



Strategic Real Estate at Value Prices, Since 1998.

REAL ESTATE VALUE FUND



PORTFOLIO MANAGERS

Jason Wolf, CFA

Joined Third Avenue in 2004
29 yrs investment experience



Ryan Dobratz, CFA

Joined Third Avenue in 2006
20 yrs investment experience

OBJECTIVE

Third Avenue's Real Estate Value Fund seeks long-term capital appreciation by investing in the securities of a select-set of real estate and real estate-related businesses in developed markets.

FUND FACTS

As of June 30, 2024

Inception Date	9/17/98
Strategy Assets	\$321.2M
Min. Investment (Inst.)	\$10,000
Min. Investment (Inv.)	\$2,500
Min. Investment (Z)	\$25,000
Inst. Expense Ratio (Gross/Net) †	1.19%/1.15%
Inv. Expense Ratio (Gross/Net) †	1.45%/1.40%
Z Expense Ratio (Gross/Net) †	1.11%/1.05%

MORNINGSTAR MEDALIST RATING



As of November 14, 2023



Overall Morningstar rating, as of June 30, 2024, vs. 175 funds. TAREX was rated against the following numbers of Global Real Estate Category Funds over the following time periods: 175 funds in the last three years and 173 funds in the last five years and 114 funds in the last ten years. With respect to these Global Real Estate funds, TAREX received a Morningstar Rating of 5 stars for the three-year period, 4 stars for the five-year period and 3 stars for the ten-year period, respectively. Ratings based on risk adjusted return. Past performance is no guarantee of future results.

KEY DIFFERENTIATORS

- **Total Return Focus:** We focus on total return and favor capital appreciation over current income.
- **Expansive Real Estate Universe:** We invest in a wider-set of businesses with exposure to Commercial, Residential and Real Estate Services.
- **Long-Term Value-Oriented Holdings:** We target securities trading at discounts to Net-Asset Value issued by enterprises that are well-capitalized, well-managed, with prospects to compound over time.
- **High Active Share:** The portfolio is concentrated around a select-set of securities (30-40 positions), as well as tactically holds cash, treasuries, and implements other hedges.
- **Tenured Managers:** The Fund is managed by an experienced Portfolio Management team that implements a repeatable process with personal capital invested in the strategy.

VALUE OF \$100,000 SINCE SEPTEMBER 1998

As of June 30, 2024



Hypothetical Investment made in the Institutional Share Class and Benchmarks as of September 30, 1998 (Fund Inception Date September 17, 1998). This assumes reinvestment of Capital Gains and Income.

TOP TEN HOLDINGS

Brookfield Corp.	6.7%
Lennar Corp.	6.6%
U-Haul Holding Co.	5.7%
CBRE Group Inc.	5.4%
D.R. Horton, Inc.	4.9%
Prologis, Inc.	4.8%
Sun Communities, Inc.	4.3%
Federal Home Loan Mortgage Corp.	4.0%
American Homes 4 Rent	3.9%
Federal National Mortgage Association	3.7%
TOTAL	50.0%

Allocations are subject to change without notice

PORTFOLIO SUMMARY CHARACTERISTICS

Weighted Market Cap ³	\$22.8B
Median Market Cap ³	\$9.8B
Price to Book ³	1.2x

ACTIVE MANAGEMENT, HIGH ACTIVE SHARE*

Active Share* vs. FTSE EPRA/NAREIT Dev. Index ^{1,2}	92%
Total Equity Holdings	29
Portfolio Turnover ⁴	17%

The U.S. Lipper Fund Award for Best Equity Small Fund Family is based on a review of 185 qualified fund management companies that were eligible for the three-year period ending on 11/30/23. To qualify for Lipper's Overall Small Fund Family Group Award, Small fund family groups must have at least three equity portfolios. The group award will be given to the group with the lowest average decile ranking of its respective asset class results based on the three-year Consistent Return measure of the eligible funds.

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HIGHLIGHTS

Activity

During the quarter, the Fund initiated a position in **Wesco International** (a leading provider of commercial distribution, logistics services, and supply chain solutions) while adding to **Prologis** (the leading owner of modern logistic facilities globally) and **Grainger plc** (the largest private owner of rental housing in the U.K.). The Fund also implemented a hedge related to D.R. Horton and its British Pound exposure, while reducing certain positions for portfolio management purposes, including those involved with the U.S. residential markets (Lennar, D.R. Horton, AMH, and Lowe's) and various international holdings (Wharf, Segro plc, and Berkeley Group).

Attribution

The primary contributors to performance during the period included the Fund's positions in the preferred equity of the GSEs⁵ (Fannie Mae and Freddie Mac) and the common stock of certain U.K.-based real estate enterprises (Big Yellow plc and Savills plc). Notwithstanding, these gains were more than offset by detractors during the quarter, which included the Fund's investments in several residential-related enterprises (Lennar, D.R. Horton, Weyerhaeuser, and Rayonier) and those involved with Industrial Real Estate (Prologis and First Industrial)—leading to an even more favorable price-to-value proposition for each issuer, in Fund Management's opinion.

Positioning

At quarter-end, the Fund's investments were focused in a select set of well-capitalized property companies, in Fund Management's view, with an average net debt to asset ratio of 14%. These issuers engage in an expansive set of activities including **Residential Real Estate** (38.8% of invested capital), **Commercial Real Estate** (34.2% of invested capital), and **Real Estate Services** (23.7% of invested capital). The Fund also had 3.3% of its capital in Cash & Equivalents and select hedging instruments. Additionally, Fund Management estimates that the portfolio holdings traded at more than a 21% discount to conservative Net-Asset Value (NAV) estimates when viewed in the aggregate.

PERFORMANCE

	3 Mo	1 Yr	Annualized			
			3 Yr	5 Yr	10 Yr	Inception*
Third Avenue Real Estate Value Fund	-4.35%	12.11%	-0.42%	2.81%	2.82%	8.41%
FTSE EPRA/NAREIT Developed Index ¹	-2.15%	5.66%	-3.85%	0.27%	2.99%	7.81%

Performance is shown for the Third Avenue Real Estate Value Fund (Institutional Class). Past performance is no guarantee of future results; returns include reinvestment of all distributions. The chart 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 or call 800-443-1021.

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

† Please see page 3 for important information.

EVOLUTION OF TOP SEGMENTS

Allocations are subject to change without notice

TOP 5 INDUSTRIES	6/30/24	6/30/23
Non-U.S. REOC's	16.10%	15.70%
U.S. Real Estate Investment Trust	15.40%	14.60%
U.S. Homebuilder	11.50%	13.20%
U.S. Real Estate Consulting & Management	10.80%	9.60%
Non-U.S. Real Estate Investment Trust	9.80%	9.40%
Cash & Equivalents	3.30%	3.80%

COUNTRY EXPOSURE³

	6/30/24	6/30/23
United States	61.80%	63.50%
United Kingdom	16.60%	15.50%
Canada	8.40%	6.90%
Hong Kong	5.70%	7.50%
Australia	4.20%	2.90%

CLIENT SERVICES

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DISCLOSURES

The fund's investment objectives, risks, charges, and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 800-443-1021 or visiting www.thirdave.com. Read it carefully before investing.

Distributor of Third Avenue Funds: Foreside Fund Services, LLC.

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.

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

† As of March 1, 2024. The Adviser has contractually agreed, for a period of one year from the date of the Prospectus, dated March 1, 2024, to defer receipt of advisory fees and/or reimburse Fund expenses in order to limit Net Annual Fund Operating Expenses (exclusive of taxes, interest, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses) to 1.15%, 1.40% and 1.05% of the average daily net assets of the Institutional Class, Investor Class and Z Class, respectively, subject to later reimbursement by the respective classes in certain circumstances (the "Expense Limitation Agreement"). In general, for a period of up to 36 months from the time of any deferral, reimbursement, or payment pursuant to the above-described contractual expense limitations, the Adviser may recover from each class of the Fund fees deferred and expenses paid to the extent that such repayment would not cause the Net Annual Fund Operating Expenses of each class to exceed the contractual expense limitation amounts set forth above, but any repayment will not include interest. The Expense Limitation Agreement can only be terminated prior to expiration by the independent Trustees of the Fund.

‡ 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. The index is not a security that can be purchased or sold, and its total returns are reflective of unmanaged portfolios. The returns include reinvestment of interest, capital gains and dividends.

² Source: FactSet Portfolio Analytics.

³ Source: FactSet Portfolio Analytics; based on equity holdings only. **Weighted Market Cap** – Weighted average (as a percentage of portfolio) of the market capitalization of each security holding invested in the portfolio. **Median Market Cap** - Median market capitalization of each security holding invested in the portfolio. **Price to Book** - Weighted harmonic average of the ratio of current share price to its book value per share of each security holding invested in the portfolio.

⁴ 5-year average for the period ended October 31, 2023.

⁵ A government-sponsored enterprise (GSE) is a quasi-governmental entity established to enhance the flow of credit to specific sectors of the U.S. economy.

The Morningstar Medalist Rating is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned. Pillar ratings take the form of Low, Below Average, Average, Above Average, and High. Pillars may be evaluated via an analyst's qualitative assessment (either directly to a vehicle the analyst covers or indirectly when the pillar ratings of a covered vehicle are mapped to a related uncovered vehicle) or using algorithmic techniques. Vehicles are sorted by their expected performance into rating groups defined by their Morningstar Category and their active or passive status. When analysts directly cover a vehicle, they assign the three pillar ratings based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. When the vehicles are covered either indirectly by analysts or by algorithm, the ratings are assigned monthly. For more detailed information about the Medalist Ratings, including their methodology, please go to <http://global.morningstar.com/managerdisclosures>. The Morningstar Medalist Ratings are not statements of fact, nor are they credit or risk ratings. The Morningstar Medalist Rating (i) should not be used as the sole basis in evaluating an investment product, (ii) involves unknown risks and uncertainties which may cause expectations not to occur or to differ significantly from what was expected, (iii) are not guaranteed to be based on complete or accurate assumptions or models when determined algorithmically, (iv) involve the risk that the return target will not be met due to such things as unforeseen changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rates, exchange rate changes, and/or changes in political and social conditions, and (v) should not be considered an offer or solicitation to buy or sell the investment product. A change in the fundamental factors underlying the Morningstar Medalist Rating can mean that the rating is subsequently no longer accurate.

The Morningstar Rating™ for funds, or "star rating," is calculated for 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 has the greatest impact because it is included in all three rating periods. Morningstar Rating is for the Institutional share class only; other classes may have different performance characteristics.

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