

Monthly Update for period ended May 31, 2016

Institutional: TFCIX | Investor: TFCVX

Thomas Lapointe Lead Portfolio Manager**Joseph Zalewski** Portfolio Manager**Nathaniel Kirk, CFA** Portfolio Manager

Performance

	One Month	Three Month	Year-to-Date	One Year	Annualized		
					Three Year	Five Year	Since Inception ¹
Third Avenue Focused Credit Fund (Institutional Class)	4.28%	9.14%	0.00%	-29.64%	-11.74%	-4.07%	0.79%
Third Avenue Focused Credit Fund (Investor Class)	4.27%	9.13%	0.00%	-29.70%	-11.94%	-4.29%	0.58%
Barclays High-Yield Index ²	0.62%	9.20%	8.06%	-0.81%	2.95%	5.44%	8.96%
Credit Suisse Leveraged Loan ³	0.91%	5.54%	4.19%	0.58%	2.84%	3.93%	5.92%

Portfolio Characteristics

Total Net Assets	\$661 Million
Number of Issuers	29
30-Day SEC Yield (TFCIX / TFCVX) ⁷	13.05% / 13.05%
Yield-to-Worst ^{4,5}	17.37%
Average Coupon ^{4,5}	9.55%
Average Price ⁶	\$83.43
Duration ^{4,5}	3.03 Years

Top 10 Holdings* 66.1% of total portfolio

Affinion Group Inc.
Ceva Group plc
Corporate Risk Holdings, LLC
Fannie Mae and Freddie Mac**
Ideal Standard International S.A.
iHeart Communications Inc.
Liberty Tire Recycling LLC
Longview Power LLC
New Enterprise Stone & Lime Co.
Reichhold Holdings

*Listed in alphabetical order. Holdings are subject to change without notice.

** Fannie Mae and Freddie Mac consists of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corp.

- Inception Date (both share classes): August 31, 2009.
- The Barclays Capital U.S. Corporate High Yield Index comprises issues that have at least \$150 million par value outstanding, a maximum credit rating of Ba1 or BB+ (including defaulted issues) and at least one year to maturity.
- The CS Leveraged Loan Index is designed to mirror the investible universe of the \$US-denominated leveraged loan market. Loans are added to the index upon issuance according to the following criteria: (1) Loans must be rated "5B" or lower. That is, the highest Moody's/S&P ratings in the index are Baa1/BB+ or Ba1/BBB+. If unrated, the initial spread level must be Libor plus 125 basis points or higher. (2) Only funded term loans are included. (3) The tenure must be at least one year.
- Excludes cash and equities.
- Source: FactSet Portfolio Analytics. "Average Coupon" is the weighted average annual coupon for the performing securities in the Fund. "Yield-to-Worst" is the lowest potential yield that can be received on a bond without the issuer actually defaulting. Yield-to-Worst is calculated on the performing securities in the Fund. Securities are capped at a maximum 25% Yield-to-Worst. "Duration" is a measure of the sensitivity of the price of a fixed-income investment to a change in interest rates.
- Source: FactSet Portfolio Analytics. "Average Price" is the weighted average price of all debt instruments in the portfolio. It excludes cash and equities.
- The SEC Yield is based on imputed income of all holdings.

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.

Third Avenue Focused Credit Fund

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Asset Classes

High Yield Securities (excluding Restructurings ¹)	47.0%
Credit Spread <600 bps	0.0%
Credit Spread 600 -1000 bps	3.9%
Credit Spread >1000 bps	43.1%
Restructurings ¹	1.4%
Equities ²	27.1%
Cash & Equivalents ³	24.5%

Bond Maturity

< 3 Years	20.1%
3 – 6 Years	28.3%
6 – 10 Years	0.0%
> 10 Years	0.0%
Equities ²	27.1%
Cash & Equivalents ³	24.5%

Top 5 Industries

Services	19.1%
Consumer Products	12.7%
Manufacturing	9.6%
Media/Cable	7.8%
Energy	4.9%

Fixed Income Breakdown

Corporate Debt	40.6%
Bank Loans	7.8%
Equities ²	27.1%
Cash & Equivalents ³	24.5%

Regional Breakdown

United States & Canada	59.8%
Other Regions	15.7%
Cash & Equivalents ³	24.5%

Credit Rating⁴

BB	0.0%
B	0.9%
CCC	15.7%
C	0.0%
Unrated	31.8%
Equities ²	27.1%
Cash & Equivalents ³	24.5%

Fund Details

	Institutional Class	Investor Class
Ticker	TFCIX	TFCVX
Cusip	884116708	884116609
NAV/Share	\$5.61	\$5.62

1. Restructurings: debt securities of companies that are not currently making their debt service payments and have either entered into bankruptcy proceedings or are expected to do so in the near term.
2. Equities: Common and preferred stocks purchased, common stock received in a debt-for-equity exchange.
3. Includes receivables and payables.
4. Credit ratings for each security provided by Standard & Poor's. Credit ratings are forward-looking opinions about credit risk. Standard & Poor's credit ratings express the agency's opinion about the ability and willingness of an issuer, such as a corporation or state or city government, to meet its financial obligations in full and on time. Ratings are expressed on a scale from "AAA" to "D", where "AAA" signifies the highest confidence in the issuer's capability to meet financial commitments, and "D" signifies an issuer that is in payment default.

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