THIRD AVENUE MANAGEMENT

THIRD AVENUE REAL ESTATE VALUE FUND UCITS

AS OF SEPTEMBER 30, 2022

PORTFOLIO MANAGER COMMENTARY

JASON WOLF, CFA | RYAN DOBRATZ, CFA

Dear Fellow Shareholders:

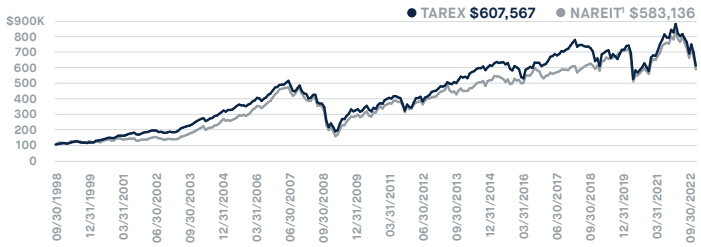
We are pleased to provide you with the Third Avenue Real Estate Value Fund's (the "Fund") report for the quarter ended September 30, 2022. For the third quarter of the calendar year, the Fund generated a return of -11.37% (after fees) versus -11.39% (before fees) for the Fund's most relevant benchmark, the FTSE EPRA NAREIT Developed Index.[1]

The primary contributors to performance during the period included the Fund's investments in the common stock of certain residential centric businesses (Lowe's, Amerco, Lennar Corp., and D.R. Horton) and the preferred equity[2] of Fannie Mae and Freddie Mac (collectively the "GSEs"). Notwithstanding, the Fund was more broadly impacted by wide-ranging market volatility during the period, with some of the most significant detractors to performance relating to companies involved with planned development (Five Point Holdings and Berkeley Group), industrial real estate (Prologis and Segro plc), and timberland ownership (Weyerhaeuser and Rayonier). Further details on these holdings, the substantial price-to-value[3] disconnect within the portfolio, and the Fund's more recent investments in the Senior Unsecured Notes of Diversified Healthcare Trust and Five Point Operating Co. are included herein.

Recognizing that periods of heightened market volatility are inevitable over time, the Fund maintains a focus on well-capitalized property companies that can navigate through challenging market conditions such as those experienced recently. It also continues to be Fund Management's view that return figures will vary over shorter periods of time, and that the Fund's long-term results are a more relevant gauge of performance. To that end, the Third Avenue Real Estate Value Fund has generated an annualized return of +7.92% (after fees) since its inception in 1998. As highlighted in the chart below, this performance indicates that an initial investment of $100,000 in the Fund would have a market value in excess of $600,000 (assuming distributions had been reinvested), or more than the same $100,000 would be worth had it been placed into a passive mutual fund tracking the Fund's aforementioned benchmark (as well as the S&P 500 Index).[4]

VALUE OF $100,000 SINCE SEPTEMBER 1998

As of September 30, 2022

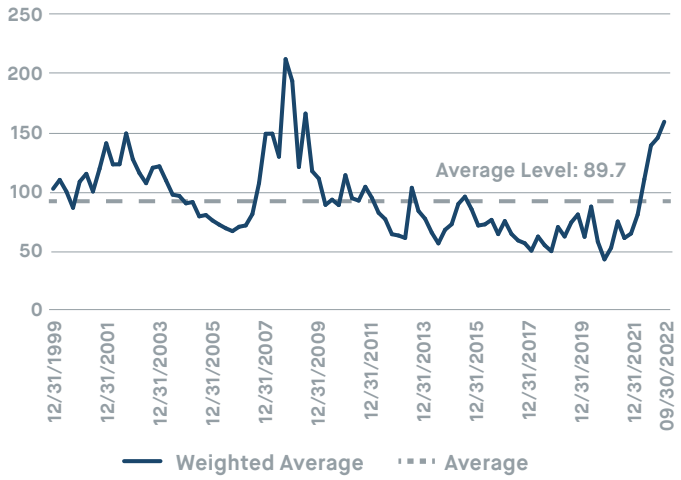


ACTIVITY

In the study of *Economic Policy Uncertainty and Asset Price Volatility*, author Maxim Ulrich of Columbia University concludes that "the most important volatility risk factor in bond markets is monetary policy uncertainty." Further validating this finding, the record number of central bank policy-rate changes implemented so far this year (as reported by the Bank for International Settlements and World Bank) has rendered nearly unprecedented uncertainty within the fixed-income markets (as measured by the ICE BofAML Move Index included below).

HISTORICAL BOND MARKET VOLATILITY

ICE BofA MOVE Index[5] (2000-2022)



Source: Bloomberg.

Although not always pleasant, it has been Fund Management's experience that market turbulence such as this can often prove rewarding. In fact, the last time the credit markets exhibited similar levels of volatility (2008-2009), the Fund was able to capitalize on its flexible mandate by purchasing the fixed-income securities of certain real estate and real estate-related businesses at significant discounts to par value[6] with prospects for double-digit returns to maturity (e.g., DDR Unsecured, Macerich Bank Debt, Prologis Unsecured, GGP Bank Debt, LNR Term Loan, et al).

Similar to that time period, the Fund's modus operandi when investing across the capital structure is to (i) target an issuer's fulcrum security at prices that would provide a low double-digit yield to maturity[7] (or better) should it remain performing while (ii) creating a basis in the security that may seem quite compelling should the issuer undertake a restructuring or reorganization during the holding period. A further emphasis

Hypothetical Investment since September 30, 1998 (Fund Inception Date Sept. 17, 1998). **Past performance does not guarantee future performance results.** This chart is a representation of the Third Avenue Real Estate Value Fund (Institutional Class) which is a U.S. registered mutual fund and represents the fund with the longest track record of the strategy. The track record has been adjusted to reflect the fees and expenses of the UCITS Fund class A4 (Institutional Class) shares through inception date March 31, 2009. The highest class A1 fees and expenses were deducted from performance for time periods prior to the UCITS Fund inception date.

is also placed on "asset-rich" businesses with reasonable covenants already in place to guard against the prospects of being "primed" by secured financings with a more senior claim on assets or subsidiaries.

Within that framework, the Fund initiated a position in the Senior Unsecured Notes of **Diversified Healthcare Trust** ("DHC") during the quarter. Originally founded in 1998 as Senior Housing Properties Trust, DHC is today a US-based Real Estate Investment Trust ("REIT") focused on the ownership, development, and redevelopment of healthcare related properties with three primary business segments: (i) an 8.7 million square foot medical office and life sciences portfolio, (ii) a 25,000 unit portfolio of senior housing properties with an emphasis on assisted and independent living facilities, and (iii) a 3.4 million square foot portfolio of other net-leased healthcare and wellness facilities.

While DHC's necessity-based office and net-leased assets have historically provided resilient cash flows[8] (collectively the portfolio is more than 93.0% leased on an average lease term of 5.9 years), the company's senior housing portfolio is more variable in nature and was significantly impacted alongside the Covid-19 pandemic. As a matter of fact, the occupancy rates for the company's senior housing portfolio fell from 85% "pre-Covid" to less than 70% at the end of 2021, leaving this segment in a modest loss position as opposed to generating more than $200 million of annual operating profits previously. More recently, occupancy rates have increased to 75% improving profitability; however, DHC's overall cash flow metrics remain stressed with a fixed-charge coverage ratio[9] below 1.0 times—largely prohibiting the company from issuing new debt to fund further expansion given existing covenants.

As a result, it is Fund Management's view that DHC's most likely path forward will involve the company continuing to emphasize the lease-up of its senior housing portfolio, thus improving its cash flow profile. The company is also likely to utilize its significant unencumbered asset base for select asset sales, as well as potential capital infusions from its well-capitalized external manager to address 2023 and 2024 maturities. Should such a scenario occur, the DHC Senior Unsecured Notes are likely to remain as performing credits. If not, the company's long-dated (and low dollar price) Notes appear to be more than fully "covered" in the event of a restructuring with current prices implying more than a 12.0% cap rate for its office portfolio and less than $15,000 per unit for its senior housing portfolio by our estimates—even after factoring in reasonable estimates for capital expenditures, cash burn, and potential reorganization costs.

During the quarter, the Fund also initiated a position in the Senior Unsecured Notes of **Five Point Operating Co.** ("Five Point Opco")—a subsidiary of Five Point Holdings ("Five Point"), a long-time equity holding in the Fund. Formed through a merger of various entities in 2015, Five Point is a US-based real estate operating company focused on planned development in coastal California, where the company (and its affiliated entities) control the most significant source of new development in the notoriously supply-constrained markets of Los Angeles County, San Francisco, and Irvine through three mixed-use communities that are entitled for more than 40,000 residential homes and 23 million square feet of commercial properties.

Although the company has an undeniably valuable pipeline of entitled (and significantly improved) land positions that are conservatively financed, Five Point has a disappointing track record as a public company. Most notably, the company spent the first four years as a public company operating with more elevated levels of corporate overhead relative to expectations. Further, somewhat evasive financial communications left many market participants desiring more clarity on the company's strategy to unlock value. In addition, significant delays in its Shipyards community has created uncertainty relating to the timing of the development plans for San Francisco. As a result, Five Point's book value per share has declined modestly over the past five years, and its common stock has experienced a significant "derating" in its multiple relative to its residential peers with the shares currently trading at less than 20% of its book value—and an even wider gap to Third Avenue's estimate of Net-Asset Value (or "NAV").

Notwithstanding, there have been significant changes in recent quarters. In particular, Five Point shifted its executive ranks with Stuart Miller assuming the Executive Chairman role (who serves in this same position at Lennar Corp., which effectively owns 39% of Five Point common stock, and has a long track record of strong stewardship) and named Dan Hedigan as CEO (who previously served as the President of Homebuilding and Land Sales at the highly-regarded Irvine Companies in Orange County). Under their leadership, the company has already taken swift action and (i) reduced the company's cost structure by more than 40%, (ii) pushed forward reconfigured plans for San Francisco, and (iii) accelerated the monetization of certain land positions with meaningful residential and commercial land sales planned in its Valencia and Great Park communities.

Should Five Point execute on these anticipated land sales over the next two quarters, Fund Management estimates that the company would generate more than $200 million of net proceeds. Not only would this capital further supplement its existing cash balances that exceed $100 million (and likely alleviate the liquidity concerns that are often associated with land development companies), but the transactions could also serve to reinforce the value of these incredibly scarce land positions (particularly on the commercial parcels where transaction activity has been more limited but could yield values in excess of $5 million per acre by our estimation).

For that reason, it is Fund Management's expectation that (i) Five Point will be once again viewed as an "investment grade[10] credit" with substantial asset coverage in place (improving the price of its Senior Notes ahead of the 2025 maturity) and (ii) the combination of land sales and more modest levels of corporate overhead will lead to incremental gains in book value per share (thus improving the price to book multiple for its common stock). If not, it is not inconceivable that the company would take additional steps to enhance value for stakeholders, which could include simplifying its structure, enhancing its financial disclosures, or exploring strategic alternatives—all of which Third Avenue would support.

In addition to initiating a position in DHC Senior Notes and recycling a portion of Five Point common to Five Point Opco Senior Notes, the Fund also reduced its positions in Henderson Land and Stratus Properties while exiting Derwent London. The vast majority of the proceeds from these adjustments were utilized to increase the remaining holdings in the UK, where (i)

approximately 14% of Fund's capital was invested at quarter-end and (ii) recent market disruptions have left certain London-centric platforms assembled over many decades (and cycles) trading at substantial discounts to conservative estimates of NAV (Berkeley Group, Segro plc, Grainger plc, and Big Yellow).

Additional activity is also anticipated by year-end, primarily relating to some of the long-time holdings in the Fund, including:

- **Brookfield Asset Management** (6.9% of Fund Assets), which is expected to distribute a 25% stake in its wholly-owned investment management business that will have approximately $750 billion of assets under management and inherit the existing company name. The remaining "real asset" entity will be renamed Brookfield Corporation retaining the company's significant investments in property, infrastructure, renewable energy and other "essential" operating businesses, including a rapidly expanding insurance platform with important synergies across the business.

- **Lennar Corp.** (6.6% of Fund Assets), that is projected to spin-off its ancillary businesses into a separately-listed company during the fourth quarter. The recently formed entity is expected to operate under the name Quarterra Group and focus on the development, ownership, and management of multi-family, single-family rental, and land development strategies on the behalf of institutional partners. Following the separation, Lennar will be a "pure-play" homebuilder with a near "net-cash" position and listed B-shares that continue to trade at nearly a 20% discount to the A-shares despite equal economics.

- **FNF Group** (2.3% of Fund Assets), which is planning to distribute a 15% stake in its wholly-owned life-insurance subsidiary (F&G Annuities & Life) having now established the segment at significant scale with approximately $40 billion of assets under management. This transaction will leave the FNF Group with a listed proxy for the value of its retained 85% stake in F&G, as well as a "net cash" balance sheet and market leading position in US title insurance (and other transaction-related activity) through its wholly-owned Fidelity National Financial subsidiary.

All three corporate actions are likely to assist in surfacing value, in Fund Management's view, and additional resource activity cannot be ruled out for other investments given the discounts at which the Fund's holdings trade at relative to private market values—and outlined further in the *Fund Commentary* section.

POSITIONING

After incorporating this activity, the Fund had 41% of its capital invested in **Residential Real Estate** companies with strong ties to the U.S. and U.K. residential markets, where there are structural supply deficits after years of under-building. In conjunction with record-low inventory levels and vacancy rates, there also appears to be significant demand for new product at affordable price points (both for-sale and for-rent). Therefore, these holdings seem positioned to benefit from a further recovery in residential construction and ancillary activities should more recent adjustments in the mortgage market subside. At the end of the quarter, these holdings included a diversified set of businesses including homebuilding (Lennar Group and DR Horton), timberland ownership and management (Weyerhaeuser and Rayonier), planned development (Five Point Holdings, Berkeley Group, and Stratus Properties), the ownership and development of rental properties (American Homes 4 Rent and Grainger plc), as well as other ancillary businesses (Lowe's and Trinity Place Holdings).

The Fund also had 36% of its capital invested in **Commercial Real Estate** enterprises that are primarily involved in long-term wealth creation. These holdings are largely capitalizing on secular trends, including structural changes that are driving more demand for industrial properties, self-storage facilities, and last-mile fulfillment (Prologis, Segro plc, First Industrial, U-Haul, InvenTrust, Big Yellow, and National Storage) as well as the further densification and improvements taking place in select urban corridors (CK Asset Holdings, Wharf Holdings, and Henderson Land). In Fund Management's view, each of these enterprises is very well-capitalized, their securities trade at discounts to private-market values, and they seem capable of further increasing NAV—primarily by increasing rents, undertaking development and redevelopment activities, as well as by making opportunistic acquisitions.

An additional 19% of the Fund's capital is invested in **Real Estate Services**. These businesses are generally less capital-intensive than direct property ownership and consequently have offered much higher returns on capital over the course of a cycle—provided the business has a favorable competitive positioning within the real estate value chain. At the present time, these holdings primarily include franchises involved with asset management (Brookfield Asset Management), brokerage and property management (CBRE Group and Savills plc), as well as mortgage and title insurance (FNF Group and the GSEs).

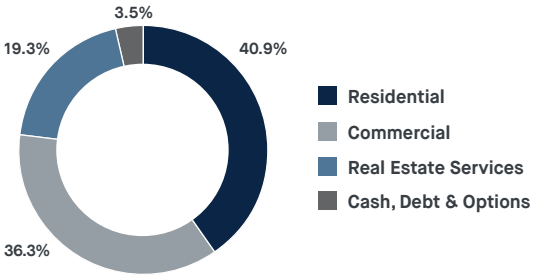
The remaining 4% of the Fund's capital is in **Cash, Debt & Options**. These holdings include US-dollar based cash and equivalents, hedges relating to certain foreign currency exposures (Hong Kong Dollar), as well as the aforementioned investments in the Senior Notes of Diversified Healthcare Trust and Five Point.

The Fund's allocations across these various business types are outlined in the chart below. In addition, Fund Management reports the Fund's exposure by *geography* (North America, Europe, and Asia-Pacific) and *strategy* (Core/Core-Plus, Value-Added, Opportunistic, and Debt) for comparison with institutional reporting standards for direct real estate allocations.

ASSET ALLOCATION AS OF SEPTEMBER 30, 2022

(allocations subject to change)

BY BUSINESS TYPE



BY GEOGRAPHY

BY STRATEGY

FUND COMMENTARY

In the May 2022 edition of the Journal of Portfolio Management, members of a leading global investment firm collaborated to publish *The Value of Smoothing*—an analysis comparing the risk-adjusted return profile of private assets (or private equity) to publicly-listed strategies. Within the study, its co-authors suggest that "to be indifferent about the choice between a smoothed private index and a public index with similar risk, a representative investor would require the public index to have 6 percentage points of additional return annually." Put otherwise, an investor should be paid an additional 6.0% per year to own vastly similar assets in order to compensate for (i) the "mark-to-market" volatility associated with holding publicly-traded securities relative to private strategies (that are appraised quarterly, if not annually) as well as (ii) the behavioral tendency to reduce allocations when prices have declined (i.e., buy high and sell low), according to the study.

Insofar as these concepts relate to real estate, Fund Management recognizes similar shortcomings of accessing property through the listed markets for a number of market participants (e.g., daily pricing, an inclination to sell alongside market declines, etc.). That said, the advantages of publicly-traded real estate securities seem vast, including the opportunity to invest in world-class portfolios and platforms managed by accomplished management teams with highly efficient cost structures and cost of capital advantages—all while offering daily liquidity. It is for these reasons, among others, that listed real estate strategies outperformed private real estate funds from 2000-2019 as further outlined in *Private Equity Real Estate Fund Performance: A comparison to REITs and Open-End Core Funds.*

Regardless, Fund Management maintains the view that both public and private real estate allocations have their own merits and tracking the performance of these vehicles can oftentimes have important implications. Now seems to be one of those moments as certain real estate indices have declined by more than 30% on a year-to-date basis (i.e., the RMZ Index[11] tracking US REITs) while many private real estate vehicles (including private REITs) have yet to make any meaningful adjustments to their stated values as appraisals tend to lag "on-the-ground" market adjustments and transaction activity has been limited of late. As a result, the return premium desired in *The Value of Smoothing* actually seems attainable (even if not warranted) when comparing some of the largest private US REITs to related publicly-traded REITs with similar property types—which is further established in the following exhibit highlighting relevant multiples and financial metrics after factoring in the "mark-to-market" adjustments of the publicly-traded REITs security prices through the end of the third quarter.

PUBLIC VS. PRIVATE REIT COMPARISON ($ IN MILLIONS)

REIT Classification	Private REIT - A	Private REIT - B	Public REIT - A	Public REIT - B	Public REIT - C
Property Type	**Diversified**	**Diversified**	**Industrial**	**Single-Family**	**Multi-Family**
Capitalization					
Equity Market Capitalization	$68,466	$2,027	$5,993	$12,740	$17,425
Net Debt & Preferred Equity	$49,230	$1,747	$1,794	$4,471	$4,340
Total Enterprise Value ("TEV")[12]	$117,696	$3,774	$7,787	$17,210	$21,765
Operating Metrics					
EBITDA Margin[13]	39%	51%	67%	58%	57%
G&A as % of NOI[14]	22.2%	22.3%	8.7%	9.2%	5.0%
Credit Metrics					
LTV Ratio[15] (Net Debt + Preferred/TEV)	41.8%	46.3%	23.0%	26.0%	19.9%
Net debt/LQA EBITDA[16]	19.3x	11.6x	5.2x	6.0x	3.8x
Fixed-Charge Coverage Ratio[17]	1.5x	2.6x	5.7x	3.5x	7.1x
Implied Valuation					
TEV/LQA EBITDA[16]	46.2x	25.0x	22.4x	23.1x	19.3x
P/LQA Funds From Operations[16,18]	46.3x	23.5x	19.6x	23.9x	18.0x

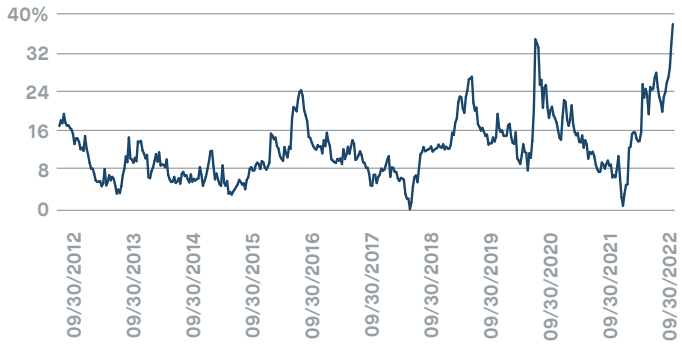
Source: Company Filings via SEC.gov

While analytical adjustments for each enterprise included in the analysis could be justified (especially for the private REITs due to active capital raising and acquisition activity), the takeaway seems clear to Fund Management: certain listed real estate companies seem more attractively priced than some private

REIT alternatives at this moment, all while owning vastly similar portfolios and offering much more tolerable cost structures and financial positions.

As a matter of fact, two of the publicly-traded REITs included in the exhibit are held in the Fund and share the same investment proposition as the vast majority of the other holdings in the portfolio. That is to say, the select-set of companies held within the Third Avenue Real Estate Value Fund seem incredibly well-capitalized as they collectively have an average loan-to-value ratio of less than 25% with permanent capital[19] bases. In addition, the underlying securities were priced at historically attractive levels at quarter-end with the portfolio trading at more than a 30% discount to Third Avenue's conservative estimates of Net-Asset Value, when viewed in the aggregate. Such a discrepancy represents a price-to-value proposition that has hardly been available in more than a decade (as included in the chart to the right) and levels where investors with flexible capital allocation policies should no longer be "indifferent" in Fund Management's view.

HISTORICAL DISCOUNT TO NAV (2012-2022)



Source: Third Avenue Estimates

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

Jason Wolf, CFA

Ryan Dobratz, 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, 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: October 27, 2022

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

2 **Preferred Equity** is a general term for any security (stock, limited liability units, limited partnership interests) that has priority over common equity.

3 **Price-to-Value** is the relationship between where a stock price is trading relative to the perceived value of the underlying security.

4 **S&P 500 Index**, or Standard & Poor's 500 Index, is a market-capitalization-weighted index of 500 leading publicly traded companies in the U.S.

5 **ICE BofA MOVE Index** tracks fixed income market volatility.

6 **Discount to Par Value** occurs when a bond or fixed income instruments market price is below its par value or liquidation preference.

7 **Yield to Maturity** (YTM) is the total return anticipated on a bond if the bond is held until it matures. Source: Investopedia.

8 **Cash Flow** refers to the amount of cash a company generates from its ongoing, regular business activities.

9 A **coverage ratio**, broadly, is a metric intended to measure a company's ability to service its debt and meet its financial obligations, such as interest payments or dividends. Source: Investopedia.

10 **Investment Grade** refers to the perceived quality of a company's credit profile.

11 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 132 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.

12 **Total Enterprise Value** (TEV) is a valuation measurement used to compare companies with varying levels of debt. Source: Investopedia.

13 **EBITDA Margin** is a measure of a company's operating profit (after adding back depreciation and amortization) as a percentage of its revenues.

14 **G&A as % of NOI** represents General and Administrative Expenses plus Management and Incentive Fees divided by Net Operating Income (i.e., Property Revenues less Property Expenses).

15 **Loan-to-value** (LTV) is calculated by taking the loan amount (or debt outstanding) and dividing it by the value of the asset, enterprise, or collateral being borrowed against.

16 **LQA** stands for last quarter annualized.

17 **Fixed-Charge Coverage Ratio** measures a firm's ability to cover its fixed charges, such as debt payments, interest expense, and equipment lease expense.

18 **Funds From Operations** is calculated by adding depreciation, amortization, and losses on sales of assets to earnings and then subtracting any gains on sales of assets and any interest income.

19 A **permanent capital vehicle** is an investment entity created for managing permanent capital, or capital available for an unlimited time horizon. Source: Investopedia.

THIRD AVENUE
MANAGEMENT

THIRD AVENUE REAL ESTATE VALUE FUND UCITS

AS OF SEPTEMBER 30, 2022

FUND PERFORMANCE

As of September 30, 2022

	3 mo	1 yr	3 yr	5 yr	10 yr	Inception	Inception Date
Third Avenue Real Estate Value Fund Class A1 (USD)	-11.37%	-23.77%	-4.55%	-3.75%	2.24%	6.82%	3/31/2009
Third Avenue Real Estate Value Fund Class A4 (USD)	-11.31%	-23.54%	-4.19%	-3.34%	2.72%	4.92%	11/29/2011
Third Avenue Real Estate Value Fund Class A5 (EUR)	-12.08%	-26.93%	-7.10%	-6.24%	N/A	-3.20%	7/2/2015

TOP TEN HOLDINGS

Allocations are subject to change without notice

	TAREXU
Brookfield Asset Management, Inc.	6.9%
Lennar Corp. Class B	6.6%
AMERCO	5.9%
Prologis, Inc.	5.7%
Wharf Holdings Ltd.	5.4%
CK Asset Holdings Ltd.	5.4%
Lowe's Companies, Inc.	5.0%
Rayonier, Inc.	4.9%
D.R. Horton, Inc.	4.8%
Weyerhaeuser Co.	4.8%
Total	**55.4%**

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 intends to find value in industries that the investment manager believes to be temporarily depressed. The prices of securities in these industries may tend to go down more than those of companies in other industries. Due to the Fund's investment policy, the Fund may at times have a significant cash position which may impact on Fund performance in certain market conditions and may make it more difficult for the Fund to achieve its investment objective. The Fund may use derivatives to try to reduce the overall risk of its investments or reduce the cost of investing, although this may not be achieved. Adverse movements in exchange rates could result in a loss to the Fund. For a full disclosure of principal investment risks, please refer to the Fund's Prospectus and key investor information document.

ALL DOCUMENTATION INCLUDING THE PROSPECTUS AND RELEVANT KIID(S) CAN BE FOUND ON WWW.GEMINICAPITAL.IE

This material is issued and approved by Third Avenue Management LLC, an investment adviser registered with the United States Securities and Exchange Commission.

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

DISCLAIMER

This document is issued by Third Avenue Management LLC and does not constitute or form part of any offer or invitation to buy or sell shares. It should be read in conjunction with the Fund's Prospectus, key investor information document ("KIID") or offering memorandum. Third Avenue Management LLC is authorised and regulated by the Securities and Exchange Commission. The Company's registered office is 675 Third Avenue, Suite 2900-05 New York, NY 10017.

The price of shares and income from them can go down as well as up and past performance is not a guide to future performance. Investors may not get back the full amount originally invested. A comprehensive list of risk factors is detailed in the Prospectus and KIID and an investment should not be contemplated until the risks are fully considered. The Prospectus and KIID can be viewed at www.geminicapital.ie

THIRD AVENUE REAL ESTATE VALUE FUND UCITS

AS OF SEPTEMBER 30, 2022

The contents of this document are based upon sources of information believed to be reliable. Third Avenue Management LLC has taken reasonable care to ensure the information stated is accurate. However, Third Avenue Management LLC make no representation, guarantee or warranty that it is wholly accurate and complete.

The Third Avenue Real Estate Value Fund is a sub- fund of GemCap Investment Funds (Ireland) plc, an umbrella type open-ended investment company with variable capital, incorporated on 1 June 2010 with limited liability under the laws of Ireland with segregated liability between sub-funds.

GemCap Investment Funds (Ireland) plc is authorised in Ireland by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) (the "UCITS Regulations"), as amended.

Gemini Capital Management (Ireland) Limited, trading as GemCap, is a limited liability company registered under the registered number 579677 under Irish law pursuant to the Companies Act 2014 which is regulated by the Central Bank of Ireland. Its principal office is at Ground Floor, 118 Rock Road, Booterstown, A94 V0Y, Co. Dublin and its registered office is at 1 WML, Windmill Lane, Dublin 2, D02 F206. GemCap acts as both management company and global distributor to GemCap Investment Funds (Ireland) plc.

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This is a marketing communication. Please refer to the Supplement, the Prospectus, any other offering document and the relevant key investor information document (KIIID) in relation to the Fund before making any final investment decision.

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A summary of investor rights associated with an investment in the Fund is available in English at www.gemincapital.ie. A decision may be taken at any time to terminate the arrangements for the marketing of the Fund in any jurisdiction in which it is currently being marketed. In such circumstances, Shareholders in affected EEA Member State will be notified of any decision to terminate marketing arrangements in advance and will be provided the opportunity to redeem their shareholding in the Company free of any charges or deductions for at least 30 working days from the date of such notification.

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