VALUE FUND

AS OF SEPTEMBER 30, 2021

INSTITUTIONAL: TAVFX | INVESTOR: TVFVX | Z: TAVZX

PORTFOLIO MANAGER COMMENTARY

MATTHEW FINE, CFA

Dear Shareholders,

For the three months ended September 30th, 2021, the Third Avenue Value Fund (the "Fund") returned -1.89%, compared to the MSCI World Index, which returned 0.09% [1].The quarterly decline brought the Fund's year to date performance to 22.89%, compared to 13.4% for the MSCI World Index. For further comparison, the MSCI World Value Index returned (0.67%)[2] during the third quarter, trailing the MSCI World Index by 0.76%. The Fund's absolute and relative performance during the quarter were defined by two distinct periods. Falling global interest rates, which began in the second quarter and carried into the third quarter throughout July and August, were associated with weaker relative performance for value strategies in general and the Fund was not immune. However, absolute and relative performance improved substantially in September as an imminent tapering of U.S. quantitative easing came to be accepted as the most probable monetary policy scenario. In recent letters we have spoken at length about the reasons why an end to U.S. quantitative easing was likely and why higher interest rates in the future are substantially more probable than lower rates. Below we will update several of those key points but would also highlight that we are encouraged by the Fund's absolute and relative performance in reaction to even modestly rising interest rates.

AT RISK OF BEING REPETITIVE

In the past, we have railed against the failure of inflation statistics to capture important developments related to housing costs. If that point was debatable then, it certainly is not now. In August, Zillow reported that its Home Value Index[3] had risen 17.7% year-over-year. S&P Case Shiller[4] has not yet reported its August home price figures but, in July, the index measured a 19.7% year over year increase, which had been preceded by an 18.7% increase in June and 16.9% in May, each a record at the time. Zillow's Observed Rent Index rose by 11.5% year over year in August. Meanwhile, the U.S. Bureau of Labor Statistics calculated that "rent of primary residence" rose 2.1% year over year in August while "owners' equivalent rent of residences" rose by 2.6%. If one were to accept Zillow's Observed Rent Index data as a reasonably accurate depiction of the pace of rental rate increases—and it is similar to several other independent sources of national home rental data—the incorporation of that data into the CPI[5] weighting system in August would have caused CPI to be measured at something like 8.1% rather than 5.3%.

> *"Prices are considered stable when consumers and businesses don't have to worry about rising or falling prices when making plans, or when borrowing or lending for long periods...When households and businesses can reasonably expect 2 percent inflation over the longer run [it] helps them make sound decisions regarding saving, borrowing, and investment, thus contributing to a well-functioning economy."*
>
> *Federal Reserve.Gov FAQ*

With all due respect to the folks in Washington D.C, prices are clearly not stable by their own definition. Prices are causing consumers and households to worry. Housing affordability indices have deteriorated meaningfully in the United States, and in other countries for that matter, as a direct result of materially negative real interest rates driving home price increases that are multiples of wage increases. Auto prices have spiked as a result of supply shortages (more on this later) and prices/valuations of many financial assets are at levels rarely experienced in a career. In defense of our Federal Reserve officials, what I just described may be transitory. However, I am not sure the semantics matter much when year over year home price gains are running in the high teens. For example, an 18% year-over-year "transitory" house price increase is the equivalent of 5.7% persistent price gains for three consecutive years, except that the former is likely to be more economically destabilizing.

As we were quick to suggest in previous letters, our Federal Reserve officials are intelligent and informed, and have probably lost many hours of sleep in contemplation of these statistics. They are facing an extremely unusual economic fact pattern. In the end though, we are strongly of the view that Fed governors recognize that bond purchases are not a solution to a stubborn labor shortage. In other words, bond purchases have arguably already caused an overshoot of one Fed mandate, price stability, and are impotent under these circumstances as it relates to achieving the second mandate, maximum employment. Accommodative policy has been successful in creating favorable business conditions and availability of jobs, which is all it can do, but many people are simply choosing not to return to work, or to do certain types of work. Continuing to thwart price discovery in credit markets simply won't solve that but will however exacerbate growing price instability. The sum of all this is that a tapering of quantitative easing appears highly likely to begin in 2021, most likely in early November.

> *"Fifty-one percent (seasonally adjusted) of small business owners reported job openings they could not fill in the current period, up one point from August and a record-high reading for the second consecutive month...A net 42% (seasonally adjusted) of owners reported raising compensation, up one point from August and a 48-year record high reading."*
>
> *National Federation of Independent Business – October 7th, 2021*

On one hand, we are increasingly encouraged that the Fund is well positioned to be a beneficiary of a gradual end to the willful manipulation of credit markets and, on the other hand, are increasingly confident that both equity and credit markets, especially U.S. growth-oriented equities, are very vulnerable to a normalization of interest rates. Growth-oriented U.S. equities, today an unusually large component of broad U.S. and global equity market indices, have rarely been more expensive. One of the primary rationalizations for such patent overpricing is extraordinarily low interest rates. Conversely, value-oriented equities, as defined by the cheapest segment of the equity market, are unusually inexpensive relative to broad equity market indices[6]. Said another way, the relative valuation of value to growth today is similar to that during the height of the tech, media and telecom bubble in the late 1990s. In the aftermath of that bubble value produced excellent relative returns, meaning far less bad. Value performed so well during that period that, for many people, it came to be viewed as a strategy less subject to large drawdowns, which is, in part, what led to so much disappointment with the poor performance of many value strategies during the Global Financial Crisis. Yet, it is not sufficiently appreciated that the extraordinary performance of value strategies in the period up to the Global Financial Crisis had led to value being unusually expensive relative to broad market indices when that crisis arrived. In other words, we think that the valuation of value matters a great deal as it relates to both upside potential and the risk of drawdowns that are probable from any given starting point. As Marty Whitman always said, contrary to what is preached in academia, there is no necessary trade-off between risk and return—the cheaper you buy something, the less investment risk you incur and the greater the potential investment return. In all of these regards, today appears to represent a very attractive starting point for value, broadly speaking. Of course, it is our goal as active, opportunistic investors to outperform both broad equity market indices as well as value indices over long periods of time.

WHEN THE RUBBER MEETS THE ROAD

We have recently been spending an inordinate amount of time discussing macroeconomic developments. This feels appropriate given the incredible, and in some cases unprecedented, macroeconomic circumstances. With the remainder of this letter though, we intend to connect various macroeconomic developments—such as rising interest rates, chip shortages, clean energy spending, and a resurgence in oil demand—to the fundamentals of the companies in which we are invested. The discussion will also serve to provide updates on how a large portion of the Fund's investments have fared recently.

AUTOMOTIVE COMPANIES

BMW AG (4.3% portfolio weight) - A global shortage of semiconductor chips has been impacting global supply chains in a wide range of industries. As we write, a variety of estimates have been offered as to when increased availability might be achieved, often centering on the middle of 2022, though improvement will ultimately be contingent upon whether additional virus-related disruptions present themselves in any number of countries. For the global automotive industry, estimates of the impact of disruptions currently gravitate toward a high single-digit percentage of total global passenger vehicle production lost in 2021 to the lack of chip supply. BMW is not immune and will produce reduced volumes in the second half of 2021. On the other hand, it has been clear that a shortage of new and used passenger vehicles has caused a substantial improvement in the pricing environment, at least from the auto company's perspective. BMW had produced an excellent first half 2021 performance in spite of chip and virus challenges but the future net impact of reduced volumes and higher costs, offset by higher auto prices, has been difficult to predict. However, a recent press release from BMW offered more clarity and several encouraging data points. On September 30th, BMW substantially increased its operating performance guidance for 2021, particularly for margins from the automotive business (as opposed to the finance business) to levels rarely seen during the last decade. Thinking about this in terms of valuation, if you take BMW's current automotive business net financial assets of more than EUR 20 billion and a modest valuation for its finance business, the current market cap of BMW attributes almost no value whatsoever to its automotive business. The release also noted that the automotive business is expected to produce roughly EUR 6.5 billion of free cash flow this year. Meanwhile, a strong anticipated uplift for the financial services business was also confirmed by the release with increasing residual values of used BMWs and low credit losses expected to enable a financial services return on equity between 20% and 23%. While the excellent performance of the finance business was expected, the automotive profit and cash flow guidance clearly exceeds our expectations under the circumstances. It is intuitive then that BMW management have recently begun speaking publicly about the possibility of more substantial cash distributions to shareholders.

> *"Used-car prices, one of the biggest factors in U.S. inflation this year, rose to an all-time high in September as pandemic-driven supply-chain disruptions continued."*
>
> *Bloomberg – October 7th 2021*

Daimler AG (3.1% portfolio weight) - Daimler's Mercedes-Benz automobile unit is grappling with a very similar set of issues to BMW and is similarly expected to show that high prices for its vehicles outweighed the impact of reduced volumes. Daimler is also extremely well-capitalized and producing unusually high levels of free cash flow[7] as margins are high and inventories have been sold down to levels well below normal. Interestingly, Daimler management has been one of the first to indicate that some of the industry changes experienced recently may be incorporated into normal business practices going forward. Specifically, management suggested that carrying large amounts of inventory to enable very rapid delivery of a new Mercedes to a buyer may have more cost than benefit in terms of leading to higher levels of price discounting when inventories swell and in terms of the working capital consumption of the business. The explicit message was that the company and its peers may work to change their behavior in a way that produces higher prices and higher margins going forward while imposing somewhat longer wait times on customers. We will be looking for confirming data points as/when chip and shipping challenges abate. In the near term however, Daimler shareholders recently approved Daimler's plan to spin-off its Daimler Truck unit by the end of 2021 and rename the remaining auto business Mercedes-Benz Group AG. A possible separation of trucks from cars was a component of our original investment thesis and we expect that the spin-off process will continue to surface value.

EUROPEAN BANKS

Bank of Ireland (8.1% portfolio weight) – Bank of Ireland has spent the last twelve years repairing itself from the Global Financial Crisis and the subsequent European Sovereign Crisis. It has been an arduous process of working out and selling off a large portfolio of non-performing loans, a reformation of its lending standards, enormous cost cutting and investments in IT infrastructure, all while being compelled to accumulate large amounts of additional capital with which to fortify itself and meet ever-growing regulatory capital requirements. One very compelling illustration of the amount of progress that has been made is that, per consensus estimates[8], Bank of Ireland is expected to produce a return on equity of 8.25% in 2021 in the midst of one of the worst interest rate environments in history, from a banking perspective. Further, should this be accomplished, it would be done while using one of the lowest levels of balance sheet leverage the bank has carried in decades.

If our investment thesis was hinged entirely upon buying a well-capitalized bank at 50% of book value that is producing an 8.25% return on that book value[9], with future interest rate increases more likely than decreases, and a high likelihood of increasing capital returns to shareholders, that might well be sufficient. Yet, what is less well followed—given how small the Irish banking market is in the context of Europe, let alone the globe—is that the Irish bank industry is on the cusp of a rapid consolidation from five major banks to three. This step-change should be expected to add further scale and cost efficiency for the remaining three and, hopefully, further pricing discipline as well. It is anticipated that Ulster Bank's banking operations will be divided between Allied Irish Bank and Permanent TSB, while KBC's Irish bank will exit Ireland with the bulk of its performing loans and customer deposits being taken on by Bank of Ireland. Separately, it was announced in July that Bank of Ireland has reached an agreement to purchase J&E Davy Holdings, Ireland's largest capital markets and wealth management business. Davy had fallen into trouble as a result of scandal and was compelled to sell itself under governmental pressure. The acquisition of a business that is balance sheet light and derives most of its revenue from fee income will further diversify Bank of Ireland's revenue sources away from the current challenges of net interest margin[10] and, very likely, substantially boost returns on equity. Both transformative deals are expected to close within the next few quarters. If Bank of Ireland were to find itself in an even slightly improved interest rate environment with the added scale and efficiencies gained from industry consolidation and new sources of fee income, it should prove to be a very powerful mix for returns.

Deutsche Bank AG (4.5% portfolio weight) – Similarly, Deutsche Bank has in recent years undertaken profound cost cutting initiatives, albeit, in Deutsche's case, as a result of scandal, business underperformance and a need to deleverage. Deutsche Bank, and other investment banks with large fixed income trading operations, clearly benefited from the pandemic in 2020 as a result of unusually large fixed income trading volumes and market volatility. This is one of the primary arguments for having trading operations alongside more traditional banking and asset management businesses—i.e., that their business performances are not correlated and strong trading performance can, at times, offset challenges in other parts of the business. And times are still challenging for Deutsche's more traditional corporate and private banking businesses as a result of the interest rate environment. Clearly a higher (or even less negative) German rate environment would help, but it must be said that Germany has to be among the least attractive banking markets in Europe. The industry structure is unique and frustrates the ability of private banks to produce profit, which in turn limits the ability to accumulate capital, making the entire system more fragile than it ought to be. We value Deutsche's various banking business lines accordingly. But, turning back to things Deutsche can control, it is indisputable that Deutsche, under CEO Christian Sewing, has made considerable progress towards its critical cost cutting, deleveraging and capital accumulation goals. At the outset of our investment in Deutsche, our single largest concern was that the bank's necessary exit from certain lines of business, along with sizeable headcount reduction in others, could cause clients to seek other relationships with banks offering a full range of services and without any perception of counter-party risk. In a worst case scenario the result could have been an erosion of revenue even faster than the cost reduction, possibly precipitating a downward spiral. As we emerge from the pandemic with Deutsche now far down the road of transformation, and clear evidence that it is regaining market share in various lines of business, the largest risks appear to be behind us. To that point, in recent public comments Deutsche management has indicated that it intends to resume returning excess capital to shareholders in 2022.

COPPER MINING

Capstone Mining (5.2% portfolio weight) – During the last eighteen months, copper and several other base metals have experienced strong price appreciation. For copper, unlike lumber for example, supply disruption is not a meaningful contributor to higher prices. The price of copper today is the result of a growing acknowledgement that years of underinvestment, in an environment of growing demand, is likely to leave the copper market increasingly undersupplied. It has become better understood that the copper market is already undersupplied, which is reflected in steadily shrinking global copper inventories. At the end of September, global visible copper inventories were at their lowest level in more than a decade. Should clean energy technologies begin to proliferate rapidly, the strains on the copper market are likely to be far greater than they are today.

> *"Copper prices rose on Monday as stockpiles in Chinese exchange warehouses dropped to their lowest levels in more than 12 years"*
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> *Reuters – September 27th 2021*

For Capstone specifically, its operations in the United States and Mexico continue to run as well as they have during our ownership of the company. The company's U.S. mine, Pinto Valley, is a relatively higher cost operation and is therefore more sensitive to copper prices, making it a particular beneficiary of rising copper prices. Operating cash flows have improved enormously in recent quarters allowing the company to produce and retain substantial free cash flow. The company moved into a net cash[11] position in the first half of 2021, also a first during our ownership. For the remainder of 2021, we will be awaiting news on developments related to Santo Domingo, the company's copper, iron ore, and cobalt project in Chile. It is one of the largest fully-permitted copper projects in the world today and the company has done extensive work to bring in infrastructure and financing partners. We had expected an announcement related to a final financing plan for its development in the third quarter but that timeline has slipped into the fourth quarter, hopefully not beyond. Additionally, Capstone has frequently discussed the possibility of creating a much larger operation around its Pinto Valley mine by incorporating several dormant mine operations surrounding Pinto Valley that are presently owned by mining majors such as BHP, Freeport, and KGHM. We have less specific timing expectations for this development but the idea appears logical and potentially transformative.

Lundin Mining (3.1% portfolio weight) – Lundin Mining operates mines that are, on average, higher quality than those of Capstone. Like Capstone, Lundin's mines are in relatively low-risk political jurisdictions but are larger and lower cost operations than those of Capstone. As a result of being low-cost, the cash flows tend to be slightly less variable in relation to metal price movements. While we have great respect for both the management team and the board of Lundin Mining, mining is a very tough business and a variety of challenges present themselves from time to time. In the last twelve months, the company has suffered from an electrical surge causing damage to its Brazilian operations, a protracted strike at its Chilean mine and, more recently, issues surrounding grade and mill throughput in Chile. It has been a tough stretch for a company that has built a reputation as one of the industry's best operators. The company recently announced the appointment of a new CEO who will take the helm in January as the current CEO, Marie Inkster, steps down. We have thought highly of Marie, as we had of her predecessor, but are confident that the board, including multiple family members carrying the Lundin name, continue to manage with clear eyes. Assets that are growing in value, an outstanding balance sheet, and increasing capital returns to shareholders don't bother us either.

Finally, external to Lundin, the world has woken up to a growing scarcity of copper just as it has decided it wants to radically transform the global energy industry in a way that will place copper in extremely high demand. Mike Henry, CEO of mining major BHP, publicly stated this week that he wants "future facing commodities" such as copper, potash and nickel to comprise 50% of BHP's revenues by the end of the decade and that he is willing to go further afield into difficult jurisdictions if necessary. The end of the decade is a mere nine years away and is probably not enough time to permit and build a new copper mine even if BHP had the resources today. It is very likely BHP and others who want to benefit from this copper cycle to a greater extent will have to purchase existing assets in order to do so. Historically, the industry has gone through waves of consolidation when supply became tight. As we examine the mining industry today, there are only a small handful of companies that would offer a company like BHP—or Barrick, Glencore and Rio Tinto, who have all announced similar agendas—a chance to move the meter in terms of copper exposure. Lundin is certainly one of them.

QUARTERLY ACTIVITY

During the quarter ended September 30th, 2021, the Fund purchased shares of Valaris Ltd and put options[12] on the SPDR S&P 500 ETF Trust[13]. The Fund also sold its position in The Macerich Company.

Valaris Ltd is an owner and operator of offshore drilling rigs. The company was formed by a 2019 merger of two drilling heavyweights, Ensco and Rowan. Like several other mergers in the offshore drilling industry, it was designed to consolidate the industry, enable more rationalization of the combined rig fleet, and create efficiencies to help reduce the financial stress. A combination of OPEC[14] dysfunction, oil companies reducing oil and gas spending in a pivot towards renewables, followed by a global pandemic that bore witness to negative oil prices has led to a seven year services industry recession with a severity that may be unrivaled in the industry's history. For Valaris, the merger was not enough to stave off bankruptcy, a fate that almost all other offshore drillers shared. In May of this year, the company emerged from the Chapter 11 process with virtually all of its debt having been converted to equity and a resulting net cash balance sheet. The company is also sporting positive operating free cash flow even at presently poor prices for its services.

In spite of several scars accumulated by investing in oil service companies during this most challenging period, the motivations for purchasing Valaris were several-fold. First, Valaris's fleet of rigs is arguably the highest quality fleet in the industry. Second, Valaris is one of very few owners of highly specialized jack-up rigs capable of operating in the North Sea. Along with Maersk Drilling, another Fund investment, the two companies dominate this very attractive niche. Third, Valaris is involved in a joint venture with Aramco that produces meaningful income to Valaris but also provides a steady flow of contract employment for a subset of Valaris' rigs. Fourth, the floating rig market has seen an extreme amount of scrapping during the industry depression. It is not commonly understood today that if oil companies do ever increase spending on oil and gas development, even to a moderate degree, the companies they contract with will have far fewer assets with which to provide those services. This is particularly true for floating rigs where roughly 50% of the global fleet has been scrapped or otherwise retired during the last seven years. Meanwhile, the lack of investment on the part of oil and gas companies is coming through loud and clear in collapsed reserve replacement ratios[15] and reserve life declines, all while the world has today almost completely recovered to its pre-COVID levels of oil consumption. There is, in our view, a very good chance that we will see at least one more mad scramble for offshore services before the world is in a position to give up its oil and gas addiction. Meanwhile, the floating rig industry has scrapped so many rigs and shrunk supply to such an extent that even today we have begun to see rising day-rates (prices) and positive cash flows. We would not have purchased Valaris prior to its bankruptcy, but with a net cash balance sheet and a valuation that equates to a tiny fraction of the replacement cost of its assets, we think it's a very attractive proposition. We think that it is a profound understatement to say, if oil services demand ever recovered to a level resembling historical normalcy, Valaris would likely be a very lucrative investment.

Thank you for your confidence and trust. We look forward to writing again next quarter. In the interim, please do not hesitate to contact us with questions or comments at clientservice@thirdave.com.

Sincerely,

Matthew Fine, CFA

IMPORTANT INFORMATION

This publication does not constitute an offer or solicitation of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this publication has been obtained from sources we believe to be reliable, but cannot be guaranteed.

The information in this portfolio manager letter represents the opinions of the portfolio manager(s) and is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed are those of the portfolio manager(s) and may differ from those of other portfolio managers or of the firm as a whole. Also, please note that any discussion of the Fund's holdings, the Fund's performance, and the portfolio manager(s) views are as of September 30, 2021 (except as otherwise stated), and are subject to change without notice. Certain information contained in this letter constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe," or the negatives thereof (such as "may not," "should not," "are not expected to," etc.) or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of any fund may differ materially from those reflected or contemplated in any such forward-looking statement. Current performance results may be lower or higher than performance numbers quoted in certain letters to shareholders.

Date of first use of portfolio manager commentary: October 15, 2021

1 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. Please see Appendix for performance table and information. One cannot invest in an index.

2 MSCI World Value: The MSCI World Value Index captures large and mid-cap securities exhibiting overall value style characteristics across 23 Developed Markets (DM) countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. Source: MSCI

3 Zillow Home Value Index (ZHVI): A smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. It reflects the typical value for homes in the 35th to 65th percentile range.

4 Cash Shiller Home Price: The S&P CoreLogic Case-Shiller U.S. National Home Price Index is a composite of single-family home price indices for the nine U.S. Census divisions and is calculated monthly.

5 CPI – Consumer Price Index: The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. Indexes are available for the U.S. and various geographic areas. Average price data for select utility, automotive fuel, and food items are also available.

6 Did I Miss the Value Turn? (researchaffiliates.com)

7 Free Cash Flow: Free cash flow (FCF) represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets. Unlike earnings or net income, free cash flow is a measure of profitability that excludes the non-cash expenses of the income statement and includes spending on equipment and assets as well as changes in working capital from the balance sheet.

8 Best consensus estimate for 2021 return on equity.

9 Book Value: Book value can be thought of as the net asset value (NAV) of a company, calculated as its total net assets minus liabilities.

10 Net Interest Margin: Net interest margin (NIM) is a measurement comparing the net interest income a financial firm generates from credit products like loans and mortgages, with the outgoing interest it pays holders of savings accounts and certificates of deposit (CDs).

11 Net Cash: Net cash is a figure that is reported on a company's financial statements. It is calculated by subtracting a company's total liabilities from its total cash.

12 Put Options: A put option is a contract giving the owner the right, but not the obligation, to sell–or sell short–a specified amount of an underlying security at a pre-determined price within a specified time frame. This pre-determined price that buyer of the put option can sell at is called the strike price.

13 SPDR S&P 500 ETF Trust: The SPDR S&P 500 Trust ETF, also known as the SPY ETF, is one of the most popular funds that aims to track the Standard & Poor's 500 Index, which comprises 500 large- and mid-cap U.S. stocks.

14 OPEC: Organization of Petroleum Exporting Countries: an organization founded in 1960 of nations that export large amounts of petroleum: formed to establish oil-exporting policies and set prices.

15 Reserve replacement ratio: The reserve-replacement ratio measures the amount of proved reserves added to a company's reserve base during the year, relative to the amount of oil and gas that the company has produced.

VALUE FUND

AS OF SEPTEMBER 30, 2021

INSTITUTIONAL: TAVFX | INVESTOR: TVFVX | Z: TAVZX

FUND PERFORMANCE

As of September 30, 2021

	3 mo	1 yr	3 yr	5 yr	10 yr	Inception	Inception Date
Third Ave Value Fund (Inst. Class)	-1.89%	66.93%	6.24%	7.18%	8.73%	10.27%	11/1/1990
Third Ave Value Fund (Inv. Class)	-1.97%	66.52%	5.97%	6.91%	8.46%	5.89%	12/31/2009
Third Ave Value Fund (Z Class)	-1.88%	67.10%	6.35%	N/A	N/A	4.92%	3/1/2018

TOP TEN HOLDINGS

Allocations are subject to change without notice

	TAVFX
Bank of Ireland Group PLC	8.1%
Interfor Corp.	6.0%
Warrior Met Coal, Inc.	5.8%
Capstone Mining Corp.	5.2%
Deutsche Bank AG	4.5%
Bayerische Motoren Werke AG	4.3%
Comerica, Inc.	4.3%
CK Hutchison Holdings, Ltd.	3.8%
Old Republic International Corp.	3.7%
Subsea 7, S.A.	3.6%
Total	**49.3%**

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, Investor and Z share classes is 1.27%, 1.52% and 1.15%, respectively, as of March 1, 2021. TAM has agreed to waive all accrued entitlements related to the fiscal periods Oct 31, 2017 and Oct 31, 2018, which would have been subject to repayment until Oct 31, 2020 and Oct 31, 2021, respectively.

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 by prospectus only. The prospectus contains important information, including investment objectives, risks, advisory fees and expenses. Please read the prospectus carefully before investing in the Funds. 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 updated information or a copy of our prospectus, please call 1-800-443-1021 or go to our website at www.thirdave.com. Distributor of Third Avenue Funds: Foreside Fund Services, LLC.

Current performance results may be lower or higher than performance numbers quoted in certain letters to shareholders.

THIRD AVENUE MANAGEMENT

/third-ave-management

Third Avenue offers multiple investment solutions with unique exposures and return profiles. Our core strategies are currently available through '40Act mutual funds and customized accounts. If you would like further information, please contact a Relationship Manager at:

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