INTERNATIONAL REAL ESTATE VALUE FUND

THIRD AVENUE MANAGEMENT

AS OF JUNE 30, 2022

INSTITUTIONAL: REIFX | Z: REIZX

PORTFOLIO MANAGER COMMENTARY

QUENTIN VELLELEY, CFA

Dear Fellow Shareholders:

PERFORMANCE

We are pleased to provide you with the Third Avenue International Real Estate Value Fund's (the "Fund") report for the quarter ended June 30, 2022. During the quarter, the Fund returned -12.99%, compared to the most relevant benchmark, the FTSE/EPRA NAREIT Global ex US Index (the "Index"), which returned -16.43% for the same period. Over the past year, the Fund generated a return of -8.73% (after fees) versus a -20.72% decline (before fees) for the index.

PERFORMANCE AND ALPHA GENERATION

As of June 30, 2022

			Annualized		
	3 mo	1 yr	3 yr	5 yr	Inception*
Third Ave Int'l Real Estate Value Fund (REIFX)	-12.99%	-8.73%	4.72%	5.65%	5.07%
FTSE EPRA/NAREIT Global ex US Index[1]	-16.43%	-20.72%	-5.80%	-0.13%	1.89%
MSCI ACWI Real Estate ex US Index[2]	-16.09%	-20.26%	-5.38%	-0.30%	2.11%
MSCI US REIT Index[3]	-16.95%	-6.41%	4.02%	5.30%	7.32%
Third Ave Int'l Real Estate Alpha[4] v Benchmark	3.44%	11.99%	10.52%	5.78%	3.18%

*Inception Date 5/8/2014. Source: TAM, Company Reports, Bloomberg.

The selloff in global equity markets during the quarter caused the public market discount in international real estate to widen further. The Fund is now trading at a 31% discount to a conservative estimate of real estate value ("net asset value" or "NAV"), a level only exceeded in March of 2020 at the depths of Covid 19 pandemic fears. For long term investors such as ourselves, the current dislocation in markets presents a value opportunity and we recently added to our personal investments in the Fund. Notwithstanding, we remain cognizant of the many macroeconomic risks and have positioned the Fund accordingly, with 21 high conviction investments that in aggregate have:

1. Underlying cash flows supported largely by rental income that should be resilient in a variety of economic circumstances,

2. A dominance of asset types (logistics, self-storage, multifamily) that have pricing power and the ability to capture elevated levels of inflation,

3. High standards of governance, with the Fund's sustainability (ESG) process giving preference to aligned management teams with capital allocation discipline,

4. Low leverage balance sheets with an average loan to value of just 20% (net debt), and incredible liquidity including high cash balances that average 15% of market cap,

5. An average multiple of 14x our estimate of this year's earnings (EBITDA[5]), unusually attractive (low) for a Fund owning such high-quality real estate.

These attributes helped several of the Fund's investment in Asia actually generate positive performance over the quarter, specifically some of the 'deep value' investments listed in Hong Kong such as Wharf Holdings, Swire Pacific, and China Vanke. In addition, a put option hedging the Fund's European exposure was also a positive contributor. Detractors to performance during the quarter primarily included Canadian multifamily REIT Boardwalk, Brazilian logistics owner/developer LOG Commercial, and Australian self-storage REIT National Storage.

FUND ACTIVITY

Over the Fund's history, periods of volatility and uncertainty such as experienced during the most recent quarter have presented the opportunity to invest in high quality real estate at attractive pricing. We view this period as no different. To that end the Fund made two new investments in companies we have followed closely, Ingenia Communities Group ("Ingenia") in Australia and CTPNV ("CTP") listed in the Netherlands. Both have high quality real estate portfolios with aligned management teams, positive long-term growth drivers and well capitalized balance sheets.

Ingenia is a leading owner, operator, and developer of 'affordable' rental, lifestyle living and holiday communities in Australia, somewhat similar to manufactured housing real estate in the US. Ingenia controls a A$2bn portfolio across 109 properties with more than 10,300 rent paying residents together with the ability to offer 1.7 million tourism 'room nights' per year. Ingenia's assets are located in attractive coastal and metropolitan areas, and include a development pipeline that could add over 6,000 additional home sites.

Ingenia has three key long-term investment characteristics. First, Ingenia's residents are largely baby boomer retirees paying rent supported by Australia's Commonwealth pension or rent assistance which is indexed to increase with inflation. Australia's baby boomers offer a substantial tailwind for demand. Second, Ingenia's unique business model is capital efficient. Essentially, Ingenia builds a home for a new resident in one of its communities, the resident buys the home which generates an attractive profit and then agrees to lease the land from Ingenia securing a resilient and recurring cashflow with minimal ongoing capex requirements. Finally, Ingenia's Holiday segment is mostly located in desirable seaside tourist areas where fundamentals are favorable, and the valuable underlying land gives Ingenia long term optionality.

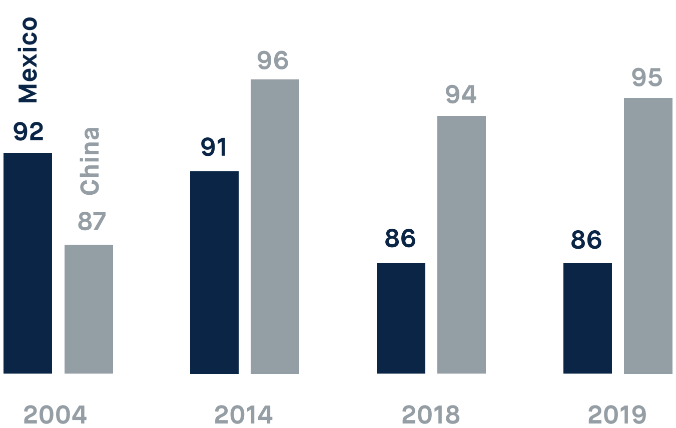
Notably, Ingenia's Board and Management team have a commendable capital allocation history. In October of last year Ingenia used an attractive cost of capital to fund A$500m of acquisitions. Equity was raised at a substantial (50%) premium to today's share price. Ingenia's largest shareholder, US REIT Sun Communities ("Sun") participated in the equity raise to maintain a 10% ownership stake. Sun's Chairman and CEO sits on Ingenia's board and provides valuable insights from his experience in the more mature US manufactured housing market. Interestingly, Sun has an appetite for international expansion, recently completing the US$1.3bn acquisition of Park Holidays in the UK. Ingenia's relationship with Sun might hold important resource conversion opportunities, including M&A in the long term.

Also of note, the Fund's largest individual holding Vesta conducted an investor day in New York during the quarter. Vesta develops, operates and leases industrial buildings and distribution centers across Mexico with a portfolio of 190 assets and 31.4 million square feet. Vesta's tenants are mostly high credit quality multi-national companies paying rent in US dollars with rents indexed to grow with inflation.

Vesta's investor day highlighted two positive long-term trends supporting the business. Firstly, the 'nearshoring' of manufacturing closer to the US which is likely to be an ongoing and powerful driver of Mexican manufacturing. Accelerated by the desire of US corporations to improve manufacturing and supply chain resiliency following the negative impact of the Covid 19 pandemic and corresponding supply chain issues. In addition, Mexico's increased competitiveness in manufacturing was outlined at the investor day. The chart below highlights China and Mexico's manufacturing cost competitiveness, whereby a lower score means a country is more competitive. Mexico has become meaningfully more competitive than China in recent years.

COST COMPETITIVE INDEX

Mexico Has become More Competitive than China



Source: Company reports, The Boston Consulting Group, Shipa Freight and Freight Quote

Secondly, Mexican industrial/logistics real estate is also benefiting from e-commerce distribution growth. E-commerce penetration (proportion of retail sales online) is only 9% in Mexico compared to 14% in the US and 30% in China. Vesta expects 65% growth in e-commerce sales over the next 4 years which could translate into an additional 15 million square feet of modern logistics real estate needed across Mexico.

Vesta's portfolio of recently built and leased buildings should continue to benefit from ongoing rent growth. In addition, Vesta has positioned itself to take advantage of these trends by amalgamating a development pipeline of new industrial/logistics facilities across Mexico. If executed successfully, Vesta's development pipeline and inflation indexed rents could help generate annual cash flow growth in the high teens through 2027. At the current share price, Vesta shares do not seem to factor in anywhere near this level of growth in our view.

The positive impact of nearshoring and e-commerce is not just occurring in Mexico. In eastern Europe, industrial/logistics real estate markets are benefiting from the same trends. During the quarter, the Fund took advantage of negative sentiment across Europe and initiated an investment in CTP, a central and eastern European industrial and logistics real estate owner and developer. The company is majority owned by its co-founder who started the company in 1998, and it has grown to own more than 100 million square feet leased to more than 1,000 tenants. CTP successfully entered the public markets in early 2021 with an IPO in the Netherlands.

Similar to Vesta, CTP's tenants are largely multinational companies and pay rent in Euro. Importantly, CTP controls a substantial landbank and has a fully integrated development platform that can deliver projects at competitive pricing and high return. This is evidenced by CTP's impressive returns on invested capital[6] going back to the company's inception. Also similar to Vesta, CTP has the benefit of operating in economies with substantial cost advantages relative to more developed bordering economies as shown below.

WAGE COMPETITIVENESS (EUROS)

Large Wage Cost Advantage in Eastern Europe

	Total Hourly Comp Manufacturing
Czech Republic	7.5
Romania	5.3
Hungary	6.9
Slovakia	6.5
Western Europe	20.0

Source: Company Reports, World Bank

SUSTAINABILITY

As owners and developers of new industrial and logistics facilities, both Vesta and CTP have a keen focus on environmental sustainability. In fact, both companies were able to issue 'green' sustainability linked financing in 2021 at an advantageous cost of capital. For Vesta, the green financing acknowledged Vesta's overall environmentally friendly credentials, and linked the bonds to Vesta achieving 20% 'green' building ratings by 2026, growing to 28% by 2030. Similarly, CTP's green financing ensures that net proceeds are used to develop high green rating BREEAM[7] assets or expenditures on renewable energy such as solar.

For both Vesta and CTP, the financing highlights the economic (cost of capital) benefit from owning and developing environmentally friendly buildings. Furthermore, many multinational companies are so focused on environmental sustainability that they are unlikely to execute a lease unless the building meets certain requirements. This gives both Vesta and CTP an edge when their product is competing with less 'green' buildings. Of note, Vesta estimates that a green building can drive an 11% cost saving in the first year of occupancy and 25% in five years.

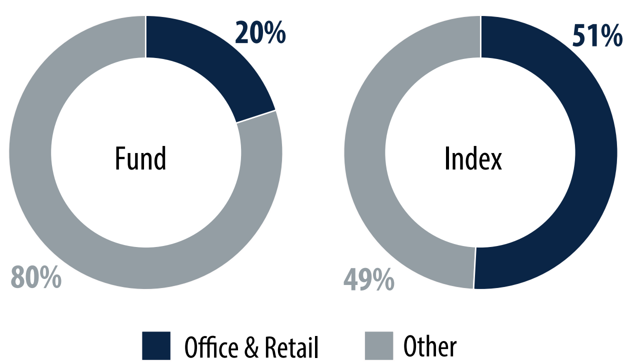
POSITIONING

At the end of the quarter, the Fund was 37% exposed to commercial real estate, 35% to residential real estate, 23% to specialized[8] real estate and 5% to real estate services. The Fund continues to emphasize asset types with long term growth drivers and the potential for high return on capital relative to more traditional asset classes. These asset types, logistics, self-storage, multifamily and data centers tend to have shorter leases or CPI indexed rents such that inflation can be captured relatively efficiently.

As shown in the chart below, the index has greater exposure to office and retail real estate, asset types sensitive to economic conditions and at some level of risk from structural trends such as 'work from home', and 'shop from home'.

ASSET TYPES AS OF JUNE 30, 2022

THIRD AVENUE INTERNATIONAL REAL ESTATE VALUE



Source: Company Reports, Bloomberg

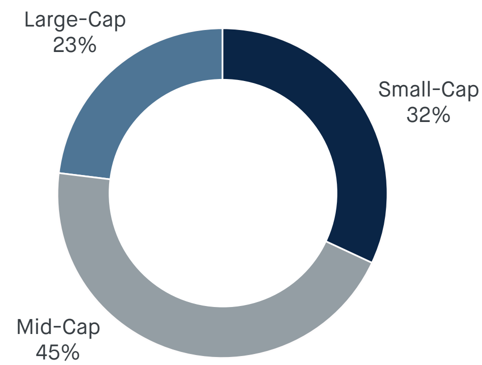
Breaking this down further, the Fund's largest exposures are to asset classes with attractive long-term fundamentals that can benefit from an inflationary environment including self-storage, logistics and multifamily real estate. These asset classes form a majority of the Fund's exposure. Companies owning and developing these asset classes tend to be highly focused on both location and asset type, and as such are usually small or mid-market cap enterprises.

THE FUND'S MARKET CAP[9] WEIGHTING

Many of the Fund's holdings are highly focused by both asset type and location. As such they tend to have smaller portfolios of assets and are typically small and mid market cap size as shown to the right.

MARKET CAP WEIGHTING AS OF JUNE 30, 2022

THIRD AVENUE INTERNATIONAL REAL ESTATE VALUE



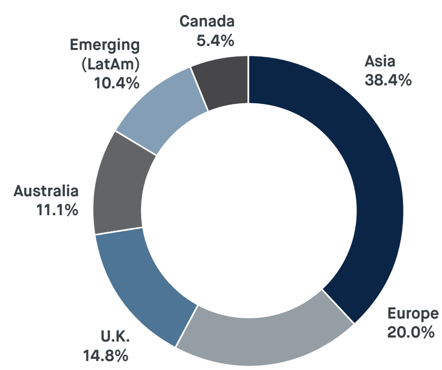
[9]Small Cap is Equity Market Cap up to US$2bn, Mid Cap US$2bn-US$10bn, Large Cap >US$10bn

Source: FactSet, Company Reports

During the quarter the Fund's exposure to Europe reduced with a corresponding increase in Asian exposure. The Fund's Asian exposure is now 38%, up from 18% at the start of 2021. During the same time period the Fund's European exposure has reduced from 30% down to 20%.

COUNTRY/REGION EXPOSURE AS OF JUNE 30, 2022

THIRD AVENUE INTERNATIONAL REAL ESTATE VALUE



Source: TAM, company disclosures and Bloomberg

FUND COMMENTARY

The Fund's international public real estate universe includes more than 500 potential investments. When building a concentrated portfolio of 20-25 investments, a key pillar of the portfolio construction process is focusing on well capitalized entities with a sound capital structure and ample liquidity to meet investment and/or refinancing requirements.

Outside of highly cyclical asset classes such as lodging, in times of economic uncertainty real estate income from a large portfolio of assets with multiple tenants can provide meaningful downside protection. Instead, companies tend to get into trouble (in both public and private markets) due to an over reliance on debt in the capital structure. By investing in well capitalized companies, the fund seeks to avoid such situations, and ideally invest in entities with the balance sheet capacity and management acumen to actually take advantage of any dislocation in real estate markets.

One asset type the fund has been avoiding recently is German multifamily real estate, which at its peak made up more than 8% of the Fund's benchmark index. As stated in our last quarterly letter *'…Fund Management for now is avoiding the asset class given rents are highly regulated and unlikely to keep up with accelerating inflation, on top of the added risk of high debt levels.'* Since then, the risks from elevated debt levels have grown and the German multifamily sector has continued to underperform. These risks were perhaps best highlighted following the end of the quarter, when German public multifamily company TAG Immo conducted a highly dilutive equity raise in order to permanently finance part of a bridge loan from a recent acquisition. The deal resulted in estimated dilution of 7% to earnings and more than 10% to net asset value.[10] Needless to say, Fund Management will continue to avoid the asset class, at least until such time as debt levels are more manageable. This could present an attractive opportunity at some point, as Fund Management remembers the high share price returns from REITs following their wave of successful equity recapitalizations (particularly across the US REIT sector) in 2009 and 2010.

Differing from German multifamily, the Fund's investments remain very well capitalized with average loan to value ratio of only 20%. When combined with attractive absolute and relative valuations (as shown below), and the ability to capture elevated inflationary growth, we remain positive on the long-term total return outlook for the Fund. In addition, the current pricing in public real estate markets suggests privatization activity could occur, which should be a positive for the Fund when considering the attractive underlying valuations relative to both the Index and the US REIT sector.

FUND CHARACTERISTICS VERSUS US REITS AND THE INDEX AS OF JUNE 30, 2022

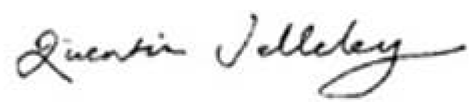
	The Fund	Int'l Real Estate Sector	US REIT Sector[13]
Price to Earnings[11] Multiple	15.2x	18.4x	19.3x
Price to Net Asset Value	69%	77%	93%
Earnings per Share Growth[11]	16%	11%	10%
EBITDA Yield	7.4%	5.7%	4.6%

[12]Annualized growth 2021-2024. [13]Earnings for US REITs are FFO
Source: TAM, Bloomberg, Citi Investment Research, UBS, Company reports

We thank you for your continued support and look forward to writing to you again next quarter. In the meantime, please don't hesitate to contact us with any questions, comments, or ideas at realestate@thirdave.com.

Sincerely,

The Third Avenue Real Estate Value Team



Quentin Velleley, CFA
Portfolio Manager

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 June 30, 2022 (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: July 19, 2022

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. The Fund will concentrate its investments in real estate companies and other publicly traded companies whose asset base is primarily real estate. As such, the Fund will be subject to risks similar to those associated with the direct ownership of real estate including those noted above under "Real Estate Risk." Foreign securities from a particular country or region may be subject to currency fluctuations and controls, or adverse political, social, economic or other developments that are unique to that particular country or region. Therefore, the prices of foreign securities in particular countries or regions may, at times, move in a different direction than those of U.S. securities. Emerging market countries can generally have economic structures that are less diverse and mature, and political systems that are less stable, than those of developed countries, and, as a result, the securities markets of emerging markets countries can be more volatile than more developed markets may be. Recent statements by U.S. securities and accounting regulatory agencies have expressed concern regarding information access and audit quality regarding issuers in China and other emerging market countries, which could present heightened risks associated with investments in these markets. The Adviser's use of its ESG framework could cause it to perform differently compared to funds that do not have such a policy. The criteria related to this ESG framework may result in the Fund's forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so, or selling securities for ESG reasons when it might be otherwise disadvantageous for it to do so. For a full disclosure of principal investment risks, please refer to the Fund's Prospectus.

1 The **FTSE EPRA Nareit Global ex U.S. Index** is designed to track the performance of listed real estate companies and REITS in both developed and emerging markets. By making the index constituents free-float adjusted, liquidity, size and revenue screened, the series is suitable for use as the basis for investment products, such as derivatives and Exchange Traded Funds (ETFs). Index performance reported since inception of Institutional Share Class.

2 The **MSCI All Country World Real Estate ex USA Index** is a free float-adjusted market capitalization index comprised of foreign stocks representing companies in 22 developed and 26 emerging markets engaged in the ownership, development, and management of specific core property type real estate. The index excludes companies, such as real estate services and real estate financing companies, that do not own properties.

3 The **MSCI US REIT Index** is a free float-adjusted market capitalization weighted index that is comprised of equity Real Estate Investment Trusts (REITs). The index is based on the MSCI USA Investable Market Index (IMI), its parent index, which captures the large, mid and small cap segments of the USA market. With 138 constituents, it represents about 99% of the US REIT universe and securities are classified under the Equity REITs Industry (under the Real Estate Sector) according to the Global Industry Classification Standard (GICS®), have core real estate exposure (i.e., only selected Specialized REITs are eligible) and carry REIT tax status.

4 **Alpha**, often considered the active return on an investment, gauges the performance of an investment against a market index or benchmark that is considered to represent the market's movement as a whole. The excess return of an investment relative to the return of a benchmark index is the investment's alpha. Source: Investopedia

5 **EBITDA**, or earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial performance and is used as an alternative to net income in some circumstances. Source: Investopedia.

6 **Return on Invested Capital (ROIC)** is a calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments. ROIC gives a sense of how well a company is using its capital to generate profits. Comparing a company's return on invested capital with its weighted average cost of capital (WACC) reveals whether invested capital is being used effectively. Source: Investopedia

7 Source: Building Research Establishment Environmental Assessment Method

9 Specialized includes self-storage, datacenter, airport and healthcare.

10 Source: Green Street Advisors

11 **Price-to-Earnings Ratio:** Price-to-earnings ratio (P/E ratio) is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS).

THIRD AVENUE MANAGEMENT

INTERNATIONAL REAL ESTATE VALUE FUND

AS OF JUNE 30, 2022

INSTITUTIONAL: REIFX | Z: REIZX

FUND PERFORMANCE

As of June 30, 2022

	3 mo	1 yr	3 yr	5 yr	Inception	Inception Date
Third Ave International Real Estate Value Fund (Institutional Class)	-12.99%	-8.73%	4.72%	5.65%	5.07%	5/8/2014
Third Ave International Real Estate Value Fund (Z Class)	-13.02%	-8.83%	4.71%	N/A	3.79%	4/20/2018

REIFX Gross/Net Expense Ratio: 2.08%/1.00%, REIZX Gross/Net Expense Ratio: 2.07%/1.00%

The Adviser has contractually agreed to waive its fees and reimburse expenses so that the annual fund operating expenses for the Fund do not exceed 1.00% of the Fund's average daily net assets until March 31, 2023. This limit does not apply to distribution fees pursuant to Rule 12b-1 Plans, brokerage commissions, taxes, interest, short-sale dividends, acquired fund fees and expenses, other expenditures capitalized in accordance with generally accepted accounting principles or other extraordinary expenses not incurred in the ordinary course of business. If fee waivers had not been made, returns would have been lower than reported.

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 call 1-800-673-0550.

TOP TEN HOLDINGS

Allocations are subject to change without notice

	REIFX
Corp. Inmobiliaria Vesta SAB de CV	6.4%
Big Yellow Group Plc	6.1%
National Storage REIT	5.9%
Glenveagh Properties Plc	5.3%
ESR Group, Ltd.	5.2%
Grainger Plc	5.0%
Boardwalk REIT	4.9%
Wharf Holdings, Ltd.	4.9%
Swire Pacific, Ltd. Class B	4.8%
Nomura Real Estate Holdings, Inc.	4.8%
Total	**53.3%**

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 thirdave.com, or call 800-443-1021. Distributor of Third Avenue Funds: Foreside Fund Services, LLC.

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:

622 Third Avenue, 32nd floor
New York, New York 10017
www.thirdave.com

E: clientservice@thirdave.com
P: 212.906.1160