



International Real Estate Value (REIFX)

IS HISTORY RHYMING?

Deep value opportunities, falling correlations and non-U.S. dollar real assets for an era of fiscal dominance

Executive Summary:

- **Why international real estate?** A \$2.4 trillion universe, or more than 5% of non-U.S. equity markets, it remains under-owned by U.S. investors and overlooked by many international managers. It also offers different supply-and-demand drivers, inflation protection, and diversification with real assets priced outside the U.S. dollar. Together, we believe these features make a clear case for the allocation.
- **Why now? Five reasons** 1) **U.S. equities are expensive.** Valuations are at historic highs. 2) **Concentration risk is high.** About half the S&P 500 rides on a single AI story. 3) **History may be repeating.** International real estate has decoupled from U.S. tech. That last happened before the 2000 dot-com bust, and the asset class then returned about 16% a year for five years. 4) **Valuations are deeply discounted.** The Fund trades below 10x earnings, versus about 20x for U.S. REITs, with high single-digit earnings growth. 5) **It diversifies currency exposure.** U.S. fiscal dominance favors non-dollar real assets.
- **Why Third Avenue?** With a 40-year history of value investing, Third Avenue manages one of the few dedicated active strategies within international real estate. The same lead portfolio manager has been in place since the strategy's inception in 2014, and the high-conviction, benchmark-agnostic approach has delivered **5.59% per year in excess return over a 10-year period relative to its benchmark** (MSCI ACWI ex USA IMI Core Real Estate Index), reinforcing the thesis with a proven process.

WHY INTERNATIONAL REAL ESTATE?

International-listed real estate comprises a universe of more than 500 potential investments with approximately \$2.4 trillion in market capitalization across 40 countries and 14 real estate asset types—including some of the highest-quality real estate in the world. As a result, international real estate allocations offer income, capital appreciation, inflation protection, and diversification. It also adds different supply-and-demand drivers, different interest-rate cycles, different valuations, and, increasingly important today, real assets priced in currencies other than the U.S. dollar. The highest quality real estate available outside the U.S. is generally controlled by publicly traded Real Estate Investment Trusts or Real Estate Operating Companies.

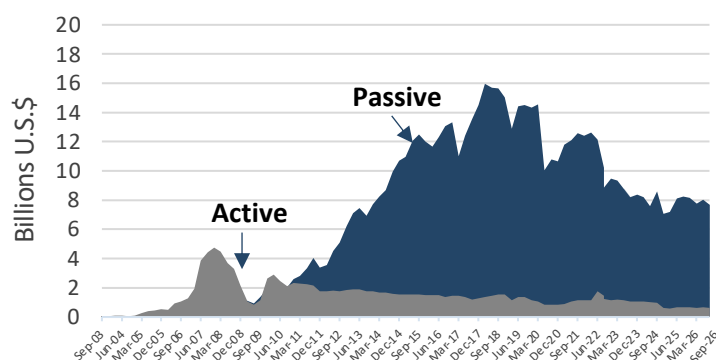
In our experience, international real estate is best accessed through the listed markets for three reasons:

1. The highest quality real estate outside the U.S. is often controlled by publicly traded REITs and real estate operating companies, and these assets are difficult to replicate in illiquid private funds.
2. These companies are frequently led by specialized management teams with long records of creating value in their local markets and asset types.
3. Many niche asset types that are less mature than in the U.S. (such as self-storage, residential, and data centers) are often accessible only through listed companies, with liquidity, conservative balance sheets, and much lower fees than private vehicles.

AN UNDER-OWNED AND UNDER-MANAGED ASSET CLASS

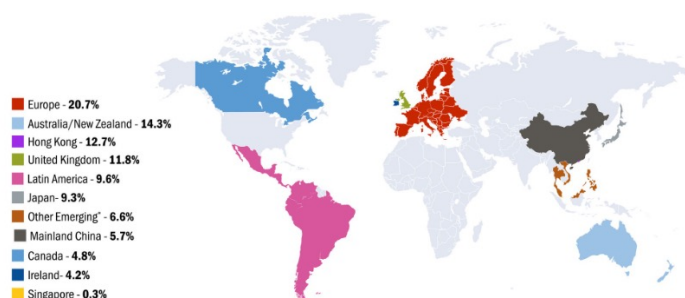
U.S. investors are under-allocated to international listed real estate. Most of their real estate exposure sits in domestic REITs and private funds. The eight largest active and passive international real estate funds combined manage about \$8 billion in AUM, while the largest U.S. REIT ETF alone manages about \$38 billion. The international real estate universe is worth \$2.4 trillion, making up more than 5% of the roughly \$44 trillion international equities index represented by MSCI ACWI ex USA IMI Index. That makes it larger than the U.S. REIT market, yet far less owned. Because so little active capital focuses on the space, share prices often move away from private market values, which could reward skilled stock selection.

INTERNATIONAL REAL ESTATE FUNDS ACTIVE VERSUS PASSIVE



Source: Bloomberg, Third Avenue Management. AUM shown for the eight largest mutual funds and ETFs with a non-U.S./international public real estate securities focus, according to Bloomberg as of September 30, 2026.

GEOGRAPHIC EXPOSURE



As of September 30, 2026. Source: Bloomberg, Company Reports, Third Avenue Management. Where the company's real estate assets are located, regardless of listing. *Other Emerging: South Korea, Malaysia, Vietnam, Philippines, Thailand.

WHY INTERNATIONAL REAL ESTATE NOW?

As outlined in the executive summary, we believe the Fund offers “deep value with catalysts,” and that the current setup is unusual. Five factors stand out:

1. **History is rhyming.** Today's market looks much like 1999/2000. U.S. tech dominated, and international real estate was overlooked and decoupled from the leaders. That moment marked the start of the asset class's last major bull market.
2. **Equity markets lack breadth.** Technology and communication services now make about half of the S&P 500, above the 2000 peak of about 37%, and the S&P 500 and Nasdaq-100 have rarely moved so closely together. For investors concentrated in a single narrative, diversification has seldom been more valuable.
3. **Valuations are anomalous.** International real estate trades near historic lows in both absolute and relative terms. The Fund trades at about half the valuation of the U.S. REIT sector.
4. **Fiscal dominance strengthens the case for real assets.** Persistent U.S. deficits and rising debt increase the risk of inflation and dollar debasement. That favors hard assets priced and earning in other currencies.
5. **The Fund is positioned for higher inflation.** Holdings benefit from inflation-indexed leases, replacement costs above market values, and moderate leverage, with lower debt cost marked to market compared with U.S. REITs. Together, these factors define the opportunity, and the sections that follow address each in turn.

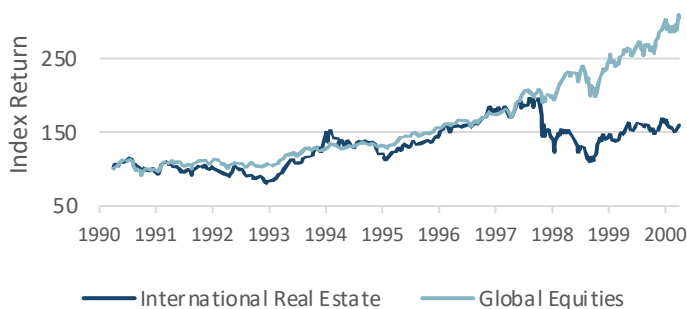
IS HISTORY RHYMING? THE 1999/2000 PARALLEL

The recent era of U.S. equity outperformance has been unprecedented compared to the past 75 years. U.S. equities today are trading well above the peaks of the “Nifty Fifty” in the late 1960s and the Internet bubble in 2000. Both of those peaks were followed by long periods in which international real estate equities outperformed global equities.

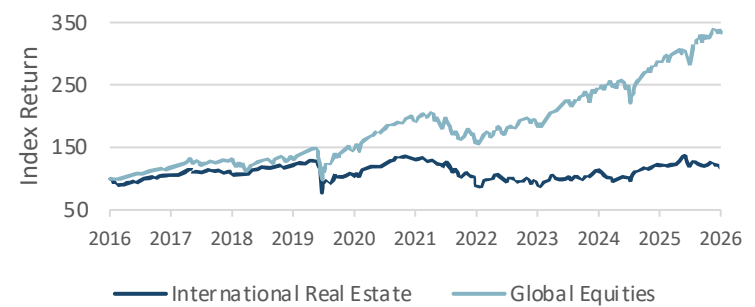
Relative to the dot-com bubble, the setup for international real estate today looks much like it did in the late 1990s. Before the bubble burst, global equity returns were driven by a narrow group of technology leaders, international real estate had lagged, and listed international real estate traded at deep discounts to both private-market values and broader equity valuations. Following the dot-com bust, international listed real estate was initially more resilient than global equities as the technology bubble deflated. Then, solid property fundamentals, a weakening U.S. dollar, and easing financial conditions combined into a powerful catalyst. International real estate delivered total returns of roughly 16% per year from 2000 through 2005, while global equities were still below their starting level five years later. Taken together, the ingredients that powered the last cycle, namely depressed relative valuations, an overvalued U.S. dollar, and the potential for interest rate cycles outside the U.S. to turn, are present again.

THEN AND NOW: INTERNATIONAL REAL ESTATE VS. GLOBAL EQUITIES (REBASED TO 100)

TECH BUBBLE 2000

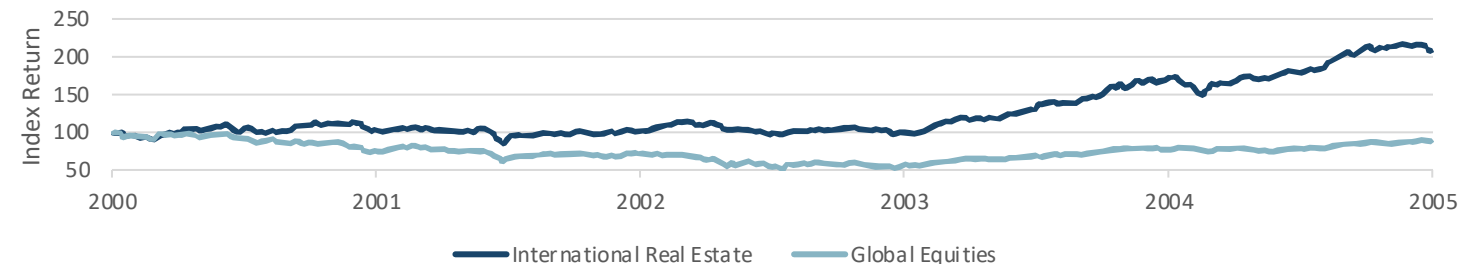


AI AND MAGNIFICENT 7 2016-2026



Source: Third Avenue Management, Bloomberg. International Real Estate is the FTSE EPRA Nareit Developed ex US Index; Global Equities is the MSCI World Index. Left: 1990–2000 (“Tech Bubble 2000”). Right: 2016 - 2026 (“Magnificent 7”). Past performance is no guarantee of future results

INTERNATIONAL REAL ESTATE OUTPERFORMANCE, 2000 THROUGH 2005 (REBASED TO 100)

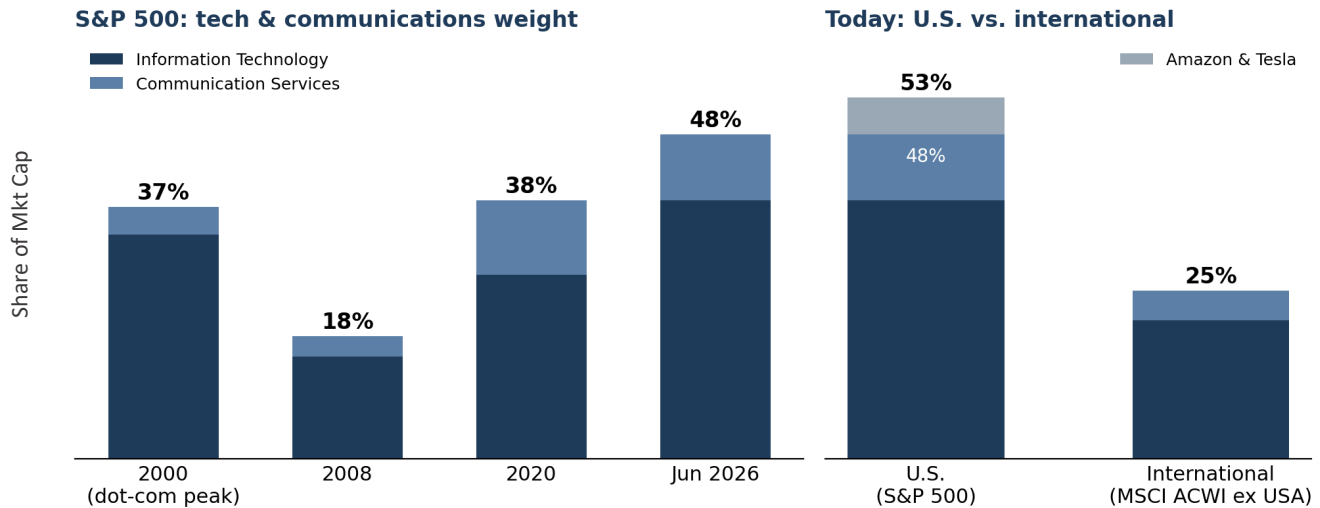


Source: Third Avenue Management, Bloomberg. International Real Estate is the FTSE EPRA Nareit Developed ex US Index; Global Equities is the MSCI World Index. Past performance is no guarantee of future results.

A LACK OF BREADTH

Notably, U.S. equity markets are more concentrated today than at the peak of the dot-com bubble. Information Technology and Communication Services now account for over half of the S&P 500 (including Tesla & Amazon), compared with about 37% in 2000. The S&P 500 and the Nasdaq-100 currently have a correlation of 0.94, meaning a “diversified” U.S. equity allocation now behaves much like a technology allocation. By contrast, international markets are far more balanced, with technology and communications representing about a quarter of the MSCI ACWI ex USA Index. If one excludes South Korea and Taiwan, where tech concentration is extreme, developed global markets are only around 10% technology and communications. International real estate adds a further layer of diversification away from the AI trade. For investors whose portfolios have become concentrated in U.S. large-cap technology, whether directly or through market-cap-weighted indices, we believe this is one of the most compelling reasons to add international real assets.

TECHNOLOGY AND COMMUNICATIONS SHARE OF EQUITY MARKET CAPITALIZATION



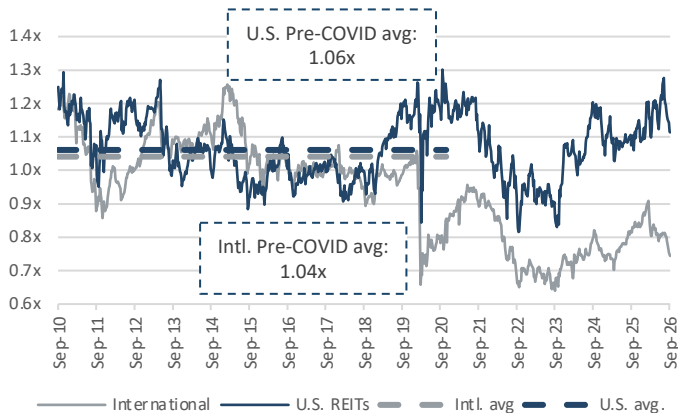
Source: S&P Dow Jones Indices, State Street Global Advisors (SPY fact sheet, June 30, 2026), MSCI (ACWI ex USA Index fact sheet, August 31, 2026), Westmount Fundamentals, CME Group, Third Avenue Management. Historical S&P 500 weights are approximate GICS sector weights; prior to the 2018 GICS reclassification, Alphabet and Meta were classified in Information Technology and Communication Services comprised telecommunication companies.

HISTORICALLY DISCOUNTED VALUATIONS

The listed international real estate sector has underperformed since the onset of COVID. Before 2020, international and U.S.-listed real estate traded at similar price-to-book premiums of around 6%. Since then, the two have diverged sharply: U.S. REITs have recovered to a premium over book value, while international real estate remains below 0.8x book value. As a result, international real estate indices would need to rise by a third simply to return to their pre-COVID average.

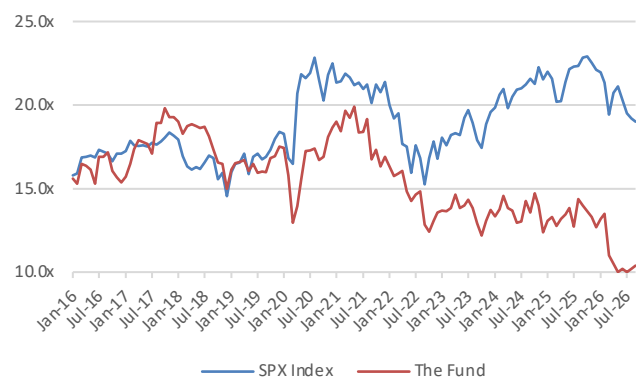
In light of this, the Fund's valuation is the most attractive since its inception in 2014. At less than 10x earnings, the portfolio trades at roughly half the multiple of U.S. REITs and the S&P 500, yet, at high single-digit earnings growth rates, we believe that the Fund's holdings could grow earnings faster than U.S. REITs. The Fund is also conservatively financed, with average loan-to-value ratios below 25%. In our view, these points strengthen the case.

PRICE TO BOOK RATIO LISTED INTERNATIONAL AND U.S. REAL ESTATE



Source: Bloomberg, Third Avenue Management, Daiwa Research, Green Street. U.S. Real Estate is Green Street's market-cap-weighted NAV estimates for U.S. REITs. International is a composite constructed by Third Avenue using 15-year average regional weights; Japan uses Daiwa Research data and the three largest developers' price to book including unrealized gains.

PRICE TO EARNINGS RATIO – THE FUND VS. S&P500



Source: Bloomberg, Third Avenue Management. The Fund's P/E uses Third Avenue's forward 12-month earnings estimates on a portfolio weighted average basis; the S&P 500 uses Bloomberg forward estimates.

STRATEGY VALUATION VERSUS U.S. REITS AND THE INDEX

	Price to Earnings Multiple [†]	Price to Net Asset Value	Earnings per Share Growth [†]	EBITDA Yield	Implied Cap Rate
Third Avenue International Real Estate Value Fund	10.4x	65%	10.0%	10.0%	10.5%
U.S. REIT Sector*	18.2x	111%	7.0%	5.0%	5.8%

Source: Third Avenue Management, UBS, Citi Investment Research, Desjardins, Company reports. [†]U.S. REIT earnings represented by funds from operations.

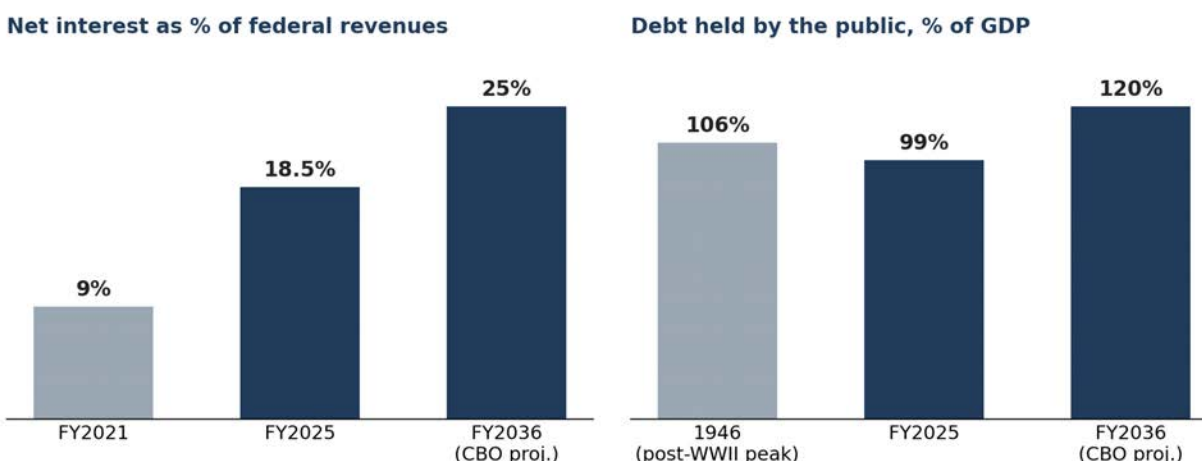
*Annualized growth 2026–2028E. Past performance is not a guarantee of future results.

* U.S. REIT Sector is defined by the REITS industry coverage of Citi Investment Research.

FISCAL DOMINANCE AND THE CASE FOR NON-U.S. DOLLAR REAL ASSETS

“Fiscal dominance” describes a regime in which the size of government debt and the cost of servicing it begins to constrain monetary policy. When interest costs absorb a growing share of tax revenues, there is mounting pressure on the central bank to keep borrowing costs lower than inflation alone would justify, to tolerate inflation running above target, or to rely on other forms of financial repression. Historically, these regimes have tended to erode the real value of fixed-income claims and of the currency, while real assets with pricing power have held their real value and grown in nominal terms. The U.S. could be moving into this territory. According to the Congressional Budget Office, net interest costs are expected to more than double over the next 10 years.

U.S. FISCAL TRAJECTORY



Source: Congressional Budget Office, The Budget and Economic Outlook: 2026 to 2036 (February 2026); Committee for a Responsible Federal Budget; Third Avenue Management calculations. FY2021 net interest share of revenues is approximate. Projections are not guarantees of future outcomes.

We view this as a structural, multi-year allocation theme rather than a near-term trading catalyst; the constraints are most binding over the 2028–2036 period. We believe international listed real estate offers three distinct benefits in this environment:

- **Real assets.** Land and buildings are finite, and replacement costs rise with construction inflation. In many of the Fund’s markets, leases are contractually linked to inflation, and undersupplied sectors such as residential and industrial have demonstrated pricing power.
- **Non-U.S. dollar exposure.** The strong dollar has been a headwind for international investors for more than a decade. On a purchasing power parity basis, the dollar remains roughly 30% overvalued against a basket of international currencies, near its most expensive level in the past 25 years. International real estate offers U.S. investors real assets that are both diversified away from and benefit from any normalization of the dollar. 2025 offered a preview: in a year of meaningful dollar weakness, the Fund returned over 25%.
- **Some independence from U.S. rates.** International property is valued based on real interest rates in local markets and local monetary policy, not the U.S. term premium. European five-year swap rates, for example, are around 3%, well below comparable U.S. rates.

POSITIONING FOR HIGHER INFLATION

Inflation risk remains front of mind for markets currently, and a fiscal backdrop that favors tolerating inflation makes the question of how a portfolio is positioned more pressing. It is a common misconception that inflation is uniformly negative for real estate. In our view, the more relevant variable is the path of real interest rates, and we believe the Fund is structurally positioned to hold up well if price pressures prove more persistent than markets currently expect:

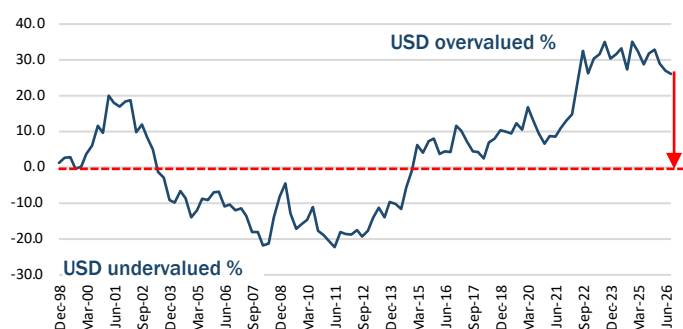
- **Revenue that tracks inflation.** The majority of the Fund's rental income is either directly inflation-linked or repriced frequently. Nearly all European leases include CPI-indexation clauses, and in many emerging markets such as Brazil and Mexico these clauses are included as well, while Asian rents typically reset to market every two to three years.
- **High margins and conservative balance sheets.** Holdings are concentrated in high-margin, low-capex property types with limited exposure to rising operating costs, and leverage is low.
- **Debt repricing is already in earnings.** International issuers typically carry shorter-duration debt than U.S. peers, so more of the impact of higher rates is already reflected in current earnings. We estimate the mark-to-market on the Fund's aggregate debt book at less than 10% of earnings, versus an estimated 15–20% for the U.S. REIT sector.
- **Falling real rates.** With developed-market debt burdens making genuine fiscal consolidation politically difficult, we believe policymakers, including the Federal Reserve, are more likely to surreptitiously tolerate inflation running above nominal rates. A declining real rate environment, even alongside persistent headline inflation, has historically supported real estate valuations and cap rates.
- **Rising replacement costs protect existing assets.** Construction cost inflation makes new competing supply less economic, reinforcing the Fund's preference for investing in undersupplied real estate markets.
- **Tested before.** The most recent period of elevated inflation and rising rates was in the UK and Europe in 2022, with the Russia/Ukraine war. The Fund's European portfolio outperformed broader European real estate constituents by 6% in 2022 and by a further 9% in 2023, as inflation-linked revenue, low leverage, and already-repriced debt helped the portfolio hold up better than the sector.

None of this eliminates short-term share price volatility around inflation surprises or rate moves; listed real estate can reprice quickly on sentiment even when cash flows are well protected. Over a medium- to long-term horizon, however, real assets with pricing power and conservative balance sheets have historically grown investors' real purchasing power.

DIVERSIFICATION IS IMPROVING JUST WHEN IT IS NEEDED

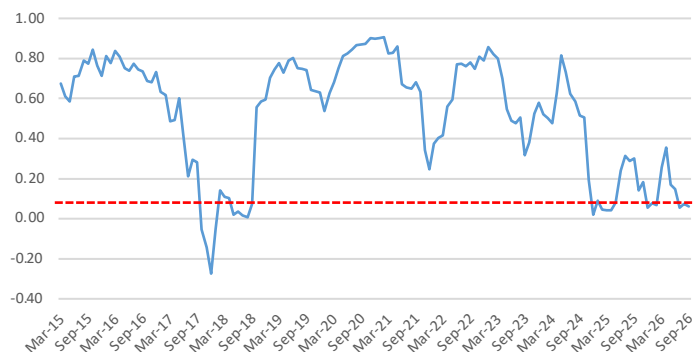
The combination of heightened geopolitical risk, U.S. fiscal dominance, dollar weakness, and attractive relative valuations has driven the Fund's rolling correlation with the Nasdaq-100 down from roughly 0.9 in 2020–21 to below 0.2 as of June 30, 2026. At the index level, the two-year correlation between international core real estate and the Nasdaq-100 is around 0.3, a historically low reading that resembles the 2000–2008 period, when international real estate and U.S. technology followed very different paths. Diversification does not guarantee returns or protect against loss in a declining market, but in our view, the case for it has rarely been stronger given broad equity concentration risk.

U.S. DOLLAR % OVER/(UNDER) VALUED USING PPP



Source: Third Avenue Management, Bloomberg, OECD Data. Simple average of the Japanese yen, euro, British pound, Canadian dollar and Australian dollar.

THE FUND'S CORRELATION TO U.S. TECH (NASDAQ-100)



As of September 30, 2026. Source: Third Avenue Management, Bloomberg. Correlation of total monthly returns over a rolling one-year period. Past performance is no guarantee of future results.

WHY THIRD AVENUE MANAGEMENT?

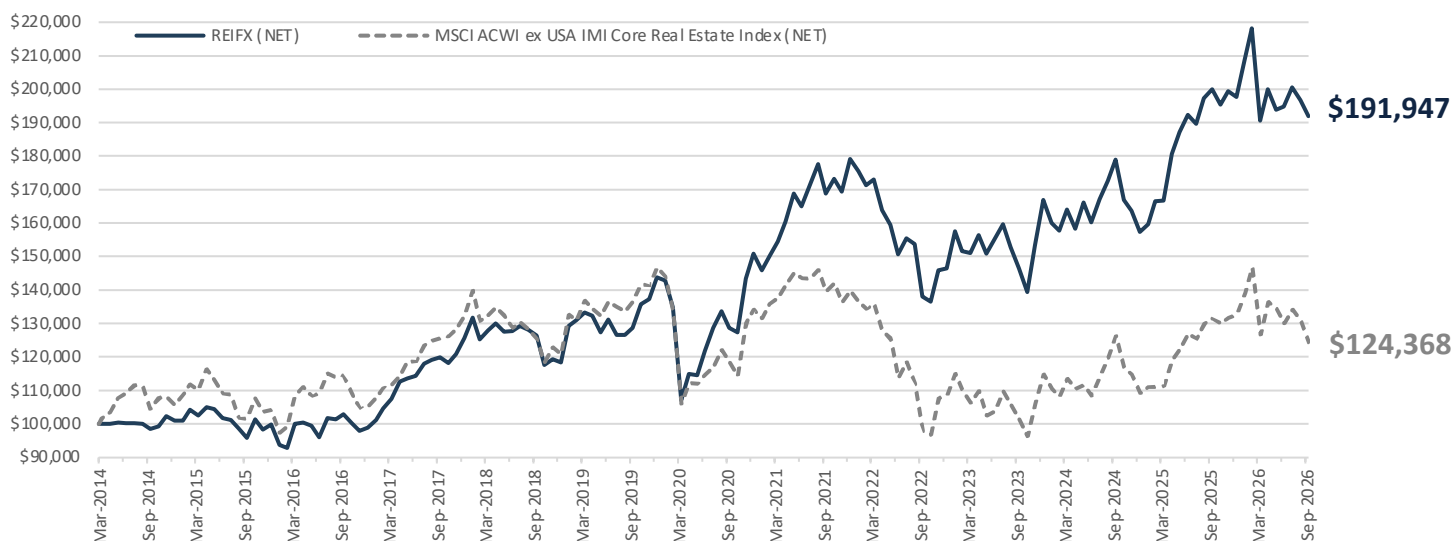
The Third Avenue International Real Estate Value Fund is one of the few actively managed strategies dedicated to listed international real estate. It has had the same lead portfolio manager since its inception in 2014, supported by a four-person team with an average of approximately 23 years of industry experience. The Fund's investable universe extends well beyond a passive index to include REITs, real estate operating companies, homebuilders, real estate services companies, and diversified companies with significant real estate holdings.

- **High conviction:** 20–30 holdings, with the top ten typically about half of the portfolio, and more than 90% active share.
- **Benchmark-agnostic:** capital is allocated to the regions and asset types with the strongest fundamentals, regardless of index weights.
- **Balanced value:** we seek discounted pricing combined with well-capitalized balance sheets, aligned management, and high growth potential, with an emphasis on strong corporate governance.
- **Long-term and low turnover:** on average, positions are held around 3-5 years with approximately 25% turnover annually, reflecting a patient portfolio that limits transaction costs.

The Fund is currently organized around four themes with structural supply-and-demand drivers: undersupplied residential, with housing shortages in Ireland, Australia, Germany and Poland; industrial, logistics and nearshoring, benefiting from supply-chain realignment in Mexico, Brazil and Central and Eastern Europe; immature self-storage, an asset class with a long growth runway outside the U.S.; and other deep value and special situation opportunities.

The Fund's thorough investment process has delivered meaningful excess returns throughout its history, as shown in the following chart, with over 550 bps of excess return per year over the last 10 years.

VALUE OF \$100,000 SINCE MARCH 2014¹ As of September 30, 2026



Source: S&P Capital IQ, Third Avenue Management

¹Hypothetical Investment made in the Institutional Share Class and Benchmarks as of March 19, 2014 (the Fund's Inception Date).

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 net of foreign withholding taxes

Performance is shown for the Third Avenue International Real Estate Value Fund "REIFX" (Institutional Class). 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.

Conclusion:

- **Why international real estate:** a \$2.4 trillion, under-owned and under-managed universe of high-quality real assets, priced outside the U.S. dollar.
- **Why now:** a setup that closely resembles 1999/2000, a narrow U.S. equities market, valuations at their widest discount to U.S. REITs and U.S. equities in at least a decade, a fiscal backdrop that favors non-dollar real assets, a portfolio positioned for higher inflation, and falling correlations.
- **Why Third Avenue:** the Third Avenue International Real Estate Value Fund is designed to offer a high-conviction, benchmark-agnostic way to access this opportunity, with more than 550 basis points per year of excess return over the last ten years. We believe it is a compelling non-U.S. dollar complement to real asset allocations.

ANNUALIZED PERFORMANCE AS OF SEPTEMBER 30, 2026

	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	Inception*
Third Avenue Int'l Real Estate Value Fund (REIFX, NET)	-1.46%	-3.99%	9.41%	2.60%	6.44%	5.34%
MSCI ACWI ex USA IMI Core Real Estate Index (NET)	-4.33%	-5.45%	7.08%	-2.29%	0.83%	1.76%
Excess Return	2.87%	1.46%	2.33%	4.89%	5.61%	3.58%

*Institutional Class inception date: March 19, 2014. For most of 2014 the majority of the Fund's assets were held in cash.

CALENDAR YEAR PERFORMANCE

	2025	2024	2023	2022	2021	2020	2019	2018	2017
REIFX (NET)	25.56%	-5.67%	13.86%	-18.22%	18.76%	4.97%	21.50%	-5.89%	27.14%
Index (NET)	21.42%	-4.90%	5.95%	-22.43%	4.17%	-8.62%	21.55%	-8.74%	25.89%
Excess Return	4.14%	-0.77%	7.91%	4.21%	14.59%	13.59%	-0.05%	2.85%	1.25%

Past performance is no guarantee of future results. The gross (net) expense ratio for the Fund's Institutional and Z share classes is 1.52% (1.01%) and 1.46% (1.01%), respectively, as of March 1, 2026. 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 1, 2027. 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, and other extraordinary expenses. If fee waivers had not been made, returns would have been lower than reported.

TOP TEN HOLDINGS

as of 9/30/26

Ingenia Communities Group	6.0%
Tosei Corp.	5.7%
Savills plc	4.8%
Swire Pacific Ltd.	4.7%
Warehouses De Pauw SA	4.7%
StorageVault Canada Inc.	4.6%
Big Yellow Group Plc	4.3%
CTP N.V.	4.2%
Neinor Homes, S.A.	4.1%
Glenveagh Properties Plc	4.1%
TOTAL	47.2%

PERFORMANCE AND EXCESS RETURN

as of 9/30/26

Metric	Value
Ticker (Institutional / Z)	REIFX / REIZX
Inception	March 19, 2014
Benchmark	MSCI ACWI ex USA IMI Core Real Estate
Holdings	20-30
Active share	>90%
Annual turnover	~25%
Portfolio P/E	10.4x
Price / NAV	65%
Average LTV	<25%

Allocations are subject to change without notice. Holdings are not a recommendation to buy or sell any security.

Source: Third Avenue Management.

Notes

For the Third Avenue Glossary, please visit <https://www.thirdave.com/glossary>.

IMPORTANT INFORMATION

Price to Book: ratio of share price to book value per share. Book value is the sum of all line items in the shareholders' equity section of a company's balance sheet. Price to NAV: share price relative to net asset value per share. Beta measures the volatility, or systematic risk, of a portfolio compared to an index. Up/Down Capture measures a fund's performance in up/down markets relative to an index. Correlation measures the degree to which two return series move together, from -1 to +1.

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 publication 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. Discussion of the Fund's holdings, performance and the portfolio manager(s)' views are as of September 30, 2026 (except as otherwise stated) and are subject to change without notice.

Certain information contained in this publication 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 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. Government fiscal projections cited are those of the Congressional Budget Office and are subject to revision.

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.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus and summary prospectus contain this and other important information and 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.

PORTFOLIO MANAGER



Quentin Velleley, CFA

*Lead Portfolio Manager, International Real Estate
27 yrs investment experience*



THIRD AVENUE
MANAGEMENT

The Third Avenue International Real Estate Value Fund seeks to achieve long-term capital growth and current income through a portfolio of securities of publicly traded real estate companies located outside the U.S. that may include REITs, real estate operating companies and other publicly traded companies whose asset base is primarily real estate.

For further information visit thirdave.com/strategy-reifx or contact a Relationship Manager:

E: clientservice@thirdave.com P: 212.906.1160