

ST JOE CO  
Form 424B4  
September 22, 2004

**PROSPECTUS SUPPLEMENT***(To Prospectus dated June 10, 2004)***7,200,000 Shares****The St. Joe Company****COMMON STOCK**

*The selling shareholder named in this prospectus supplement is offering 7,200,000 shares of common stock of The St. Joe Company. We will not receive any of the proceeds from the sale of the shares of our common stock in this offering.*

*Our common stock is listed on the New York Stock Exchange under the symbol JOE. On September 20, 2004, the reported last sale price of our common stock on the New York Stock Exchange was \$47.49 per share.*

*Investing in our common stock involves risks. See Risk Factors beginning on page 2 of the accompanying prospectus.*

**PRICE \$46.40 A SHARE**

|                  | <i>Price to<br/>Public</i> | <i>Underwriting<br/>Discounts and<br/>Commissions</i> | <i>Proceeds to Selling<br/>Shareholder</i> |
|------------------|----------------------------|---|--|
| <i>Per Share</i> | \$ 46.40                   | \$ 0.15   | \$ 46.25                                   |
| <i>Total</i>     | \$334,080,000              | \$ 1,080,000  | \$333,000,000                              |

*The Securities and Exchange Commission and state securities regulators have not approved or disapproved of these securities, or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.*

*Morgan Stanley & Co. Incorporated expects to deliver the shares to purchasers on September 24, 2004.*

**MORGAN STANLEY**

September 20, 2004

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**IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. The selling shareholder is offering to sell, and seeking offers to buy, common stock only in jurisdictions where offers and sales are permitted. The information contained in or incorporated by reference in this document is accurate only as of the date of this prospectus supplement and the accompanying prospectus, regardless of the time of delivery of this prospectus supplement or any sale of our common stock.

In this prospectus supplement, JOE, the Company, we, us and our refer to The St. Joe Company and its consolidated subsidiaries.

In this prospectus supplement, Trust and selling shareholder refers to The Alfred I. duPont Testamentary Trust.

## PROSPECTUS SUMMARY AND RECENT DEVELOPMENTS

*You should read the following summary together with the more detailed information regarding our company and the common stock being sold in this offering and our financial statements and notes thereto included in or incorporated by reference in this prospectus supplement and the accompanying prospectus.*

### **The St. Joe Company**

The St. Joe Company is one of Florida's largest real estate operating companies and the largest private landowner in the State of Florida. The majority of our land is located in Northwest Florida. We own approximately 820,000 acres, which is approximately 2.4% of the land area of the State of Florida. Our acreage includes hundreds of miles of frontage on the Gulf of Mexico, bays, rivers and waterways, with nearly 40 miles of Gulf of Mexico coastline, including five miles of beachfront. Approximately 350,000 acres of our land are within ten miles of the Gulf of Mexico.

We are engaged in town, resort, commercial and industrial development, land sales and commercial real estate services. We also have significant interests in timber. We believe we are one of the few real estate operating companies to have assembled the range of real estate, financial, marketing and regulatory expertise necessary to take a large-scale approach to real estate development and services.

Our four operating segments are:

Towns & Resorts Development

Commercial Real Estate Development and Services

Land Sales

Forestry

In order to optimize the value of our core real estate assets in Northwest Florida, our strategic plan calls for us to continue to reposition our timberland holdings for higher and better uses. We believe we have a number of key business strengths and competitive advantages, including one of the largest inventories of private land suitable for development in the State of Florida, a very low cost basis in our land and a strong financial condition, which allows us the financial flexibility to pursue development opportunities.

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Our principal executive offices are located at 245 Riverside Avenue, Jacksonville, Florida 32202, and our telephone number is (904) 301-4200. Our internet address is [www.joe.com](http://www.joe.com). This internet address is provided for informational purposes only. The information at this internet address is not a part of this prospectus supplement.

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### **Alfred I. duPont Testamentary Trust**

The selling shareholder, The Alfred I. duPont Testamentary Trust, was established under the Last Will and Testament of Alfred I. duPont, a descendant of the Delaware family that founded E.I. duPont de Nemours & Company. The Trust was formed, among other reasons, to benefit The

Nemours Foundation, a charitable foundation that provides for the care and treatment of disabled, but not incurable, children and the elderly.

The Trust currently owns 12,889,355 shares, or approximately 16.9%, of our outstanding common stock. The Nemours Foundation no longer owns any shares of our common stock. Upon consummation of the offering, the Trust will own 5,689,355 shares, or approximately 7.5%, of our outstanding common stock.

The Trust presently intends to hold for the indefinite future substantially all of its shares remaining after the sale of the shares covered by this prospectus supplement. However, the Trust may reevaluate its intention as a result of changes in the market or general economic conditions or other considerations. The Trust has agreed with the underwriter that it will not, subject to customary exceptions, effect any sales of our common stock, except to the Company, for a period of 120 days from the date of this prospectus supplement without the consent of the underwriter. See Underwriting on page S-10 of this prospectus supplement.

## **Recent Developments**

### **Trust Sale of Shares**

On June 10, 2004, the registration statement to which this prospectus relates became effective as to 12 million shares of JOE common stock. Since that date, the Trust and its beneficiary, The Nemours Foundation, have sold 4.8 million of the 12 million shares registered, reducing the Trust's beneficial ownership of our stock to 16.9%. In accordance with our registration rights agreement with the Trust, as a result of the Trust's beneficial ownership of our stock being less than 20%, Winfred L. Thornton, a Trust representative, resigned from the board of directors effective July 31, 2004. Two Trust directors remain on our board. Upon consummation of the sale of the shares offered by this prospectus, all shares registered by the Trust will be sold.

### **Hurricane Update**

Our preliminary assessments indicate that we suffered minimal damage to our properties in the wake of Hurricanes Charley, Frances and Ivan. In addition to damage to landscaping, so far we have found relatively minor damage to our structures. Our beachfront developments in Walton County sustained beach and dune erosion, but no dunes were breached and there was no significant flooding in any of our communities. We intend to implement a dune restoration and clean-up program in Walton County. While there may also be some delays in home and home site closings at our communities, at this time we do not anticipate a significant effect on our operating results for the year. We will continue to assess the impact of these storms on our properties and there can be no assurance that costs in the aggregate, net of any insurance proceeds, will not rise to a material level.

### The Offering

|   |  |
|---|--|
| Common stock offered by the selling shareholder | 7,200,000 shares   |
| Use of proceeds                                 | We will not receive any of the proceeds from the sale of shares of our common stock by the selling shareholder in this offering.   |
| Dividend policy                                 | On August 16, 2004, we declared a quarterly cash dividend for the third quarter of 2004 of \$0.14 per share on our common stock, payable on September 30, 2004 to shareholders of record at the close of business on September 15, 2004, representing an increase of approximately 17% over the \$0.12 per share dividend paid in each of the previous four quarters. We cannot assure you that we will continue to declare and pay dividends in the future. |
| New York Stock Exchange symbol                  | JOE  |

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**USE OF PROCEEDS**

We will not receive any of the proceeds from the sale of shares of our common stock by the selling shareholder in this offering.

Under the terms of our registration rights agreement with the Trust, we are bearing all of the expenses of registration of this offering, except that the Trust will pay its own underwriting discounts and commissions, the fees and expenses of its legal counsel and financial advisors, and some other incidental expenses.

**COMMON STOCK PRICE RANGE**

Our common stock is quoted on the New York Stock Exchange under the symbol JOE. The following table sets forth, for the periods indicated, the high and low sales prices of our common stock as reported on the New York Stock Exchange Composite Tape.

|  | Common Stock<br>Price |         |
|--|-----------------------|---------|
|  | High                  | Low     |
| <b>Year Ended December 31, 2002</b>        |                       |         |
| First Quarter                              | \$30.00               | \$27.30 |
| Second Quarter                             | 33.65                 | 29.34   |
| Third Quarter                              | 30.33                 | 25.09   |
| Fourth Quarter                             | 30.10                 | 25.60   |
| <b>Year Ending December 31, 2003</b>       |                       |         |
| First Quarter                              | \$30.65               | \$26.33 |
| Second Quarter                             | 31.50                 | 27.20   |
| Third Quarter                              | 35.01                 | 31.01   |
| Fourth Quarter                             | 38.60                 | 32.05   |
| <b>Year Ending December 31, 2004</b>       |                       |         |
| First Quarter                              | 41.99                 | 36.39   |
| Second Quarter                             | 42.27                 | 35.06   |
| Third Quarter (through September 20, 2004) | 49.08                 | 39.38   |

On September 20, 2004, the last reported sale price of our common stock on the NYSE was \$47.49. As of June 30, 2004, there were approximately 30,000 beneficial owners of our common stock.

**DIVIDEND POLICY**

On August 16, 2004, we declared a quarterly cash dividend for the third quarter of 2004 of \$0.14 per share on our common stock, payable on September 30, 2004 to shareholders of record at the close of business on September 15, 2004, representing an increase of approximately 17% over the \$0.12 per share dividend paid in each of the previous four quarters. Although we expect to reinvest a substantial portion of our earnings in our business, we presently intend to continue to pay regular quarterly cash dividends. However, the declaration and payment of dividends, and the amount of any dividends, are subject to the discretion of our board of directors. The declaration, payment and amount of dividends will depend upon our:

results of operations;

financial condition;

cash requirements;

future prospects; and

other factors that our board of directors considers relevant.

We cannot assure you that we will continue to declare and pay dividends in the future.

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## BUSINESS

The St. Joe Company is headquartered in Jacksonville, Florida. We are one of Florida's largest real estate operating companies and the largest private landowner in the State of Florida. The majority of our land is located in Northwest Florida. We own approximately 820,000 acres, which is approximately 2.4% of the land area of the State of Florida. Our acreage includes hundreds of miles of frontage on the Gulf of Mexico, bays, rivers and waterways, with nearly 40 miles of Gulf of Mexico coastline, including five miles of beachfront. Approximately 350,000 acres of our land are within ten miles of the Gulf of Mexico.

We are engaged in town, resort, commercial and industrial development, land sales and commercial real estate services. We also have significant interests in timber. We believe we are one of the few real estate operating companies to have assembled the range of real estate, financial, marketing and regulatory expertise necessary to take a large-scale approach to real estate development and services.

Our four operating segments and their revenues for the years ended December 31, 2003, 2002 and 2001 and for the six months ended June 30, 2004 and 2003 are:

| Segment  | Revenues                     |            |                            |            |            |
|--|------------------------------|------------|----------------------------|------------|------------|
|  | Six Months Ended<br>June 30, |            | Year Ended<br>December 31, |            |            |
|  | 2004                         | 2003       | 2003                       | 2002       | 2001       |
|  | (in thousands)               |            |                            |            |            |
| Towns & Resorts Development                        | \$ 276,683                   | \$ 215,102 | \$ 494,919                 | \$ 386,726 | \$ 239,699 |
| Commercial Real Estate<br>Development and Services | 81,637                       | 55,134     | 129,864                    | 120,226    | 210,835    |
| Land Sales   | 36,731                       | 39,668     | 99,206                     | 84,048     | 76,185     |
| Forestry   | 19,053                       | 19,782     | 36,562                     | 41,247     | 37,268     |

In order to optimize the value of our core real estate assets in Northwest Florida, our strategic plan calls for us to continue to increase the pace of development of these assets. We believe we have a number of key business strengths and competitive advantages, including one of the largest inventories of private land suitable for development in the State of Florida, a very low cost basis in our land and a strong financial condition, which allows us the financial flexibility to pursue development opportunities.

### Towns & Resorts

Our Towns & Resorts segment develops large-scale, mixed-use communities primarily on land that we have owned for a long period of time. We own large tracts of land in Northwest Florida, including large tracts near Tallahassee, the state capitol, and significant Gulf of Mexico beach frontage and waterfront properties, which we believe are suited for primary housing, resort and second-home communities. We believe this large, established land inventory, with a low cost basis, provides us an advantage over our competitors who must purchase real estate at current market prices before beginning projects. We manage the conceptual design, planning and permitting process for each of our new communities. We then construct or contract for the construction of the infrastructure for the community. Developed homesites and finished housing units are then marketed and sold.

The following table describes our Florida residential, resort and RiverCamps projects with land-use entitlements as of June 30, 2004. Additional permits are required for these projects to be built as planned.

## Summary of Land-Use Entitlements

JOE Residential, Resort and RiverCamps Projects in Florida\*  
June 30, 2004

| Project                      | County       | Total Project Acres | Total Project Units | Units Sold/Under Contract As of 6/30/04 |
|------------------------------|--------------|---------------------|---------------------|---|
| Artisan Park**               | Osceola      | 160                 | 616                 | 208                                     |
| CampCreek Gold Cottages      | Walton       | 10                  | 50                  | 0                                       |
| East Lake Powell             | Bay          | 181                 | 360                 | 0                                       |
| Hampton Park                 | Duval        | 150                 | 158                 | 145                                     |
| Hawks Landing                | Bay          | 252                 | 167                 | 0                                       |
| James Island                 | Duval        | 194                 | 365                 | 364                                     |
| Palmetto Trace               | Bay          | 138                 | 523                 | 261                                     |
| Paseos**                     | Palm Beach   | 175                 | 325                 | 280                                     |
| Pier Park (Residential)      | Bay          | 10                  | 125                 | 0                                       |
| Port St. Joe Mill Site**     | Gulf         | 126                 | 625                 | 0                                       |
| RiverCamps on Crooked Creek  | Bay          | 1,500               | 450                 | 23                                      |
| Rivercrest**                 | Hillsborough | 413                 | 1,300               | 697                                     |
| RiverSide                    | Calhoun      | 362                 | 13                  | 0                                       |
| RiverTown                    | St. Johns    | 4,170               | 4,500               | 23                                      |
| SouthWood                    | Leon         | 3,770               | 4,770               | 715                                     |
| St. Johns Golf & County Club | St. Johns    | 820                 | 799                 | 585                                     |
| SummerCamp                   | Franklin     | 782                 | 499                 | 0                                       |
| The Hammocks                 | Bay          | 143                 | 459                 | 332                                     |
| Victoria Park                | Volusia      | 1,859               | 4,000               | 501                                     |
| Walton Corners               | Leon         | 60                  | 33                  | 0                                       |
| WaterColor                   | Walton       | 499                 | 1,140               | 770                                     |
| WaterSound Beach             | Walton       | 256                 | 499                 | 335                                     |
| WaterSound first phase       | Walton       | 506                 | 487                 | 0                                       |
| WaterSound West Beach        | Walton       | 62                  | 197                 | 0                                       |
| WaterMill                    | Gulf         | 94                  | 120                 | 0                                       |
| WindMark Beach               | Gulf         | 2,080               | 1,662               | 103                                     |
| <b>TOTAL</b>                 |              | <b>18,772</b>       | <b>24,242</b>       | <b>5,342</b>                            |

\* A project is deemed entitled when all major discretionary local governmental land use approvals have been received. These projects require additional permits for full build-out of entitlements. Total project units represent the number of units entitled. The actual number of units to be constructed at full build-out may be lower than the number entitled.

\*\* The Port St. Joe Mill Site, Paseos and Rivercrest are each 50% owned by JOE. Artisan Park is 74% owned by JOE.

## Commercial Real Estate Development and Services

Our Commercial Real Estate Development and Services segment sells real estate to others for commercial purposes, and owns and manages office, industrial and retail properties throughout the southeastern United States. In Florida, we develop and manage office, industrial and retail properties. For each new development we direct the conceptual design, planning and permitting process and then contract for the construction of the infrastructure and building. We also provide commercial real estate services, including brokerage, property management and construction management.

Our commercial development operations, combined with our tax deferral strategy of reinvesting qualifying asset sale proceeds into like-kind properties, have enabled us to create a portfolio of rental properties totaling 2.9 million square feet. As the table below shows, our portfolios of investment and development properties were 84% and 89% leased, respectively, based on net rentable square feet, as of June 30, 2004.

### St. Joe Commercial

#### Portfolio of Rental Properties June 30, 2004

| Investment Property Portfolio* | Dated Acquired | Market                | Ownership Percentage | Number Of Buildings | Net Rentable Sq. Ft. | Leased Percentage |
|--------------------------------|----------------|-----------------------|----------------------|---------------------|----------------------|-------------------|
| Prestige Place                 | December-99    | Clearwater, FL        | 100%                 | 2                   | 144,000              | 91%               |
| Harbourside                    | December-99    | Clearwater, FL        | 100                  | 1                   | 149,000              | 79                |
| Lakeview                       | May-00         | Tampa, FL             | 100                  | 1                   | 126,000              | 78                |
| Palm Court                     | July-00        | Tampa, FL             | 100                  | 1                   | 60,000               | 68                |
| 280 Interstate North           | January-01     | Atlanta, GA           | 100                  | 1                   | 126,000              | 75                |
| Southhall Center               | April-01       | Orlando, FL           | 100                  | 1                   | 155,000              | 49                |
| 1133 20th Street               | September-01   | Washington, D.C.      | 100                  | 1                   | 119,000              | 99                |
| 1750 K Street                  | December-01    | Washington, D.C.      | 100                  | 1                   | 152,000              | 90                |
| Millenia Park One              | December-99    | Orlando, FL           | 100                  | 1                   | 158,000              | 84                |
| Beckrich Office                | October-02     | Panama City Beach, FL | 100                  | 2                   | 67,000               | 72                |
| 5660 New Northside             | December-02    | Atlanta, GA           | 100                  | 1                   | 273,000              | 96                |
| SouthWood Office One           | June-03        | Tallahassee, FL       | 100                  | 1                   | 89,000               | 92                |
| Crescent Ridge                 | August-03      | Charlotte, NC         | 100                  | 1                   | 158,000              | 100               |
| Windward Plaza Portfolio       | November-03    | Atlanta, GA           | 100                  | 3                   | 465,000              | 89                |
| 245 Riverside                  | March-04       | Jacksonville, FL      | 100                  | 1                   | 136,000              | 56                |
| Overlook                       | June-04        | Richmond, VA          | 100                  | 2                   | 129,000              | 100               |
| <b>Total</b>                   |                |                       |                      | <b>21</b>           | <b>2,506,000</b>     | <b>84%</b>        |

| Development Property Portfolio* | Date Completed | Market           | Ownership Percentage | Number Of Buildings | Net Rentable Sq. Ft. | Leased Percentage |
|---------------------------------|----------------|------------------|----------------------|---------------------|----------------------|-------------------|
| TNT Logistics                   | February-02    | Jacksonville, FL | 100%                 | 1                   | 99,000               | 94%               |
| Deerfield Commons I             | April-00       | Atlanta, GA      | 40                   | 1                   | 122,000              | 77                |
| Westchase Corporate Center      | August-99      | Houston, TX      | 93                   | 1                   | 184,000              | 94                |
| <b>Total</b>                    |                |                  |                      | <b>3</b>            | <b>405,000</b>       | <b>89%</b>        |

\* Investment properties comprise completed office buildings that we have acquired. Development properties comprise office buildings we are involved in developing or redeveloping.



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As the table below shows, we owned approximately 108 acres of land with entitlements for future development of approximately 2.6 million square feet of commercial property as of June 30, 2004.

**St. Joe Commercial**

**Land Positions  
June 30, 2004**

|                          | <b>Market</b> | <b>Ownership<br/>Percentage</b> | <b>Net<br/>Acres<sup>(a)</sup></b> | <b>Entitled<br/>Sq. Ft.<sup>(b)</sup></b> |
|--------------------------|---------------|---------------------------------|------------------------------------|---|
| <b>Southeast</b>         |               |                                 |                                    |   |
| Glenlake                 | Atlanta, GA   | 100%                            | 9.8                                | 600,000                                   |
| Parkstone Plaza          | Chantilly, VA | 100                             | 19.1                               | 250,000                                   |
| Oak Park at Westchase    | Houston, TX   | 100                             | 29.2                               | 753,000                                   |
| <b>Northeast Florida</b> |               |                                 |                                    |   |