

Third Avenue Value Fund

An Uncommon Approach to All Cap Value Investing.

Institutional: TAVFX | Investor: TVFVX | March 31, 2017

Portfolio Team

Chip Rewey, CFA

Lead Portfolio Manager

25 years of investment experience

Yang Lie

Portfolio Manager

20 years of investment experience

Strategy Description

Our flagship mutual fund strategy was launched in 1990 under the leadership of Martin J. Whitman. The high conviction strategy seeks to invest in undervalued securities across industries, regions and market capitalizations. Our fundamental analysis seeks to identify stocks trading below their intrinsic value that compound asset values at double digit rates.

Fund Facts

Inception Date	11/1/90
Minimum Investment (Inst.)	\$100,000
Minimum Investment (Investor)	\$2,500
Gross Expense Ratio (Inst.) †	1.15%
Gross Expense Ratio (Investor) †	1.40%

† As of March 1, 2017

Past performance is no guarantee of future results; returns include reinvestment of all distributions. The above represents past performance and current performance may be lower or higher than performance quoted above. Investment return and principal value fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. For the most recent month-end performance, please visit the Fund's website at www.thirdave.com. The gross expense ratio for the fund's institutional share class is 1.15% and investor share class is 1.40% as of March 1, 2017. Risks that could negatively impact returns include: overbuilding and increased competition, increases in property taxes and operating expenses, lack of financing, vacancies, environmental contamination and its related clean-up, changes in interest rates, casualty or condemnation losses, and variations in rental income.

Third Avenue Funds are offered only by prospectus. The prospectus contains important information, including investment objectives, risks, advisory fees and expenses. Please read the Prospectus carefully before investing or sending money. For a current Prospectus please visit our website at www.thirdave.com, or call 800-443-1021. Distributor of Third Avenue Funds: Foreside Fund Services, LLC.

1Q17 Highlights

- For the most part, foreign equity markets handsomely outperformed US equities; including cash, the Fund has approximately 70% allocated to US-based companies which represents a 10% overweight versus the MSCI World Index; Hong Kong represents an approximate 5% weighting while the UK weighting ended 1Q with ~7% and Canada ~6% allocations
- The impact of a softer 10-year Treasury was felt across the portfolio as bank stocks were pressured, while positive attribution came from its exposure to names within the real estate sector, including both Real Estate Investment Trusts (REITs) and Real Estate Operating Companies (REOCs) totaling nearly 13%.
- The Fund was hurt by its low weighting in Technology, which was the best performing sector across the broader market
- Overall, the Fund is positioned for modest global growth expressed through companies priced at deep discounts to what we believe to be the true intrinsic value based on our rigorous fundamental, bottom-up research

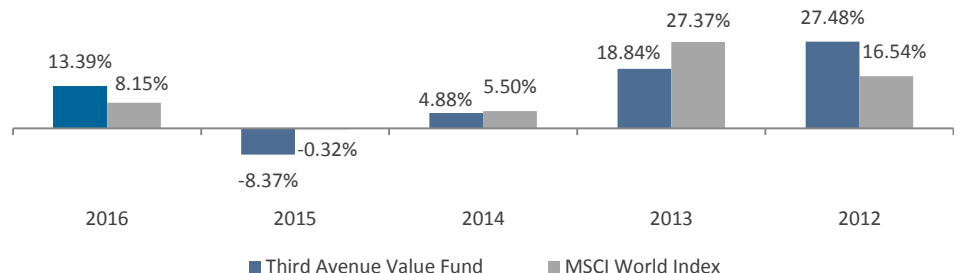
Top Ten Holdings

Allocations are subject to change without notice

	TAVFX	INDEX ⁵
Weyerhaeuser Co.	6.3%	0.1%
Bank of New York Mellon Corp.	6.1%	0.1%
Comerica, Inc.	4.8%	0.3%
PNC Financial Services Group, Inc.	4.8%	0.2%
Brookfield Asset Management, Inc.	4.1%	-
White Mountains Insurance Group, Ltd.	4.0%	-
Total S.A.	3.9%	0.3%
CK Hutchison Holdings, Ltd.	3.9%	0.1%
Cavco Industries, Inc.	3.8%	-
Alleghany Corp.	3.8%	-
Total	45.5%	1.1%

*Active Share is the percentage of a fund's portfolio that differs from the benchmark index.

Performance Snapshot



Annualized Investment Performance

	3 mo.	1 yr	3 yr	5 yr	10 yr	Inception ²
Third Avenue Value Fund (Institutional Class) ²	5.16%	18.26%	4.35%	8.89%	2.37%	11.07%
Third Avenue Value Fund (Investor Class) ³	5.10%	17.99%	4.09%	8.61%	N/A	N/A
MSCI World Index ⁴	6.53%	15.43%	6.12%	9.99%	4.81%	7.82%

- Source: FactSet Portfolio Analytics
- Institutional Share Class Inception Date: November 1, 1990.
- Investor Share Class Inception Date: December 31, 2009.
- The MSCI World Index is an unmanaged, free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of 23 of the world's most developed markets. Index performance reported since inception of Institutional Share Class.

Active Management, High Active Share*

97.89%

Active Share vs. MSCI World Index^{1,4}

35

Total Equity Holdings

Total Assets

\$1.18 billion

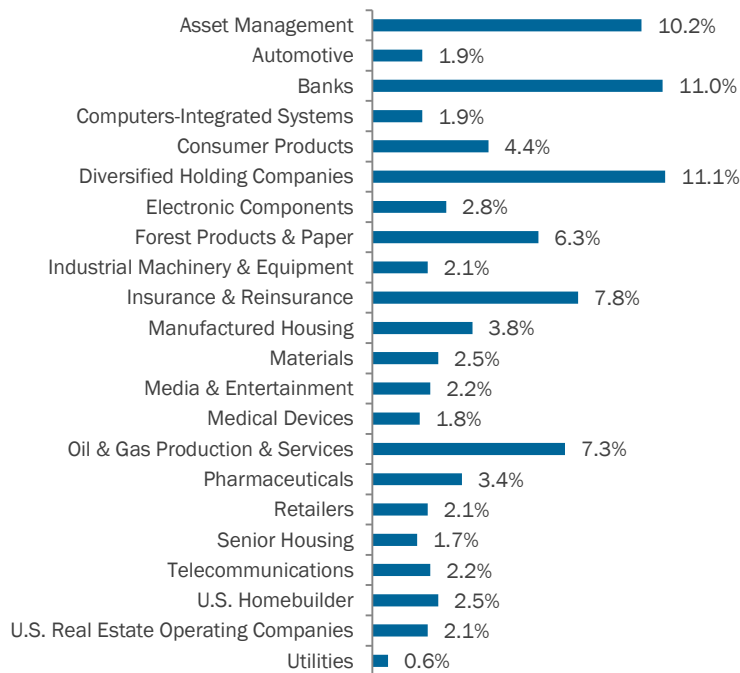
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Fund Highlights

- Team's philosophy and investment process leads to generally off-benchmark investments; diversifier.
- Concentrated, high conviction portfolio consists of 35-45 holdings and low cash position.
- The strategy has garnered significant interest lately and has capacity to deploy capital.

Sector Weightings¹



Portfolio Summary Characteristics

	TAVFX	Index ⁵
Weighted Market Cap ^{2,3}	\$30.22 Billion	\$115.20 Billion
Median Market Cap ^{2,3}	\$15.75 Billion	\$12.02 Billion
Price-to-Earnings Forward 1 year ^{2,3}	17.70x	17.31x
Return on Equity ^{2,3}	8.64%	16.19%
Price-to-Book ^{2,3}	1.43x	2.26x
Portfolio Turnover ⁴	17%	N/A

Market Cap Breakdown^{2,3,7}

	TAVFX	Index ⁵
Micro (<\$500 Million)	2.1%	0.0%
Small (\$500 Million to \$2B)	6.3%	0.0%
Mid (\$2 Billion to \$7B)	14.6%	4.8%
Large (>\$7 Billion)	67.4%	95.2%

Asset Classes

Equity	91.7%
Debt	1.3%
Cash, Equivalents & Other ⁶	7.0%

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MANAGEMENT

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1. Industry classifications determined by Third Avenue for equity holdings only.
2. Source: FactSet Portfolio Analytics
3. Based on equity holdings only.
4. For the year ended October 31, 2016.
5. The MSCI World Index is an unmanaged free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of 23 of the world's most developed markets. Index performance reported since inception of Institutional Share Class.
6. "Other" may consist of option investments
7. Does not include private securities

FUND RISKS:

Risks that could negatively impact returns include: fluctuations in currencies versus the US dollar, political/social/economic instability in foreign countries where the Fund invests, lack of diversification, and adverse general market conditions. For a full disclosure of principal investment risks, please refer to the Fund's Prospectus.