ 7.4
Homes ⁽²⁾	8	7.0	166	84.7
Total	<u>173</u>	<u>\$ 13.5</u>	<u>204</u>	<u>\$ 92.1</u>

- (1) Backlog represents units under contract but not yet closed. Paseos and Rivercrest, two joint ventures 50 percent owned by JOE, are not included. Backlog at Paseos and Rivercrest totaled \$0.8 million for 2 units at the end of the third quarter of 2007, compared to \$17.8 million for 75 units at the end of the third quarter of 2006.
- (2) As of September 30, 2007, there were no units subject to percentage-of-completion accounting in the homes backlog. As of September 30, 2006, there were 61 units subject to percentage-of-completion accounting with related revenue of \$28.3 million (of which \$25.8 million had previously been recognized in the financial statements).
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Table 8
Residential Real Estate
National Homebuilder Summary
of Home Site Commitments and Purchases

Activity During the
Three Months Ended September 30, 2007

	<u>Total Units Committed ⁽¹⁾</u>	<u>Total Units Closed 9/30/07</u>	<u>Average Price Closed Units</u>
Beazer Homes			
RiverTown	64	--	--
Shea Homes			
Victoria Park	--	5	\$ 38,144
David Weekley Homes			
Hawks Landing	--	20	\$ 60,990
Palmetto Trace	--	--	--
PineWood	(70)	--	--
SouthWood	--	9	\$ 80,066
American Home Builders			
RiverTown	48	--	--
Cornerstone Homes			
RiverTown	31	--	--
Issa Homes			
RiverTown	55	--	--
Lakeridge Homes			
Victoria Park	10	--	--
Total	<u>138</u>	<u>34</u>	

(1) Includes amounts under contract or committed.

April 1, 2006 through September 30, 2007

	<u>Total Units Committed ⁽¹⁾</u>	<u>Total Units Closed 9/30/07</u>	<u>Average Price Closed Units</u>	<u>Remaining Units To Close ⁽²⁾</u>
Beazer Homes				
Breakfast Point	70	--		70
Laguna West	350	--		350
RiverTown	64	--		64
SouthWood	163	143	\$ 45,003	20
Victoria Park	179	179	66,369	--
Shea Homes				
Victoria Park	705	5	38,144	700
David Weekley Homes				
Hawks Landing	99	60	60,900	39
Palmetto Trace	56	56	78,509	--
PineWood	0	--		--
RiverCamps on Crooked Creek	3	3	209,667	--
RiverTown	93	--	--	93
SouthWood	140	30	95,182	110
Victoria Park	115	115	97,248	--
WaterSound	7	7	144,248	--
American Home Builders				
RiverTown	48	--		48
Cornerstone Homes				
RiverTown	31	--		31
Issa Homes				
RiverTown	55	--		55
Lakeridge Homes				
Victoria Park	10	--		10
Total	<u>2,188</u>	<u>598</u>		<u>1,590</u>

(1) Includes lots under contract or committed

(2) Units not under contract are excluded from data on Tables 6 and 7.

Table 9
Residential Real Estate Sales Activity
Three Months Ended September 30,
(\$ in thousands)

	2007				2006			
	Units Closed	Avg. Price	Accepted ⁽¹⁾	Avg. Price	Units Closed	Avg. Price	Accepted ⁽¹⁾	Avg. Price
Artisan Park ⁽²⁾								
Single-Family Homes	3	699.4	2	680.0	9	700.1	7	498.8
Multifamily Homes	3	387.5	3	387.5	35	476.2	1	123.2
Hawks Landing								
Home Sites	20	60.9	20	60.9	5	76.0	11	75.9
Palmetto Trace								
Home Sites	0	0.0	0	0.0	8	79.6	8	79.6
Paseos ⁽²⁾								
Single-Family Homes	1	605.0	3	458.3	15	578.0	(2)	487.6
RiverCamps on Crooked Creek								
Home Sites	2	300.4	2	300.4	1	275.0	1	275.0
Rivercrest ⁽²⁾								
Single-Family Homes	1	227.5	1	227.5	74	207.6	(8)	239.9
SouthWood								
Home Sites	14	95.9	14	94.5	26	50.0	32	61.9
Single-Family Homes	0	0.0	0	0.0	54	294.5	3	336.8
St. Johns G & CC								
Single-Family Homes	2	479.0	2	479.0	16	564.7	9	544.7
SummerCamp Beach								
Home Sites	0	0.0	0	0.0	3	305.9	4	313.5
The Hammocks								
Single-Family Homes	1	257.9	1	257.9	0	0.0	0	0.0
Victoria Park								
Home Sites	5	38.1	0	0.0	67	101.6	67	101.6
Single-Family Homes	3	285.4	2	253.5	41	353.5	(7)	404.5
WaterColor								
Home Site	2	395.1	2	395.1	0	0.0	0	0.0
Single/Multifamily Homes	0	0.0	0	0.0	3	1,234.6	4	1,078.8
WaterSound								
Home Sites	1	188.1	1	188.1	7	180.0	8	178.1
WaterSound Beach								
Home Sites	1	2,000.0	1	2,000.0	0	0.0	2	1,632.6
Single-Family Homes	5	858.2	11	822.8	1	1,069.0	5	1,303.0
PRC Shares	0	0.0	(7)	275.0	0	0.0	7	275.0
WaterSound West Beach								
Home Sites	3	334.0	2	385.0	0	0.0	0	0.0
Single-Family Homes	0	0.0	1	895.0	0	0.0	0	0.0
WindMark Beach								
Home Sites	1	695.0	1	695.0	17	256.3	21	242.0
Total	68	\$271.8	62	\$346.0	382	\$280.5	173	\$220.3

- (1) Contracts accepted during the quarter. Contracts accepted and closed in the same quarter are also included as units closed. Average prices shown reflect variations in the product mix across time periods as well as price changes for similar product.
- (2) JOE owns 74 percent of Artisan Park and 50 percent of each of Paseos and Rivercrest. Sales from Paseos and Rivercrest are not consolidated with the financial results of residential real estate.

Table 10
Commercial Land Sales
Three Months Ended September 30,

	<u>Number of Sales</u>	<u>Acres Sold</u>	<u>Gross Sales Price (in thousands)</u>	<u>Average Price/Acre (in thousands)</u>
2007				
Northwest Florida	10	20	\$ 6,208	\$ 309.0
2006				
Northwest Florida	7	53	10,798	204.0

Table 11
Rural Land Sales
Three Months Ended September 30,

	<u>Number of Sales</u>	<u>Acres Sold</u>	<u>Gross Sales Price (in thousands)</u>	<u>Average Price/Acre (in thousands)</u>
2007				
Woodlands	7	21,073	\$ 31,884	\$ 1.5
2006				
Florida Wild	4	1,783	5,041	2.8
Woodlands	13	2,127	7,186	3.4
Other	3	119	4,150	4.9
Total	<u>20</u>	<u>4,029</u>	<u>\$ 16,377</u>	<u>\$ 4.1</u>

FINANCIAL DATA
(\$ in millions except per share amounts)

Quarterly Segment Pretax Income (Loss)
From Continuing Operations

	Sept 30, 2007	June 30, 2007	Mar 31, 2007	Dec 31, 2006	Sept 30, 2006	June 30, 2006	Mar 31, 2006	Dec 31, 2005	Sept 30, 2005
Residential	\$ (26.2)	\$ (0.8)	\$ (5.4)	\$ 4.3	\$ (7.6)	\$ 17.2	\$ 10.2	\$ 40.6	\$ 26.9
Commercial	2.3	8.4	0.1	13.6	8.2	1.6	0.6	4.8	14.1
Rural Land sales	27.8	7.2	40.4	26.7	12.2	22.1	11.4	19.1	11.7
Forestry	(5.7)	1.4	0.4	--	1.4	0.9	2.0	0.4	0.6
Corporate and other	(15.8)	(16.4)	(10.2)	(18.9)	(16.3)	(17.2)	(20.3)	(15.0)	(16.1)
Pretax (loss) income from continuing operations	<u>\$ (17.6)</u>	<u>\$ (0.2)</u>	<u>\$ 25.3</u>	<u>\$ 25.7</u>	<u>\$ (2.1)</u>	<u>\$ 24.6</u>	<u>\$ 3.9</u>	<u>\$ 49.9</u>	<u>\$ 37.2</u>

Discontinued Operations, Net of Tax

	Quarter Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2007	2006	2007	2006
Loss on sale of Saussy Burbank, net of tax	\$ --	\$ --	\$ (0.1)	\$ --
Income from Saussy Burbank operations, net of tax ⁽¹⁾	--	2.1	1.2	5.3
Gain from sale of office buildings, net of tax	4.8	6.6	28.3	9.4
Income (loss) from office buildings, net of tax	0.3	(0.3)	1.6	(1.0)
Net income from discontinued operations	<u>\$ 5.1</u>	<u>\$ 8.4</u>	<u>\$ 31.0</u>	<u>\$ 13.7</u>

⁽¹⁾ Nine months ended September 30, 2007, includes a \$2.2 million impairment charge to approximate fair value, less costs to sell, of Saussy Burbank.

Other Income (Expense)

	Quarter Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2007	2006	2007	2006
Dividend and interest income	\$ 1.4	\$ 0.8	\$ 4.1	\$ 3.8
Interest expense	(3.5)	(3.7)	(14.7)	(8.8)
Other	(3.4)	0.7	1.4	1.0
Gain on disposition of assets	0.2	--	7.8	--
Total	<u>\$ (5.3)</u>	<u>\$ (2.2)</u>	<u>\$ (1.4)</u>	<u>\$ (4.0)</u>