AVENTOS

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Alico Inc.:
Florida's Hidden Land Bank
Value Creation Through Entitlements

EXECUTIVE SUMMARY

Strategic Transformation
Alico Inc. is a 125-year-old Florida-based agriculture company currently undergoing a strategic shift. After decades as one of America's largest citrus producers, the company announced in January 2025 that it would wind down its citrus operations and reposition itself as a diversified land holding and development company. The pivot was driven by the impact of citrus greening disease and recurring hurricane damage, which rendered the citrus business economically unviable.

Land Bank Undervaluation
Alico's total enterprise value of approximately $344 million implies a value of roughly $7,500 per acre across its ~46,000-acre portfolio. Market transaction evidence and Alico's own recent land sales support agricultural land values of $9,000 to $10,000 per acre, before any consideration of development upside.[3] The market is effectively pricing the entire portfolio at agricultural values and assigning zero value to the significant development optionality embedded in Alico's land bank.

Corkscrew Grove
At the heart of Alico's transformation lies the Corkscrew Grove project, a 4,600-acre master-planned community development along Corkscrew Road in Collier County, Florida. The project envisions two villages with, in total, approximately 9,000 homes, 560,000 square feet of commercial space, and over 6,000 acres of conservation land.[4] In June 2025, Governor DeSantis signed House Bill 4041 into law, establishing the Corkscrew Grove Stewardship District, a critical milestone. Alico expects to receive SRA approval from Collier County by mid-2026.[5]

KEY POINTS

~46,000-acre Florida land portfolio severely undervalued at the current share price[1]

Strategic transformation from citrus agriculture to diversified land company unlocking hidden value

Substantial development reserve with Corkscrew Grove project alone poised to create 9,000 homes — material entitlement progress expected mid-2026[2]

Capable management team with proven entitlement expertise through recent hirings

Current price levels imply no value assignment to development optionality

1 Alico Investor Presentation, Q1 2026.
2 Alico Investor Presentation, Q1 2026. Alico Earnings Call Q1 2026.
3 Alico 10-Q, Q1 2026. Saunders Land (2026): Lay of the Land Market Report.
4 Alico Investor Presentation, Q1 2026.
5 Alico Earnings Call, Q1 2026.

Proven Execution and Aligned Incentives

The appointment of Mitch Hutchcraft as Executive Vice President of Real Estate materially de-risks the entitlement thesis. Hutchcraft brings 35 years of Florida entitlement experience and previously led the rezoning of the 6,600-acre Kingston project, directly adjacent to Corkscrew Grove, for King Ranch, a major U.S. landowner and agribusiness company. His compensation is tied to specific entitlement milestones, aligning it with shareholder interests.

Capital Return Discipline

Management has demonstrated a commitment to returning capital to shareholders through opportunistic land sales, which have totaled $34.6 million in fiscal year 2026 to date (01.10.2025 – 01.03.2026).[6] The company expects to end fiscal year 2026 with approximately $50 million in cash and $35 million in net debt, providing a solid foundation for continued capital returns as land monetization accelerates.[7]

ALICO INC. IN NUMBERS

Metric	
Market capitalization as of 10.03.2026	$288m
Total enterprise value as of 10.03.2026	$344m
Closing price as of 10.03.2026	$37.64
High/low (52 weeks)	$43.20 / $27.50
Total acreage	~46,000 acres
Near-term development (5 years)	5,500 acres
Long-term development (>5 years)	7,100 acres

COMPANY

Alico Inc. is a Florida-based land company listed on the Nasdaq Stock Exchange (NASDAQ: ALCO) with a current market capitalization of approximately $288 million. Founded over 125 years ago, the company was historically one of America's largest citrus and orange producers. Over the past decade, Florida's citrus industry has faced significant pressure from citrus greening disease, which has materially reduced yields across the state. In addition, recurring hurricanes, most notably Hurricane Ian in 2022, caused substantial damage to Alico's groves and the broader Southwest Florida region. Together, these persistent challenges weighed heavily on the economics of Alico's citrus operations.

In January 2025, Alico announced its strategic transformation: the wind-down of its citrus division following the 2024/25 harvest, a repositioning as a diversified land company, and the strategic development of select land parcels in the form of entitlements to capitalize on their enormous land bank. The company completed its final citrus harvest in June 2025 and has reduced its workforce from approximately 200 to roughly 20 employees, reflecting the lean operating structure required for its new mandate.[8]

6 Alico 10-Q, Q1 2026.
7 Alico Earnings Call, Q1 2026.
8 Alico Inc. Form 10-K, 2025.

THE STRATEGIC TRANSFORMATION

Alico has conducted a comprehensive highest-and-best-use analysis across its entire portfolio, identifying the optimal path for each parcel. The results segment the company's ~46,000 acres into three categories:[9]

- **Near-term development (5,500 acres / 10%):** Land parcels planned for development within five years, anchored by the Corkscrew Grove project which accounts for approximately 4,600 acres.
- **Long-term development (7,100 acres / 15%):** Parcels with development potential beyond a five-year horizon, subject to future entitlement efforts.
- **Agriculture and conservation (remaining ~75%):** Approximately 33,400 acres that will remain in agricultural use or be designated for conservation, diversified away from citrus into crops such as sod, sugarcane, vegetables, and specialty fruits.

In parallel, opportunistic land sales are generating substantial near-term cash flow. In January 2026, Alico closed a $26.8 million sale of approximately 2,950 acres of citrus land in Hendry County at roughly $9,100 per acre[10]. Combined with additional sales of 579 acres of citrus land ($6.1 million) and a facility in Frostproof ($1.7 million), the company has realized $34.6 million in transactions in fiscal year 2026 to date[11]. This comes on top of $23.8 million in proceeds from land sales in the 2025 fiscal year since the announcement of the strategic shift.[12]

CORKSCREW GROVE — THE CROWN JEWEL

Project Overview

Corkscrew Grove is Alico's flagship entitlement project. Located on FL-82 (Corkscrew Road) in Collier County, approximately 30 minutes east of Fort Myers, the project encompasses approximately 4,600 acres of former citrus groves.[13]

Alico's vision for Corkscrew Grove consists of:

- **Two villages,** each approximately 1,500 acres in size
- **~9,000 homes** (~4,500 per village)
- **560,000 square feet** of commercial space
- **140,000 square feet for civic uses**

The project is designed as a master-planned community (MPC) under Florida's Rural Land Stewardship Area (RLSA) program, which enables the conversion of agricultural land to residential and commercial use while preserving significant conservation areas. Alico plans to entitle the East Village first, followed by the West Village, providing optionality to adjust the program mix based on market conditions and absorption rates observed in the initial phases.

9 Alico Inc. Investor Presentation, Q1 2026.
10 Alico 10-Q, Q1 2026.
11 Alico 10-Q, Q1 2026.
12 Alico 10-K, 2025.
13 Alico Investor Presentation, Q1 2026.

Location and Context
Corkscrew Road has established itself as one of Southwest Florida's most active growth corridors, with a multitude of master-planned communities developed along it over the past two decades. The project sits in Collier County, which offers structural advantages over neighboring Lee County, mainly in the form of higher density per acre.

Entitlement Progress — Key Milestones
Alico has advanced Corkscrew Grove meaningfully through the early entitlement process. The company has already submitted the initial local development application for the East Village, filed the relevant environmental and water-management applications, and secured creation of the Corkscrew Grove Stewardship District, which establishes the framework for future infrastructure financing and administration.[14] In parallel, Alico continues to progress the required Stewardship Sending Area applications that support development rights under Collier County's RLSA regime.

Receiving local SRA approval from Collier County is one of the most critical milestones in the development process. The SRA approval functions as the entitlement gateway under Florida's RLSA program, granting the right to build homes, commercial space, and public facilities on land that would otherwise remain designated as rural or agricultural. Once approved, the developer can proceed with subdivision, construction plans, and building permits. Alico expects approval of their Collier County applications in the second half of 2026.[15]

It is important to note that Alico is pursuing state and federal permits — including Army Corps of Engineers and water management district approvals — for the entire 4,600-acre project simultaneously, even as local approval is sought for the East Village first. This approach locks in broad regulatory approvals while preserving flexibility on the local level.

The Kingston Benchmark
The most relevant valuation comparable for Corkscrew Grove is the adjacent Kingston project, a 6,702-acre master-planned community entitled by King Ranch. Kingston is located directly next to Corkscrew along the same road corridor. The project was entitled by Mitch Hutchcraft during his tenure at King Ranch, before he joined Alico.

In June 2025, local developer Cameratta Companies completed the acquisition of the first 2,700 acres of Kingston for $92.8 million, implying a price of approximately $34,000 per acre.[16] Several factors suggest Corkscrew could command a premium to this benchmark:

- **Density:** Corkscrew is planned for approximately 3 units per gross acre in Collier County, compared to Kingston's 1 to 1.5 units per acre in Lee County — roughly double to triple the density.
- **Timing:** The Kingston deal was signed approximately three years before closing, at a time before entitlements were secured. Alico is removing entitlement risk before any sale, which should command a premium.

14 Alico Investor Presentation, Q1 2026. Alico Press Release, June 25th 2025.
15 Alico Inc. Q1 FY2026 Earnings Call, February 2026.
16 Lee County Clerk of Court public records, Instr. Number: 2025000150512.

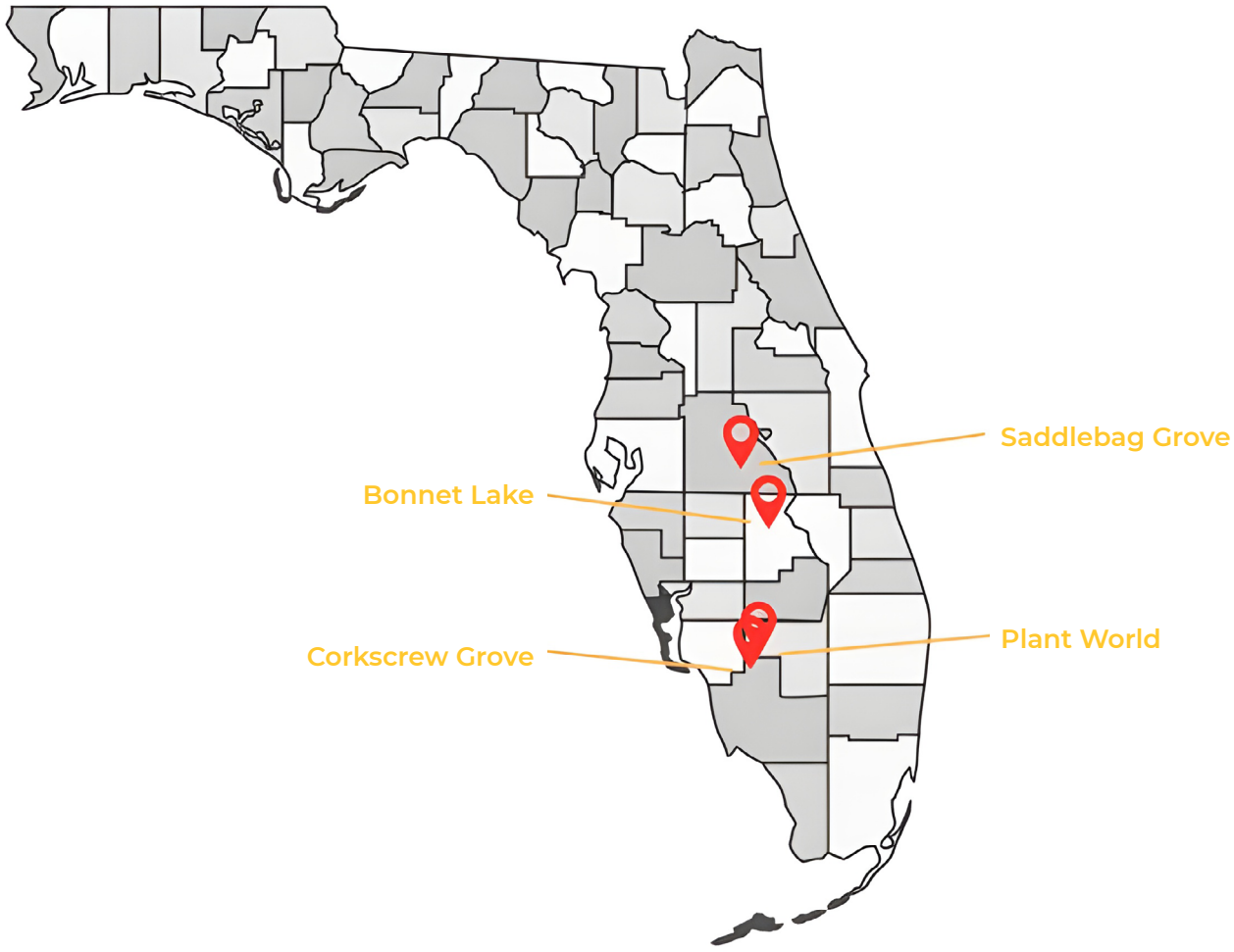
A useful read-through from the Kingston/Cameratta transaction is the implied value on a per-unit basis. Based on Kingston's assumed density of 1.0 to 1.5 dwelling units per acre, the $92.8 million purchase price for 2,700 acres translates to an implied land value of approximately $23,000 to $34,000 per entitled unit. Applying that range to Corkscrew Grove's planned 9,000 dwelling units implies a potential entitled land value of approximately $206.3 million to $309.4 million.

Additional Development Projects

Beyond Corkscrew, Alico has three additional properties in various stages of the entitlement process[17]:

- **Bonnet Lake:** An approximately 2,000-home development with entitlements expected to be completed in 2026.
- **Saddlebag Grove:** A mid-sized project progressing through entitlements.
- **Plant World / Frostproof:** A smaller project in what was one of the fastest-growing counties in the United States, benefiting from significant in-migration. Entitlements can be achieved relatively quickly in this jurisdiction.

Alico near-term development projects



17 Alico Investor Presentation, Q1 2026.

FLORIDA HOUSING AND MPC MARKET

Population Growth and Migration

Florida's housing market fundamentals are underpinned by sustained population growth, driven predominantly by domestic and international migration. The state has been one of the fastest-growing in the nation, with in-migration surging during the COVID-19 pandemic as remote workers and retirees sought favorable weather, lower taxes, and a lower cost of living.

While growth has moderated from the extraordinary peaks of 2021 (+220,000 net domestic migration) and 2022 (+310,000), Florida remains the state with the second highest numeric growth in the country.[18] The demographic profile of in-migrants skews toward the 60-to-69 age cohort — retirees arriving with substantial purchasing power and a strong propensity to buy single-family homes — as well as working-age families drawn by the state's economic dynamism.[19]

MPC Demand Resilience

Master-planned communities have historically demonstrated resilience relative to the broader new home market, particularly during periods of economic stress. Data from national real estate consultancy RCLCO, which has tracked the top-selling U.S. MPCs since 1994, shows that on a same-store basis, top-selling MPCs experienced an average sales decline of just 4% at mid-year 2025, compared to a 6.6% year-over-year decline for the general new home market.[20] RCLCO has noted that this phenomenon reflects a pattern first identified following the Great Financial Crisis: consumers seek out the safety and place-making of established community environments during periods of uncertainty, treating MPC investments as a hedge against broader market fluctuations.

Florida dominates MPC sales nationally, representing 41% of sales among the top 50 best-selling communities.[21] This underscores the structural attractiveness of Florida as a destination for MPC development and provides a favorable demand backdrop for Corkscrew Grove.

VALUATION — SIGNIFICANT NAV DISCOUNT

Agricultural Land Valuation

Alico's agricultural land holdings can be valued using transaction data from the 2026 Florida "Lay of the Land" market report, which compiled over 80 transactions for citrus and ranch land in 2025. To account for the significant scale of Alico's groves, only transactions with sizes of 200 acres and upwards were considered, which trade at a price per acre of **$9,255.** This valuation provides a grounded baseline by filtering out smaller, outlier transactions where pricing can be skewed.

Alico's own recent transactions validate benchmarks:

- **January 2026:** 2,950 acres of citrus land in Hendry County sold for $26.8 million (~$9,100 per acre).
- **Quarter ended December 31, 2025: 579 acres of land sold for $6.1 million** (~$10,500 per acre)

18 U.S. Census Bureau Press Release Number CB26-20, January 27th, 2026. U.S. Census Bureau Press Release Number CB21-208, December 21st 2021.
19 Florida Chamber of Commerce (2025): Florida Migration Trends.
20 RCLCO (2025): The Top-Selling Master-Planned Communities of 2025: Mid-Year Update.
21 RCLCO (2025): The Top-Selling Master-Planned Communities of 2025: Mid-Year Update.

Applying conservative agricultural valuations to Alico's non-development acreage yields a value of approximately $425 million for the agricultural land bank alone — already exceeding the company's current total enterprise value.

Development Land Valuation

The near-term development projects represent optionality that is currently unpriced by the market. The Kingston/Cameratta transaction provides a reliable read-through for Alico's entire development portfolio, as these sites share comparable location quality and pricing dynamics. Applying this benchmark's valuation per dwelling unit to the four near-term projects yields an estimated value of **$271–$402 million.**

NAV Scenarios

Based on our analysis, we identify the following NAV scenarios[22]:

Scenario	NAV/Share	Upside to stock price
Base case: Agricultural land only	**~$43**	**~14%**
Upside: Including all near-term developments	**~$64 - $77**	**~70 - 104%**

It is worth emphasizing that at current valuations the market undervalues Alico's land bank even at its current agricultural use. Investors are effectively getting an agricultural land bank at a discount to its current use and are receiving development optionality across four major near-term projects entirely for free.

The four near-term development projects represent extensive optionality, adding an additional $271 - $402 million once entitlements are achieved, adding substantial upside to the stock price.

As entitlement milestones are achieved and the market recognizes the embedded land-use conversion value, we expect a significant re-rating of the shares to reflect the true Net Asset Value.

It is important to note that our estimates exclude the potential value of long-term development projects, as these are not yet sufficiently defined to quantify.

Management estimates the current value of Alico's total land bank, spanning near-term and long-term developments as well as agricultural holding, at $650–$700 million in today's dollars.[23]

22 Both NAV scenarios assume the monetization of land assets via third-party sale. Consequently, figures are net of estimated capital gains taxes based on a 21% federal corporate rate and a 5.5% state tax rate. The tax liability is calculated using the book value of land and land improvements as the cost basis.

23 Alico Investor Presentation, Q1 2026.

MANAGEMENT QUALITY AND INCENTIVE ALIGNMENT

Competent Leadership Through the Transition

Alico's management team has navigated the company's strategic pivot with discipline and foresight. CEO John Kiernan, who has been with the company for over 10 years, led the decision to exit citrus — a move that required conviction given the company's 125-year heritage in the business. To support the new business model, management has **streamlined** the organization into a lean team of approximately 20 employees, ensuring operations are fully optimized for the current strategy.

Strategic Addition to the Team — Mitch Hutchcraft

The hire of Mitch Hutchcraft as Executive Vice President of Real Estate is arguably the most consequential personnel decision in Alico's transformation. Hutchcraft brings 35 years of experience in Florida entitlement processes. Most significantly, he was the person responsible for rezoning the 6,600-acre Kingston project — the master-planned community located directly adjacent to Corkscrew Grove — during his tenure as Head of Real Estate at King Ranch. He is now applying that same expertise and institutional knowledge to Corkscrew and Alico's other development projects. A significant part of his compensation is tied to entitlement progress milestones, assuring alignment with shareholder interests.[24]

SUMMARY

Alico Inc. represents a compelling investment opportunity centered on a drastically undervalued Florida land portfolio at a pivotal moment of strategic transformation. The company's ~46,000 acres, located across some of the United States' most dynamic growth regions, are currently priced by the market below agricultural values — implying zero recognition of the significant development optionality embedded in its land bank.

The Corkscrew Grove project, with its potential for approximately 9,000 homes across 4,600 acres in Collier County, is the primary near-term catalyst for value creation. The entitlement process is advancing on schedule, with the Stewardship District already established by state legislation and county-level SRA approval expected by mid-2026. The adjacent Kingston transaction provides a concrete valuation benchmark, and Corkscrew Grove's proposed higher density suggest it could command a premium.

Management has executed the strategic pivot with discipline: exiting citrus, reducing overhead to minimal levels, and advancing four development projects simultaneously. Incentive structures are well-aligned, and proven expertise in Florida entitlement materially de-risks execution.

At the current share price, investors are effectively acquiring the agricultural land portfolio at a discount to its current use and receiving the near-term development pipeline, the long-term development pipeline (7,100 additional acres) — all for free. As entitlement milestones are achieved and the market recognizes the true value of Alico's land bank, the discount to NAV should close, offering substantial upside for investors.

24 Alico 10-K, 2025.

APPENDIX

Top 5 Shareholders

Shareholder	%
Gate City Capital Management LLC	16.95%
Brian Joseph Higgins	6.72%
Clayton G. Wilson	5.29%
BlackRock Inc.	5.18%
Dimensional Fund Advisors LP	4.18%

Source: SP Capital IQ.

List of Near-Term Development Projects

Project	County	Acreage	Planned Units
Corkscrew Grove (East Village)	Collier County	1,500*	~ 4,500
Corkscrew Grove (West Village)	Collier County	1,500*	~ 4,500
Bonnet Lake	Highlands County	610	~ 2,135
Saddlebag Grove	Polk County	240	~ 440
Plant World	Hendry County	80	~ 250

Source: Alico Investor Presentation, Q1 2026.

*Acreage excludes conservation land

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