

Third Avenue Real Estate Value Fund

THIRD AVENUE
MANAGEMENT

A Differentiated Approach to Global Real Estate Investing.

Institutional: TAREX | Investor: TVRVX | September 30, 2017

Portfolio Team

Jason Wolf, CFA

Co-Lead Portfolio Manager
22 years of investment experience

Ryan Dobratz, CFA

Co-Lead Portfolio Manager
13 years of investment experience

Michael Winer

Co-Lead Portfolio Manager
38 years of investment experience

Objective

Founded in 1998, Third Avenue's global real estate strategy seeks long term capital appreciation by investing globally across an expansive universe that includes both real estate and real estate-related securities worldwide and across the capital structure.

Fund Facts

Inception Date	9/17/98
Minimum Investment (Inst.)	\$100,000
Minimum investment (Investor)	\$2,500
Gross Expense Ratio (Inst.)*	1.13%
Gross Expense Ratio (Investor)*	1.38%

*As of March 1, 2017

Overall Morningstar Rating™



Out of 184 Global Real Estate Funds as of September 30, 2017*

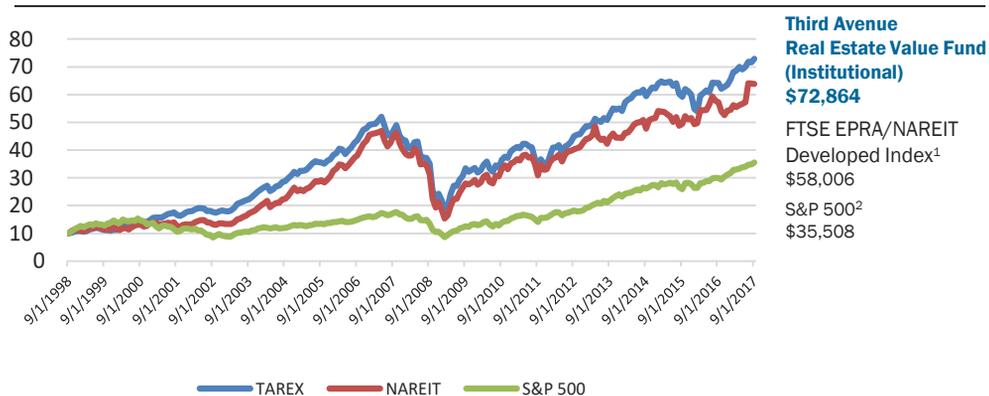
© Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Both TAREX and TVRVX were rated against the following numbers of Global Real Estate funds over the following time periods: 184 funds in the last three years, 151 funds in the last five years, and 87 funds in funds in the last ten years. With respect to these Global Real Estate funds, both TAREX and TVRVX received a Morningstar Rating of 4 stars, 5 stars and 5 stars for the three-, five- and ten-year periods, respectively. Past performance is no guarantee of future results.

3Q17 Highlights

- Fund Management initiated a position in Kimco Realty Corp., a US REIT that is a leading owner of grocery-anchored shopping centers in densely populated locations, as well as added to its existing positions in Macerich & Co. and Westfield Corp., both of which control strategic mall locations in key urban centers. The Fund exited its position in Global Logistic Properties after the Singapore based owner of industrial properties received a takeover offer at a substantial premium to prevailing prices and net asset value.
- Key contributors during the quarter included Global Logistic Properties, as well as Forest City Realty Trust, a US based REIT that announced it was exploring strategic alternatives in an effort to close the gap at which its stock price trades relative to the private market value of its high-quality real estate portfolio. Detractors were limited during the quarter but included Lennar Corp. and Five Point Holdings, both of which have strong ties to the US residential markets and seem well positioned long-term.
- Fund Management continues to strive to protect capital in a rising rate environment and potentially even benefit from it. As a result, approximately 60% of the capital is invested in REOCs and real estate-related businesses (not REITs) with another 10% in REITs that own timberlands that have historically been less interest rate sensitive. The Fund also has more than 10% of the Fund in Cash & Equivalents.

Growth of \$10,000



Top Ten Holdings

Allocations are subject to change without notice

	TAREX	INDEX ¹
CK Asset Holdings, Ltd.	5.8%	1.6%
Lennar Corp.	5.5%	-
Forest City Realty Trust, Inc.	5.5%	0.4%
Weyerhaeuser Co.	5.3%	-
Henderson Land Development Co. Ltd.	4.7%	-
Rayonier, Inc.	4.7%	0.5%
Brookfield Asset Management, Inc.	4.5%	0.6%
Land Securities Group PLC	4.5%	-
FivePoint Holdings LLC	4.4%	-
PNC Financial Services Group, Inc.	4.2%	-
Total	49.1%	3.1%

Active Management, High Active Share*

90.77%

Active Share vs. FTSE EPRA/NAREIT Developed Index^{1,3}

31

Total Equity Holdings

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

\$1.92 bn

Assets Under Management

1. The FTSE EPRA/NAREIT Developed Real Estate Index was developed by the European Public Real Estate Association (EPRA), a common interest group aiming to promote, develop and represent the European public real estate sector, and the North American Association of Real Estate Investment Trusts (NAREIT), the representative voice of the US REIT industry. The index series is designed to reflect the stock performance of companies engaged in specific aspects of the North American, European and Asian Real Estate markets. The Index is capitalization-weighted. The Indices are not securities that can be purchased or sold, and their total returns are reflective of unmanaged portfolios. The returns include reinvestment of interest, capital gains and dividends.

2. The S&P 500 Index is a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The S&P 500 index is a registered trademark of McGraw-Hill Co., Inc. The S&P 500 Index is not a security that can be purchased or sold.

3. Source: FactSet Portfolio Analytics

Past performance is no guarantee of future results. Mutual Fund returns include reinvestment of all distributions. Returns are annualized for periods longer than one year. The returns represent 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.

Third Avenue Real Estate Value Fund

Institutional: TAREX | Investor: TVRVX | September 30, 2017

Fund Highlights

Focus on Total Return Over Income

Our focus is on maximizing after-tax returns through capital appreciation not generating current income like certain REIT funds

Long-Term Deep Value Investing

Our patience is the result of an 19-year investment history in public and private markets

Global Real Estate Universe

Flexible mandate among domestic and foreign REOCs, REITs & real estate-related companies; our investment universe is nearly 3x larger than that of our peers

Actively Managed

Concentrated, high active share, use of options and hedging strategies

Past performance is no guarantee of future results. Mutual Fund returns include reinvestment of all distributions. Returns are annualized for periods longer than one year. The returns represent 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.

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.

THIRD AVENUE
MANAGEMENT

622 Third Avenue
New York, New York 10017

✉ clientservice@thirdave.com
☎ 212.906.1160

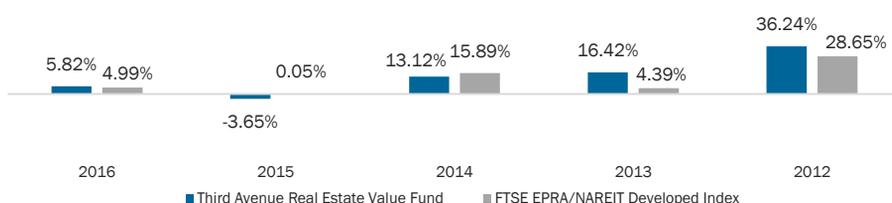
www.thirdave.com

Investment Performance

	Annualized						
	3 mo.	YTD	1 yr	3 yr	5 yr	10 yr	Inception ¹
Third Avenue Real Estate Value Fund (Institutional Class) ¹	4.04%	14.80%	13.42%	7.04%	10.12%	4.45%	10.99%
Third Avenue Real Estate Value Fund (Investor Class) ²	4.00%	14.60%	13.17%	6.79%	9.85%	N/A	N/A
FTSE EPRA/NAREIT Developed Index ³	1.84%	7.31%	1.52%	6.80%	7.60%	2.58%	9.90%

The gross expense ratio for the fund's institutional and investor share classes is 1.13% and 1.38%, respectively, as of March 1, 2017.

Performance Snapshot



Portfolio Summary Characteristics

Weighted Market Cap ⁵	\$15.98 Billion	Price-to-Book ⁵	1.22x
Median Market Cap ⁵	\$7.68 Billion	Portfolio Turnover ⁶	20%

Evolution of Top Segments

Allocations are subject to change without notice

Top 5 Industries

	9/30/17	9/30/16
Non-U.S. Real Estate Operating Companies	27.4%	36.8%
U.S. Real Estate Investment Trust	15.7%	16.9%
Forest Products & Paper	10.0%	9.9%
Non-U.S. Real Estate Investment Trust	9.6%	11.1%
U.S. Real Estate Operating Companies	8.1%	8.5%
Cash & Equivalents	12.1%	4.0%

Top 5 Countries⁵

	9/30/17	9/30/16
United States	48.1%	46.4%
Hong Kong	16.3%	15.1%
United Kingdom	12.1%	12.9%
Canada	4.5%	4.0%
Australia	4.1%	5.0%

1 Institutional Share Class Inception Date: September 17, 1998.

2 Investor Share Class Inception Date: December 31, 2009.

3 The FTSE EPRA/NAREIT Developed Index was developed by the European Public Real Estate Association (EPRA), a common interest group aiming to promote, develop and represent the European public real estate sector, and the North American Association of Real Estate Investment Trusts (NAREIT), the representative voice of the US REIT industry. The index series is designed to reflect the stock performance of companies engaged in specific aspects of the North American, European and Asian Real Estate markets. The Index is capitalization-weighted. Index performance reported since inception of Institutional Share Class.

4 Fund Management has provided property sector exposures on a "look-through" basis for equity holdings only. Third Avenue Management LLC ("TAM") does not necessarily utilize these Property Types in its annual reporting. Narrow industries are utilized for compliance purposes, whereas broad sectors are utilized for reporting. TAM does not adhere to any pre-determined sector, industry, or geographic allocations.

5 Source: FactSet Portfolio Analytics; based on equity holdings only.

6 For the year ended October 31, 2016.

Fund Risks: In addition to general market conditions, the value of the Fund will be affected by the strength of the real estate markets. Factors that could affect the value of the Fund's holdings include the following: overbuilding and increased competition, increases in property taxes and operating expenses, declines in the value of real estate, lack of availability of equity and debt financing to refinance maturing debt, vacancies due to economic conditions and tenant bankruptcies, losses due to costs resulting from environmental contamination and its related clean-up, changes in interest rates, changes in zoning laws, casualty or condemnation losses, variations in rental income, changes in neighborhood values, and functional obsolescence and appeal of properties to tenants. For a full disclosure of principal investment risks, please refer to the Fund's Prospectus.