

Third Avenue Value Fund

An Uncommon Approach to All Cap Value Investing.

Institutional: TAVFX | Investor: TVFVX | June 30, 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: 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.

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.

2Q17 Highlights

- The Fund's European holding companies produced the largest relative attribution in the quarter, while the U.S. Bank position accounted for the largest contribution to absolute return.
- Our portfolio thematic overweights of both Banks and Housing related names were strong contributors in the quarter, and we retain a high level of conviction on the outlook for these companies.
- The Fund's underweight in large cap Technology stocks, notably the "FANG" (Facebook, Amazon, Netflix & Google) names were the largest relative source of negative attribution, while the mid-single digit percentage declines in Real Estate holdings companies Tejon Ranch and Wheelock & Co. accounted for the highest negative absolute sector performance in the quarter.
- Overall, the Fund is positioned for modest global growth and a slow and steady increased interest rate environment 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 ⁴
Bank of New York Mellon Corp.	6.6%	0.2%
Weyerhaeuser Co.	5.7%	0.1%
Comerica, Inc.	5.2%	-
PNC Financial Services Group, Inc.	5.0%	0.2%
Brookfield Asset Management, Inc.	4.4%	0.1%
CK Hutchison Holdings, Ltd.	4.0%	0.1%
Alleghany Corp.	3.7%	-
Total S.A.	3.6%	0.3%
Investor AB	3.6%	0.1%
Cavco Industries, Inc.	3.4%	-
Total	45.2%	1.1%

Active Management, High Active Share*

97.90%

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

36

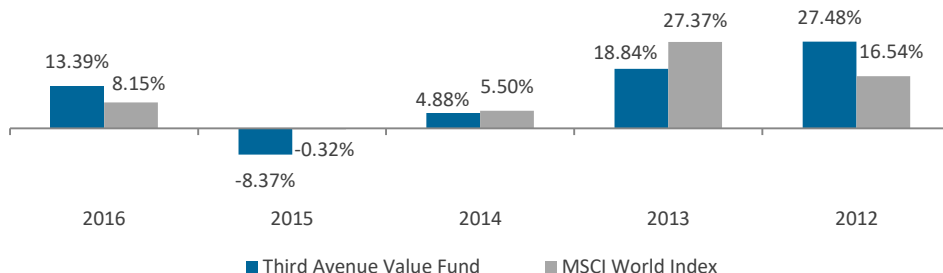
Total Equity Holdings

Total Assets

\$1.18 billion

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

Performance Snapshot



Annualized Investment Performance

	3 mo.	YTD	1 yr	3 yr	5 yr	10 yr	Inception ²
Third Avenue Value Fund (Institutional Class) ²	2.99%	8.30%	21.54%	2.94%	9.87%	2.22%	11.09%
Third Avenue Value Fund (Investor Class) ³	2.91%	8.16%	21.22%	2.67%	9.60%	N/A	N/A
MSCI World Index ⁴	4.21%	11.02%	18.86%	5.83%	12.01%	4.56%	7.92%

1. Source: FactSet Portfolio Analytics
2. Institutional Share Class Inception Date: November 1, 1990.
3. Investor Share Class Inception Date: December 31, 2009.
4. 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.

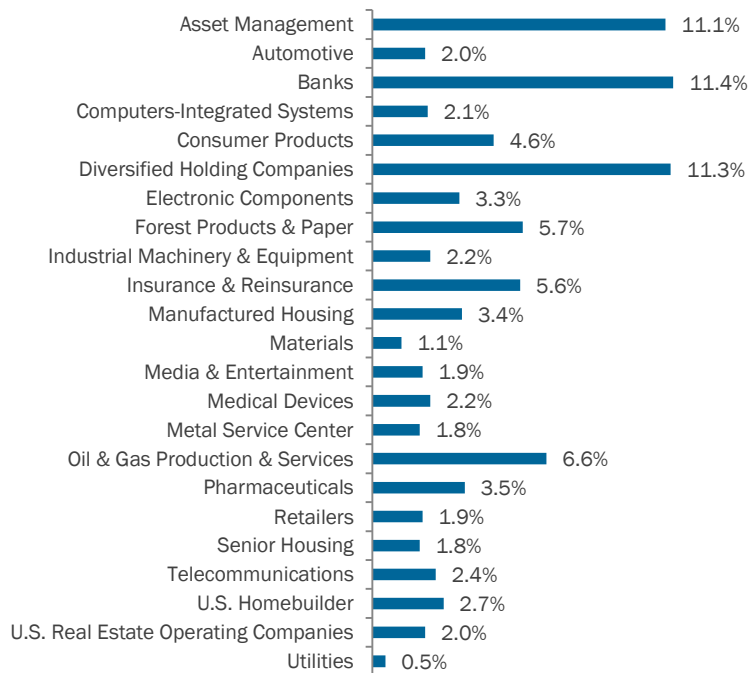
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Fund Highlights

- 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}	\$31.96 Billion	\$118.21 Billion
Median Market Cap ^{2,3}	\$14.17 Billion	\$17.62 Billion
Price-to-Earnings Forward 1 year ^{2,3}	17.93x	17.39x
Return on Equity ^{2,3}	8.93%	16.24%
Price-to-Book ^{2,3}	1.42x	2.26x
Portfolio Turnover ⁴	6%	N/A

Market Cap Breakdown^{2,3,7}

	TAVFX	Index ⁵
Micro (<\$500 Million)	2.0%	0.0%
Small (\$500 Million to \$2B)	3.9%	0.0%
Mid (\$2 Billion to \$7B)	15.9%	3.3%
Large (>\$7 Billion)	69.3%	96.7%

Asset Classes

Equity	91.1%
Debt	1.3%
Cash, Equivalents & Other ⁶	7.6%

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 six-month period ended April 30, 2017.
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.

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.

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